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CALCUTTA, 3rd JANUARY, 1963

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MADRAS ACT No. 58 OF 1961 51

72. Provisions of this Chapter to override other provisions.—The provisions of this Chapter shall, subject to the provisions of section 17, have effect notwithstanding anything inconsistent therewith contained in any other provision of this Act.

CHAPTER IX.

EXEMPTIONS.

73. Exemptions.—Except as otherwise provided in sub-sections (2) and (3) of section 5 and in section 6, nothing contained in this Act shall apply to—

(i) any land held by the Central Government or any State Government or any local authority;

(ii) any land held by—

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(iii) any land owned by such co-operative societies [other than societies registered or deemed to have been registered under the Madras Co-operative Societies Act, 1932 (Madras Act VI of 1932) or under the Travancore-Cochin Co-operative Societies Act, 1951 (Travancore-Cochin Act X of 1952)] as are approved by the Government;

(iv) any land held by any industrial or commercial undertaking (other than a co-operative society) which, in the opinion of the Government, *bona fide* carries on any industrial or commercial operation and which is approved by the Government;

Provided that such approval shall be subject to such conditions as may be prescribed:

Provided further that such land shall be exempt only so long as the said conditions are complied with:

(v) any land in any hill area;

(vi) all plantations in existence on the date of the commencement of this Act;

(vii) lands converted on or before the 1st day of July 1959 into orchards or topes or arecanut gardens, whether or not such lands are contiguous or scattered:

Provided that such lands shall be exempt only so long as they continue to be orchards, topes or arecanut gardens;

(viii) any land used exclusively for growing fuel trees on the date of the commencement of this Act:

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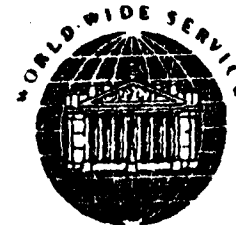
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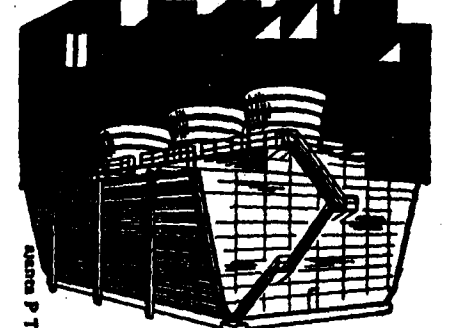
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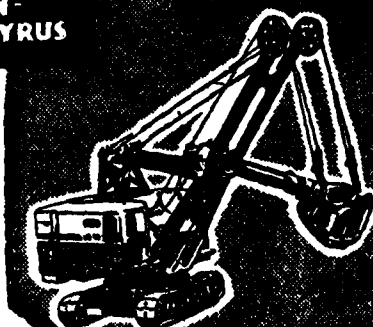
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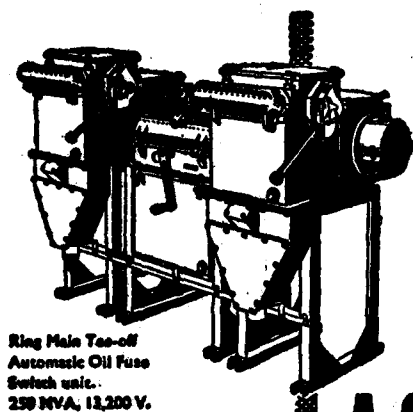
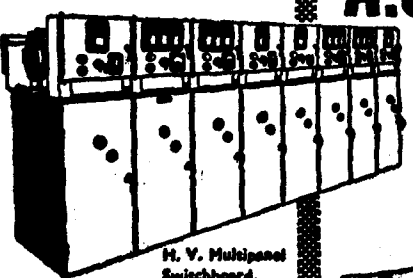
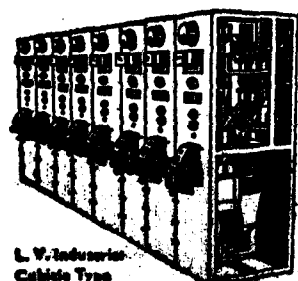
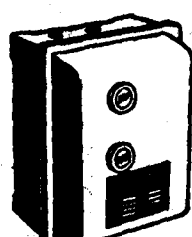
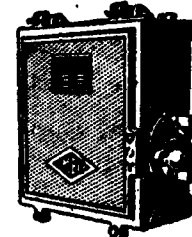
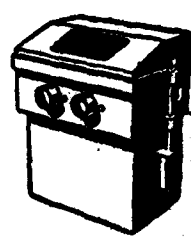
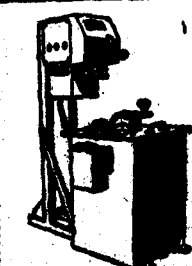
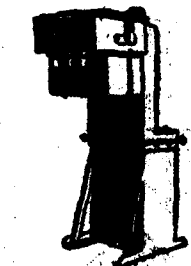
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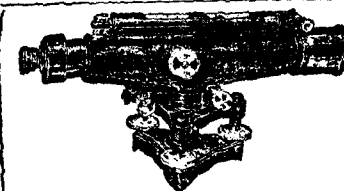
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BRITAIN AND THE COMMON MARKET: ON THE BRINK

THE consequences for India if Britain joins the European Common Market have not been receiving much attention here lately, for reasons which need no particular elaboration. The progress of the Brussels negotiations, too, has scarcely encouraged step-by-step assessment in this country. Why, it might be asked, should India, with all her present preoccupations, worry herself about Britain's joining the Common Market when such a prospect has never seemed more in doubt since it was first taken up seriously two years or so ago? And that, of course, is the fact of the matter. As the year 1963 dawns, it has to be admitted that the whole question is still shot through with uncertainties, despite the recent gesture of the Six in fixing 1st January, 1964, as a tentative deadline for British membership. The course of the Brussels negotiations since the Commonwealth Prime Ministers Conference last September has been one of rapidly alternating optimism and pessimism so far as Britain's prospects are concerned. At the start of this new year, it is definitely pessimism which is in the ascendency. So, for India, the comforting attitude to take is that it may never happen, because that is a genuine possibility. In the long run, of course, there remains the disturbing possibility that a Britain outside the E.E.C. may be unable to maintain an expanding or even an open market for Commonwealth exports. But for the time being at least that is another matter, and there are other and far more pressing things to worry about.

It seems correct to say that at present the main external obstacle to Britain's membership is the attitude of France. This may be modified by increased pressure from the other members of the Six if President de Gaulle is not successful in his present efforts to avoid all the blame for holding matters up. But since Mr. Macmillan met the President some weeks ago, and so obviously failed to secure any promise of personal intervention on Britain's behalf, it is perhaps the state of public and political opinion in Britain itself which might now prove to be the deciding factor. The evidence suggests that this is becoming increasingly resentful of the unaccommodating attitude of the Six, and especially of France. And because there is not yet the feeling in Britain that membership is in fact, as Mr. Macmillan once described it, the only alternative to early political and economic eclipse, it may result in forcing the Conservative Government to break off the negotiations altogether or be prepared to concede an easy victory to the Labour Party at the next general election. A deadline of end-February for the settling of all outstanding principles is already being talked about in London. British pride, Mr. Acheson and the Skybolt controversy notwithstanding, is still strong and remains a factor to be reckoned with in judging the prospects against Common Market membership.

It is doubtful whether the same can be said of the British economy. At the moment, this is not among the factors discouraging further efforts to secure entry. Indeed, the mood of industry in Britain at the beginning of the New Year is that the sooner the country is allowed in, the better. The present state of uncertainty is one of the

elements responsible for the recent decline in the investment spending of manufacturing industry, which in turn is playing an important part in producing a politically-explosive unemployment problem. British industry has accepted the Common Market challenge well in advance and has been stripping off its surplus labour and improving its operating efficiency. But at present it feels unable to go ahead with long-term expansion plans until the situation becomes clearer. If Britain does decide to walk out at Brussels, the disappointment in industrial circles will be surpassed only by the uncertainties as to what to do about the future. The least that can be expected is a rapid increase in the flow of British investment resources into Europe so as to avoid the tariff wall, a development which would scarcely help in solving Britain's two pressing problems of falling private investment and mounting unemployment. At the worst, a mood of diffidence and despondency might attack British industry which could completely wreck the Government's present plans for long-term economic expansion. In neither case is the prospect a pleasant one.

The mood of the British public, though inclined to be more irrational, is no less important in the final outcome. That large and articulate section of it, organised labour, is by no means opposed to Common Market membership in principle, but tends to be decidedly lukewarm in practice. The idea that traditional and cherished privileges may have to be abandoned if Britain joins has been accepted so far with some reluctance; the less enlightened sections of the movement may take a decision to break off at Brussels as an easy excuse for slipping back into the kind of insular and restrictive thinking which has done so much to bedevil Britain's industrial relations and impede economic progress in the past. Indeed, it is safe to say that both sides of industry would suffer a serious setback to the halting progress which has recently been taking place towards a more enlightened handling of the problems facing them. If Britain is to make her way in the modern world, she can ill afford to let this happen. The traditional insularity of the ordinary British mind, modified to a limited extent during the era of imperialism but tending to strengthen again now that is closed, is certainly no asset in tackling the problems of the modern world.

The picture presented by the British economy at the beginning of this New Year is only a moderately promising one, and only then in comparison with the year just ended. Exports, which rose sharply in the first and second quarters of 1962, were down again in the third quarter. This is not an unusual phenomenon, but even when the figures are adjusted for seasonal variations, it is clear that the growth of exports levelled off in a way which has confounded earlier hopes. It would probably be too much to hope that the upward trend was resumed in the fourth quarter of the year at the rate recorded in the first two. The performance of imports has fortunately been less discouraging, partly because there has not yet been a determined move by British industry to

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replenish its raw material stocks. Taking seasonal factors into account, the British balance of payments during the third quarter of 1962, the last for which figures are available, although disappointing, was not therefore such as to cause excessive anxiety. It was, however, bad enough to discourage Mr. Reginald Maudling, the Chancellor of the Exchequer, from yielding to the demands for more expansionary measures before the next Budget. As those already introduced have proved unavailing, no doubt due to the prevailing climate of uncertainty, it is difficult to see how any rapid recovery in Britain's economic activity can be expected in the New Year, especially in the early part of it.

The most remarkable feature of the past year so far as the British economy is concerned has been the strength of sterling. This persisted even during the setbacks of the third quarter of 1962, and has continued into the fourth quarter despite the Cuban and Sino-Indian border crises. The reason for it—one that has served to offset not only adverse political events, but such developments as a fall in invisible earnings and a heavy draft on reserves to finance repayments as well—is an inflow of relatively hot money seeking to benefit from Britain's high discount rate or simply to escape the perils surrounding the dollar and the deutschmark. It is not, however, something on which it would be safe to base ambitious expansionary plans for the future. Indeed, it could be reversed altogether if Britain were to reduce Bank rate from its present 4½ percent; and this is undoubtedly the main reason why Mr. Maudling has so far resisted all pressure to do just that.

Against this economic background, it is becoming increasingly clear that the key to Britain's economic fortunes in the New Year, and in subsequent ones too for that matter, is the acquisition of new export markets. At the moment, the

only source of these is the E.C.M. itself. Now that the likelihood of an easy entrance for Britain appears to have receded, discussion is turning to alternatives. None of those so far suggested has been outlined in detail. They range from a vague recommendation on the lines suggested by Mr. Diefenbaker in London last September to an equally vague suggestion that a conference be convened to expand and liberalise world trade. All appear to ignore one essential factor, which is that it will take more than Britain alone to make a bargain, and so far there is little indication that any other country of world trading importance is seriously interested. It is possible that, outside the Common Market, Britain will be able to expand her trade with her Commonwealth and E.F.T.A. partners. But it is more likely that the scope for this will remain strictly limited in the short run; and it is no coincidence that the largest expansion of Britain's trade in the past two years has been with the Common Market.

It can be said with some conviction, therefore, that the economic arguments for Britain's entry remain as convincing as ever. The main barriers continue to be political and psychological, and there is every sign at the moment that these are growing in strength. There may be some truth in the claim that if Britain does not make the sacrifices necessary to membership now, she will be forced into much bigger ones in the future. But this is unlikely to make much difference to the outcome of events in the current year. They are more likely to be conditioned by the attitude of France on the one hand, and the indignant frustration of British public and political opinion on the other. Such factors as the wishes of the remaining partners in the Six and the long-term plans of the United States will certainly play their part, but at the moment they seem likely to remain somewhat subsidiary to these two main factors.

(the trade has not been above reproach in times of scarcity such as at present. However, a scheme could have been evolved, which would ensure proper distribution at reasonable prices without at the same time eliminating the established importers from their traditional field. Even the system of actual-user licensing has not remained without abuse, and instances are not rare where the imported commodities have gone straight to the markets instead of to the factories. The State Trading Corporation, which was originally set up to supplement the existing trade channels, has now gradually supplanted them. A few more S.T.C.s are reported to be in the offing, and they will operate over a wider field. However, one cannot help feeling that the State, with all its altruistic motives, has not been an efficient benefactor. By and large, the supposedly "amoral" forces of the market seem to have "delivered the goods" better. Representatives of the trade and industry have naturally resented the proposal to canalise a larger volume of imports through the S.T.C.

In view of the far-reaching changes made by the import policy, the system of annual licensing, which was introduced last time in pursuance of the Ramaswami Mudaliar Committee's suggestions, stands bereft of much of its value. Annual licensing was introduced to enable the industries to plan their inventory build-up so that production schedules may be drawn up with confidence. But the fact that for several items the second half of the annual licences will not be validated, indicates that annual licensing has lost much of its significance. There is considerable room for improvement in the licensing system itself. It is well known that import licences are sometimes sold on the market at fantastic premiums. Steps could be devised either to stop this practice or to pass the benefits of these sales to the Government by auctioning the licences that are not used. Red-tape delays and the cumbersome procedure involved in the issue of licences could also be shortened, if not eliminated altogether.

The reduced volume of imports—though the actual extent of reduction proposed is only Rs. 8 crores or Rs. 10 crores in a total import bill of Rs. 256 crores—is likely to push up the prices of those products whose cost of production has an import element. This may add a further problem to those charged with the task of price stabilisation. Consumers' co-operative societies are considered an important, although obviously a feeble, agency to hold the price line. The 50-percent cut on the supplementary licences to be issued to consumers' co-operatives is, therefore, a little surprising. The decision to ban the import of foreign liquor is more in the nature of a token effort, as the saving involved will be only about Rs. 8 lakhs or Rs. 10 lakhs, against an import budget of Rs. 148 crores. However, from the point of view of tourist promotion, which, if properly directed, can become an important dollar earner, the ban on foreign liquor seems ill-conceived. Similarly, halving the imports of certain vital medicines, surgical instruments, vaccines, sera and hearing aids is ill-advised, particularly when there is no indigenous manufacture of many of the items. Plainly, in such cases austerity can be practised only at the cost of the people's health.

BOTTLENECKS IN ENGINEERING

At a Press conference held in New Delhi earlier this week, Mr. Nehru once again emphasised that the Chinese threat to India is essentially long-term in nature. This implies that the task of building up the country's defence potential is not an emergency operation which can be quickly completed with imported military hardware, but an exercise which will extend over several years. In this context, India's engineering industries have an obvious rôle to play; many may be called upon to produce defence stores required for direct military use, while others render just as vital a service to the economy through increased import substitution. The availability of "free" foreign exchange—never very comfortable—is bound to deteriorate further because of the claims of military stores and equipment. This lends the greatest importance to whatever can be done to reduce dependence on imports, both immediately and over a longer period. These are

the two major tasks facing engineering industries as they enter 1963. They have had a good year in 1962, when the index of production rose from 420 at the end of 1961 to 462 last September. Even more impressive has been the rise in the output of industrial machinery—18 percent in the aggregate, but much higher in certain key sectors such as the manufacture of mining equipment and Lancashire boilers. The rate of progress could undoubtedly be maintained, if not improved upon, in the new year if action is taken to alleviate the shortages holding back production. In today's conditions, when a quick increase in output is the pressing need, it is something of an advantage that engineering industries have large reserves of unutilised capacity, going up to 50 percent or more in several branches.

Bringing this capacity into use depends in the first place on the availability of raw mate-

iron, steel and non-ferrous metals. The Engineering Association of India holds that the demand for pig iron is 1.2 million tons, against the current availability of only 750,000 tons. In steel too, the gap continues to be depressingly large despite the rising production from the new steel plants, particularly Rourkela and Durgapur which appear at last to have turned the corner. Even if this upward trend is maintained, there will still be a serious shortage of steel, specially of flat products like plates and sheets. The present limitations of capacity rule out the possibility of substantial relief until Rourkela's expansion, not so far begun, is completed. Looking further ahead, supply will not begin to catch up with demand until another new plant, specialising in flat products, comes up at Bokaro. Whatever doubts may exist about the need for Bokaro in some quarters, it is instructive to note that the consumers take a different view. In New Delhi last week, Mr. K. L. Chowdhary, president of the Engineering Association, was urging that the construction of the fourth steel plant should be expedited.

This does not, however, provide any immediate answer to the problem of shortages. As Mr. Chowdhary said, there is no option but to rely on imports which he hoped would be made available on special terms. There is, no doubt, a great deal more understanding of Indian needs today than ever before, as is evident from the unexpected offer of £1 million worth of copper from Sir Roy Welensky. Whether such generosity will continue, now that the immediate military threat has decreased, remains to be seen. Judging from what the U.S. Ambassador, Professor J. K. Galbraith, said in Calcutta last week, it may be assumed that India's friends will endeavour to help her to increase production for strategic purposes, but there are obvious limits to additional assistance. India's requests for long-term military assistance may not run to \$1,000 million, as some Press reports have suggested, but they are still large enough to constitute a problem for donors obviously have many other claims to meet. This, once again, points to the need for speedy import substitution, which means in this context the accelerated development of basic metals capacity.

Addressing the All-India Manufacturers Organisation in Bombay last week, the Central Minister of Defence Production said that ideological hesitation will not stand in the way of the fullest use of the potential existing in the private sector to meet military needs. If a similar empirical approach were adopted in the steel industry, the acceleration suggested may be more readily achieved. The Government has had before it for several months a proposal to allow Indian Iron to add 300,000 tons to its finished steel capacity in the first phase of a more ambitious expansion programme designed to double Burpur's output. Indian Iron hopes to complete the first stage in little over 30 months at a total cost of about Rs. 12 crores, which makes this a very attractive proposition indeed. Although Sir Biren Mookerjee has not explicitly said so, it is understood that the Government will not have to find any foreign exchange for the expansion since it is likely to be provided by the World Bank.

Tatas are also known to be working on expansion proposals but their enthusiasm has possibly cooled off since the announcement of the new retention price last September. Both Indian Iron and Tatas have pleaded for a review of the price, particularly the underlying assumption that steel plants should work at 100 percent of capacity uniformly year after year. Whatever led Mr. Subramaniam to adopt this obviously irrational attitude, present circumstances warrant a change in policy to encourage them to expand and, if necessary, diversify their production. Both the units can comfortably add another million tons each to their capacity within their overall plant layouts. Since services and facilities will not have to be duplicated, it is reasonable to assume that expansion can be quickly completed and the cost a ton of new capacity will be attractively low.

For pig iron, it would be better to meet the demand of the foundries from independent iron

plants. At least that should be the long-term aim since the tying up of blast furnace capacity in integrated plants for producing pig iron seems unnecessarily wasteful. Unfortunately, schemes for setting up small pig iron plants have so far made no headway at all, which has led to some sharply-worded criticism of the lack of initiative of the private sector. Quicker progress may now perhaps be possible because equipment is likely to be available from within the country with only a small imported component. But however quick the progress towards establishing new iron and steel capacity may be, there would still be an imperative need for the careful husbanding of supplies to ease shortages in the coming months. This would imply better and more effective control over distribution to stamp out the demoralising leakages of scarce categories into the black market. The Government has launched an enquiry on the existing control procedures, but it should still be possible to attempt an immediate streamlining with the co-operation of the trade and consumers.

Raw materials apart, action will be necessary to mitigate other handicaps. Only marginal improvements are possible in power generation capacity as most plants are already fully extended. But that is no reason for neglecting the possibility of a 10 percent or 15 percent increase in better grades of coal are supplied for use in power station boilers. Again, standby capacity could be reduced to the minimum, as the Associated Chambers urged in a resolution adopted at the last annual general meeting, but this would

imply better maintenance and more generous provision for spares. The latter would clearly depend in present circumstances on a larger allocation of foreign exchange. Simultaneously, every possibility for economising the use of power has to be pursued, including staggering of work-days and the institution of daylight saving schemes. Judging from the peak load curve of the Calcutta Electric Supply Corporation, there can be no doubt about the strain thrown on the system in the early evening, which makes it difficult, if not altogether impossible, to introduce an extra shift in engineering plants from which additional production is urgently needed.

On its part, the engineering industry too is thinking in terms of more rational deployment of its productive capacity. Mr. Chowdhary has proposed setting up consortia to pool capital, experience and technical skill so as to enable units collectively to supply complete plant and equipment for individual industries. Such pooling was already being advocated before the emergency because this was the only feasible way of eliminating uneconomic production along parallel lines. The need is more urgent now, and it is to be hoped that such consortia will be quickly set up. For similar reasons, it seems necessary to mobilise tool-room capacity wherever it may exist, whether in engineering units or others. The bottleneck created by the inadequacy of tools, jigs, gauges and fixtures lends weight to the Engineering Association's proposal for a quick survey of capacity as a preliminary to more effective utilisation.

Current News and Comment

Raising Money for Defence

The economic implications of a "crash programme" to mobilise India's resources to meet the Chinese threat have been outlined in a bulletin published by the University of Allahabad. The author of the paper, Dr. A. N. Agarwala, is the University's economist and also a member of the Planning Commission's Panel of Economists. He has taken for a working hypothesis that the Chinese army is 2.5 million strong. To meet the threat of aggression effectively, he suggests expanding India's armed forces to the same strength. For a mobilisation of such magnitude, he favours the creation of a separate defence budget of the order of Rs. 7,500 crores, independent of the existing revenue and capital budgets. He pleads for a separate defence budget because of the need to save the five year plan, at least in its essentials, as a large portion of the plan can be defence-orientated. At present, the Government of India seems to be thinking in terms of doubling the defence expenditure to about Rs. 700 crores a year. Viewed in this context, Dr. Agarwala's suggestions sound very bold and ambitious, and will be impossible to translate into practice.

A defence budget of the size suggested by him would imply raising financial resources totalling over 20 times the present defence allocation, or twice the aggregate of the revenue and capital budgets of the Central and State Governments together. The author feels that resources of this order can be raised, *inter alia*, by reducing the existing level of consumption by 10 percent and freezing it at that level during the period of the emergency. This is to be achieved by axing the expenditure on luxury items and durables like motor-cars, furniture and houses. Assuming the present consumption to be Rs. 12,800 crores, he estimates that this step would release about Rs. 1,300 crores a year for defence. The restriction of consumption by the people would increase the volume of deposits with the banks, but this improved liquidity would not press upon supplies or prices and would, therefore, not be inflationary. It would also release a tenth of the supplies in the market, which might be bought by the Government at current prices.

As for mopping up the savings, Dr. Agarwala suggests raising donations on a regular basis (likely yield: Rs. 100 crores a year), defence loans (target: Rs. 200 crores a year) and a 20 percent rise

in taxation (Rs. 300 crores a year). The consumption cutbacks, on which all these things depend, will obviously call for a high degree of social consciousness and personal restraint. The author points out that reduced consumption will also make redundant the provision made in the plan for improving the consumption standards of the people. This will release over Rs. 2,100 crores a year to begin with, and by 1965-66 will yield Rs. 3,400 crores. He points out that this will be the largest single source of finance, and, in 1963-64, will account for more than 28 percent of the proposed defence budget of Rs. 7,500 crores. Reduction in Government expenditure, which would be possible to the extent of 10 percent, would bring about Rs. 100 crores a year. Increase of the daily working hours by an hour would raise national output by about 10 percent. Taking India's national income in 1961-62 at current prices as Rs. 15,000 crores, the resources available by the extra work put in would fetch annually Rs. 1,500 crores. The additional production by increasing the present volume of employment would yield another Rs. 1,500 crores a year. He has also stressed that foreign military aid of the order of Rs. 2,000 crores a year will have to be secured. Dr. Agarwala's proposals sound fantastic, and would lead to financial and economic chaos. They show that India's academic economists have yet to come down to earth.

Outlook for Cotton Textile Exports

In spite of the introduction of the compulsory export scheme since July 1962 and a series of adjustments in the export promotion measures over the past few months, cotton piecegoods exports from India in 1962 are unlikely to exceed 500 million yards, fetching no more than Rs. 41 to 42 crores. Compared with even the previous year's disappointing performance, this would mean a further setback. Against an estimated fall of 6.3 percent in the volume of world trade in cotton textiles in 1961, mill-made cloth exports from India fell by as much as 17.4 percent from 694.8 million yards to 574.3 million yards. Quantitatively, sales slumped mainly in the U.K., the U.S.A., Australia, Burma, Malaya and Singapore, West Africa, Aden, New Zealand, Iraq and Morocco. In his speech at the latest annual general meeting of the Cotton Textiles Export Promotion Council, held recently, the chairman, Mr. Neville N. Wadia, says that

of the various factors contributing to the disappointing export performance in 1961, the most important was the continued increase in the costs of production due to an all-round rise in the prices of cotton, stores and fuel and higher wage costs. Indian cotton, it is said, is about 25 percent costlier than comparable foreign cotton and Indian mills have to pay for stores nearly 50 percent more than their competitors. Labour costs are also substantially higher when due account is taken of productivity. The other significant reasons for the fall in exports were the vast inroads made in the U.K. market by non-Commonwealth countries at the expense of India whose exports were subject to restrictions, the successive slashing of the prices of Japanese and Hongkong goods in the traditional markets to maintain their performance; credit squeeze, import restrictions and foreign exchange curbs in a number of markets; resort to bilateral arrangements, barter and link transactions by many countries; more stringent control on imports of India's bread-and-butter lines by countries nurturing local textile industries; growing consciousness for fashions and presentation and India's inability to cater to this section of the trade readily and at workable prices.

Since the industry has lost the advantages of cheap cotton and cheap labour and its equipment is old and inefficient, it is scarcely surprising that India should continue to lose gradually her hold on world markets. Competition has already forced this country to sell its cotton textiles at progressively lower prices not only in the non-traditional markets but also in Britain. Cotton textile exports from the European Common Market countries to the U.K. have risen impressively over the past few years in spite of their having to pay a duty of 17½ percent. It may be well imagined, therefore, what will happen after 1967 when their goods will enter duty-free and Indian textiles will be subject to duty at an average of 18 percent, the cumulative adverse effect being 35½ percent. Mr. Wadia expressed the hope that no change would be made in India's existing tariffs and quotas with Britain until the trade agreement with the enlarged Community are concluded.

The exports of cotton, woollen and synthetic hosiery goods fell by about 45 percent in 1961, compared with the previous year and the trend in 1932 has been equally disappointing. The structure of the industry and the lack of modern machinery to cater to contemporary styles at internationally acceptable prices are the root causes of this poor performance. Exports of cotton manufactures other than piecegoods have done fairly well in 1962, largely due to the upward swing in cotton yarn exports; the figure for the January-September period is placed at Rs. 7.4 crores. Considerable improvements introduced recently in the export promotion scheme to accelerate exports of cotton manufactures are expected to provide a fillip to this trade. Mr. Wadia has urged the cotton textile industry to go all out for finished fabrics in order to build up a lasting trade. He has made a special appeal to the fine and superfine mills to contribute enthusiastically to the export drive. The need for concentrated effort in certain markets where quota limitations and other difficulties prevail cannot be overemphasised, and Mr. Wadia's suggestion for a consortium or a syndicate for boosting textile exports deserves to be considered carefully.

Reliable reports indicate that the U.S. administration has expressed concern over the increased tempo of Indian textile exports to the U.S.A., and has requested the Indian Government to restrict its exports of twills and satins to the level reached in the 12 months prior to the Geneva international agreement on cotton textiles. According to the U.S.A., current Indian exports of these items to the American market are in excess of exports during the base year. The U.S. request has come in the wake of similar requests made to other countries like Hongkong, Japan, Formosa, Israel, Colombia, Jamaica, Greece and Portugal concerning certain categories of cotton textiles. The U. S. Administration will discuss shortly with the Government of India the question of regulating cotton textile exports to America.

Rayon Fabric Exports Rise

Exports of rayon and synthetic fabrics in October 1962 through the ports of Bombay, Calcutta

and Madras totalled 6.6 million metres valued at Rs. 62.50 lakhs. This shows a marked improvement over the previous month's figure of 5.3 million metres valued at Rs. 51.80 lakhs. The average price of the fabrics exported in October was, however, slightly lower at 94nP a metre against 96.5nP a metre in the previous month. The October figure brings the total value of exports during the first ten months of 1962 to Rs. 5.6 crores, against Rs. 4.4 crores in the corresponding period of 1961. Asian markets provide an important outlet for India's exports of rayon and synthetic fibres. Out of the total exports of Rs. 62.50 lakhs in October, Asia accounted for Rs. 43.03 lakhs, to be followed by Africa with Rs. 11.11 lakhs. Exports to Oceania, the United States and Europe amounted to Rs. 4.07 lakhs, Rs. 3.04 lakhs and Rs. 1.25 lakhs, respectively.

The prices realised from the export of rayon and synthetic fabrics in 1962 have been considerably better than in 1961; the average price range in 1962 being between 91nP and Re. 1 a metre, compared with 70nP to 90nP in 1961. The improvement in prices is attributed to the change in the export promotion scheme with the incentive granted either on the basis of the f.o.b. value or the value determined on the basis of the schedule of international prices, whichever is lower. Exports in November are estimated around Rs. 50 lakhs and shipments during 1962 will work out to around 15 percent of the country's output. With a view to encouraging the export of art silk fabrics, manufacturer-exporters have now been permitted to ship piecegoods not produced by them. The total exports of the manufacturer-exporter will, however, continue to be subject to the ceiling of Rs. 15,000 a loom a year. Manufacturer-exporters have also been permitted to sell to any consuming unit the imported as well as indigenous art silk yarn obtained by them under the export promotion scheme. The decision to recognise trading in imported and indigenous art silk yarn only legalises what, in effect, has been already in existence. The individual ceiling of Rs. 15,000 a loom is too high a limit to be achieved easily.

Problems of Oilseeds Industry

While the inaugural speech of Mr. Nityanand Kanungo, Central Minister for Industry, at the recent meeting of the Development Council for Oils, Paints, Soaps, Cosmetics and Toiletries, looked more like a restatement of the all-too-familiar problems, some of the policy statements made by him encourage the hope that the Government is now more determined to find a solution. The Government is considering the question of appointing a high-powered committee to make recommendations to place the oil milling industry on a sound footing. The organised mill industry has every reason to feel happy over Mr. Kanungo's statement that the authorities are examining how best the existing compounded levy can be modified so that it does not adversely affect its working. The industry has long been pleading, almost in vain, that as a result of the compounded levy, a number of organised units have been forced to close or work partially. Several small units have sprung up to take advantage of the lower excise duty. This is known to have affected the supply of oilcakes of the requisite quality for the solvent extraction industry. Since groundnut extraction is about the only item that is doing extremely well in overseas markets and it has a big potential, the solvent extraction industry needs every possible encouragement for its efficient and economic working. Mr. Kanungo's announcement that the Government has decided not to license any further capacity for the soap industry is welcome, because already is a large proportion of capacity is remaining idle. But it is equally important that the industry is properly reorganised because the mushroom growth of small units in the unorganised sector has had adverse repercussions on the working of the organised sector. Better organisation could help secure some saving in the use of oils whose supply position is far from comfortable.

The Central Industry Minister did well to call upon the soap manufacturers to recover the maximum amount of glycerine, which is a bye-

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product, as glycerine is required in the ordnance factories in the present national emergency. A large-scale substitution of synthetic detergents for soap can also reduce the pressure on edible oils. The production of detergents is very limited at present, but the production of detergents depends mainly on the development of the petrochemical industry. Mr. Kanungo said that the Government had received the report of the committee on the development of the rice bran oil industry, which has vast potentialities. The supply of rice bran in the country is estimated around 900,000 tonnes a year. In view of the difficulties in the collection of the right type of bran for extracting oil, the Government has a plan to develop initially a production of about 20,000 tonnes of oil. The output at present is poor around only 3,000 tonnes.

But the basic problem facing the oilseeds bearing industry is the serious shortfall in the production of oilseeds. The present production is no more than 6.8 million tonnes, against the third plan target of 9.8 million tonnes, which is about the minimum that the country will need in order to satisfy the internal requirements at reasonable prices and also leave a satisfactory exportable surplus. Considering the disappointing progress made in recent years, not much comfort can be derived from Mr. Kanungo's assurance that the question of increasing production is engaging the serious attention of the Central Ministry of Food and Agriculture. Until production can be stepped up to catch up with demand, measures will have to be taken to reduce the pressure on the demand for edible oils and supplies will need to be augmented through imports of cheaper oils. It is in this context that the Government's move to import large quantities of soyabean oil from the U.S.A. under P.L. 480 has to be viewed. The move is welcome in that it will help to stabilise the prices of edible oils in the country and to release for export groundnut oil which is now being consumed by the *vanaspati* industry. Nearly two years ago, this industry had suggested to the Government to import about 50,000 tons of soyabean oil. But imports so far have been extremely limited, and no more than 3,021 tonnes were imported in 1961. The industry has now acquired the technique of processing soyabean oil with the help of U.S. consultants, and this paves the way for large-scale imports of this oil. It is true that the disparity between the prices of groundnut oil and soyabean oil has greatly narrowed down recently. Soyabean oil is at present cheaper than groundnut oil by about Rs. 150 to Rs. 175 a tonne; not long ago, the price advantage amounted to Rs. 550 to Rs. 600 a tonne. But this does not detract from the importance of securing large supplies of soyabean oil, the more so when it is to be imported under P.L. 480. Of course, imports will have to be substantially large to have any pronounced effect on the structure of edible oil prices, and also make available a substantial exportable surplus. The export of groundnut oil, however, will have to be subsidised, because there is little hope of Indian prices coming down to anywhere near the world parity in the foreseeable future.

Research in Air-conditioning

In his presidential address at the fourth annual general meeting of the Air-Conditioning and Refrigeration Council of India in Bombay recently, Mr. Y. A. Fazalbhoy underlined the need for co-operative research in the air-conditioning and refrigeration industry which has been launched on a vast scale with important foreign collaboration. Mr. Fazalbhoy said that foreign collaboration would not automatically solve the problems which face the industry concerning the disposal of its products; nor can these problems be tackled through isolated individual effort. Although the Council of Scientific and Industrial Research has been doing useful work, it could not be expected to tackle the specialised problems of the industry. Mr. Fazalbhoy has, therefore, suggested the establishment of a research unit financed by the industry, but with the assistance from the Government. As a first step, he said, the industry should set up a laboratory for examining raw materials, testing components and sub-assemblies and the labora-

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tory could later be developed to undertake major research work. The industry can do a great service to agriculturists by applying itself to the task of preserving farm produce from natural deterioration.

There are about 39 licensed firms in the industry of which nearly one-third are not yet in production. When these units go on stream, there would be a dearth of trained personnel. The Government has not yet responded to the industry's plea for making arrangements for imparting technical education in air-conditioning in any of the technical institutes. Mr. Fazalbhoy said that one university had recently introduced a course in refrigeration and air-conditioning, and he hoped that the lead would be followed by others in the near future. Referring to the progress achieved by the industry, Mr. Fazalbhoy said that according to the statistics compiled by the Development wing, domestic production of refrigerators during the year ended September 1962 amounted to 9,909 units, of commercial refrigerators 87 units, room air-conditioners 12,607 units and water coolers 2,575. The value of the equipment manufactured by the members of the (air-Conditioning and Refrigeration Industry Export) pool during the year was around Rs. 5.3 crores. Commending the efforts of the industry to step up exports, Mr. Fazalbhoy said that this industry had a unique voluntary scheme for compensating export losses, under which every manufacturer has to contribute to the Acres pool 1 percent of its production value and 6 percent of its import entitlement. The pool compensates exporters up to 50 percent of their losses. Exports, however, are still very small. In 1961 water-cooler and room air-conditioner exports fetched only Rs. 1 lakh, and they are expected to yield Rs. 3 lakhs this year. The target for 1963 has been set at Rs. 5 lakhs. The Acres pool has 18 members at present.

Protection for Plastics Discontinued

The Government of India has accepted the Tariff Commission's recommendation that the protection granted to the phenol formaldehyde moulding powder industry—the only sector of the plastics industry which is enjoying protection at present—need not be continued beyond December 1962. The Commission points out in its report that the relative position of the indigenous industry against the landed cost ex-duty of competitive imports is about the same as at the time of its last enquiry in 1959. But it was on certain special considerations that the Commission then recommended the continuance of protection at the level of 35 percent *ad valorem* for a further period of three years. These special considerations were, firstly, the industry was in an important phase of development and some of the producing units had definite plans for diversification of their products backed by technical agreements for foreign collaboration for manufacturing superior grades of p.f. moulding powder. Secondly, for improving the quality of the product, the producing units were required to make further investments; and, thirdly, the industry's dependence on imported raw materials was expected to undergo a change in the near future as a result of the development of indigenous raw materials.

The Commission says that all these factors have since undergone a change. Steps have been taken for the development of indigenous sources of raw materials. Foreign technical collaboration agreements have since been finalised by three units, while negotiations for such agreements are being carried on by some other producers. The industry has installed testing equipment to improve the quality of its products and achieved considerable diversification of output. Thus the special considerations which prompted the Commission to recommend the continuance of protection in 1959 appear to have been removed. During the 12-year period of its protection, the plastics industry has made rapid strides to improve its position by the expansion of capacity, increase in output and diversification of output. The present annual rated capacity of the phenol formaldehyde moulding powder industry is 2,195 tonnes on a single shift basis in six units, against 1,524 tonnes in four units in 1959. Production of p.f. moulding powder has increased from 1,880 tonnes in 1959 to 2,219 tonnes in 1960 and 2,244 tonnes in 1961. During the

first half of the current year, the output amounted to 1,154 tonnes. The production of G.X. and other grades of powder has also improved. The domestic demand for p.f. moulding powder is estimated at 3,000 tonnes in 1962, 3,500 tonnes in 1963, 4,000 tonnes in 1964 and 5,000 tonnes in 1965.

The Commission says that the present capacity of the industry is adequate to meet the current as well as the future demand, provided the industry is enabled to work multiple shifts. Consumers are said to be generally satisfied with the quality of G.P. grade of indigenous p.f. moulding powder, but there are still some complaints concerning G.X. grade from manufacturers of electrical accessories. The Commission urges the producers of p.f. moulding powders to take more energetic steps for improving their products. It feels that with a little more experience, the indigenous industry should be able to produce p.f. moulding powder of G.X. grade comparable in quality to the imported product. The Commission has suggested that the applications for import licences from producers of p.f. moulding powder for testing equipment should be given sympathetic consideration.

U.P. Measures to Raise More Revenue

The U.P. Government's decision to mobilise fresh revenue resources has been prompted by the war with China. As a border State, Uttar Pradesh has a special responsibility for taking defence measures. Faced with a huge Budget deficit of nearly Rs. 14 crores, the U.P. Government has decided on a number of steps to tap additional revenue. The most important of them are the levy of an emergency surcharge on land revenue and the enactment of the Rent Bill. The Act, which empowers the Government to impose a 25 percent surcharge on land revenue or rent, is expected to yield about Rs. 5 crores. The State Government has also enhanced the entertainment tax on cinemas. The rate has gone up from 50 percent to 60 percent. Several legislators wanted the percentage of tax to go still higher. The official argument, however, was that the cinema was the only form of entertainment which the poorer section could afford, so the tax should not be raised further. Sales tax rates have also been increased with effect from 1st December, on a number of commodities. These include cement, bricks, tyres and tubes, kerosene oil, cotton, brassware, spices, *ghee* and fountain pens. The increase is roughly of 1nP over the existing rates, except in the case of cement, cotton and cotton waste. The new rates, it is expected, will bring Rs. 70 lakhs or Rs. 80 lakhs annually to the State exchequer.

Block Rakes for Coal

The Coal Consumers Association of India, whose members use over 10 million tons of coal annually, has in a communication to the Central Minister for Mines and Fuel pointed out the difficulties which are likely to arise if the new pattern of coal distribution proposed by the Government is enforced. The scheme for moving coal only in block rakes has apparently been postponed. This is good, since it would have worked to the disadvantage of industrial consumers, especially small and medium ones. The scheme cannot ensure the supply of coal according to the size and grade required, and consumers would have to incur heavy capital expenditure to extend their sidings to accommodate rakes and to provide additional storage capacity. Alternatively, they would have to get their coal by lorries from the station where the full rake stops, and arrange for keeping watch over the coal if lorries are not immediately available. Other difficulties would arise. For example, on what basis would any shortage of a particular grade of coal be shared when it is to be distributed among a number of consumers, and how would it be possible to spot the colliery which may have been responsible for the shortage or for the supply of bad quality coal not required by users? Many collieries, especially the small ones, do not have arrangements for loading block rakes, so the formation of rakes under the scheme would usually be delayed at these points, causing inconvenience and loss to industrial consumers. Moreover, intermediate railway stations in the country and even some

destination stations do not have adequate siding facilities for unloading the rakes. Until these deficiencies are removed, the block rake scheme is unlikely to work satisfactorily.

As for the establishment of regional coal dumps, the Association has pointed out a number of defects which would make the scheme expensive and irksome. Consumers would have no choice concerning the size and quality of coal and would often have to make do with what is available from the dumps. They may not even get the quality they pay for. This danger will become real when coal is moved in block rakes, giving the unscrupulous supplier enough opportunity for malpractices. Moving coal by lorries to factories when these happen to be some distance away from the dumps would prove expensive, and cost the consumer Rs. 10 to Rs. 12^½ a ton more on average, not to speak of the loss which may arise in transit or due to theft from the dump. Moreover, the scheme would eliminate a class of middle man traders who have so far acted both as providers of credit and as professional advisers to consumers in coal matters. The Association agrees, however, that if the block rake scheme is to be introduced, it should be done in stages, keeping in view the hardship which small and medium consumers may suffer.

Devaluation of Scientists

In spite of the wordy tributes paid to scientists and scientific workers in India, there are many research workers like the late Dr. Joseph who are frustrated by the red tapism and bureaucracy in India's national laboratories. The Prime Minister, Mr. Nehru, has apparently not been able to find any solution to the problem of how scientists—who have to pursue the truth in an independent academic atmosphere and have, therefore, to be given maximum initiative and freedom—may be helped to get rid of interference from the departmental bureaucracy. The truth is that the top echelons of India's numerous scientific bodies are staffed not by genuine scientists but by career administrators who have no idea of how to improve the atmosphere for research. The problem is not always solved by appointing eminent scientists as top administrators; being overloaded with routine administrative work, they then inevitably lose their enthusiasm for research and become obsessed with more day-to-day matters like departmental promotions and transfers.

Some of these problems were discussed by Sir Jehangir Ghandy, director-in-charge of the Jamshedpur steel works in his convocation address at Jadavpur University last week. Sir Jehangir referred to the claims of the Council of Scientific and Industrial Research that it is trying to improve the lot of the scientist. Promotions based on merit, it says, have been introduced, cutting across the more time-honoured principle of seniority; advance increments up to a maximum of three have been granted to research workers who have shown exceptional originality; and by and large younger men are being sent on scientific delegations abroad. But it is obvious from the statistics Sir Jehangir cited that the 27 national laboratories with a staff of well over 2,000 professional scientists have not contributed much to the progress of scientific research. More important, Indian industry, as Sir Jehangir said, "has been slow to profit from the scientific and technological work being done in our laboratories and other institutions." Yet the need for the modernisation of industry has been felt all along ever since planning was initiated, and especially now when industry has been asked to contribute substantially and rapidly to the nation's defence effort.

Engineering Goods Exports

The increase in the exports of engineering goods from Rs. 4 crores in 1956 to Rs. 11 crores in 1961, reflects the impressive progress of the industry in this field over the past few years. The Engineering Export Promotion Council has played an important rôle in boosting the overseas sales. The list of exportable items has gradually expanded, and new products like transmission line towers, railway track materials and castings are being sold. Indian engineering goods now go to as many as 75 markets, which include highly industrialised countries like the U.S.A., the U.K., West Germany

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George Barrell

A New Approach to Foreign Aid
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Neil McInnes

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M. S. Sivaraman

Raising Agricultural Production

Pratap Bhogilal

The Cotton Textile Industry's
Worries

R. M. Mitra

Banks in 1962

C. S. Nair

Importance of Road Transport

In addition, there are many other articles and features, including surveys of developments during the year in jute, tea, the stock market, and life and general insurance.

The Annual was published along with the issue of CAPITAL dated 20th December, 1962, and is available at Rs. 5 a copy (postage extra). Registered subscribers have been supplied their copies free, but others should write for their copies immediately to the Commercial Manager, CAPITAL, 5, Mission Row, Calcutta 1. Please place your orders early. No copies can be sent by V.P. Post.

and France. Mr. S. L. Kirlskar, the chairman of the Engineering Export Promotion Council, stated in Madras recently that the export performance in 1962 was not quite satisfactory. Against the target of Rs. 16 crores, exports during the January-October period of the year amounted to only Rs. 7.80 crores. The reason for this poor performance was that the export of steel products like blooms, billets, etcetera, which had amounted to Rs. 2 crores in January-October 1961 had been nil during January-October 1962. Excluding steel, exports, till the end of October, however, had recorded a rise of about 20 percent over the corresponding figure in 1961.

The targets fixed by the Council for next three years are Rs. 20 crores for 1963-64, Rs. 24 crores for 1964-65 and Rs. 30 crores for 1965-66. Mr. Kirlskar added that though these figures might, at first sight, seem unattainable, they were not really so formidable. He said that Indian exporters were trying to break through the foreign markets, and they were offering their goods at lower prices, sometimes even below the cost of production. Indian engineering goods suffered on account of high cost because of the depreciated currency, heavy taxation and certain labour laws which encouraged inefficiency. India faced competition mainly from European countries and Japan. China was not competing in the export of engineering goods. Mr. Kirlskar added that there was no one definite pattern of competition, and individual exporters had to work out their own scheme of furthering the exports of their own goods. Refer-

GUIDE FOR INVESTORS

The usual reviews of company reports and balance-sheets have been transferred from the "Current News and Comment" pages to a new section "Guide for Investors". The latter appears on pages 17 to 20.

ring to the effect of the import cuts on the engineering industry, Mr. Kirlskar said that they would have little impact because most of the industries depended on indigenous materials.

Analysis of U.K. Companies

Britain's five biggest companies are Imperial Chemical Industries, Unilever, Imperial Tobacco, Courtaulds and Bowater. This is disclosed in a U.K. Board of Trade analysis of 2,618 manufacturing companies, each of whose assets exceeded £500,000 in 1960. Banking, shipping and property groups are not included, nor are companies such as "Shell" and British-American Tobacco, which mainly operate abroad. The analysis shows how take-over bids affected industry. Between 1957 and 1960, no fewer than 450 companies lost their stock exchange quotation, mainly because of mergers and acquisitions. U.K. Board of Trade figures show that large companies expanded faster than small firms. Among the very large companies, two-thirds increased their assets by 20 percent, or more in 1958-60. Among very small companies only one in three expanded at this rate.

Fast growth by large companies, plus the effect of take-overs, increased concentration in industry. Between 1957 and 1960, the 100 largest companies increased their share of net assets from 51 percent to 54 percent. These figures also confirm the City view that fast-growing firms are generally the most profitable. Of companies which increased their assets by 20 percent during 1958-60, half earned 40 percent on capital employed. Only one in 12 of the slower-growing companies achieved this level of profitability. On average, just over one-third of the increase in assets of companies during the three years was financed by new money. Big companies tended to rely more on outside money. One out of three larger firms relied on external financing, against only one in ten smaller concerns.

Rise in World Shipping

According to the statistical tables compiled by Lloyd's Register of Shipping for 1962, the world tonnage of steamships and motorships during the year at 139.98 million tons gross shows an in-

crease of 4 million tons gross. The increase was widely distributed among principal maritime nations, and there was no significant change in the ranking position of leaders. Decreases have been noted in the case of Liberia and Panama, because of continued repatriation of ships with controlling Greek interests. At the same time, Greece is considerably building up her fleet with new tonnage, and it shows the proportionately highest increase in fleet strength of all maritime nations. There has also been a fall in the case of the U.S.A., due to the scrapping of Liberty ships in that country. Japan comes second in order of tonnage added, followed by Russia and Norway. Small additions to their national fleets were reported by Canada, France, Spain, India and Argentina, while the smallest was reported by Brazil. The total increase of tonnage in British Commonwealth at 500,000 tons gross, was still a long way behind those of Greece and Japan and considerably less than those of Russia. Figures compiled by the International Chamber of Commerce show that the tonnage laid up in the world fell steadily from a peak of 9 million in 1959 to 2.2 million at the end of 1961. It remained at this level until June 1962, but has risen sharply during the past few months to 3.7 million tons, indicating that the shipping industry has run into bad weather again. The world total of oil tanker tonnage has increased by 1,455,000 tons gross since 1961, and now amounts to 45,304,000 tons gross, representing 32.4 percent of all steamships and motor-ships. All maritime countries of the world have reported increases, the highest being in Japan, followed by Greece, Russia, the Netherlands and the U.K. The only two countries showing decreases are Denmark and Panama. Additions in 1962 to the total oil tanker fleet in the British Commonwealth over the 1961 tonnage amounted to 244,000 tons gross, which was, however, less than individual additions of Japan and Greece.

EXCHANGE BROKERAGE

DESPITE the petition of the Brokers and the protest signed by numerous merchants the London offices of the Exchange Banks have refused to re-consider the brokerage question and the reduction of 1/16%, therefore, came into force, so far at least as the Banks are concerned, as from the 1st instant. In the interval which has elapsed since notice of the change was given there has been some reduction in the number of Exchange Brokers, two or three having transferred their energies to other fields of commercial activity, while of the remainder, some we understand contemplate extending their operations to the stock and share markets. This is facing the crisis in a commendable, courageous and business-like way. It will be interesting to observe during the next few months the behaviour of the numerous signatories of the merchants' protest. Logically and consistently they must, of course, continue to pay 1/16%, for, if they were not prepared to do so, their interference in the question at all was an unmitigated impertinence. The brokers claim to their sympathy is surely strengthened and not weakened by the fact that the latter have now lost one-half of their income from the Banks? It is true that many of the signatories of the protest were importers, who, of course, transactions and whose interference was, therefore, purely gratuitous; but then as leading counsel said recently in the High Court, "We money, my lord." It is likewise true that, of the remaining signatories, several, while ostensibly sympathising with the brokers and signing directly with the Banks. But such double-dealing as the investigation of this question has over or tolerated by no doubt be readily glossed familiar with the scandalous morality disclosed in connection with the Jute Manufacturers' agreement and Marine Insurance Tariff. Commercial turpitude is lightly dealt with in Calcutta. In our previous references to the brokerage question we condemned the Banks somewhat severely for the shortness of the notice which preceded the reduction. We learn, however, that a year or more ago the leading representatives of the Banks and their attention drawn to the "cutting of rates" to which we referred in our issue of the 13th November, and which the retention of the remuneration of 1/16% appeared to facilitate.

FROM

CAPITAL
8th January, 1963

A Ditcher's Diary

I NEVER HAD MUCH TIME FOR THE INDIAN PRINCES. Only a very few of them ever cared for their subjects: and for the amount of colour they lent to the Indian scene, they did pretty well for themselves. Sardar Patel and Mr. V. P. Menon have been given all due praise for the integration of the States; and, considering the price they extracted for abdication which was perhaps inevitable anyway, it seemed unnecessary to thank the princes for their patriotism, such as it was. Of late, however, I have seen some very uninformed criticism of the ex-rulers for their allegedly niggardly contribution to the war effort. Many, I daresay, could do better than they have done; properly handled, they yet may. But the notion that the princes are sitting pretty on their fat privy purses, when the rest of their countrymen are either fighting at the front or toiling in the factories for meagre wages, is rather wide of the mark. I did not know, until recently, what enormous commitments accompany some of the privy purses. It is all very well to argue that those parasites should be done away with. I agree; but I cannot get so indignant as some others when I see the number of parasites democracies support; counting Governors and other political rejects in other sinecures, you may find that the feudal monarchs of yesteryear do not compare all that unfavourably. Some Congress leaders affect extreme anger at a few of the ex-rulers dabbling in politics. I cannot help noticing a distinct fall in temperature when some other princes join the Congress Party. Whatever the rights and wrongs of the matter, I have a feeling that the Congress Governments have signally failed to win over the princes. Watch your petty bureaucrat and petulant politician; they will throw their weight about at the slightest opportunity, offending everybody around. Yet, some of the former princes had much to give. Before the emergency, they could have helped industrialisation; now they could give money and gold. If they don't, at least in some cases they feel personally hurt and humiliated. Everyone talks in terms of P.R.—public relations. Since the death of the Sardar, there has been no such thing as "princely relations". New Delhi should think the implied suggestion over.

U THANT'S DIFFICULTIES WITH THE PREDICTABLE Mr. Tshombe are easy to see. He has a mandate susceptible of various and mutually exclusive interpretations; and when India withdraws her contingent, as she must and soon, he will not have the resources to do even the little he may be permitted to try. This will suit many parties besides Mr. Tshombe; and it is not necessary to

name them. India has already shown how anxious she is not to embarrass the United Nations; and I admire New Delhi for it. It seems possible still that India's concern for the United Nations is being carried too far. In the existence of the Indian troops in the Congo, some see support for their view that the war with China is not really quite so serious as India sometimes tries to make out. (I say "sometimes" because in the last fortnight Mr. Nehru has more than once referred to the war as a "border dispute", only to say later that to call it a "border dispute" is to get the whole thing wrong. I do wish New Delhi would make up its mind at least on nomenclature.) I do not, of course, know how badly the contingent in the Congo is needed for duty nearer home; but I see a certain contradiction between withdrawing troops from the frontier with Pakistan, which the West seems wholly to approve, and retaining troops in the Congo. For one thing, the seemingly half-hearted request for early return of the Indian troops takes something away from the sense of urgency that should be there, according to the Government itself. For another, even if the troops concerned are not immediately required for action they can, surely, be used for training new recruits. Or am I to understand that training facilities are already adequate and more? As far as I can see, the Congo operation has earned India little more than a vague sort of reputation for high-mindedness—and not a few casualties to little purpose. It is too early to define the operation's place in history; it is not too early to make it clear that India has done more than her share. I was surprised to see an inspired report the other day that India had no right to recall her troops without U.N. consent. Right? Has the U.N. accepted the responsibility of guarding India's borders?

SO WE WON'T BE SEEING Cleopatra for many months yet. I am not suggesting that you were anxiously awaiting Elizabeth Taylor's super-colossal Egyptian block-buster, but with all the publicity this unfortunate movie has had one cannot help wondering whether Darryl Zanuck and friends are ever going to get back the \$35 million they have so far sunk in it. (Incidentally, I wonder whether Julius Caesar or Napoleon spent nearly as much on their ill-fated Egyptian escapades.) Mr. Zanuck says that if he can get "a couple of million dollars more" and if Miss Taylor's health and emotions permit, he might have the four-hour masterpiece ready by the middle of the year. Meantime, I see that Bette Davis and Joan Crawford have made a movie together in less than 30 days and at a cost of under \$1 million, which has

already earned about twice that sum in first releases. It is called *What Happened to Baby Jane* and is a "chiller", in case you want to watch out for this coming attraction. Without going into any comparisons between the old guard of film actresses and the newer reputations, I think the event has a clear lesson for the film industry, including the Indian. It is a familiar lesson, of course, but one that the industry stubbornly refuses to learn. An inexpensive black and white movie with a good story and competent actors is worth all the multicolour sooper-hooper-dooper extravaganzas imaginable—worth more financially as well as aesthetically. Since Miss Bette Davis was lately reduced to buying advertising space in the papers to find a job, and since Miss Joan Crawford is kept busy by her rôle of director of Pepsi-Cola, I guess that they did not demand the exorbitant fees that Miss Elizabeth Taylor receives. The West German film producers decided recently to stop competing for actresses by agreeing on a ceiling for fees. While not, in principle, a supporter of price controls, I take this for the beginning of wisdom.

A BRITISH READER WRITES, WITH MAGNIFICENT indignation: "It may be true that following the Acheson and the Skybolt rumpuses, the British are re-discovering America. But for the Russians to accuse an Englishman of anticipating Christopher Columbus by 130 years is surely to descend to a level of slanderous accusation such as has not so far been experienced in the whole long and dismal history of cold-war incriminations. The English are a patient race; in the past few years they have shouldered the blame for a great deal of what is wrong with the world today, and, as their contribution to the survival of newly-independent rulers hard pressed for scapegoats to cover their own shortcomings, they are prepared to go on doing so. But this is too much. The already vastly over-burdened British conscience cannot be expected to sustain this final straw. History has already affixed the blame for the discovery of America; it belongs to a man whose name has certainly been the cause of more regret than his original good intentions deserved. I know that the Chinese have lately claimed for themselves this dubious distinction; but, despite their behaviour towards India, which proves that they are capable of almost any crime against long-suffering humanity, they need not be taken too seriously. The world has become used to the heated exchange of charge and counter-charge across the Iron Curtain. But why the Russians should have chosen the particular time when Britain is weighing the possibilities of retiring from the nuclear race, and when Russia herself needs all the support she can get against an increasingly aggressive China, to make this particularly grievous and calculatingly wounding aspersion, must remain forever one of the mysteries of that often diabolical box of tricks, the

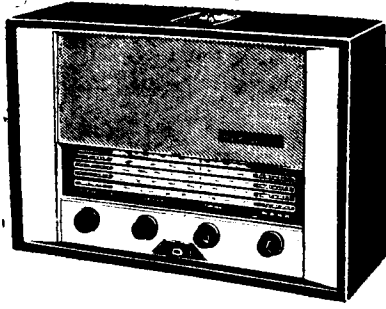
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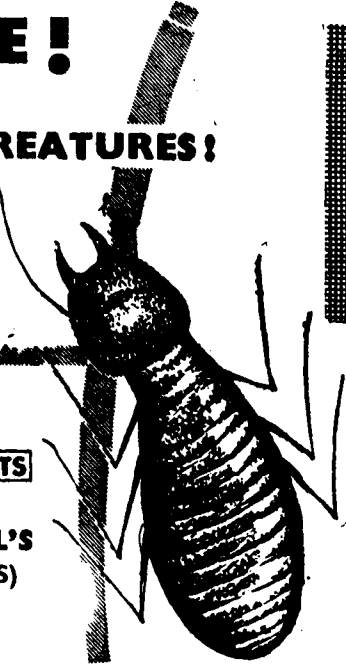


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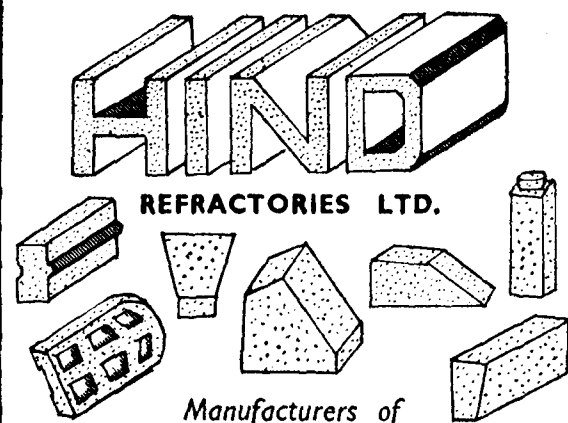
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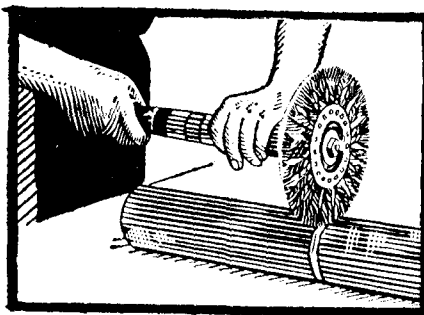
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Slavic mind. I can only say that before breaking off diplomatic relations, and purely as a gesture to offset this latest threat to world peace, Mr. Macmillan should give Mr. Khrushchev an opportunity of making yet another humble retraction. And if international justice is anything but an empty slogan, the descendants of the grossly-wronged Carmelite friar, Nicholas of Lynne, whose memory now runs the risk of being forever blackened, should be compensated in heavy damages. The poor fellow probably never did anything in his life more reprehensible than order a few burnings at the stake."

THE IMMENSE BOOM IN ANTIQUES—FURNITURE, silverware and various decorative items—is well known. Perhaps less well known is the fact that the business has spilled over from Chippendale tables, Louis XIV armchairs and Italian silver to what the dealers call "primitive and Oriental objets d'art". Chinese ceramics (which cannot be sold in the U.S.A. unless exported from China before 1950), African tribal totems, New Guinea headpieces and Aztec jewellery are being knocked down regularly at auctions for high, and still rising, prices. Now, I wonder—as I am entitled to at a moment when all national resources are being mobilised—how many pieces of old Indian art are lying about unvalued and uncared for in this country, when they could be sold abroad for a fortune. I do not suggest that we export the contents of the Calcutta Museum to be auctioned at Sotheby's—although at moments of grave national danger the suggestion would not be absurd. No, I am thinking of things that are not museum pieces and are lying unnoticed in private collections. They have no market in India but they could be worth more than their weight in gold if a market were created for them abroad. No such market will be created until the collectors are reassured of the two facts that are most important to them: the pieces must be guaranteed authentic and must be relatively rare. If a private shop, or for that matter some vastly superior version of the Government's "Indian arts and crafts" emporiums were to be opened in New York and one or two European capitals and offer for sale genuine and certified Indian antiques, I think a new export market would have been invented. And it could soon be worth millions of dollars if the style caught on. To objections about "trading the nation's cultural heritage" (usually raised by folk who have taken no notice of that heritage as long as it stayed at home), I would reply that nothing would so well stimulate India's dying crafts as collectors' interest in Indian antiques. Anyhow, there is always the "honest fake" market: the demand for modern imitations of old pieces that have fetched good prices.

FOR ME, ONE OF THE PLEASANTER SURPRISES OVER the Christmas holidays was an invitation to *The Story of Tata Steel*, a technicolor film sponsored by the Tata Iron and Steel Company to commemorate the golden jubilee of the Indian steel industry. Most public-relations efforts of this variety in my experience, are liable to suffer from one or two major faults: they either emerge as blatant "puffs" for the sponsors in question, or they turn out to be a motley collection of snapshots lacking in both unity and purpose. The great merit of *The Story of Tata Steel*, in my view, was that it judiciously avoided both pitfalls. By concentrating on the various stages of steel manufacture—from the mining of iron ore to the rolling of finished steel—it proved to be not merely informative but fascinating. My patience is not normally known to survive documentaries lasting forty-five minutes, but in this case the interest was maintained throughout. Satyajit Ray wrote the basic script of the film; and the photography of Claude Renoir and the late Bulu Dasgupta was, as one would expect, excellent. Hari Dasgupta could perhaps have marginally improved a very fine production by showing a little less of Mr. Nehru perambulations around Jamshedpur, but I suppose he had a brief to follow. This is not the first time that Tatas have shown a happy honeymoon to be possible between art and commerce, to the mutual advantage of both; the example is one which other companies and industries could emulate with profit.

THE PREMIER AUTOMOBILES LTD. BOMBAY

CHAIRMAN, MR. LALCHAND HIRACHAND'S
ADDRESS

Extracts of the Speech delivered by Mr. Lalchand Hirachand, Chairman at the Eighteenth Annual General Meeting of the Company held on Thursday the 27th day of December, 1962 at 4.00 P.M. (ST).

We meet today under unusual circumstances created by the unprovoked aggression of Indian territory by China. The people have cheerfully responded to the Government's call for supreme effort and sacrifice. The Automobile Industry was one of the first to offer its resources for the defence of our country and your Directors have offered to the Government the full resources of your company for assisting the defence effort of the country.

We have pledged the full efforts of our company for producing such vehicles for defence purposes as Government may require in addition to producing vehicles for civil purposes so that the life of the country may go on with as little dislocation as possible.

Your Company has contributed their mite to the defence effort by donating two lakhs of Rupees to the National Defence Fund. The Staff and the Workers of the Company have donated their one day's salary and wages amounting to Rs. 58,000 by working an additional day on 25th November 1962 and the Company have donated Rs. 20,000 as part of their profit arising out of the additional day's work. This is in addition to the donation of two lakhs mentioned above.

Working Results

During the year under review, the Company's turnover reached a figure of Rs. 21,47,61,789 only as compared to the last year's turnover of Rs. 22,73,86,793. 7,193 cars and 5,324 trucks were sold during the year.

The Company has made a profit of Rs. 39,53,999 after providing Rs. 60,37,508 for depreciation, Rs. 8,00,000 for development rebate and Rs. 49,00,000 for taxation. Adding to this, the balance of Rs. 4,73,969 left over after adjustment of the amount of dividend paid on forfeited shares (forfeiture now annulled) from the last year's "carry forward" and after transferring from deferred taxation Reserve Rs. 14,60,000, the amount available for distribution comes to Rs. 58,87,968. Out of this your Directors have made the following appropriations—

	Rs.
To adjustments to excess of expenses over the income, claims and excess provisions in respect of previous years	3,11,850
To provision towards taxation in respect of previous years	14,60,000
To dividend on equity shares at Rs. 7 per share (subject to tax)	39,31,625
Balance to be carried forward	1,84,493

The fall in profit during the year was due to various causes, principal among which are less turnover due to decline in demand for trucks, rise in overheads, particularly in wage bill which included an amount of Rs. 15,08,034 paid to the employees as bonus for year 1959-60 and larger provision for taxation due to higher

rate of taxes. In terms of the new Agreement with Fiat, which came into force with effect from 1st July 1961, the Company had to pay higher fees for technical assistance. The lower margin of profit on Fiat car, the price of which was reduced in 1960, was further responsible for this rather unhappy position.

The decline in the sale of trucks is mainly due to the proposed legislation on Hire Purchase. As stated in the Directors' Report the Company has formed a new subsidiary for the hire purchase business under the name and style of "PAL HIRE PURCHASE LIMITED" to provide hire purchase facilities for disposing of the Company's products.

I am happy to state that the manufacture of components and parts is progressing according to schedule and more and more components are made every year and this year certain further components, to which a reference is made in the Directors' Report, were produced in the factory.

Expansion Programmes

As you know, we have undertaken the putting up of a complete Press Plant for pressing the Sheet metal parts required for trucks and cars. For this purpose the Company obtained a loan of 7.2 million dollars from the Development Loan Fund of Washington. The orders for machinery pursuant to this have been placed. For the purchase of dies, jigs, fixtures and other equipment a further loan of US \$3 million was arranged with the Agency for International Development of Washington—an Agency of the Government of US when I visited the USA in May 1962.

The Agreement with the Agency for International Development was signed on the 28th June 1962, the repayment being guaranteed by the Bank of Baroda Ltd. to whom our thanks are due. We are proceeding fast to place the necessary orders for dies and other equipment.

For the Press Plant and for the future expansion of your Company, we had in mind a site of about 300 acres on the Kalyan-Shill Road, which was reported in the last year's Report, was being acquired by Government for the Company. Because of a decision of the Supreme Court of India regarding the powers of the State Governments to acquire lands for companies the acquisition proceedings could not progress. We have, therefore, negotiated for purchasing another suitable site on the Kalyan-Shill Road and have already obtained possession of about 400 acres. This factory will be ready by the time the machinery for the Press Shop is received.

The prices of cars and trucks can be reduced to have more economic production only if we have a larger volume. To achieve this, we had submitted to the Government an expansion programme based on the production of 15,000 Fiat Cars and 15,000 Trucks per year on two shift working and had asked for foreign exchange allocation.

War Effort

The Government has under consideration our proposals for assisting the war effort and for increasing your Company's production. I hope that

Government now realises to the full the strategic importance of the Automobile Industry and will give its full support to the expansion of the Industry as fast as possible.

The Government should also consider the burden of tax that is being cast upon this one industry. The industry is taxed as a luxury industry when, in fact, it is one of the most basic industries in the country.

For your information I may state that the Fiat car is sold at a retail price of Rs. 10,651.00 and the 165" wheel base truck is sold at a retail price of Rs. 28,610.00 in Bombay. The incidence of customs and excise duty on this price comes to 21.43% for a Fiat car and 17.96% on a 165" wheel base truck. Thus a big slice of the price is taken away by taxes, viz., customs and excise. In addition Sales Tax at the rate of 10% has to be added to the price.

The incidence of taxes on the prices of motor vehicles sold by the Company comes to 31.43% on a Fiat car and 27.96% on a 165" wheel base truck which is fairly high. This is only a part of the stiff taxation the road transport industry pays to the Central and State Governments—the amount in total exceeds Rs. 200 crores a year. The State Government have put additional levies on diesel oils, gasoline and a variety of other items and justify the additional taxes on the plea that the industry can bear this. The figures of truck sales tell a contrary tale. They show that the transport industry has become stagnant, particularly during the last two years. The effect of imposing levy upon levy of different kinds on transport vehicles and transport services is the undoubted increase in the cost of practically every commodity in the country, leading to an inflation of prices all round.

The role that the railways and road transport industry have to play in the country's economic development is a complementary one. At present this industry is taxed on luxury footing. It would be against the national interest to impose further burdens on this industry which is groaning under the weight of heavy taxation; on the contrary it should receive adequate encouragement at the hands of the Government to enable it to expand and speed-up the tempo of economic growth of the country.

Meadows Engines

The Agreement between the Company and M/s. Henry Meadows Ltd. England has now been concluded and under this Agreement the Company is granted the exclusive right and Licence to manufacture and sell within the Republic of India, certain Meadows Engines and the component parts thereof. The Agreement is of five years in the first instance renewable for a further period of five years terminable by six months notice on either side.

The production of Meadows Engines has been taken in hand. As the Company has not been able to obtain from the Automobile Products of India the necessary machine tools required for the production of these engines, it became necessary to purchase additional machine tools from abroad for which the Import Licences have now been received. After these machines are received and installed production of

meadows engines will reach the target of 250 engines per month.

As all of you know, the Government of India have decided to shelve the "small car" project as it would involve not only money resources—but also physical resources like building materials, steel, power and transport (for production) all of which are also in short supply at present. I had pointed out to the Government in my speeches at our meetings as well as through the press that it was not in the interest of the country that the public sector should take up the manufacture of economy car and I am glad that the Government have decided that this project be shelved.

During the five months ended 30th November 1962 the Company sold 2,271 cars and 1,909 trucks and spare parts of the value of Rs. 66,22,344 as against 2,937 cars and 1,917 trucks and spare parts of the value of Rs. 67,06,938 sold during the corresponding period of the last year. It is difficult to forecast the results for the current year in view of the present uncertain conditions.

(a) The issue of 1,87,237 shares of Rs. 100 each at a premium of Rs. 10 per share recently made by the Company was fully subscribed. As you know, the sum of Rs. 30 with application and Rs. 20 per share on allotment has been called and the balance of Rs. 60 per share will be payable by three calls of Rs. 20 each at such times as the Directors may think fit.

(b) Out of the 1,60,000 debentures of Rs. 100 each issued by the Company 197 debentures are outstanding as on date.

Subsidiary Companies

The business of the Premier Auto Electric Limited, a subsidiary, was satisfactory. The Company took up the distributorship of "BEACON" Dynamos, Starters and Regulators manufactured by Best & Co. Private Ltd. Madras, in collaboration with Simms Motor Units Ltd. England. This subsidiary company has also extended further its range of "PRAKASH" products by introducing two ancillary items, namely, Horns as well as Wiper Arms and Blades into the market.

The other subsidiary company, the India Steering Gears Ltd. could not start business this year also due to non-availability of a Licence.

(a) During the year under review your Director Sir Manilal B. Nanavati, Kt. resigned from the Board of Directors for reasons of health. Your Directors accepted the resignation with deep regret and placed on record their appreciation of the very valuable services rendered and advice given by him during his long association with the Board since the inception of the Company.

In the casual vacancy caused by the resignation of Sir Manilal B. Nanavati, Kt., Mr. Shriyans Prasad Jain was appointed a Director pursuant to Article 162 of the Articles of Association.

(b) Mr. Pratap Bhogilal was co-opted as an Additional Director on the Board during the year under report.

Under an Agreement with the Engineering Mazdoor Sabha, the Company paid to the employees drawing basic wages/salary up to Rs. 500 per month an advance equivalent to 1½ months basic wages/salary to be set off against Bonus that would be finally decided for the year. The employees drawing basic salary over Rs. 500 per month were sanctioned an advance equivalent to one month's basic salary which was paid on the eve of Diwali. The total amount paid by way of advance for both the category of employees referred to above comes to Rs. 11,90,565.

N.B.: This does not purport to be a report of the Proceedings of the Annual General Meeting.

THE SCINDIA STEAM NAVIGATION CO. LTD.

CHAIRMAN, MR. D. M. KHATAU'S STATEMENT

Summary of the Statement of Mr. Dharamsey M. Khatau, Chairman, The Scindia Steam Navigation Co. Ltd. made at the 43rd Annual General Meeting of the Shareholders on Wednesday, the 26th December, 1962, at Scindia House, Ballard Estate, Bombay.

In his opening remarks the Chairman observed:

"This statement comes to you at a time of national emergency created by the Chinese invasion of India. The shipping industry as a whole has pledged its whole-hearted support to the Government of India in their present stupendous task of successfully facing this emergent situation. Our Company has donated a sum of Rs. 5 lakhs to the National Defence Fund. I deem it my duty to assure the Government, on behalf of you all and of myself, of all the assistance and co-operation that we can give in this hour of crisis".

He referred to the drop in the quantum of cargo carried and corresponding drop in freight income, despite which the Company made a profit of nearly Rs. 4½ lakhs as against approximately Rs. 4½ lakhs in the previous year. The Company declared a dividend of 60 nP. per share after transferring Rs. 48 lakhs from General Reserve and providing for a further proportion of the Statutory Development Rebate of 1960-61.

Overseas Trade

Regarding Overseas trades, the Chairman attributed good results to rationalisation of services and partial

effect of 10% increase in the rates of freight in the eastbound services from U.K./Continent. He expressed the hope that the Company would secure the co-operation of the shippers in maintaining rates of freight at a reasonable level. The Chairman referred to the increase in the share of the Indian Lines from 30.25%, 39.475% in the India/U.K. trade as from 1-9-62 and a provision for an annual increase of 1% ensuring ultimate parity between the three Indian Lines and the U.K. Lines. He also referred to the equal sharing by the three Indian Lines of the trades, on a pool basis, between India and Poland, India and East Germany, India and Soviet and Rumanian ports, India and Egypt and Adriatic ports.

Regarding Coastal shipping the Chairman endorsed the request of the industry for examination of its case by the Tariff Commission to enable Coastal steamer tonnage to remain at the level of current and future national need. He pressed for restoration of the cut of 5% in freight rate on coal from Calcutta to ports up to Cochin.

The Chairman specially urged the extreme urgency of introduction of a War Risks Insurance Scheme by the Government of India so as to ensure adequate insurance protection to Indian vessels against war risks.

Regarding tonnage position, the Chairman observed that the Company was facing difficulty in its replacement and new construction programme be-

cause of acute foreign exchange position and other factors.

Operating Expenses

The Chairman referred to the increase in operating expenses as a result of changes in conditions of service of crew members of the floating staff, and of a fresh Agreement concluded between the Company and the Maritime Union of India representing the Officers of the Floating Staff.

Regarding future prospects, the Chairman said that it was difficult to visualise any improvement in the freights sufficient to cover the costs and to provide a reasonable return on capital. The Company is, however, continuing its effort at rationalisation and economy in operations and is taking steps to improve the level of freight rates.

The Chairman referred to the Konkan services of B.S.N. (1953) Ltd. in the following terms:

"Subsequent to our negotiations with the Government of India, they agreed to pay for the years 1961-62 and 1962-63 a subsidy in lieu of 8% increase in fares as also a subsidy of about Rs. 6 lakhs being the excess of repair cost over Rao Committee's estimates; they further agreed to reimburse the excess repair cost for the year 1961-62, subject to a maximum of Rs. 14.50 lakhs, all these payments being subject to scrutiny of the Government Department. The Government had also agreed in October, 1961 to grant an interest-free loan to cover the entire cost of the three new ships

CAPITAL, 3rd January, 1963.

and an annual subsidy in this behalf. While the Company has been writing to the Government from time to time regarding new tonnage, it was not until October, 1962, when the Government advised the Company, that in view of certain offers received by them for the operation of the Konkan services with new ships without increase in fares and without payment of loan or subsidy, the Government saw that no useful purpose will be served by permitting the Bombay Steam (1953) to build new ships. It may be noted here that the Rao Committee had recommended an additional subsidy as also an interest-free loan to acquire new ships to maintain the services on the same pattern as before on the basis of Rs. 40 lakhs as the cost of each ship. It is, therefore, not understood how these very same services could be operated without any increase in fares or other assistance when the cost of these new ships has gone up to Rs. 60 lakhs each and when there have been further increases in cost of operations. The Company has replied to the Government that it would continue to run the Konkan services with the existing ships till 31st May, 1966 if the present terms of the Government assistance are continued till then, whereafter the position will be reviewed in the light of the Government giving permission for new tonnage".

Shri Khatau thanked Shri Jagjivan Ram, Minister of Transport and Communications, Shri Raj Bahadur, the Minister of State for Shipping and other officials of the Transport Ministry for the interest shown by them in promoting the cause of Indian Shipping. He also appreciated the services rendered by the Officers and staff and the Company's Agents abroad and in India and thanked the shippers and consignees for their continued support.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

CAPITAL, 3rd January, 1963.

THE ASSOCIATED CEMENT COMPANIES LIMITED

SUMMARY OF CHAIRMAN'S STATEMENT

The following is a summary of the statement which has been issued to shareholders by Mr. Dharamsey M. Khatau, Chairman, The Associated Cement Companies Limited, dealing with the Company's working for the year ended 31st July, 1962. The Annual General Meeting of the Company will be held on Friday, the 18th January, 1963 at 4 p.m. at the Sunderbhai Hall, off Queen's Road, Bombay 1.

We are today under a grave national crisis caused by unprovoked aggression. Our policy and all actions affecting each of us as individuals and our business must therefore be governed by the overall consideration of the great and urgent task of repelling the invader. The Company's factories, collieries and engineering workshops will naturally be utilised to the fullest extent in the service of the country. Your Company has already donated Rs. 10 lakhs to the National Defence Fund and I am proud to say that the employees of the Company, numbering many thousands, are solidly behind the Government.

If, against this background, I appear somewhat critical of certain Government policies, I want to make it clear that such criticism is made both in view of the urgent need to stimulate the growth of the cement industry—a vital industry both in times of peace and war—and of the part which your Company can play in this great emergency.

During the year the most important event was the recommendation of the Tariff Commission for an upward revision in the retention price of cement and Government's action thereon. The Directors' report has mentioned the difficulties—operational and other—which prevented the Company from achieving better results than were actually obtained and why, despite higher profits it has not been possible to recommend a higher dividend.

Prospects for the Future Pricing and Industrial Policy of Government

As regards the profit-earning capacity of the Company and its future prospects, these are so largely dependent on the retention prices and Government's industrial policy and action, that there is very little I can say. I can only assure you that our efforts in increasing productivity and reducing costs are being ceaselessly pursued. As you are aware, Government arbitrarily scaled down the increase in price which the Tariff Commission had recommended. The retention price allowed to your Company was inadequate even by the Tariff Commission's standards; and in the absence of automatic escalator clauses, the relief afforded by such price increase is being rapidly reduced, since prompt adjustments to cover subsequent increases in the price of fuel and power, railway freight rates, etc., are unfortunately not forthcoming.

It is a matter of deep regret that the Government should ignore the recommendations of a statutory body like the Tariff Commission—an independent body consisting of people, known for their capacity and judgment, who make their recommendations after scrutiny of all relevant facts and giving weight to all affected interests. It is therefore most disturbing that there is a tendency to dub this body as 'outmoded'. In the absence of an independent organisation

of this kind, one fears that fixation of prices by Government could be completely arbitrary.

The incidence of the enhanced Tax on Corporations from 45 to 50 per cent is substantial. The heavy financial burden imposed by these and other charges has further reduced the profit element. One of the recommendations of the Tariff Commission was that the retention price should be revised if and when adjustments become necessary owing to increases in costs due to governmental action. A representation has been made to the Government through the Cement Manufacturers' Association.

Cement Industry in the National Economy

Cement is a key industry whose continued progress and prosperity are vital to the economic development of the country. The measure of work to be done can be seen from the fact that the target of installed capacity at the end of the third five-year plan, fixed at 15 million tonnes, has been considered inadequate, and it has been mentioned in authoritative circles that the figure should be 18 million tonnes. Even against a target of 15 million tonnes, the current capacity is only 10 million tonnes. The rate of growth is thus certainly not as vigorous as might be expected. Even conceding that numerous difficulties exist, it is difficult to escape the conclusion that this slow growth is largely due to lack of incentives, through the imposition of rigid Government controls on price, distribution and in the manner of licensing of new factories.

The Role of ACC

I would like to remind you of the role which ACC has played in building a sound cement industry and in developing a demand for cement in the country. ACC has a proud record of pioneering during the past quarter of a century. To serve consumer as also national interests, it has dispersed its factories carefully and has put to good use even substandard raw materials by employing beneficiation processes. The wisdom of such planned dispersal must be evident to the S.T.C. which, I have reason to believe, is deriving considerable monetary advantage by low freight leads on despatches from ACC factories, which helps it to subsidise the higher freights on cement despatched from factories belonging to other interests. ACC has been a pioneer in employing new processes and producing new products. The dry process of cement manufacture, the manufacture of white cement, blast furnace slag cement, oil-well cement, water-repellent cements, low-heat cement etc., have all been introduced by ACC after much study, research and development. The credit for manufacturing cement-making machinery at its own workshops and thus helping to lay the foundations of a sound heavy engineering industry in our country must also go to ACC. Our Engineering Works at Shahabad and the AVB Heavy Engineering Works at Durgapur, established in collaboration with Vickers and Babcock & Wilcox, will not only meet ACC's own requirements, but also serve the needs of the cement industry as a whole, thus helping India to conserve a great deal of foreign exchange.

Much foresight, money and effort have gone into these projects and pro-

ducts. ACC has therefore paved the way for other manufacturers to share in the benefits of its pioneering and developmental efforts. Far from discouraging new entrants in the field, ACC has, on several occasions, lent a helping hand to them.

I have dwelt on this somewhat pointedly as there appears to be a tendency, especially in licensing new factories, to consider a Company like yours as a monopoly, for which reason it must take a lower place in the queue!

During the year your Company's contribution towards the National and State finances was Rs. 27 crores in the form of Income-tax, Corporation Tax, Excise and other Duties, Sales Tax, Railway Freight, Import Duty, etc.

These direct and indirect contributions to the national revenues, and the Company's record of progress and service are impressive. All this can continue to be harnessed to good use and I sincerely hope that Government will not stifle this by a doctrinaire approach. I believe that the 'know-how' we possess and our organisational vigour can help to expedite the expansion of the cement industry and make it easier to hold the price line.

Coal and Packing Material

Coal supplies continued to cause some anxiety in the early part of the year though, with special arrangements for the allocation and movement of coal introduced by Government, the position has considerably improved. The Company has also been able to draw about 30 per cent of its coal requirements from its own collieries. With increasing emphasis laid on regionalisation of the supply and movement of coal, the importance and utility of our two collieries have grown.

In the matter of packing materials the industry was looking forward to a continuance of the satisfactory position permitting the rational use of second-hand bags in reasonable proportions. However, its hopes were rudely shaken by Government's decision from the last quarter of 1962, insisting that producers pack 50 per cent of their production in second-hand bags—a condition physically impossible to fulfil in view of the limited availability of second-hand bags of serviceable quality. The jute bag is a wasting commodity and cannot be reused beyond a certain point. From the point of view of the consumers it is likely adversely to affect the standard of packing and will result in loss of cement by seepage by repeated use. The industry has made representations to Government to restore the status quo ante in this respect.

Cement Demand and Transport

Demand for cement in the country is in excess of availability. Transport difficulties have aggravated the situation, creating artificial scarcity in some localities. Your Company has endeavoured to gear road transport to meet the situation. Substantial quantities of our cement were moved by road during the year.

Expansion and Rehabilitation

The Company's planned programme of expansion and rehabilitation has made satisfactory progress. Your

Board has taken the decision to resume work on the construction of a new factory at Porbandar.

ACC-Vickers-Babcock Ltd.

The Heavy Engineering Plant of ACC-Vickers-Babcock Limited at Durgapur, inaugurated in February last, has commenced production and has received orders for boiler plant, cement-making machinery, etc. Full production will be reached by the end of 1963.

Labour-Management Relations

The labour situation at our Cement Works continued to be peaceful. At the Katni Firebricks plant and Okhla Bulk Depot where the Wage Board's Recommendations did not apply, we entered into comprehensive wage settlements. The only factory, Madukarai, where it was not possible to implement the Wage Board's Recommendations has also been brought into line and the settlement of implementation was signed on 31st July, 1962.

The question of bonus, unfortunately, continues to trouble us as it is troubling all industries, in spite of the fact that it has been the policy of the Directors to pay bonus to employees even though strictly according to the Labour Appellate Tribunal Formula no bonus may have been payable. We have four bonus disputes before Tribunals—National and Industrial. These proceedings cost a great deal of money, and drain away the time, energy and attention of personnel, including workers, from the productive side of the enterprise.

Here again, there are hopeful signs in the shape of the appointment of the Bonus Commission by the Government of India. It is earnestly hoped that the Commission will be able to arrive at an acceptable formula which will once for all bring peace in this sphere of industrial relations.

At our Collieries there was one major stoppage and quite a number of lesser dislocations—lightning strikes, go-slow, conciliation and adjudication. Kotma Colliery was closed for 133 days on account of a strike followed by closure. This strike was called on a completely extraneous non-industrial issue, and continued despite the advice of concerned Government Authorities, and was accompanied by violence.

The appointment of the Wage Board for the coal industry during the year to determine 'fair' wages, I hope, will bring peace and improvement in production in this sorely troubled industry.

Appreciation

I would like to express on your behalf our warm appreciation of the sustained hard work and whole-hearted co-operation of your employees.

Bombay, 30th November, 1962.

The above summary is not a document purporting to be a report of the proceedings of the Annual General Meeting.

WORK FOR VICTORY

Your job is vital to victory. India demands all hands to work—and work more for increased production to strengthen our fighting forces, to build up the nation's resources and striking power on all fronts.

At foundry and lathe, machine shop and giant industrial plant, shall all hands strive the harder to raise productivity, boost output. Let vital supplies flow in an unending stream to the front line as well as for the nation's domestic needs.

EVERYONE
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THE KOLHAPUR SUGAR MILLS LTD.

CHAIRMAN, MR. R. R. RUIA'S SPEECH

Speech delivered by Mr. Ramniwas Ramnarain Ruia, Chairman of The Kolhapur Sugar Mills Ltd, at the 29th Annual General Meeting held on Wednesday, 26th December, 1962.

Gentlemen,

It gives me great pleasure to welcome you at the 29th Annual General Meeting of the Kolhapur Sugar Mills.

Gentlemen, we are meeting, this afternoon, in the midst of a crisis. I refer to the unscrupulous and the wanton Chinese aggression in the North East Frontier and in Ladak. We trusted the Chinese for being implicit supporters of Peace and Panchshila, as much as ourselves. It has been a great disillusionment to our leaders and to the people and has awakened both to a new sense of realism about the profession and practice of the imperialistic expansionism of Communist China.

Whatever the Chinese did, and are doing or will do, and whatever prestige India may have lost in its weakness in armed strength, I am sure, the whole episode will mean a great boon in disguise, to our country, in spite of its trials and tribulations, and in the long run, India, will become really a great nation and completely united in both body and spirit. At the same time, our leaders have and will realise even more, how to deal with whom and whom to consider what, and also what should be our country's strength, and realise what type of leadership is necessary to make our country strong enough to defend ourselves. This sort of realisation has to come to us by finding our weak spots in our total set up and not just by speech and talk, because no country in the world's history has gained and maintained its freedom for long, unless it was prepared and strong enough to defend it. Today, more or less, for the first time, we are really a united nation. Thanks to China!

National Emergency

We all realise that the Defence of the country and the preparations for a protracted and long-drawn war have become the major issue before the country today. The choice of Shri Yeshwantrao Chavan as Defence Minister has been so widely acclaimed and is so assuring that in his able hands, the country feels completely safe. Yeshwantrao, since his early days has been an able and successful leader and administrator. I have a feeling that he will prove himself much more successful as Defence Minister, by his tact, statesmanship, resourcefulness and intuitive judgement of men and events.

At this time of our national emergency, it is gratifying to notice the heartening response of the sister countries of the Commonwealth and of the Western Democracies who have rushed to our assistance expeditiously.

Gentlemen, you will be pleased to note that the employees of our Company have contributed very handsomely to the Defence Fund by collecting Rs. 25,000/- from their earnings. Your Directors too have decided to contribute Rs. 1,00,000/- on behalf of the Mills.

While thinking of the contribution to war effort, it is clear that the significance of the role of Industries lies in unhampered maximisation of production. Modern military history shows

that wars in these days are all-out wars and the country which possesses industrial superiority ultimately wins. We in the Sugar Industry have, naturally, to play our role in this respect. Sugar is not only an every-day necessity but has become an earner of Exchange. Your Company, it is estimated, will crush an all-time record of more than 3 lac tons of cane in the present season. This should be considered most gratifying.

Coming to the business of this Meeting, the Accounts for the period ended 30th June, 1962, along with the Report of the Directors, for the statutory period, have been already in your hands, and with your permission I shall take them as read.

Though the financial working of the Mills, for the accounting year has been satisfactory, I may be allowed to refer to some of the salient features.

Sugar Production

The production of sugar in 1961-62 was 2,69,890 bags as against 3,16,777 of the preceding year. The average Recovery was 12.45 as against 12.57. The fall in production during the year was due mainly to the imposition of the 10% cut in production by the Central Government and also due to lower yield of cane per acre, due to unfavourable climatic conditions and also due to damage to crops by floods. However, the working of the Distillery, with the increased capacity, has been very satisfactory, the production during the year being 7,31,580.3 Gallons as against 2,80,202.9 in the previous year. We have been able to fully utilise not only our Molasses but also 4,642.918 Tons of Molasses from the three neighbouring factories. During the ensuing year, we hope to utilise still larger quantities of Molasses from the neighbouring factories. The actual capacity realised in our Distillery with the new plant is between 5500-6000 gallons per day. In addition, with the old plant we can produce 1000 gallons of Absolute Alcohol per day. Thus we may be able to realise a daily capacity of about 7000 gallons per day. With this capacity your Distillery will be able to handle the Molasses of the two neighbouring Co-operative factories under construction along with the three old Co-operative Factories, thus becoming a Central Distillery for the Kolhapur Region.

I may also refer to the Land Ceiling Act of the Government of Maharashtra by which Government will assume the estates of Mills. For taking over these lands Government have appointed an Advisory Committee, on which both Government and the Industry have been represented. In this taking over of lands from Factories various complicated problems such as valuation of standing crops, movable and immovable properties, etc., are involved. With mutual good-will and understanding all such problems, it is hoped, will be amicably solved. There will be specific problems of our factory in this regard and your management will try their utmost to safeguard the interest of the factory. I may add that the Government of Maharashtra have assured a guaranteed cane supply to the Mills from the area taken over by them.

Price Linking Formula

Another feature of the year is the introduction of the Price Linking For-

mula. This formula is intended to improve the quality of cane. In the Maharashtra region, a common-sense method for paying for cane in relation to quality, was already in vogue and this had worked to the satisfaction of both the cultivators and the Factories. We are proud to say that because of the Recovery we are among the highest priced group for cane price that is paid by any Factory to the farmers and growers. A feature of the newly evolved formula of the Central Government is the fixing up of the cane price on the Recovery of the previous season, during the period from December to end of March. The old Maharashtra Formula was based upon average Recovery of the previous season. I do not see how it could be just to fix the price of cane on the basis of Recovery for a limited period and that too of the highest. This especially is unjust for Maharashtra where the Season starts much earlier than December and closes much later than the end of March.

This measure may prove to be a disincentive to the Mills buying cane during the earlier and the later parts of the season, when the Recovery is bound to be lower than the basis taken for fixing the cane-price. I should not wonder if this measure leads to a short-fall, to some extent, in production. It may also affect the cultivator adversely as his cane may not be accepted being either too early or too late. It may be recalled that on occasions, the Governments in the North had to persuade the Factories to crush cane in later months by reducing the price and also by giving other concessions.

I am happy to inform you, that it is reported only yesterday, that 'the recovery taken for Maharashtra is for the period November to March', thus accepting my contention to a large extent, though not fully.

The recommendations of the Central Wage Board for employees of the Sugar Factory were also applied to farm labour from November 1961.

Estimated Crushing

Gentlemen, I have already mentioned that the estimated crushing for the present season will be more than 3 lac tons. Our factory is situated in the heart of the cane-belt in the Kolhapur District and with the cane development work, the Factory is doing, to help cultivators to grow cane by giving technical advice, implements, improved seed, manures and cash advances, the supply of cane to the Factory is increasing. Even for the present season there are offers for more cane supplies. But we had to decline the same for want of adequate crushing capacity. The possibilities of supply of 3,50,000 to 4 lac tons of cane to our Factory are quite evident now and there is an urgent necessity of expansion to 2,500 tons per day, at least. Your Directors have already moved Government for the same and it is hoped that Government may accede to our request.

The Acetic Acid Plant is expected to be installed by June, next year. The completion of the project has been delayed for various reasons, chief amongst which is the delay in the supply of Power by the Maharashtra Government. We are now assured that

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the supply will be available by June 1963.

I have pleasure also in intimating to you that your Board has already approached Government for a Licence for the production of Ethyl Acetate, Carbon Dioxide and Dry Ice. We have been on the alert for the new projects of Alcohol-based industries and I believe I am expressing your wishes when I say that we have before us the prospect of making this area a bee-hive of such allied chemical industries.

Gentlemen, you are aware that the management has been particular in looking after also the cultural and physical well-being of the employees. I have great pleasure in saying that the Jeevan Kalyan has presented cultural programmes of drama, music, and such other cultural entertainments in keeping with its high traditions, at the Ganapati Festival. Its Annual Number is in print and its publication is awaited. The Institution has given educational aid to the children of the employees, in cash and books, amounting to Rs. 3,000/- during the year.

In sports, the record of the Gymkhana of the Mills is very flattering. In Table Tennis we won the Maharashtra Gymkhana Championship. Our Tennis Team annexed the Ruia Shield for Tennis. We conducted the Lohia Open Table Tennis Tournament. We also conducted the Maharashtra Bridge Association Tournament, in which our team won the Rolling Trophy. In the Ruia Sports, in Bombay, we lost to our Head Office Team in which myself and Sushilkumarji were participants.

I have very great pleasure in recording our special appreciation for the admirable manner of conducting the Annual Dinner, at the end of the Season, in honour of the Satyanarain Puj. About 11,000 persons partook of the Mahaprasad last year. It was as usual, a very orderly, well-disciplined function, in which Officers, staff and employees heartily co-operated and achieved an efficiency which I most admire. I almost feel, it is a part of the social-education of the masses and a lesson in social integration.

I take this opportunity to thank my colleagues on the Board of Directors who have all along given me their guidance, advice and support. I am equally thankful to you all for your keen interest in the affairs of the Company.

Co-operative Factories

As Chairman of the Company, I desire to express my feelings of thankfulness to the managements of the Co-operative Factories, the cultivator-suppliers and contractors with whom our relations have always been very cordial, and of whose invaluable co-operation I am very sensible.

Finally, I desire to record our warm appreciation of the very efficient and devoted work of our General Manager, Shri M. B. Lohia, the loyal and earnest co-operation of his colleague officers and for the never failing and hearty co-operation of the staff and workers in the discharge of their duties. Mentioning names will be invidious.

Gentlemen, it has been my very great pleasure to be in your midst this evening and for having had this opportunity of placing some of my thoughts about the Industry and the progress of our Mills before you.

Thank you,

JAI HIND.

Note: This does not purport to be a report of the Proceedings of the Annual General Meeting.

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J. K. STEEL LIMITED MR. LAKSHMIPAT SINGHANIA'S REVIEW

Chairman's speech of Mr. Lakshmiapat Singhania on the occasion of the Ninth Annual General Meeting held at 3.30 P.M. on 27th December, 1962.

Gentlemen:

I have pleasure in welcoming you to the Ninth Annual General Meeting of the Company. The Company's Annual Report and Accounts for the year ended 30th June, 1962 have already been circulated and Directors, in their Report to the Shareholders, have dealt with the salient features of the Company's working during the year.

The progress of the Company during the year was hampered due to slow-down and an unfortunate strike lasting 106 days—longest in the history of the Company—which resulted in loss of production to the country amounting to Rs. 60 lacs. It is very unfortunate that inspite of best attempts, we were unable to persuade the Union, whose objectives seem to be guided more from other considerations than the legitimate trade union work, to adopt methods and procedures prescribed for settlement of such disputes and in utter disregard to the Code of Discipline and other obligations undertaken by the parent Trade Union Organisations for settlement of such disputes, the illegal strike was continued for such a long period. However, the Company has passed through this critical period.

The Company was established in Calcutta in the year 1953 primarily to produce Jute Baling Hoops which were originally being produced by Messrs. J. K. Iron & Steel Company Limited, at Kanpur, since 1940. I have pleasure in mentioning that since then we have met the entire demand of the Jute Industry in India—the principal export industry of the country—replacing imports totally. The Jute Baling Hoops plant was shifted to Calcutta from Kanpur as per the desire of the Tariff Commission, which had considered the matter in 1946, and the Government. Principal reasons for recommending the transfer of this plant to Calcutta were that it would be situated near the majority of Jute Mills and would be assured of full raw material requirements, being close to the main producers, and thus, among other things, save freight on finished goods as well as on raw materials.

Raw Material Supply

The supply of raw materials, i.e. billets, for the manufacture of jute baling hoops is a problem in itself. Rolling Industry which in India is called 'Re Rolling Industry' has played a very significant part in the developing economy of the country in two ways. One, is to utilise profitably such materials which are actually used for melting and not used for further processing and the second, is to produce specialised items in such quantities which would be difficult for any main producer to undertake due to requirement of the country being insufficient for the main producer. Thus the Rolling Industry (Re-rolling), in my opinion, has its own place in the country. Unfortunately, the supply position of this industry has material, i.e. billets for this industry has always been very unsatisfactory and a matter of great concern to the Industry. Even before the setting up of the Government Plants and the expansion of the Steel Industry, the matter of supply of billets had been gone into by the Government at several occasions and it was repeatedly promised and decided that certain capacity of the new Steel Plants and expansion of the main producers would be kept reserved for

supply of billets to this vital industry. Unfortunately, all those promises and expectations have not borne fruit and the position has hardly improved. In the beginning of the Second Five Year Plan it was estimated by the Planning Commission that the billets availability from the main producers would be of the order of 7 lac tons by the end of the Second Five Year Plan which is the Rolling Industry's requirements based on one shift working as per Saxena Committee's Report. Against this the supply of billets during 1961 was of the order of 4.57 lac tons. The supply position in 1962 instead of improving has further deteriorated. This is, in fact, a repetition of the old story, i.e. billets being comparatively less paying proposition, the main producers start utilising the available steel for converting the same into finished products rather than selling them as billets. This was the position before and inspite of so much talk about the Government Plants, same is the position even now.

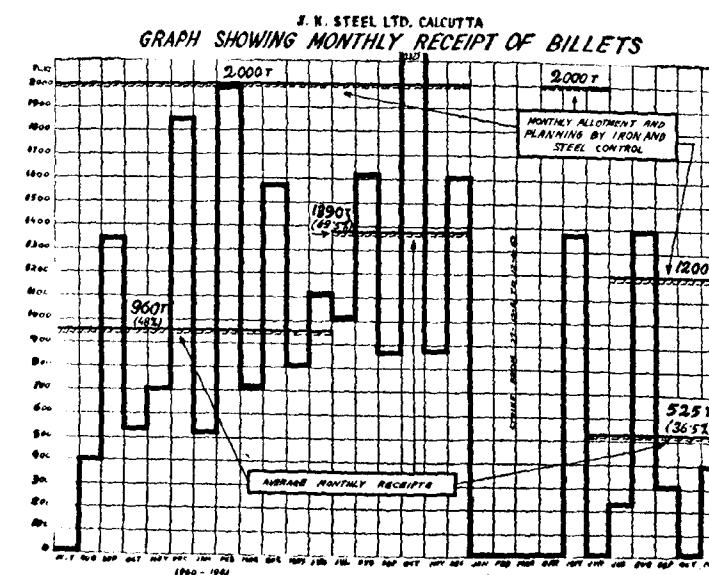
The second unfortunate position is that inspite of the very rigid control of production and distribution of steel in the country, the supply and distribution of billets is very erratic. From the statement placed before the Lok Sabha on 13th June, 1962 by the Ministry of Steel it is clear that while some of the Re-rollers are allocated and actually supplied billets about 2,000 per cent of their 1946 capacity, others have not got even equal to that capacity and their plants have remained unused to a large extent. While it is difficult to analyse the reason for such a disparity of supply of this raw material, since different factors may be responsible for such decisions one thing is definite that there has been inequitable distribution and the distribution system has not worked healthy to this industry. The industry has to be divided into two broad divisions—one, those engaged in production of essentials like your factory and second, who are engaged in production of common materials. The industry engaged in essentials should receive priority in allocation of raw materials.

Disappointing Feature

Another disappointing feature of the distribution system is that the actual supply of billets is far short of even the allotments and the plans made by the Iron & Steel Controller. As will be seen from the following table and chart the supply of billets even to a priority industry like manufacture of jute baling hoops has been far short of the allotments and plans made by the Iron & Steel Controller, resulting in frequent interruptions in the manufacturing process and great loss of production. Actually our Hot Rolling Mills manufacturing jute baling hoops had to be closed down again for a period

of 11 months during the months of October and November, 1962 for want of billets:

Period		Allotment fixed and Plannings made by the Iron & Steel Controller (per month)	Actual Receipts (average per month)	% of receipts to plannings
July 1960 to June 1961	12 months	2,000 tons	960 tons	48%
July 1961 to Decr. 1961	6 months	2,000 tons	1,389 tons	69%
Jany. 1962 to April 1962	4 months	Strike		
May 1962 to Novr. 1962	7 months	1,430 tons (average)	525 tons	36.5%



It will also be observed from these that against our monthly allotment of 2,000 tons of billets per month in year 1960-61, our actual receipts were only 960 tons, obviously resulting in lower production. Our quota for future allotment of billets for 1962-63 has been fixed on the basis of actual consumption of billets during 1960-61 which as mentioned above was lower due to short supply of billets. The new quota fixed is at 1,200 tons per month against which supplies received so far were only 525 tons per month which is approximately 25% of our 1960-61 allotment. Thus this is a process of ever reducing allotment and supply and in this context it is surprising to note as to how others could be allotted an ever-increasing supply of billets.

Definite Plan

In my view, it is therefore necessary that a definite plan for supply of raw material to this industry is made which can be adhered to for proper utilisation of the existing capacity and for further increasing the production of this industry which is the backbone of developing Engineering Industry in the country.

I am happy to say that, inspite of the fact that we have never been in

a happy position with regard to the supply of raw material which is necessary for achieving required efficiencies, we have been able to produce jute baling hoops at a conversion cost which can be well compared with any country in the world for a similar plant. However, more and more efficiency we have attained the more and more retention prices have been cut. In other words this is a way of working back and killing the incentive to the industry. I wish something better is done and some method evolved whereby efficiency is rewarded instead of being penalised.

Your Company started manufacture of Cold Rolled Strips, Box Strappings and Steel Wire Ropes from the year 1960-61. Unfortunately, the supply position of raw materials has been very disappointing since the beginning. For instance, for the Cold Rolled Strips and Box Strappings Plant, the raw material supply had been about 20 per cent of the plant capacity resulting in having continuous idle capacity on the one hand and importing finished material at much higher cost on the other hand. At this stage, it may be pointed out that inspite of this, further industrial licences for manufacture of Cold Rolled Strips and Box Strappings have been granted by the Government to the tune of an annual capacity of 40,000 tons. I am at a loss to understand what will be the fate of the new comers for raw material supply. However, I have great satisfaction in informing you that the performance of both these projects, i.e. manufacture of Cold Rolled Strips and Box Strappings and Steel Wire Ropes, has been exceedingly good without any foreign assistance, technical or otherwise. We have been able to produce quality products to the full satisfaction of the consumers and tech-

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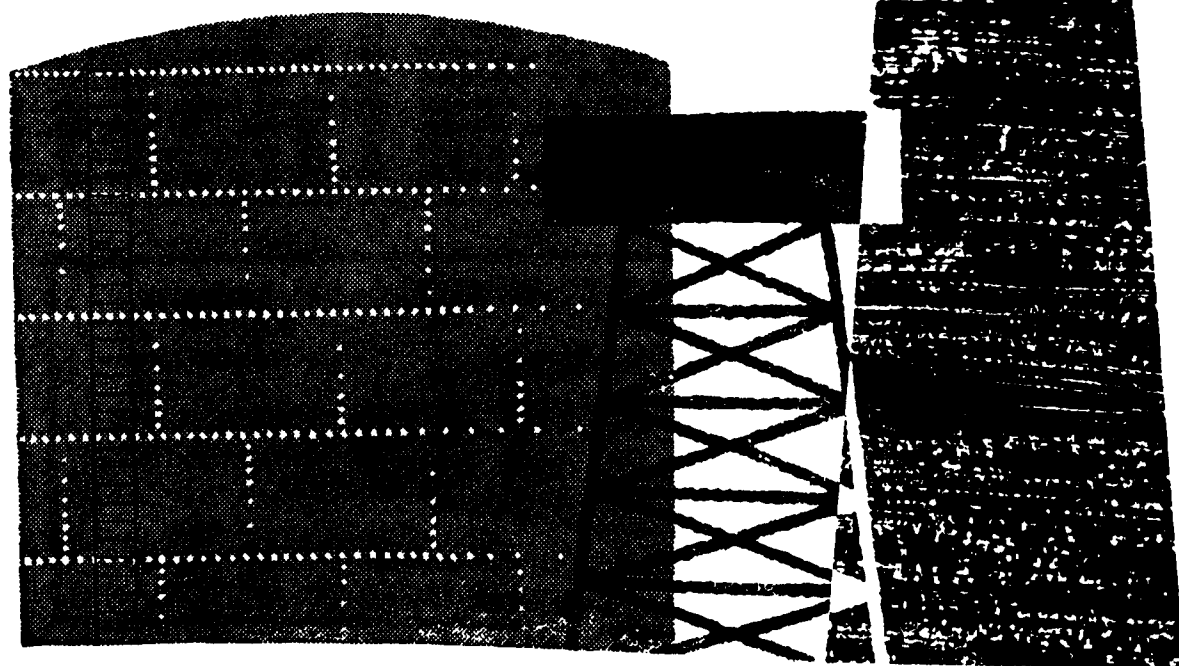
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CAPITAL, 3rd January, 1963.

nically, if not better, then equal to imported stuff.

The Government of India have granted industrial licences for the manufacture of Wire Ropes for a total annual capacity of 34,800 tons against the present consumption of approximately 10,000 tons, in the hope that the country will be able to consume all that in the increased economy and without properly assessing the problem of availability of raw material to this industry which requires steel of special specifications. It is not clear as to from where such steel would be made available to this industry. The problem assumes even increasing importance in view of the acute foreign exchange problem necessitating restriction in imports of raw material.

Special Products

It is our experience that the main producers are reluctant in supplying steel of required composition which is essential to produce special products which are so very necessary to be developed in India and which only can replace imports and contribute to the growing engineering industry. The growth of Engineering Industry in India is most essential for which special engineering products which serve as components to engineering industry have to be produced in this country. Therefore the raw material requirements of such engineering industry have to be met and necessary arrangements for such production is, in my opinion, more important than producing ordinary steel.

Your Company has further obtained certain industrial licences like manufacture of Electric Hoists and chain pulley blocks. This project is going on for sometime but unfortunately due to non-allotment of a small amount of foreign exchange the project is unexpectedly being delayed. Majority of the plant and equipment has been purchased either from rupee payment countries or indigenously. The buildings are complete and we are awaiting, for want of foreign exchange, certain essential imports from our foreign technical collaborators for this project. I hope that we shall get clearance for the pending matters from the Government shortly and the project will be completed without further delay. As regards other industrial licences such as doubling the capacity of wire ropes, manufacturing of pipes and tubes and installation of electric furnace, the matters are being pursued. However, in view of the acute foreign exchange shortage it is very difficult to say which project will come into existence when. I can only assure the Shareholders that the management is doing their best to pursue these and put them through.

Control System

Before I close I may again repeat that the control system of a main commodity like steel in India should have been expected to show much better results especially for manufacture of the required specification of steel as well as distribution and I must say that the present working of the system is very cumbersome and does not yield any positive results even inspite of planning and it is a long demand that either this system be improved so that it will become effective or it be scrapped altogether. I hope something better may come in the near future.

Gentlemen, on your behalf, I express my thanks to the Managing Agents for the very careful way in which they have been guiding the affairs and growth of the Company during these years. I would also like to express my appreciation for the contribution made by all sections of our employees, starting from the worker to the technicians, and the management staff and also to our various customers for patronising our products.

N.B. This does not purport to be a record of the Proceedings of the above Annual General Meeting.

CAPITAL, 3rd January, 1963.

Money

THE CALCUTTA MONEY MARKET

LITTLE CHANGE IN ADVANCES

Wednesday, 2nd January.

THE general level of advances has not changed much in the Calcutta money market during the past fortnight. A slight increase in sugar credit has been offset by a corresponding decrease in the accommodation given to the iron, steel and engineering industries. The requirements of the other main categories of borrowers—the cotton and jute mills and the foodgrains and seeds trade—remain almost unchanged. In the interbank market, conditions have been exceptionally tight and the call rate has been up to 6 percent.

The exchange market has been very active. The supply of tea bills was fair and of gunny bills large. The demand for remittance was strong. Sterling has shown a mixed tendency, but closed stronger against most of the major currencies except the U.S. and Scandinavian.

BULLION WAS QUIET IN CALCUTTA during the past fortnight. Turnover was small. Gold declined from Rs. 35.50 to Rs. 106.75 and the sovereign from Rs. 87.50 to Rs. 83. Silver was subdued in sympathy with gold; silver fell from Rs. 250.75 to Rs. 211.25. No forward trading was reported. The London and New York prices were 103½d and 119.50 cents.

DURING THE WEEK ENDED 21st December, Government of India Treasury bills for Rs. 54,29,75,000 were sold in favour of the Reserve Bank.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills, sold from 19th December to 22nd December, amounted to Rs. 10 lakhs only.

THE TOTAL NOTE ISSUE ROSE BY Rs. 12.20 crores to Rs. 2,148.26 crores during the fortnight ended 28th December, 1962, while active notes were Rs. 5 crores smaller at Rs. 2,120.28 crores. The currency rupee securities of the Government of India in the Banking Department rose by Rs. 2.07 crores to Rs. 53.28 crores, but other Government accounts fell by Rs. 7.36 crores to Rs. 6.12 crores. Balances of commercial banks at Rs. 81.18 crores showed a rise of Rs. 3.04 crores. Balances held abroad diminished by Rs. 23 lakhs to Rs. 8.70 crores. Investments at Rs. 181.02 crores showed a fall of Rs. 2.57 crores. Loans to scheduled banks rose from Rs. 18.57 crores to Rs. 20.70 crores, of which advances to scheduled banks against usance bills were Rs. 13.66 crores, against Rs. 10.37 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 14th December, 1962, shows a rise of Rs. 4.08 crores to Rs. 565.60 crores in total deposits. Investments in Government securities and other authorised investments are down by Rs. 79 lakhs and Rs. 8 lakhs to Rs. 266.23 crores and Rs. 10.35 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have declined by Rs. 77 lakhs to Rs. 263.98 crores. Cash and balances are, in consequence, shown at Rs. 26.90 crores or Rs. 1.31 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 21st December, 1962, shows Demand and Time liabilities at Rs. 944.42 crores (Rs. 34.13 crores on account of borrowings from banks) and Rs. 1,263.87 crores (Rs. 12.52 crores), compared with Rs. 933.53 crores (Rs. 29.21 crores) and Rs. 1,262.18 crores (Rs. 12.16 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have declined by Rs. 1.43 crores and Rs. 1.50 crores to Rs. 48.30 crores and Rs. 74.28 crores, respectively. There is a drop of Rs. 57 lakhs to Rs. 663.66 crores in investments. Advances and bills discounted at Rs. 1,414.57 crores show an increase of Rs. 12.86 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.6 percent and 64.1 percent, against 5.7 percent and 63.8 percent.

The statement of the position of scheduled banks for the week ended 14th December, 1962, shows Demand and Time liabilities at Rs. 933.53 crores (Rs. 29.21 crores on account of borrowings from banks) and Rs. 1,262.18 crores (Rs. 12.16 crores), compared with Rs. 911.28 crores (Rs. 20.92 crores) and Rs. 1,272.77 crores (Rs. 16.08 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 40 lakhs and Rs. 3.36 crores to Rs. 49.73 crores and Rs. 75.78 crores, respectively. There is a drop of Rs. 1.49 crores to Rs. 664.23 crores in investments. Advances and bills discounted at Rs. 1,401.71 crores show a drop of Rs. 3.58 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.7 percent and 63.8 percent, against 5.6 percent and 64.8 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 4-1-63.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
4-1-63	7-4-63	2,00.00	...
21-12-62	24-3-63	2,00.00	Rs. 2.355%
14-12-62	17-3-63	2,00.00	Rs. 2.355%
7-12-62	10-3-63	2,00.00	Rs. 2.350%
30-11-62	3-3-63	2,00.00	Rs. 2.345%
23-11-62	24-2-63	2,00.00	Rs. 2.350%
16-11-62	17-2-63	2,00.00	Rs. 2.360%
9-11-62	10-2-63	2,00.00	Rs. 2.360%
2-11-62	3-2-63	2,00.00	Rs. 2.350%
26-10-62	27-1-63	2,00.00	Rs. 2.350%
19-10-62	20-1-63	2,00.00	Rs. 2.365%
5-10-62	8-1-63	2,00.00	Rs. 2.360%

(Monthly Maturities 000's omitted)

January 1963	6,00.00
February 1963	8,00.00
March 1963	8,00.00
April 1963	2,00.00
Total	24,00.00

CLEARING HOUSE RETURNS

Week ended	Calcutta Rs. (Lakhs)	Bombay Rs. (Lakhs)
28-12-62	92.24	92.19
21-12-62	95.06	106.33
14-12-62	86.22	96.62
7-12-62	1,07.11	1,06.81

RESERVE BANK

Liabilities—	ISSUE DEPARTMENT		Week Ended	
	(In 000's of Rupees)		28-12-62	21-12-62
Notes in Banking Dept.	...	...	27,97.14	15,39.18
Notes in Circulation	...	...	21,20,28.49	21,21,96.93
Total Notes issued	...	...	21,48,25.63	21,37,36.11
Assets—	...	...	...	...
A. Gold Coin and Bullion	...	...	1,17,76.10	1,17,76.10
Foreign Securities	...	...	88,08.43	88,08.43
Total of A	...	...	2,05,84.53	2,05,84.53
B. Rupee Coin	...	...	1,23,97.50	1,23,22.48
Rupee Securities	...	...	18,18,43.60	18,08,29.10
Total	...	...	21,48,25.63	21,37,36.11

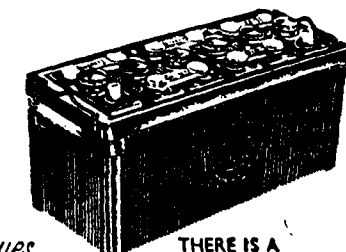
BANKING DEPARTMENT

Liabilities—	...	...	...	...
Capital Paid-up	...	...	5,00.00	5,00.00
Reserve Fund	...	...	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	...	61,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund	...	...	7,00.00	7,00.00
Deposits—	...	...	...	...
(a) Central Govt.	...	...	53,28.04	51,14.69
(b) State Govts.	...	...	6,11.75	7,54.42
(c) Banks—	...	...	...	...
(i) Scheduled Banks	...	...	81,18.30	74,23.03
(ii) State Co-operative Banks	...	...	2,52.48	1,60.88
(iii) Other Banks	...	...	6.16	5.66
(d) Others	...	...	1,60,90.24	1,62,46.62
Bills Payable	...	...	38,41.28	33,33.11
Other Liabilities	...	...	42,42.42	42,42.42
Total	...	...	5,37,90.57	5,28,24.41
Assets—	...	...	...	...
Notes	...	...	27,97.14	15,39.18
Rupee Coin	...	...	2.75	2.94
Small Coin	...	...	2.65	2.52
National Agricultural Credit (Long Term Operations) Fund	...	...	...	...
(a) Loans and Advances to—	...	...	...	...
(i) State Govts.	...	...	23,94.76	23,94.76
(ii) State Co-operative Banks	...	...	11,39.76	11,46.59
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	...	2,84.88	2,84.88
National Agricultural Credit (Stabilisation) Fund	...	...	...	...
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—	...	...	...	...
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. Treasury Bills	...	...	72,37.31	71,72.19
Balances held abroad	...	...	8,70.08	10,41.51
Loans and Advances to Govt.	...	...	16,37.73	15,42.88
Loans and Advances to—	...	...	...	...
(i) Scheduled Banks	...	...	20,69.95	16,50.50
(ii) State Co-operative Banks	...	...	1,38,09.18	1,36,97.58
(iii) Others	...	...	1,40.57	1,40.57
Investments	...	...	1,81,02.39	1,89,56.94
Other Assets	...	...	33,91.52	32,51.37
Total	...	...	5,37,90.57	5,28,24.41

SCHEDULED BANKS

(i) Demand Liabilities—	Week Ended	
	21-12-62	14-12-62
(a) Demand Deposits	...	...
(1) From Banks	47,75.21	46,20.97
(2) From others	8,04,86.59	8,04,86.81
(b) Borrowing from Banks	34,12.20	29,20.58
(c) Others	53,67.47	53,24.37
(iii) Time Liabilities—	...	...
(a) Time Deposits	...	...
(1) From Banks	22,70.75	23,16.94
(2) From others	12,17,62.84	12,15,86.95
(b) Borrowing from Banks	12,51.83	12,16.11
(c) Others	11,01.28	10,97.98
(iii) Borrowing from State Bank—	...	...
(a) Demand Liabilities	...	...
(b) Time Liabilities	...	...
(i) Borrowing from Reserve Bank	...	...
(v) Cash	48,29.63	49,72.75
(vi) Balances with the Reserve Bank	74,27.95	75,78.16
(vii) Balances with other Banks in current account	19,15.99	17,87.43
(viii) Money at call and short notice	58,33.78	49,57.53
(ix) Investments in Central and State Govt. Securities	6,63,65.75	6,64,22.37
(x) (a) Loans, Cash credits and Overdrafts	11,99,51.62	11,90,48.42
(b) Due from Banks	9,27.15	8,89.94
(xi) Inland Bills purchased and discounted	1,51,68.55	1,52,14.78
(xii) Foreign Bills purchased and discounted	54,09.41	50,18.20
(xiii) Total of X, XI and XII	14,14,56.73	14,01,71.34

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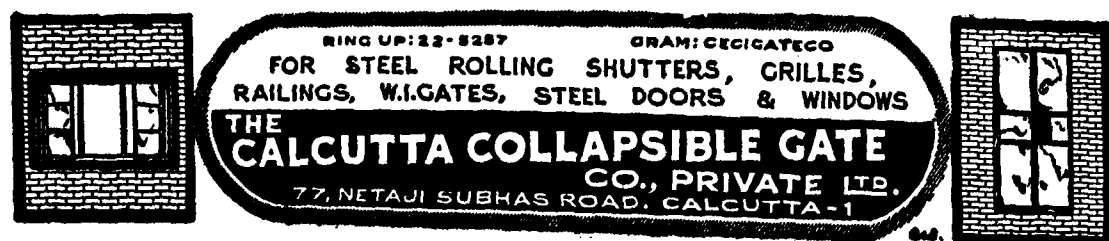
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Rs. 70.50 lakhs (all in equity shares of Rs. 50 each), and this is supported by reserves and surplus amounting to Rs. 1.75 crores. At its current quotation of Rs. 213 cum-dividend, Belapur Sugar share offers a gross return of about 10.4 percent.

The working results of the Great Eastern Shipping Company for the year ended June 1962, show a satisfactory improvement over those of the previous year. The chairman, Mr. A. H. Bhiwandiwalla's speech at the shareholders' annual meeting, held recently, holds out the promise of still better results in the current year. Everything going well, freight earnings in 1962-63 may reach an all-time high of Rs. 4 crores; the figure for the first half of the current year, it is said, will be more than Rs. 2 crores. Mr. Bhiwandiwalla's assessment of the Company's prospects contrasts with the pessimistic note struck by the chairman of the Scindia Steam Navigation Company in his statement to shareholders recently. Mr. Bhiwandiwalla says that the Company is investigating methods of augmenting its tonnage speedily with a view to meeting the country's emergency requirements. The Company has acquired and placed on the west coast of the U.S.A. and Canada run a new ship named *Jag Rakshak* for bringing cargoes to Indian ports. It is felt that this service, if successful, would add an element of stability to the activities of the Company. Replying to shareholders' enquiries, the chairman disclosed that negotiations were in progress with a British concern, which has a number of ships





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at its disposal, for a joint venture. The Company does not, however, propose to issue any fresh capital at the moment to finance its expansion for diversification plans because its deposits with the banks are of the order of Rs. 3 crores. The chairman ruled out the possibility of an increase in the dividend for 1962-63.

Mr. Bhiwandiwalla was very critical of the arrangement concerning the Japan-India trade which, it is stated, has been reached under the auspices of the Central Government. The Company's application for membership of the conference catering to this trade has been rejected, although the Estimates Committee of Parliament had advised in its report that the Government-owned Shipping Corporation of India should support the Company's candidature. In view of this pronouncement, Great Eastern Shipping was trying for the past two years to secure the membership and it was for this very reason that it refrained from encroaching on Conference cargoes by quoting lower rates of freight. Not only has the Company's application for membership been rejected, but the Government's present policy is in favour of offering the overflow cargoes to the members of the Conference only. Mr. Bhiwandiwalla says that if this practice remains unchanged, Great Eastern Shipping will be wiped out of Japan-India trade.

He said that the volume of coastal cargo which had been stagnant for a number of years, had improved as a result of the diversion of the additional 1 million tons of coal cargo to coastal shipping. But the conditions in this sector have not improved materially due to the feeling of complacency which has developed after the grant of higher coastal freight rates. Mr. Bhiwandiwalla urged the Government to review the policy concerning the allotment of the overflow cargo in the Japan-India trade.

Oudh Sugar Pays the Same

Although the dividend has been maintained at 20 percent, less tax, the working results of Oudh Sugar for the year ended July 1962, show a substantial setback compared with those of the previous year. The gross profit is down by 39 percent from Rs. 65.10 lakhs to Rs. 39.74 lakhs. The Company's production shows an all-round decline. The quantity of cane crushed fell from 12.5 million maunds to 11.4 million maunds with the sugar recovery down from 9.49 percent to 9.34 percent due to unfavourable climatic conditions. The production of power alcohol and spirits fell from 1.4 million gallons to 1.1 million gallons, and the output of *vanaspati* was also slightly lower at 15,002 tonnes, against 15,095 tonnes. The Company's own farms produced 440,000 maunds of cane, against 628,000 maunds in the previous year. The provision for depreciation and development rebate has been reduced from Rs. 10.64 lakhs to Rs. 9.99 lakhs, and that for taxation has been more than halved from Rs. 29.89 lakhs to Rs. 14.35 lakhs. The proposed dividend absorbs Rs. 15.50 lakhs (the same), leaving a surplus of Rs. 31,000 to be carried forward. In the previous year, a sum of Rs. 9 lakhs had been transferred to reserves, but no such allocation has been made this year because of the fall in the profit. The Rs. 100-paid share of the Company is currently quoted around Rs. 184, offering a gross return of about 8.6 percent.

Baroda Rayon Goes on Stream

Baroda Rayon Corporation's plant in Udhna (Surat District), which is the seventh unit in the country

manufacturing viscose rayon yarn, went into commercial production on 23rd December, when it was inaugurated by the President, Dr. S. Radhakrishnan. The plant is licensed to produce 7½ tons a day of continuous filament rayon yarn on 100 denier basis, 48 tons a day of sulphuric acid, 5 tons of carbon-di-sulphide and 10 tons a day of sodium sulphuric. The Company's plant, it is claimed, is the only unit in the country which will manufacture 75 and 60 deniers. These will meet the requirements of the "zari" industry and are required for the manufacture of fine parachute cloth for defence needs. About 33 percent of the country's power-looms are located in the vicinity of Surat which means a ready market for the Company's yarn. Another unique feature of the plant is that Baroda Rayon proposes to have 50 percent of its production of yarn on sized beams which has not been done by any other yarn manufacturer. The balance will be on cones. The full production capacity, it is expected, will be achieved within a period of two months.

The Company's Rs. 50-million project is backed by the technical know-how of Asahi Chemical Industry Company of Japan, and plant and machinery have been supplied by Mitsubishi Shoji Kaisha Ltd of Japan. The Company's issued capital is Rs. 4.90 crores, all in equity shares of Rs. 100 each. The paid-up capital is Rs. 4,75,71,925. The Rs. 100-paid share which had touched a high of Rs. 160 in 1962 is currently quoted around Rs. 127.

West Coast Paper Expansion

A director of West Coast Paper Mills, Mr. P. D. Bangur who presided over the Company's latest annual general meeting held on 27th December, 1962, informed the shareholders that the Company had big expansion schemes in view which would involve a huge capital outlay. In addition to its present rated capacity of 60 tons of paper a day, it proposes to set up plants for the manufacture of 90 tons a day of rayon grade pulp, 30 tons a day of caustic soda and 60 tons a day of chlorine. Orders for the caustic soda and chlorine plants, which are estimated to cost about Rs. 1.50 crores, have already been placed with Krebs and Company of Paris on a long-term credit basis. The foreign exchange requirements of this project have been sanctioned by the Government and the import licence for Rs. 80 lakhs, it is expected, will be received shortly. It would take about two years for the plant to go into production. Referring to the other bigger expansion programme for the manufacture of rayon grade pulp and other specialities, Mr. Bangur said that the Company was negotiating with an American firm for technical and financial collaboration. Details still remained to be settled.

West Coast Paper has received the green signal from the Government for negotiating the foreign exchange requirements estimated around Rs. 6.5 crores. Negotiations for loans from financial institutions are proceeding. Mr. Bangur added that the implementation of the scheme bristled with many difficulties which were still to be overcome. He assured shareholders that the Company would not suffer on account of raw materials due to the flowering of bamboos. West Coast Paper has undertaken an extensive plantation programme, and it is carrying on research work on other alternative raw materials like lops and tops of various species of hardwood and the use of cotton linters and rags. The production of paper during the first five months of the current year—

July to November—amounted to 11,00 tonnes, compared with 25,406 tonnes in the previous full year. Mr. Bangur strongly criticised the increase in electricity duty on the power generated by the Company's own power plant for its own consumption, particularly in face of the acute shortage of power. He also stated that the increase in the selling prices of paper allowed with effect from 21st June, 1962, was quite inadequate to offset the increase in manufacturing expenses.

Steel and Allied Products

In spite of the closure of the hack-saw and screw sections for nearly five weeks between September and October 1961 due to labour trouble, the working results of Steel and Allied Products for the year ended June 1962, show considerable improvement over those of the previous year. The 16 percent increase in the gross profit from Rs. 10.11 lakhs to Rs. 11.72 lakhs is, however, small in face of the 40 percent increase in sales from Rs. 42.77 lakhs to Rs. 60.20 lakhs. After providing Rs. 2.91 lakhs (against Rs. 1.64 lakhs) for depreciation and Rs. 4.50 lakhs (against Rs. 3.50 lakhs) for taxation, the net profit amounts to Rs. 4.32 lakhs, against Rs. 4.97 lakhs in 1960-61. The proposed gross dividend of Rs. 15 a share (on the increased capital) absorbs Rs. 2.25 lakhs (against Rs. 2.18 lakhs). In the previous year, the Company paid Rs. 40 a share, but only one-third of the capital ranked for the full year, the rest of the capital being partly paid for part of the year. Allocation to general reserve has been maintained at Rs. 1.50 lakhs, but provision for development rebate reserve has been reduced from Rs. 1.34 lakhs to Rs. 50,000.

The directors state that although the Company's expansion scheme was completed during the year, its full effect in the form of production up to the installed capacity could not be achieved due to a shortage of power and unsatisfactory labour relations. Even so, the production of several items recorded a sizable increase. In view of the higher volume of business, the Company needs additional finance, and the directors propose to offer 7,500 new equity shares of Rs. 100 each to shareholders on 15th January this year in the ratio of one new share for every two held. They are negotiating for foreign collaboration for the manufacture of taps, dyes, chasers, twist drills and reamers. The Government of India, it is stated, has agreed to issue the necessary licence. The workers of the Company resorted to an illegal strike from 18th August, 1962, but an agreement was reached on 23rd October under which the workers have undertaken not to adopt go-slow tactics. The factory has reopened and production is being maintained at a satisfactory level. The directors are hopeful of producing better results during the current year.

Carborundum Universal Repeats

In spite of an increase of about 11.5 percent in the sale of Carborundum Universal Ltd from Rs. 1.23 crores to Rs. 1.37 crores during the year ended August 1962, the gross profit is about the same as in the preceding year; in fact, it is fractionally lower at Rs. 35.46 lakhs, against Rs. 35.52 lakhs. The profit margin has been squeezed by the enhanced wage bill and an increase in raw material prices. After providing Rs. 7.19 lakhs (against Rs. 6.98 lakhs) for depreciation and

Rs. 15.97 lakhs (against Rs. 14.15 lakhs) for taxation, the net profit amounts to Rs. 12.30 lakhs, compared with Rs. 14.39 lakhs in 1960-61. The dividend has been maintained at 9 percent, less tax, absorbing Rs. 4.50 lakhs. A sum of Rs. 5 lakhs (against Rs. 4.50 lakhs) has been set aside for general reserve. Allocations to development, replacement and research reserves and dividend equalisation reserve have been halved from Rs. 2 lakhs each to Rs. 1 lakh each. But taxation reserve gets Rs. 1 lakh, against nil. After making all these appropriations, there remains a surplus of Rs. 1.40 lakhs to be carried forward, against Rs. 1.60 lakhs brought in.

The directors state that the installed capacity in both bonded and coated abrasive departments of the Company was fully used during the year, and that they are considering the question of increasing productivity in order to offset some of the rise in manufacturing expenses. The Company has had to make alternative arrangements for financing the import content of the expansion scheme in the bonded and coated departments, as it failed to obtain the Government's approval for the terms of foreign currency loan offered by the Company's overseas associates. The Company has now obtained a line of credit worth Rs. 17.5 lakhs from the I.C.I.C.I. The requisite import licence has been received and orders for machinery have also been placed. The Company has also received an industrial licence for the manufacture of 7,000 tons of synthetic abrasive-fused aluminium oxide grains a year. Land for the project has been obtained in Edappally, near Cochin, and power has also been arranged. The Company has obtained the Government's sanction for the issue of 20,000 shares of Rs. 100 each at a premium of Rs. 25 a share. Additional funds are required for the aluminium oxide plant. Plans for the installation of a rotary kiln in Okha to process calcine bauxite for use as raw material in the aluminium oxide plant are also in progress. It is hoped that with the completion of this scheme, the Company will be in a position to meet the entire aluminium oxide grain requirements of the bonded and coated abrasive industry in the country.

Vazir Sultan Tobacco Fares Well

Vazir Sultan Tobacco Company has done better during the year ended September 1962 than in the previous year, and both sales and profit have been higher. But the increase in the gross profit from Rs. 95.21 lakhs to Rs. 97.49 lakhs is too small, compared with the 18 percent rise in gross sales from Rs. 7.29 crores to Rs. 8.61 crores. The profit margin has been badly squeezed by the heavy burden of taxation and increases in costs. The Company paid Rs. 4.11 crores (against Rs. 3.25 crores) by way of Customs and excise duties with the result that net sales stood at Rs. 4.50 crores, against Rs. 4.04 crores. The other income of the Company increased from Rs. 23.35 lakhs to Rs. 32.87 lakhs. The total revenue after making adjustments of stocks, rose by about 24 percent from Rs. 2.53 crores to Rs. 3.14 crores. But expenses increased by nearly 37.4 percent from Rs. 1.57 crores to Rs. 2.17 crores. From the year's gross profit of Rs. 97.49 lakhs (against Rs. 95.21 lakhs), the directors have provided Rs. 51.15 lakhs (against Rs. 43.85 lakhs) for taxation and Rs. 7.54 lakhs (against Rs. 7.11 lakhs) for depreciation.

The dividend has been maintained at 25 percent, which absorbs Rs. 25

lakhs. Preference dividend accounts for Rs. 1.78 lakhs, against Rs. 1.84 lakhs. A sum of Rs. 11.50 lakhs (against Rs. 17 lakhs) has been transferred to fixed asset and stock replacement reserve while development rebate reserve gets Rs. 36,761 (against Rs. 47,766). After making minor adjustments, there remains a balance of Rs. 1.82 lakhs to be carried forward, against Rs. 1.67 lakhs brought in. The Company's paid-up capital of Rs. 1.29 crores (of which equity capital is Rs. 1 crore) is supported by reserves and surplus amounting to Rs. 1.44 crores. The fixed assets valued at Rs. 1.45 crores have been written down to Rs. 76.41 lakhs. The Company entered into two agreements last November with the Imperial Tobacco Company of India as the previous agreement ceased to have effect after 24th November. One of the two fresh agreements covers the manufacture of this Company's brands and the other is about selling arrangements. Shareholders' approval to these agreements will be sought at the annual meeting to be held this month.

J. K. Steel Expanding and Diversifying

The ordinary shares of J. K. Steel Ltd have been steady around Rs. 16.50 due to the fact that the Company has been going ahead with its programme for the expansion and diversification of activity. In addition to producing jute baling hooks, it has started manufacturing cold rolled strips, box strappings and steel wire ropes. It has been granted a licence for the production of wire ropes. It has also obtained an industrial licence to make electric hoists and chain pulley blocks. This project has been delayed by the foreign exchange shortage. But the Company has now arranged for foreign exchange with the Industrial Credit and Investment Corporation. In his chairman's statement at the annual general meeting of the Company held last week, Mr. Lakshminpat Singhania mentions (a full text of the speech is printed on an earlier page in this issue of *Capital*) that the industrial licences granted to the Company for doubling the capacity for wire ropes, for producing pipes and tubes and for installing electric furnaces will be proceeded with as and when foreign exchange becomes available.

The profit has fallen from Rs. 26.12 lakhs in 1960-61 to Rs. 20.46 lakhs in 1961-62. A taxable ordinary dividend of 10 percent has been declared, which is half the dividend paid for 1960-61, but the share capital has meanwhile been doubled. Mr. Singhania points out that production during 1961-62 has been affected by two factors. The first is a prolonged illegal strike causing a production loss to the extent of about Rs. 60 lakhs. The second is the shortage of raw materials. The supply of billets which constitute the chief raw material, has been very short of requirements. Hence the plant has had to work below its capacity.

The supply of billets has not only been short, but it has also been very irregular. The re-rolling industry, it was expected, would receive a supply of billets to the extent of 700,000 tons at the end of the second plan. But the total supply amounted to only 457,000 tons in 1961. The supply position deteriorated further in 1962. He, therefore, thinks that the Government should take steps to ensure an adequate supply of billets to the re-rolling industry. As for wire ropes, he points out that the Government has sanctioned industrial licences for an annual capacity of 34,800 tons, against the present consumption of only 10,000 tons. This apart, it must be remembered that the production of wire ropes depends

on the supply of specialised steel. He doubts whether an adequate quantity of this steel can be supplied to the producers of wire ropes.

Dalmia Iron Repeats

The ordinary shares of the Dalmia Iron and Steel Co. Ltd have met with scattered support around Rs. 11.69, which is attributed to the fact that their growth prospects have been stressed by the directors in their report for the year ended June 1962. Sales rose from Rs. 1.44 crores in 1960-61 to Rs. 1.80 crores in 1961-62, although part of the increase was due to higher prices. The directors hope for better results during the current year. The management could not proceed with the expansion of the steel foundry according to the original plan due to the foreign exchange shortage. The Company has, however, arranged for increasing the output in this department by procuring indigenous machinery. A new 3-ton furnace has been installed, and it has started producing.

As soon as power supply improves and the necessary equipment has been imported, the output capacity for steel castings will be doubled to 3,000 tons a year and that for grinding media, to 6,000 tons a year. The expansion is likely to be completed by the end of 1963. The Company has, meanwhile, taken steps to raise the production of grinding media to 5,000 tons a year in spite of the power shortage. As for the spun iron pipe project, the management could not proceed with it under the former arrangement for technical and financial collaboration with foreign manufacturers as the requisite foreign exchange was not available. In the meantime, the Company itself produced the equipment necessary to increase the output to 45,000 tons a year by 1963. The cost of this expansion may be around Rs. 10 lakhs.

A taxable ordinary dividend of 10 percent has been repeated. It is covered more than two-and-a-half times, and offers a yield of 8.6 percent at the present price. The profit has improved from Rs. 22 lakhs in 1960-61 to Rs. 22.94 lakhs in 1961-62 after providing Rs. 10.71 lakhs (against Rs. 10.50 lakhs) for depreciation. Development rebate reserve is allocated Rs. 3 lakhs (against Rs. 11.50 lakhs), taxation Rs. 7.50 lakhs (against Rs. 1.50 lakhs) and general reserve Rs. 5 lakhs. The carry-forward is Rs. 1.09 lakhs, against Rs. 1.65 lakhs brought in. The output of grinding media was 3,560 tons, against 3,879 tons, that of steel castings 1,006 tons, against 927 tons, and that of spun iron pipe 18,473 tons, against 15,207 tons.

Burma Corporation Loses

The Burma Corporation (1951) Ltd, jointly owned by Burma Mines Ltd and the Union Government of Burma, has incurred a loss of £248,895 during the year ended June 1962, compared with a loss of £172,536 in 1960-61, after providing £102,698 for depreciation. The gross revenue is £1,897,500 and the expenditure amounts to £2,028,000. Although ore extraction declined, the tonnage of ore milled and the output of all marketable products were higher.

Filtrona India: A New Venture

Filtrona India Private Ltd is a new Company which has been promoted by Killick Industries Ltd in association with the Cigarette Components Ltd, London, and the Industrial Investment Trust Ltd, Bombay. The Company, which has been incorporated in Maharashtra State as a private limited company, will in due course

become a public company in compliance with the provisions of the Companies Act, 1956. Arrangements, it is stated, are well in hand to construct a modern factory at Killick's industrial estate in Chandivli, Bombay, which will be equipped to produce 120 million sextuple cigarette filter rods a year for supply to the Indian cigarette industry. Details about the capital structure have not yet been finally decided, but it is stated that Cigarette Components Ltd, London, will hold 50 percent of the equity capital of Filtrona India and the two Indian firms, Killick Industries and Industrial Investment Trust, will each hold 25 percent. Production, it is expected, will start during the third quarter of 1963.

Bharat Steel Tubes

Bharat Steel Tubes Ltd of Delhi is a new company which has been formed to undertake the manufacture of steel tubes up to 6in. diameter, in collaboration with the U.S. firm of Abbey Etna Machine Company of Ohio. The factory which is claimed to be the first of its kind in the country has been licensed to manufacture 36,000 tons of tubes annually on a single shift basis. The project, it is estimated, will involve an outlay of Rs. 3 crores, of which Rs. 2 crores will be raised through share capital comprising 175,000 equity shares of Rs. 100 each and 25,000 preference shares of Rs. 100 each. The U.S. firm which is collaborating in the venture will participate in the equity capital of the Company to the tune of \$1 million in addition to supplying machinery and technical know-how. The Government has sanctioned foreign exchange to the extent of Rs. 88 lakhs from the Development Loan Fund. The factory which will be located near Sonapat, Punjab, is expected to go into production by the end of 1963. The Company is likely to enter the market shortly to raise capital. Out of the equity capital of Rs. 1.75 crores, the promoters, directors and their friends are likely to take up shares of the value of Rs. 30 lakhs. The project, it is said, has a great export potential. The construction work of the factory has already started.

Muar River Rubber

The working of the Muar River Rubber Co. Ltd for the year ended March 1962, shows a net profit of £192,390, against the previous year's £226,799. The chairman, Mr. John D. Barlow, says that the result is satisfactory since the c.i.f. price of rubber was nearly 5d a lb lower than last year. With £26,165 brought forward, the total comes to £218,555. Out of this, the directors have transferred £64,650 (against £89,050) to taxation reserve and £55,000 (against £59,000) to replanting reserve. The dividend at 4d a share (16 2/3 percent) amounts to £69,779. The balance of £29,126 is carried forward.

There was a 10-percent increase in the crop during the year at 5.6 million lbs, and the yield an acre tapped was about 650 lbs. There were about 500 acres of mature rubber on the Borneo estates which were not tapped due to lack of labour. The chairman says that given more labour for this work, the Company can harvest higher crops in Borneo, which will benefit not only the company, but also the Borneo Government who will receive increased export duty on larger crops. The crop for 1962-63 is estimated at 5.7 million lbs. The average gross selling price was 22.1d a lb and the all-in-cost, excluding replanting, was 16.7d, so the profit was 5.4d a lb, compared with about 6d a lb in the previous year.

Dealing with the outlook, the chairman says that the estimates for

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supply, including stockpile deliveries, and demand for natural rubber in 1962 are evenly balanced at 2.2 million tons. Estimates for supply and demand for synthetic rubber are for the first time about the same as natural. Now half the world's supply of rubber is natural and half synthetic. Mr. Barlow says that new synthetics, such as cis-polybutadiene, can be used instead of the natural product for almost all purposes, and the price of these synthetics will, to a large extent, determine the price of natural rubber.

New Capital Issues

The Controller of Capital Issues has authorised six companies to raise fresh capital totalling Rs. 6.18 crores. One company is issuing part of its new capital as bonus shares and the rest are issuing equity. Two companies are giving part of the capital to their foreign collaborators. One is a State Government undertaking. The consent for all these issues is valid for 12 months. The following are the details:

I.L.S.C.O. Stanton Pipe and Foundry Company Ltd. Calcutta, is raising equity capital of Rs. 3 crores in ordinary shares of Rs. 100 each at par. Out of this, shares worth Rs. 2 crores will be subscribed by the Indian Iron and Steel Co. Ltd. and shares worth Rs. 1 crore will be offered to the foreign collaborators, Stanton and Staveley Ltd of the U.K.

Gujarat State Fertilizers Company Ltd. Ahmedabad, is raising capital of Rs. 2 crores divided into 200,000 equity shares of Rs. 100 each for cash at par, to be subscribed by the Government of Gujarat.

John Oakey and Mohan Ltd. Delhi, will issue capital of Rs. 50 lakhs (inclusive of Rs. 7,55,900 already issued and subscribed) divided into 500,000 equity shares of Rs. 10 each, for cash at par.

Molins of India Ltd. Calcutta, is to issue Rs. 34 lakhs in equity shares of Rs. 10 each at par, to be subscribed to the extent of 48 percent by the Indian public. The remaining 51 percent will be subscribed by Molins Machine Company Ltd of the U.K. against supply of capital goods.

Sri Sai Baba Textile Mills Ltd. Andhra Pradesh, has been granted consent to the issue of equity capital of Rs. 20 lakhs for cash at par.

Auto Distributors. Calcutta, will issue capital of Rs. 14,00,000 divided into 100,000 equity shares of Rs. 10 each, for cash at par to be issued to the public and 14,000 equity shares of Rs. 10 each as bonus shares to existing shareholders of the Company on the capitalisation of its reserves.

STANDARDS CONVENTION TO MEET IN CALCUTTA

The seventh Indian Standards Convention will meet from 28th January to 2nd February, 1963. It will be inaugurated on 28th January by Mr. P. C. Sen, Chief Minister of West Bengal. Mr. K. C. Reddy, Central Minister for Commerce and Industry, will preside over the function. Dr. Sushila Nayar, Central Minister for Health, Mr. O. V. Alagesan, Central Minister of State for Irrigation and Power and some ministers from the West Bengal Government are expected to attend it. The technical sessions of the Convention, which will discuss important problems of standardisation in topical subjects, will be held at the Rabindra Sarobar Stadium, Calcutta. This is the second time that Indian Standards Convention, the first being the inaugural convention held in 1954.

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Stocks and Shares

CALCUTTA STARTS THE NEW YEAR WITH PESSIMISM

Wednesday Evening.

THE Calcutta stock market has started the New Year with pessimism. The hangover of the sharp decline towards the end of 1962 following the Chinese invasion has not yet passed. The all-India index for ordinary shares has declined from 182.4 to 170.6 (base year 1952-53 equals 100) over the past year. The hesitation of operators and investors is understandable. The political situation remains uncertain. Although there has been no armed clash since China declared a cease-fire in November, her intentions are far from clear. Despite the fact that talks have started between India and Pakistan about Kashmir, no solution of the problem is in sight.

Political uncertainties apart, Lyons Range has been worried by recent economic developments. Although the fresh import cuts for the October 1962-March 1963 period were expected in view of the meagre foreign exchange reserves, it is feared that the working of many industries will suffer due to the shortage of raw materials and spare parts. On a longer view, however, the outlook is probably not so depressing. As the import policy has been framed with a view to promoting defence production and exports, it is hoped that defence and export industries will be given the raw materials necessary for carrying on full production. The hope is reinforced by the fact that many foreign countries have indicated their willingness to help India in fighting the Chinese invasion. When the Aid-India Club meets a couple of months hence, it is expected that it will give all the aid India requires for defence production. As a result of the import cuts, the import-substitution industries are likely to benefit but their number may not be large.

Lyons Range has been taking a cautious view of the near-term trend. The prospect of heavier taxation in the next Central Budget, which is to be presented at the end of February, is almost certain. The Central Finance Minister, Mr. Morarji Desai, has already indicated that more taxes will have to be imposed in order to finance defence expenditure. This apart, many companies have already decided to contribute a portion of their profits to defence voluntarily.

Although industry has been asked to produce more for defence, in the absence of fuller information it is not possible to say at the present stage to what extent the increase in production will contribute to profits. Considering that a large proportion of the output will have to be sold to the Government, investors are inclined to take a cautious view about the profit outlook. They know that an increase in turnover does not necessarily imply bigger profits. In fact, profits have not improved in proportion to turnover during the past year due to a rise in production costs. In the circumstances, it is difficult to take an optimistic view about dividends in the near future. On the basis of share prices is present level of share prices is probably higher than is justified. But ideas about dividend yields are being revised as the trend towards a dearer money policy and higher interest rates gathers momentum.

During the last three days' trading in 1962, it was reported that bank pressure had been felt, which might have been due partly to the year-end closing of accounts. In any case, the shortage of credit is likely to be more

pronounced during the coming weeks as bank funds will be fully employed in meeting the busy season's requirements. Since the support for shares might be poor, it is hoped that the Reserve Bank will persuade the banks not to press for a reduction in share overdrafts. A redeeming feature is that the load of floating stocks has been relieved greatly by the substantial purchases of the Life Insurance Corporation.

Government securities have been quiet in the absence of institutional support. Prices of Central Government loans have eased. State Government loans have met with selling pressure. Scattered business has been done in selected preference shares and debentures.

Bombay Market

TURNOVER REMAINS SMALL

ANXIETY OVER RISE IN CLOTH STOCKS

Wednesday Evening

THE Bombay stock market reopened on Wednesday after the Christmas holidays in a hesitant mood. Turnover was small and operators were unwilling to enter into fresh commitments in view of the political and economic uncertainties. The import policy for the October 1962-March 1963 period has caused a great deal of concern. As imports have been cut further, it is feared that many industries will suffer from a shortage of raw materials and spare parts. Although the engineering industry has been asked to produce more for defence, it remains to be seen whether profits will increase. The speech of the chairman of Premier Automobiles, at the annual general meeting of the Company, has made investors cautious as he is not sure how the increased defence production will influence profits.

Cotton mill investors are getting worried over the accumulation of stocks of cloth and yarn. The Government is not expected to announce the new prices of cloth and yarn on the recommendations of the Tariff Commission before the beginning of the next financial year. But it is doubtful whether the trading community will care to buy cloth above the minimum requirements in anticipation of a cut in the price. In the miscellaneous section, sugar shares have been depressed by the accumulation of stocks of the commodity at factories. Rayon and cement shares are subdued. Chemical shares have been sold more freely than bought. There is little interest in bank and insurance shares. The prospect of an increase in the standard return for electric companies has not impressed investors.

Madras Market

STEADIER START AFTER THE HOLIDAYS

SELECTIVE SUPPORT FOR TEAS AND RUBBERS

Wednesday Evening.

THE Madras stock market has started the New Year in a

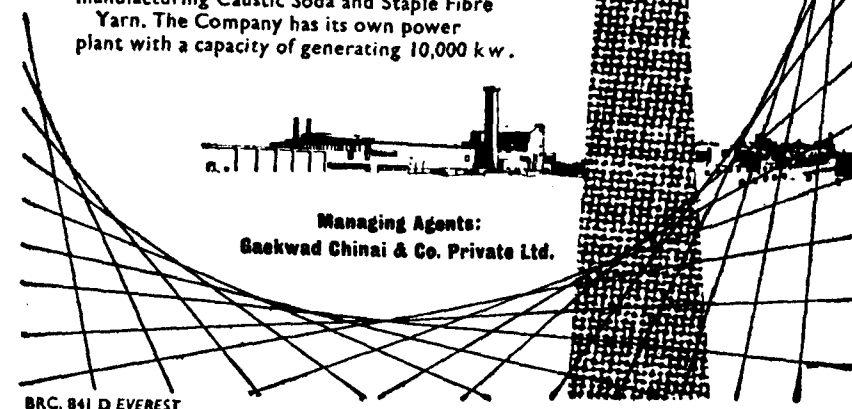
steadier mood. Reopening today after the Christmas holidays, attention has been concentrated on selected planting and miscellaneous shares due to satisfactory dividend yields. Good tea shares have met with scattered support as the average price of the commodity realised so far is slightly better than in 1961. Selected rubber shares are steady, but coffee shares are generally neglected. In the sugar section, E.I.D. and Mysore have attracted scattered support. Cotton mill shares are being traded cautiously in view of the uncertain export prospects. In the miscellaneous section, good cement and chemical shares are fancied due to their growth prospects.

Investors are nevertheless cautious as bank credit has become more expensive. The import cuts for the half-year ended March 1963 are a disturbing factor. Government securities are depressed, and prices of Central Government securities have eased in the absence of buyers. Prices of State Government loans have fallen considerably on a predominance of sellers. In the cotton mill section, Asher has declared a taxable ordinary dividend of 15 percent. Among planting shares, Coffee Lands has paid a taxable ordinary dividend of 9 percent. In the miscellaneous section, Mysore Cement has passed the dividend, but has issued



...inauguration THE BARODA RAYON CORPORATION LTD., UDHNA, SURAT

Another Rayon Yarn Manufacturer in India— the seventh Viscose Filament Rayon Yarn Plant— stepped into the industry on 23rd Dec. 1962. A Rupee Eight Crore Project standing on 320 acres will manufacture—backed up by the technical know-how of ASAHI CHEMICAL INDUSTRY COMPANY LIMITED, and plant and machinery supplied by MITSUBISHI SHoji KAISHA LTD. TOKYO (JAPAN)—eight and a quarter million pounds per annum of Viscose Filament Rayon Yarn for the textile industry, along with the daily production of by-products like Sulphuric acid (48 tons) Carbon-di-sulphide (5 tons) and Sodium Sulphate (10 tons). Also, there is a programme of manufacturing Caustic Soda and Staple Fibre Yarn. The Company has its own power plant with a capacity of generating 10,000 k.w.



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650,000 ordinary rights shares in the proportion of 2.82 new shares for every five held.

THE FORTNIGHT'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past fortnight, the figures indicate Opening Quotations, Highest and Lowest for the fortnight, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last-named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs. 30/75—31/06—29/62—29/75—(28/37).
Burraku—Rs. 16/75—16/87—16/50—16/56—(18/75).
Dunlop Rubber—Rs. 38/00—38/25—38/00—38/25—(39/50).
Guest, Keen, Williams—Rs. 34/87—35/50—34/87—35/00—(39/12).
Howrah Jute—Rs. 19/25—19/31—19/00—19/00—(20/50).
Hindustan Motors—Rs. 17/50—17/87—16/87—16/87—(21/44).
Indian Aluminium—Rs. 33/00—34/06—33/00—33/81—(38/25).
Indian Cable—Rs. 34/87—35/00—34/50—34/50—(35/94).
Indian Copper—Rs. 4/42—4/54—4/31—4/36—(4/80).
Indian Iron—Rs. 22/00—22/23—22/00—22/00—(25/50).

BANK

United (Rs. 10/- paid)—Rs. 7/94—7/94—7/81—7/84—(6/12).

RAILWAY

Dehri Rohtas—Rs. 15/00—15/00—15/00—15/00—(24/62).

TEXTILES

Bharat Commerce—Rs. 25/87—23/87—25/87—25/87—(28/12).
Dunbar—Rs. 27/00—28/37—27/00—28/37—(32/19).
Elgin Mills—Rs. 19/69—20/06—19/69—19/87—(22/56).
Jay Shree—Rs. 16/25—16/25—16/25—16/25—(13/62).

COALS

Amalgamated—Rs. 21/00—23/00—21/00—23/00—(22/95).
Bengal—Rs. 335/00—335/00—335/00—335/00—(350/00).
Central India—Rs. 10/31—10/50—10/25—10/37—(12/50).
Equitable—Rs. 25/62—25/62—25/62—25/62—(28/87).
East Indian—Rs. 50/00—50/00—50/00—50/00—(32/81).
New Beerboom—Rs. 21/44—21/62—21/44—21/62—(21/75).
Pench Valley—Rs. 16/50—16/50—16/50—16/50—(17/00).
Western Bengal—Rs. 9/25—9/50—9/25—9/50—(9/69).

JUTES

Agarpara—Rs. 10/31—10/87—10/25—10/87—(10/56).

J. K. Cotton Spg. & Wvg.—14/75—14/75—14/37—14/50—(19/69).
Jaipur Udyog—Rs. 11/37—11/44—11/25—11/31—(11/62).
Kesoram Cotton Industries—Rs. 22/00—22/12—22/00—22/00—(29/75).
Orient Paper—Rs. 37/10—37/70—36/80—37/20—(40/75).
Orissa Cement—Rs. 15/75—15/94—15/50—15/62—(16/00).
Rohtas Industries—Rs. 12/06—12/25—12/00—12/00—(16/94).
Shree Gopal Paper—Rs. 23/81—24/31—23/81—24/12—(26/37).
Textile Machinery—Rs. 20/50—20/65—20/00—20/00—(21/75).

GOVERNMENT SECURITIES

3 % Loan (1986)—Rs. 63/30—63/50—63/40—63/40.
3 % „ (1963-65)—Rs. 99/00—99/00—98/95—98/95.
3 % „ (1966-68)—Rs. 96/45—96/45—96/45—96/45.
3 % „ (1970-75)—Rs. 87/75—87/75—87/25—87/25.
3 % „ (1964)—Rs. 98/45—98/45—98/45—98/45.
3½ % „ (1964)—Rs. 99/30—99/30—99/30—99/30.
4½ % „ (1985)—Rs. 100/03—100/03—100/03—100/03.
4 % West Bengal (1974)—Rs. 98/20—98/25—97/00—97/00.
4 % Bombay (1967)—Rs. 97/55—97/55—97/55—97/55.
4½ % Orissa (1974)—Rs. 96/30—96/35—96/20—96/20.
4½ % U.P. (1974)—Rs. 97/35—97/35—96/25—96/25.

BANK

United (Rs. 10/- paid)—Rs. 7/94—7/94—7/81—7/84—(6/12).

RAILWAY

Dehri Rohtas—Rs. 15/00—15/00—15/00—15/00—(24/62).

TEXTILES

Bharat Commerce—Rs. 25/87—23/87—25/87—25/87—(28/12).
Dunbar—Rs. 27/00—28/37—27/00—28/37—(32/19).
Elgin Mills—Rs. 19/69—20/06—19/69—19/87—(22/56).
Jay Shree—Rs. 16/25—16/25—16/25—16/25—(13/62).

COALS

Amalgamated—Rs. 21/00—23/00—21/00—23/00—(22/95).
Bengal—Rs. 335/00—335/00—335/00—335/00—(350/00).
Central India—Rs. 10/31—10/50—10/25—10/37—(12/50).
Equitable—Rs. 25/62—25/62—25/62—25/62—(28/87).
East Indian—Rs. 50/00—50/00—50/00—50/00—(32/81).
New Beerboom—Rs. 21/44—21/62—21/44—21/62—(21/75).
Pench Valley—Rs. 16/50—16/50—16/50—16/50—(17/00).
Western Bengal—Rs. 9/25—9/50—9/25—9/50—(9/69).

JUTES

Agarpara—Rs. 10/31—10/87—10/25—10/87—(10/56).

Anglo-India—Rs. 229/00—229/00—229/00—229/00—(196/00).

Do. (Pref.)—Rs. 90/00—90/00—89/00—89/00—(92/00).
Barnagore—Rs. 186/00—187/00—186/00—187/00—(137/00).
Budge Budge—Rs. 168/00—168/00—167/00—168/00—(129/00).
Champdany—Rs. 149/00—150/00—144/50—144/50—(125/00).
Cheviot—Rs. 24/00—24/00—24/00—24/00—(15/56).
Dalhousie—Rs. 134/00—136/00—134/00—136/00—(105/00).
Delta—Rs. 180/00—180/00—179/00—179/00—(159/00).
Do. (Pref.)—Rs. 64/75—64/75—64/75—64/75—(69/50).
Empire—Rs. 17/25—17/50—17/25—17/50—(18/62).

Ganges—Rs. 14/06—14/44—14/00—14/06—(12/87).
Gondalpara—Rs. 18/62—18/62—18/62—18/62—(35/00).
India—Rs. 17/94—18/06—17/75—18/00—(14/81).
Kinnison—Rs. 157/00—157/00—152/50—152/50—(161/00).
Lawrence—Rs. 130/00—131/00—130/00—131/00—(175/00).
Do. (C.B. Pref.)—Rs. 64/50—64/50—64/50—64/50—(66/97).
Megna—Rs. 13/19—13/31—13/06—13/12—(13/06).

New Central—Rs. 14/12—14/31—13/75—13/81—(17/12).
National—Rs. 24/87—26/00—24/87—26/00—(22/25).
Nuddea—Rs. 57/25—58/00—57/25—58/00—(65/00).
Presidency—Rs. 5/12—5/37—5/00—5/12—(5/06).

Shree Ambica—Rs. 25/00—38/00—25/00—30/00—(22/69).
Union—Rs. 166/00—166/00—166/00—166/00—(174/00).

MININGS

Karanpura Development—Rs. 12/06—12/69—12/00—12/37—(17/12).
Metal Corp.—Rs. 9/37—9/37—9/37—9/37—(10/50).

ELECTRICS

Calcutta Electric—Rs. 14/50—14/56—14/44—14/37—(15/06).
Dishegarh Power—Rs. 88/00—88/00—88/00—88/00—(93/00).

CHEMICALS

Alkali Chemical—Rs. 39/00—39/37—39/00—39/25—(43/62).
Kanoria—Rs. 4/10—4/10—4/00—4/00.

INSURANCE

Ruby General—Rs. 9/69—9/69—9/69—9/69—(8/75).

CEMENTS

Ashoka Cement—Rs. 7/81—7/87—7/81—7/87—(8/87).
Dalmia Cement (Bharat)—Rs. 13/81—13/81—13/81—13/81—(12/00).
Do. (Pref.)—Rs. 8/56—8/56—8/56—8/56—(8/00).
Sone Valley—Rs. 4/62—4/69—4/62—4/69—(4/81).

ENGINEERINGS

Bharat Ball Bearing—Rs. 14/19—14/50—14/19—14/50.
Bhartia Elec. Steel—Rs. 13/87—13/94—13/87—13/94—(10/00).
Britannia Eng.—Rs. 10/31—10/31—10/31—10/31—(13/50).
Calcutta Steel—Rs. 14/87—14/87—14/87—14/87—14/87.
Dalmia Iron—Rs. 11/75—11/75—11/69—11/69.
Hindustan Wire—Rs. 11/06—11/06—11/06—11/06.
Indian St. Wagon—Rs. 31/37—31/37—31/25—31/37.
Jessop & Co.—Rs. 22/00—22/62—22/00—22/25—(20/31).
J. K. Steel—Rs. 16/37—16/69—16/25—16/50—(19/56).
Kumardhubi Eng.—Rs. 7/62—7/69—7/50—7/62—(7/50).
Textile Machinery (6½% Pref.)—Rs. 99/25—99/25—99/25—99/25.

MISCELLANEOUS

Aluminium Corp.—Rs. 15/12—15/12—15/12—15/12—(17/25).
American Refrigerator—Rs. 9/37—9/37—9/37—9/37.
Angelo Brothers—Rs. 23/25—25/44—23/25—25/37—(23/37).
Associated Battery—Rs. 28/00—29/25—28/00—28/87—(36/75).
Asiate Oxygen—Rs. 10/00—10/12—9/62—9/62.
British Paints—Rs. 20/25—20/25—20/25—20/25—(27/75).
Clive Row—Rs. 8/25—8/25—8/25—8/25—(8/31).

Duncan Brothers (Pref.)—Rs. 56/00—56/00—56/00—56/00—(54/50).
East Anglia Plastics—Rs. 14/50—14/50—14/50—14/50.
Electric Construction—Rs. 14/06—14/25—14/06—14/25—(14/25).
Gillanders Arbuthnot—Rs. 14/06—14/25—14/00—14/06—(13/62).
General Tyres—Rs. 8/19—8/19—8/19—8/19.

Hindustan Aluminium—Rs. 14/69—15/00—14/31—14/56.
Hindustan Pilkington Glass—Rs. 19/50—19/50—19/50—19/50—(30/25).
Hindustan Wire Products—Rs. 15/56—15/56—15/56—15/56.
Hindustan Twyford—Rs. 15/75—15/75—15/75—15/75—(18/19).
Imperial Tobacco—Rs. 10/87—10/87—10/87—10/87—(12/87).
Indian Oxygen—Rs. 31/00—31/00—30/75—30/87—(40/75).

Indian Tack & Nail—Rs. 15/50—15/56—15/50—15/56.
Isaac Holdens—Rs. 15/62—15/75—15/56—15/56—(18/75).
Do. (Pref.)—Rs. 55/00—55/00—55/00—55/00.
Jardine Henderson—Rs. 71/00—72/00—70/00—72/00—(82/00).
J. K. Synthetics—Rs. 12/19—12/37—12/19—12/25.
Macfarlane & Co.—Rs. 7/0—7/00—7/00—7/00—(6/75).

Martin Burn—Rs. 29/87—30/56—29/75—30/25—(30/87).
McLeod & Co. (2nd Pref.)—Rs. 61/00—61/00—61/00—61/00—(61/00).
Metal Distributors—Rs. 5/00—5/15—4/91—4/91.
National Insulated Cable—Rs. 25/62—25/62—25/37—25/37—(36/75).

National Pipes & Tubes—Rs. 29/75—29/75—29/75—29/75—(30/12).
National Rolling & Steel Ropes—Rs. 20/36—20/36—20/30—20/30—(21/19).
National Rubber Manfg.—Rs. 11/37—11/81—11/37—11/75—(14/00).
Nav Bharat Vaniya (Pref.)—Rs. 61/00—61/00—61/00—61/00—(61/00).
Phillips India—Rs. 28/12—28/12—28/12—28/12—(23/87).

Rohtas Industries (C.B. Pref.)—Rs. 52/00—52/00—52/00—52/00—(53/00).
Shaw Wallace—Rs. 20/37—20/50—20/37—20/50—(22/37).
Sirsilk Ltd.—Rs. 8/75—9/31—8/75—8/81—(11/06).
Union Carbide—Rs. 43/00—43/75—43/00—43/75—(51/25).
Walford Transport (Ord.)—Rs. 3/37—3/37—3/37—3/37—(3/31).

Do. (P.O.)—Rs. 2/28—2/28—2/25—2/25—(2/50).

OIL

Indo-Burma Petroleum—Rs. 25/50—25/50—25/50—25/50—(27/87).

SAW MILL

Assam Saw—Rs. 2/90—2/90—2/90—2/90—(2/44).

PAPERS

Ballarpore Paper—Rs. 19/00—19/06—18/44—18/50.
Bengal Paper—Rs. 32/50—32/56—32/44—32/56.
Indian Paper Pulp—Rs. 19/00—19/12—18/94—19/00—(17/25).
Orient Paper (2nd Pref.)—Rs. 61/00—61/00—61/00—61/00—(61/00).
Seshasayee Paper—Rs. 8/31—8/31—8/31—8/31—8/31.
Sipur—Rs. 12/50—12/81—12/44—12/62—(17/25).
Titagbur (Ord.)—Rs. 36/00—36/12—20/62—20/75 x.r.x. Bonus—(36/00).

SHIPPINGS

India General Navgn. (Pref.)—Rs. 79/00—79/00—79/00—79/00—(77/00).
India Steamship—Rs. 6/75—6/75—6/25—6/56—(7/44).

SUGAR

Dyer Meakin Breweries—Rs. 29/62—29/62—29/62—29/62—(42/00).

TEAS

Brooke Bond—Rs. 11/65—11/65—11/65—11/65—(15/75).
Do. (Pref.)—Rs. 55/00—55/00—55/00—55/00—(39/25).
Dhelaht—Rs. 20/00—20/00—20/00—20/00—(21/12).
Hasimara—Rs. 13/94—14/00—13/94—14/00—(28/31).
Kadamini—Rs. 16/75—16/75—16/75—16/75—16/75.
Lingia (Pref.)—Rs. 44/00—44/00—44/00—44/00—44/00.
Malhati—Rs. 19/25—19/25—19/25—19/25—19/25.
Rydak—Rs. 27/31—27/31—27/31—27/31—27/31.
Tezpor—Rs. 15/56—15/56—15/56—15/56—(16/56).

DEBENTURE

6½% Bengal Paper Convertible Notes—Rs. 260/00—260/00—260/00—260/00—260/00.

New Delhi

THREE PROPOSALS SUBMITTED FOR COCHIN OIL REFINERY

(FROM OUR NEW DELHI CORRESPONDENT)

THE Government of India, it is believed, has accepted in principle the proposal to set up a 2-million ton refinery in Cochin. It has also established a Cabinet sub-committee consisting of Mr. T. T. Krishnamachari, Minister for Economic and Defence Co-ordination, Sardar Swaran Singh, Minister for Railways, Mr. C. Subramaniam, Minister for Steel and Heavy Industries, Mr. Gulzaril Nanda, Minister for Planning and Labour and Mr. K. D. Malaviya, Minister for Mines and Fuel. The sub-committee will examine the steps necessary to expand refinery capacity to meet the growing need for oil products.

As far as the south Indian refinery is concerned, three proposals have been made. E.N.I. of Italy has prepared a project report for an integrated plant, including a 2-million ton refinery at an estimated cost of \$34 million. It also includes a lubricating plant at an estimated cost of \$10 million. The proposal envisages a public-sector refinery, E.N.I. supplying the equipment and technical know-how on credit, 5 percent of which has to be paid at the time of signing the contract and 3 percent 12 months later. The balance has to be paid in ten instalments, the whole of the unpaid credit carrying an interest of 6 percent.

Phillips Petroleum

The other proposal is by Phillips Petroleum of the U.S.A., also for an integrated plant as follows: A 2.5 million ton refinery at an estimated cost of \$30 million; a 50,000-ton lubricating plant at an estimated cost of \$10 million; a hydrogenation, sulphur and asphalt plant at an estimated cost of \$5 million; and a power plant at an estimated cost of \$5 million. These estimates have lately been revised and the provision for a power plant has been deleted, it is learned. Under the proposal, Phillips Petroleum will buy crude from its own sources. The proposed undertaking will allot 51 percent of its capital to the Government of India, Phillips Petroleum retaining 25 percent of the equity capital itself and allocating 25 percent to its Indian partners, who are the sponsors of the project.

The third proposal is by Burmah-Shell for a 2-million ton refinery at an estimated cost of Rs. 9 crores. Its proposed capital structure is similar to that of Phillips Petroleum. According to reports, the Ministry prefers the proposal of Phillips Petroleum, in spite of the fact that it is a deviation from the strict interpretation of the Industrial Policy Resolution. The sub-committee will consider the three proposals in their various aspects and reach a decision to construct a 2-million ton refinery at minimum cost, other things remaining equal.

As far as the expansion of the existing refineries is concerned, the Central Minister for Mines and Fuel has made no secret of his hostility to their proposals. Mr. Malaviya made two statements, one of which he has slightly modified in recent weeks. He told Parliament that the refining capacity in the public sector "shall not be less than 51 percent." In other words, the refining capacity in the private sector "shall not be more than 49 percent." The oil companies, enquiries show, have no dispute over the ratio of refining capacity to be allotted to the private sector. They are mainly concerned over when these percentages are to be reached. Mr. Malaviya has given no indication of the date for reaching the target, beyond stating that there will be no further expansion of the refining capacity in the private sector.

But in fixing the refining capacity at the end of the third plan, the demand for petroleum products should be the main consideration. On the basis of earlier calculations, this demand was placed at 14 million tons. The existing throughput of the private-sector refineries is 7.40 million tons. The three public-sector refineries are at present planned to refine 4.75 million tons. By asserting that the public-sector refineries in Barauni and Gujarat are being expanded, Mr. Malaviya claimed that there is no room for further expansion of the refining capacity to meet the 1966 demand for 14 million tons. He has, however, raised the 1966 demand to 17 million tons in recent weeks.

Meanwhile, both Esso and Burmah-Shell have made definite proposals to expand their refining capacity by 2 million tons each and Caltex by 50,000 tons. Esso proposes to expand its existing refinery in two stages, by 1 million tons by 1966 and by another 1 million tons in 1969 at a total cost of \$11 million. Its existing capacity is 2.5 million tons. Burmah-Shell proposes to expand its refinery from 3.5 million tons to 5.5 million tons in 20 months at an estimated cost of \$8.4 million. It has offered to meet all the foreign exchange cost.

The sub-committee of the Central Cabinet will become a sort of negotiating body. The thinking here has apparently been that not only should the existing refineries be permitted to go ahead with their expansion schemes but there should be long-range planning to make India self-sufficient in oil products and to launch an intensive development programme for petro-chemicals. The Productivity Team, which visited Russia and Rumania earlier last year, recommended that the refining capacity in India should be 20 percent more than the demand for petroleum products.

Contract with E.N.I.

The Oil and Natural Gas Commission entered into a contract with E.N.I. of Italy for oil prospecting in the Gangetic Valley. The E.N.I. will be the contractors of the Government-owned company, financing the project out of the credit given to India by the former. Incidentally, India has provided Rs. 62 crores of foreign exchange in the third plan for oil exploration.

In this context, some comments in the report of the World Bank Mission are interesting: "The mission considers it essential that geological surveys and exploratory drilling for oil in India should continue on an increasing scale, and the Government's declaration of its readiness to enlist the co-operation of private capital and technical skill in these ventures is to be warmly welcomed. Capital costs of oil exploration and development are extremely high, and large sums may be spent without obtaining any com-

mercial return. Given the acute shortage of capital in general and of foreign exchange in particular, there appears to be no sound economic justification for the Indian Government to enter into further financial commitments concerning oil development until all reasonable possibilities of securing the participation of private capital have been fully exploited.

Promising Start

"The Oil and Natural Gas Commission has made a promising start, it is gradually building up a competent technical staff, and its activities can be expanded as its technical and financial resources permit. It may be doubted, however, whether the Commission can usefully spend as much as has been allocated to it under the third plan. Whatever its capabilities, there is also ample scope for getting more private companies to search for oil and to share the risks as well as the possible benefits of exploration. Much further work remains to be done before the full extent of the deposits in Assam and Gujarat can be established, and large sedimentary areas in other parts of India still await investigation. As the mission sees it, it is very much to India's economic advantage that exploration should be carried out as rapidly, and on as broad a front as possible, and that the heavy costs of exploration and development should be financed to the maximum extent possible out of private capital, thereby releasing Government funds for investment in other sectors where they are urgently needed. It is to be hoped, therefore, that following the invitations issued to private companies, negotiations for new exploration leases will be pushed forward with the greatest expedition.

"Likewise, in the refining and distribution of oil, development should, so far as possible, be left in private hands, except to the extent that Government intervention may be needed to ensure an adequate measure of competition. Private oil companies have already invested large sums in refining, storage and distribution in India, and there is no reason to doubt that they will be able, as part of their normal business, to finance the additional facilities required to meet the growth of the feeling in India that the pricing policies of the international oil companies have tended to be determined without regard to India's interests and it has sympathy with the Government's desire to encourage greater competition in the supply and pricing of oil. Substantial cuts in the price of imported oil have recently been announced by the principal supplying companies, and India has every right to take full advantage of the present competitive situation in the oil market. But we believe that she can do this without the Government entering into the costly and complicated business of oil refining and distribution."

POWER

Survey Group Meets

The first meeting of the Power Energy Survey Group, appointed by

the Government of India, was held here last week. The group will survey India's long-range power requirements in the broad perspective of the next 15 or 20 years for the country's balanced regional economic development, as envisaged in the five year plans. It will also examine and make recommendations on the speedy development of regional and national grids. The group's terms of reference will cover the existing electricity legislation. It will suggest improvements from the administrative, financial and other angles for the expeditious development of the power potential. It is expected to submit its report within a year.

The group consists of the following members: Mr. M. R. Sachdev, Secretary to the Central Ministry of Irrigation and Power, Messrs S. S. Kumar and K. P. S. Nair, members at the Central Water and Power Commission, Mr. H. R. Bhatia of the

London

U.K. ECONOMIC OUTLOOK: EXPORTS AND EMPLOYMENT FALL

(FROM OUR LONDON CORRESPONDENT)

FROM the economic point of view, the year 1962 ends on a gloomy note for Britain. Unemployment continues to rise, causing anxiety in all quarters; productivity is at a standstill if indeed it is not actually falling; and, most significant of all, the balance of payments situation is less encouraging than it ought to be if the country is to ride the present near-crisis, and continue to advance to economic stability along sound lines. Mr. Reginald Maudling, Chancellor of the Exchequer, is not allowing himself to be stampeded into panic measures to satisfy the fears of the panic-stricken. His sober assessment of the situation and careful balancing of incentives and restrictions hold the best chances of steering the economy into calmer waters.

The T.U.C. is keeping up its pressure on the Government for more expansionary economic policies and special measures to deal with high unemployment areas. The General Council is to meet the Chancellor of the Exchequer for a second time on 2nd January, and this time the production committee will press for remedial measures designed particularly to meet the needs of the high unemployment areas. Mr. Maudling is to be urged to apply existing powers rigorously and to consider further action, including the transfer of Government establishments to regions like the North-East and Scotland. The T.U.C. is suggesting that the President of the Board of Trade, the Minister of Labour, and the Minister of Transport, should also attend the meeting. A meeting with the Minister of Pensions and National Insurance is also requested so that T.U.C. leaders can press upon him the "urgent need" for an increase in unemployment benefit and national assistance payments.

The T.U.C. is taking a very serious view of the unemployment situation, which the December figures show has worsened since November. Although the high general level of unemployment is blamed for aggravating the situation in the "black spots", trade union leaders are viewing the two problems as separate; the first requiring expansionary economic policies, the second positive acts of social policy.

The T.U.C. View

It is clear from an examination of the statements recently made by the Chancellor and the T.U.C. on the unemployment outlook that the T.U.C. and the Chancellor are in fundamental conflict, not only on questions of policy, but on the basic facts of the economic situation. Mr. Maudling believes the money he has injected into the economy will do the trick; the T.U.C. does not. Earlier hopes that the T.U.C. would be more co-operative towards the new Chancellor's approach to economic stability are proving inaccurate. The General Council gave a cool reception to both the Government's proposals for legislation on industrial training and its Contracts of Employment Bill. Turning from labour to production, it is discouraging to find that a fall of three points in the seasonally adjusted index of industrial production occurred between September and October. The index for manufacturing industries alone fell by four points, from

118 to 114. For various reasons, these figures probably exaggerate the setback. But they certainly remove any previous impression that industrial production was expanding.

In the first ten months of 1962, the adjusted index for all industries averaged 115, compared with 114 in the same period of 1961—a rise of less than 1 percent. In effect, industrial activity has been no greater than last, and Mr. Maudling's fairly recent claim that there had been a "growth" of 7 percent since the low point of last winter is now shown up as a rather irrelevant statistical debating point. One reason why the October figure overstates the drop is that the September figure is now believed to have been rather too high. The Treasury emphasises this by pointing out that the average for the three months August to October was the same as in the previous three months. Since March the trend has been roughly level, rather than up and down.

Moreover, the index is very largely based on reports on delivery and not on output. Recent Board of Trade statistics have shown that deliveries in the engineering industries fell sharply in October. It is possible that the rail strike at the beginning of the month had some impact. One gathers that among the components of the production index the figures for the engineering and machinery group and for the vehicle group dropped more than the average in October. It is a disappointment—in much the same way as the failure of exports to continue their expansion in the second half of this year. Indeed, industrial production, exports and personal consumption all show the same picture of an economy stalled at dead centre. On the other hand, the October statistics reflect the situation as it was before the Chancellor announced his chief reflationary programme. In the light of the trend that is now revealed, it is surprising that he waited so long before making his decision.

Clearly, the economy failed to live up to the hopeful forecasts made by the previous Chancellor in his Budget speech and the Budget was tougher than it should have been. As Mr. Maudling has, for perfectly sound reasons, chosen to apply his stimulants mainly in the form of incentives and programmes which are slow to take effect, Britain must have to live through a bad winter before the patient responds to treatment. Finally, there has been a sharp deterioration in the British balance of payments during the third quarter. The current account has swung over from a surplus of £76 million in the second quarter to a deficit of £45 million in the third. The late summer is always an unfavourable time of the year and the Treasury estimates that more than half of the swing of £121 million was due to seasonal factors. But what remains is sufficient to dash the earlier hopes that the U.K. had won through to a safe surplus which would at last give some room for manoeuvre in the British economy.

Trend of Exports

The chief disappointment lies in the trend of exports. The balance of visible trade in the third quarter is estimated as a deficit of £54 mil-

lion, compared with a surplus of £17 million in the second quarter. What really happened emerges from the seasonally adjusted figures: the trend of imports was moderately upwards while exports showed very little further change after the strong increase between the first and the second quarters. Net invisible earnings in the third quarter fell sharply to £9 million, compared with £59 million in the previous quarter. The Treasury says that much of the fall was due to a seasonal increase in travel expenditure and a decline in net oil receipts. After seasonal correction, the fall in total net earnings was small. But again, there had been some reason to hope that invisible earnings had begun to revive. That is another disappointing aspect of the third quarter results. As for the long-term capital account, a net outflow of £53 million is estimated. Nearly half of this consisted of inter-Government loans; net private investment abroad amounted to £27 million. Inward portfolio investment, which fell away in the second quarter, seems again to have been very small in the third.

Taking current and long-term capital transactions together, the identified balance was a deficit of £98 million. On the other hand, the balance of monetary movements was favourable to the U.K. to the extent of £30 million. This result is obtained by setting off the fall of £229 million in the reserves (largely representing repayments of debt) against a reduction of £264 million in the U.K. liabilities in the form of overseas sterling holdings. Other monetary movements showed a net increase in liabilities of £5 million. To reconcile the favourable monetary flow with the deficit in the recorded payments balance, the Treasury has put in a "positive" balancing item of £128 million, an unusually high figure for the third quarter.

Strength of Sterling

A short while back the Bank of England drew attention to the apparent conflict between the strength of sterling in the market and the re-

cent deterioration in the balance of payments. It suggested that there might well have been undetected monetary movements to explain the paradox. In short, the figures for a single quarter need not be taken too gravely. But if exports have really reached a sticking point, the expansion policy is in trouble. That is just how Mr. Maudling sounded in the House of Commons the other day. The Government has some hope that the decisive meetings of the negotiators in Brussels on the terms for Britain's entry into the European Economic Community may be reached by the end of next month or early in February.

Apart from the general case for reaching finality in these negotiations, the Government sees a special need to settle the matter because it regards the prevailing uncertainty as a factor contributing to unemployment in Britain. Ministers have received some evidence that firms which are anxious to expand are holding back their plans until they can decide whether to expand in the U.K. as a member of the Community, or in one of the existing member-States of the Community. The effect of this uncertainty is shown, as the Government reads the situation, in the latest production figures for November, which are declining. This means that it may take longer for the country to get out of the present phase of underemployment than the Government could have wished.

It is impossible to say now that the result of the decisive meetings in Brussels—whenever they take place—will be to secure Britain's entry into the Community, but the Government inclines to the view that the bulk of its supporters in the country have already accepted the notion, consciously or subconsciously, that Britain is in effect "in". The current broadsheet by the Common Market campaign, which was published, states that except in Italy, employment levels in the Community are now higher than in Britain (in the case of Italy unemployment has fallen by 29 percent since 1960). In Belgium, states the broadsheet, where in 1960 there was considerable regional unemployment—which, rather than general unemployment, is also the trouble in Italy as in Britain—the total has declined by 30 percent to under 60,000. The broadsheet notes that apart from article 117 of the Rome Treaty which lays down a general requirement on member-States to promote improvement of the living and working conditions of labour, there is a specific obligation in article 10(r) to ensure a high level of employment, and the stability of the level of prices.

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CAPITAL, 3rd January, 1963.

Jute

MORE JUTE PURCHASE QUOTAS ISSUED FOR JANUARY

SPECULATION in B Twills has been the chief feature of the jute goods market during the past fortnight. Consumers have shown little inclination to operate, and there has been a holiday feeling in the air with the festive season on. During most of the period, B Twill quotations have fluctuated violently due to speculative influences, and rates slumped by over Rs. 5. Hessians have been comparatively neglected, and although they too have dropped about Rs. 2.50, the undertone there has been steadier.

It is not the gunny market alone which has been upset. In spite of the fact that mills have bought jute against their quotas regularly, fibre rates have continued to drop and the sentiment is weak. To try and stem the downward tendency, the Jute Commissioner has again issued quotas for the month of January, consisting of a total of 750,000 bales (3,750,000 maunds). Of this, 50,000 bales are to be taken up by the Jute Buffer Stock Association, 50,000 bales by non-member mills, and the remaining 650,000 bales (3,250,000 maunds) by member-mills of the I.J.M.A. The trade in general thinks that this latest imposition by the Government will have no more effect on raw jute prices than the ones before. Over the past two months, mills have been coerced into buying over 1,900,000 bales of jute with the object of supporting raw jute prices. But the prices have fallen by about Rs. 2 a maund.

Weakness of Gunnies

To find the reason for this, one has to look to the finished goods market. Unless gunny prices improve and mills can sell some goods at a reasonable profit against the huge stocks of jute they are carrying, there seems to be little prospect of fibre prices rising. Under present conditions of maximum production, there is little chance of an appreciable rise in jute goods rates, or at least a rise substantial enough to offset the weakness of raw jute. If the Government wishes to do something about lifting raw jute rates, something might first have to be done to support the goods market. There are at present too many finished goods waiting for too few buyers, and until the glut is reduced, goods prices will remain weak.

There has been a great deal of talk about producing better quality of jute, but very little action so far. Apart from the provision of fertilisers and improved retting facilities, to instruct growers in methods of retting and means of determining the length of time for the process so that the jute is neither under- nor over-retted. Instruction is also necessary in the method of extracting the fibre. A great deal of jute is spoiled, especially in Northern and some Daissee districts, by hammering the stalks with mallets (which results in split fibre) instead of withdrawing the stock whole.

Bigger Yield of Fibre

In spite of propaganda to the contrary, there is still a significant silence on the subject of research to produce varieties of jute which will give a bigger yield of fibre a plant, instead of producing bigger plants which give a bigger yield an acre. The results obtained over the past

century in the case of foodgrains show that it is worth persevering with the object of producing varieties giving a greater percentage of fibre to the green weight of the plant. The average yield of fibre of the varieties at present grown is 6 percent or 7 percent of the green weight. An acre of jute in India produces on an average a little over 3 bales, or about 1,200 lbs.

Let us for our purpose assume a yield of 1,200 lbs of fibre an acre. That means about 20,000 lbs of green plant have to be produced to give 1,200 lbs of fibre. In other words, 18,800 lbs of waste material is grown. (Of course, not all is wasted since some of the green vegetation goes back to fertilise the fields and some of the sticks are used as fuel.) Even if the fibre yield could be doubled, the amount of waste vegetation grown would still be very large. But the significant point is that the same quantity of fibre could be produced from half the acreage. If that could be done, much more land could be set aside for food production.

The large increases in the yield of grain a plant show what can be done. The yield of grain a plant in the case of oats has increased eight-fold in a century, and the yield of potatoes a plant in the U.K. has also greatly increased. Research and development have to keep pace with the needs of the time. How much has the yield an acre of jute increased during the present century? Jute development work is being reorientated, and quality plays a large part. But to attain self-sufficiency, India needs an increased amount of quality fibre from possibly fewer plants grown on a smaller acreage. That should be the main object of research.

THE JUTE MARKETS

Manufactured Goods: During the period from 20th December, 1962, to 2nd January, 1963, there were only nine working days. In the early stages, the market was weak, and prices opened much lower, with B Twills at Rs. 119.25 for December shipment and Rs. 115 for July-September 1963. Hessian showed only nominal losses, and 40in. 10oz. opened at Rs. 52 and Rs. 49.25, respectively, for the near and forward positions. Typical end-of-year conditions prevailed, with overseas buyers taking no interest. Consequently, the trend was influenced by speculative activity, and operators took full advantage of the situation. Heavy selling pressure forced down prices, and over the next three days, sacking rates fell by nearly Rs. 2 and Hessians by 50nP. On Christmas Eve, rates dropped again as speculative activity increased, and by the opening after the holidays, B Twills had been reduced to Rs. 116. Further losses were due to the way, and B Twills slumped to Rs. 114.50 before there was any sign of recovery. This was brought about in the futures market, where heavy speculative buying caused prices to rise. The improvement was slow at first but gathered momentum towards the end of the year, and on the last working day of 1962, ready B Twills stood at Rs. 116.35, with 40in. 10oz. at Rs. 51.50. The undertone was slightly better, but there was still no interest from foreign markets, which

were mostly closed for the holiday period.

Opening quotations on Wednesday, 2nd January, were as follows:

	Jan.	Jan.-	Apr.-	July-
	Mar.	June	Sept.	
40in. 7½oz.	39.25	38.50	37.50	36.85
40in. 8oz.	42.00	41.25	40.25	39.35
40in. 10oz.	51.60	51.00	49.75	49.25
B Twills	115.15	114.50	114.00	113.50
Corn sacks	119.50	118.00	116.75	116.00
Heavy Cees	113.50	114.25	114.00	113.50
(Plain)	142.00	141.00	140.00	139.00
A Twills	129.00	129.00	128.00	127.00
Liverpoos				

Raw Jute: The fibre market was weak, and in spite of daily business with mills, there was plenty of jute on offer. Prices continued well below the minimum for all grades, and in general still lower prices were obtainable. The Jute Commissioner's office issued new quotas for the month of January for a total of 750,000 bales. But the move was not expected to have much influence on prices. Imports on an all-India basis were reported to be about 40,000 maunds daily. During the period from 20th December, 1962 to 2nd January, 1963, arrivals in Cossipore amounted to 1,268 wagons.

Opening quotations on 2nd January were as follows:

	Landed at Mills (Basic Bottoms)	Current Prices	T.S.D. Minimum Prices
		Rs. Rs. Rs.	A Ql. A Md. A Md.
Assam-Agartala			
Jute	72.34	27.10	31.28 30.60
Northern Jute	72.34	27.00	29.04 29.50
Western-Desal			
Jute	68.32	25.50	73.68 27.50
Selected Daissee	83.05	31.00	25.73 32.01
Assam-Agartala			
Tossa	78.04	29.50	83.05 31.00
Mesta's			
Assam-Northern			
Local Daissee	66.98	25.00	72.34 27.00
Mesta	66.98	25.00	72.34 27.00
Desal Mesta	68.32	25.50	73.68 27.50
Bihar Dist.	60.28	22.50	66.93 25.00
Pakistan N. C.	93.01 a bale	Jan.-Feb. 1963	

THE PAKISTANI JUTE MARKETS

STEADY UNDERTONE IN FIBRE

(FROM OUR Dacca CORRESPONDENT)

ALTHOUGH a steady undertone prevailed during the past fortnight, the holiday feeling was very apparent, in that there was little or no demand from overseas. Pucca bale business was limited and loose jute negotiations were concerned more with moisture than with high prices.

Registrations for the first half of December 1962 totalled 370,335 bales, which give a fair indication of the steadiness of the market during that period. The U.K. was once again the biggest buyer, with 80,936 bales. France bought 49,595 bales and Belgium 41,500 bales. The Russians and Chinese who, it was reported, bought 50,000 bales actually bought 28,000 bales and 13,440 bales, respectively. The Americans once again came into the market and bought 26,875 bales. Japan bought 20,450 bales and West Germany 20,056 bales. Italy bought 18,550 bales and Spain 13,118 bales. Czechoslovakia, who was earlier reported to have bought 15,000 bales, in fact bought 10,710 bales. India bought a total of only 394 bales. Registrations during the second half of December may have been considerably smaller. For this month or so, Dundee will probably restrict its purchases

es as it is reported that some unsold jute is already on the way to that centre.

In the pucca bale market, few transactions have been reported, but the market has remained steady. The quietness was due to both sellers and buyers being reserved. Upcountry prices have not risen, but the quantity of arrivals has been small. Unfortunately, moisture is appearing increasingly, and the Director of Jute has been obliged to issue a circular about it. White jute was more or less unchanged in the northern district areas, but in the jat areas where some percentage of Export Firsts is still found, prices were above the export minima even for Export Hearts. It was in Tossa that most moisture was found, and the prices, particularly in the higher marks, were exorbitant. Since most godowns are full, it is probable that the sellers themselves will suffer from trying to sell wet jute.

Once again there has been talk of nationalisation of jute, but this is mainly among anti-Government politicians. In a Press interview, the Ministry of Commerce has indicated that the Government knows only too well that it cannot afford to accept the nationalisation demand.

THE U.K. JUTE MARKETS

RESTRICTED BUYING OF FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market in Pakistan has been firm over the past week, and some shippers have again raised their prices. Interest has been shown by some Far Eastern countries, France also has been in the market for supplies. Offers of the higher grades of both white and dark jute are still scarce, and the prices asked are very high in comparison with the values of medium and lower qualities. The position in Dundee has been steady, but little buying interest has been shown. Spinners here have already secured the major part of their requirements from the present crop, and at the same time, a substantial quantity of raw jute which is still unsold to spinners is coming forward to the U.K. This is a "bear" factor on the Dundee market, especially when warehousing accommodation is becoming a little difficult.

During the week, some business took place, but this was mainly in afloat parcels which were available at £3 to £7 a ton below current shipment rates. Offers being made were very irregular, with Mill Firsts named at £158/10, Mill Lightnings at £123, Mill Hearts at £97 and Grade Hearts at £84/5, c.i.f. U.K. for December-January shipment. Grade Tossa-2/3 was at £135, Grade Tossa-4 at £116, Outport Tossa-2/3 at £102 and Outport Tossa-4 at £91/10, December-January. Some shippers asked £1 a ton more for shipment a month further ahead. There was no change in cuttings with S.N.C. at £56 and N.C. at £48/5, December-January. Practically no offers of Siam jute were being made, and the few prices named were at a very high level. Grade A was at £85 delivered mill, Dundee, for January shipment. The few afloat parcels available also increased in price with grade B at £80. The high prices being asked were of no interest to Dundee spinners.

The Calcutta goods market was weak and prices showed a considerable fall during the past few days. Quotations were at 77s 9d for 40in. 10oz. and at 61s 3d for 7½oz. a 100 yards f.o.b. Calcutta for December shipment, at 77s 6d and 60s January, at 77s and 58s 6d February, at 76s 9d and 57s 3d March and at 74s 6d and 56s 3d April-June. B Twills were at 183s, 181s 9d, 180s 6d, 179s 3d and 178s

6d for the respective shipment periods.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption in November 1962 was 7 million yards more than in the same month of the previous year and 2 million yards higher than October 1962. Reflected in November's figures is some of the increase in business resulting from the Cuban crisis. Bag cut-up in November was 56.9 million yards and piecegoods deliveries 19.6 million yards, compared with 49.7 million and 20.2 million yards, respectively,

in November 1961. U.S. spot and affloat stocks continued to increase--and quite sharply. At 261 million yards, 110 million yards were spots and 151 million yards were affloats. In November, therefore, spot stocks declined by 7 million yards, with affloats increasing by 19 million yards. Heavy buying following the Cuban crisis accounts for the rise in affloats. Appearing below are two tables which include the November figures --(1) based on member reports to the Textile Bag Manufacturers Association and the Burlap and Jute Association and (2) projected to represent the estimated consumption and stocks for the entire industry:

U.S. burlap consumption (as reported to T.B.M.A.) (Million yards)			U.S. burlap consumption (estimated industry total) (Million yards)		
	1962	1961		1962	1961
Jan.	82	67	Jan.	88	73
Feb.	69	67	Feb.	78	73
Mar.	67	63	Mar.	75	70
Apr.	62	54	Apr.	70	59
May	64	53	May	73	57
June	56	51	June	61	55
July	57	52	July	63	56
Aug.	65	62	Aug.	73	67
Sept.	64	60	Sept.	71	64
Oct.	69	61	Oct.	75	65
Nov.	70	65	Nov.	77	70
Total	725	655	Total	804	709
Mo. Av.	66	60	Mo. Av.	73	64
Dec.	66	60	Dec.	72	60
Total	721	655	Total	781	689
Mo. Av.	60	55	Mo. Av.	65	58

U.S. burlap stocks (as reported to T.B.M.A.) (Million yards)			U.S. burlap stocks (estimated industry total) (Million yards)		
	1962	1961		1962	1961
Jan.	200	222	Jan.	241	257
Feb.	215	212	Feb.	254	246
Mar.	222	208	Mar.	259	237
Apr.	213	202	Apr.	250	228
May	199	194	May	234	218
June	207	194	June	241	220
July	204	185	July	237	207
Aug.	207	191	Aug.	243	217
Sept.	204	179	Sept.	236	203
Oct.	203	181	Oct.	249	206
Nov.	223	192	Nov.	261	219
Dec.	204	181	Dec.	237	207

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Commodity Markets

UNSEASONAL RAINS MAY REDUCE COFFEE CROP

(FROM OUR SOUTH INDIAN CORRESPONDENT)

FOR the second year in succession, India is going to have a poor coffee crop. The 1962-63 crop, it is believed, has been damaged by the unseasonal rains in the chief coffee-growing areas of Mysore early last month. It is feared that the production of Arabica Plantation coffee may go down due to the rains. The exact extent of the damage is being assessed by the Coffee Board. The picking and processing of coffee on the estates are also being delayed. The Coffee Board has revised its estimate downwards in view of this adverse development. The present estimate is that the 1962-63 crop will be about 53,000 tons, comprising 32,800 tons of Arabica and 20,200 tons of Robusta. This compares with the previous season's crop of 45,650 tons, consisting of 29,100 tons of Arabica Plantation and 16,550 tons of Robusta. The 1961-62 crop was down by about 22,000 tons, when compared with the 1960-61 crop, which was a record at 67,500 tons.

This is disappointing in view of the country's need for maximising exports and earning more foreign exchange. The home market will require at least 35,000 tons of coffee in 1963. The 1962 offtake is officially placed at about 34,600 tons, compared with 33,873 tons in 1961. The Coffee Board has made a temporary allocation of 21,300 tons for export out of the 1962-63 crop, consisting of 19,300 tons of Arabica Plantation and 2,000 tons of Robusta, keeping in mind the quota restrictions under the International Coffee Agreement and various other factors.

India has recently joined the new five-year International Coffee Agreement. The basic export quota fixed for her is 21,600 tons, exclusive of the exports to non-quota countries like Russia and Japan. The chairman of the Indian Coffee Board, Mr. Sitarama Reddy, told the recent meeting of his board that repercussions arising out of India's joining the International Coffee Agreement were under study and adequate measures would be taken to safeguard the interests of the industry. India should make every effort to build up markets and keep them in non-quota countries, too, he added.

Exports in Last Season

Until the end of November, 18,600 tons of coffee was sold for export out of the 1961-62 crop, the realisation on which is placed at about Rs. 6.5 crores. The total allocation for export was 20,000 tons. The average prices realised in pool sales as well as in export sales during 1962 were generally higher than in 1961. Open auctions for export coffee introduced from the beginning of 1962, have proved useful. The chairman indicated at the last meeting of the Coffee Board that the final return to the grower on the 1961-62 crop will not be less than Rs. 2.20 a point.

Cardamom Prices Drop Sharply

India's cardamom-growing industry has been promised a board on the lines of the Coffee Board and other commodity boards in the country to look after its interests. The industry is in the midst of a crisis, prices having fallen to uneconomic levels. The value dropped from Rs. 22.32 a kilogram in 1957 to Rs. 15.21 a kilogram in 1961. The fall has been precipitous since the beginning of 1961.

The average price realised by the commodity at the Cochin auctions recently was Rs. 11.96 a kilogram. India produces about 4,000 tons of cardamom a year, about 50 percent of which is exported. West Asia and Europe are the main markets for the commodity. Indian cardamom is meeting stiff competition in these markets from Ceylon and Guatemala. Hence its present plight. The proposed cardamom board will purchase cardamom from growers at reasonable prices and consider the future structure of the industry, it has been officially announced.

Cardamom is one of the Indian spices which will be brought under quality control from the beginning of the year. These spices will have to be graded and marked according to the Agmark regulations before export. The preshipment inspection will be done by the technical staff of the Spices Export Promotion Council. Although Agmarking charges will raise slightly the cost of pepper, cardamom and chillies, which are brought under the compulsory quality control scheme, it will serve to build foreign buyers' confidence in Indian spices, and will, in the long run, prove beneficial to exporters.

Promoting Cashew Exports

India, which once had a virtual monopoly for exports of cashew kernels to the United States, may have to face competition from east Africa and South America in the coming years, the Cashew Export Promotion Council warns. This is a problem which the cashew industry in India should consider seriously. India's cashew exports to the United States occupy a place second only to her exports of jute goods. Without any progressive publicity campaign that usually motivates product sales in the U.S.A., cashew consumption in that country has risen from about 100,000 lbs in 1923 to about 54 million lbs in 1961, and there is excellent scope for further improvement. At present, India has no real hold on the U.S. cashew market, says the Council. Consumers in the U.S.A. have developed a taste for these low-caloried nuts, but they do not know that cashews come from India. Other edible nuts have become popular in the U.S.A. through large-scale advertising and public relations campaigns. India also will have to undertake a large-scale publicity programme in the U.S.A., in which cashews should be identified with India in order that this country does not lose its share of the trade to its competitors. Indian exporters wishing to sell their goods to a country like the United States should equip themselves adequately with high-class publicity material. They can expect assistance from the Cashew Export Promotion Council in Ernakulam and the Indian Consulate-General in New York.

India's exports of cashew kernels to east European countries have increased appreciably in 1962, according to the Cashew Export Promotion Council. Cashew kernels exported to these countries during the first nine months of 1962 totalled 7,900 tons, compared with 4,700 tons in the corresponding period of 1961. The total exports to these countries were about 5,900 tons in 1961 and 6,200 tons in 1960. The Central Minister for International Trade, Mr. Manubhai Shah, in the course of his recent visit to Kerala exhorted cashew processors there to pay special attention to the

quality of the nuts they prepare for export. He expressed satisfaction at the decision of the Cashew Export Promotion Council to introduce compulsory quality control measures from April 1963. His feeling was that with the introduction of a good quality control scheme, the reputation of Indian products would improve in foreign markets. He said that the Government was aware of the diversion of cashew kernel purchased by a few of the east European countries to markets elsewhere. Appropriate action was being taken to tackle this problem.

More Tea Being Grown in Russia

(BY A SPECIAL CORRESPONDENT)

Nearly 150 years ago, it was found that tea was native to the soil of Assam and Manipur and cultivation started. From small beginnings, India and Ceylon expanded their tea output and gradually secured the bulk of China's tea export markets. By 1900, these two countries were busy selling seeds to planters in Java and Sumatra, thereby encouraging competition in their own markets. At a later period, competition from these islands threatened to become severe, but due to the damage done during the last war, the danger was checked. Planting in East Africa is, however, going rapidly ahead, and from the original five major tea producing countries, there are now at least 30 growing tea on varying scales. Hence the pessimistic forecast by the U.N. Food and Agriculture Organisation. Fortunately for the major producers, most of the newcomers appear to have no scientific approach, their yields are low and quality generally on the poor side. But there remains one very important exception to this generalisation and that is Russia, which is one of the oldest tea-drinking countries. For years, the Russians took their requirements from China, and then gradually entered the London, India and Ceylon market. By 1914, imports into Russia had gone up sharply.

It is said that the Russians began experimental planting before the turn of the century, and that after the first World War, planting began on an enlarged pattern. A point of interest is the fact that the Russians claim that they began acclimatisation of tea seeds at a much earlier date and now report that Georgia has an ideal climate for tea, with conditions far more suitable than in tropical countries. For example, shade trees are not needed and pests and diseases do not spread so quickly as in the tropics.

In view of the high yields claimed by some Russian writers, it is interesting to note that the main varieties cultivated are said to be from Chinese jats and Indian and Chinese hybrids. The plants seem to follow the Indian cycle in so far as a period of dormancy is said to take place. It is claimed that by the selective growing of tea seeds from Chinese and Indian bushes, the Chinese and Indian strains have been improved. The Indian strain is said to grow quickly, gives large-sized leaves and a high content of tannin. It may be remarked that Russians find that the tea plant is rich in alkaloids--theine or caffeine. Different varieties are used according to the climatic conditions, and plants are said to be capable of resisting cold 15 or 25 degrees below zero. Darjeeling estates, presumably, have to face equally severe conditions about this time of the year.

With reference to competition, present and future, a company known as the Estates Agency Holdings of the U.K. owns plantations in south India and Ceylon together with about

1,000 acres in West Cameroons. The last-named is now coming into bearing. The Company has paid a steady 10 percent dividend over the past five years from the proceeds of its old estates. It will now secure a useful increase in production from its new plantations in the Cameroons, but these receipts will be required to pay off loans.

A reference to the Annual Bulletin of Statistics issued by the International Tea Committee shows that the total planted area in the Cameroons in 1952 was 70 acres only. By 1960, it had increased to 1,416 acres. Production figures are not given until 1958, when output was recorded at 26,000 lbs, but in 1960, it rose to 185,000 lbs. Last year, Estates Agency interests produced only 10,600 lbs from these areas, but for the coming season, this company expects to harvest about 111,000 lbs. So it is obvious that larger crops are in sight from soundly managed and properly developed new lands.

Tea Exports to U.K.

During the next three months, U.K. supplies should increase because export space from Calcutta is fully booked and the teas held up during the past two months are expected to go forward freely.

Notwithstanding the Joint Steamer Companies strike, exports have been moving well, especially to the U.K. The north Indian tea crop up to 15th December, 1962, totalled 574,970,334 lbs, a shortfall of approximately 261 million lbs. Pakistan may have lost about 8 million lbs by the end of 1962.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Dalmia Iron & Steel Ltd.	21-2-63	3 p.m.

DIVIDENDS DECLARED OR PROPOSED—Auckland Jute Co. Ltd.—Rs. 5 per share (a) (Int.), subject to tax; Dalhousie Jute Co. Ltd.—Rs. 5 per share (a) (Int.), subject to tax; Lawrence Jute Co. Ltd.—Rs. 5 per share (a) (Int.), subject to tax; Northbrook Jute Co. Ltd.—50nP per share (a) (Int.), subject to tax; Union Jute Co. Ltd.—Rs. 5 per share (a) (Int.), subject to tax; Alexandra Jute Mills Ltd.—20 pc. (a) (Int.), subject to tax.

FOR MACHINE TOOLS AND SPECIAL SWEDISH STEELS



CONTACT
FRANCIS KLEIN & CO., PRIVATE LTD.
HEAD OFFICE
1, INDIA EXCHANGE PLACE
CALCUTTA-1
SHOWROOMS
13A, GOVT. PLACE EAST
CALCUTTA-1

COMPANY AND PUBLIC NOTICES

THE ALEXANDRA JUTE MILLS LIMITED

THE Board of Directors has declared the following interim dividends in respect of the year ending 31st December, 1962:—

- On 7% (tax-free) Cumulative Preference Shares @ 9.1% (being the stipulated dividend increased by 30% thereof in accordance with the provisions of the Preference Shares (Regulation of Dividends) Act, 1960), and
- On the Ordinary Shares @ 20%.

These dividends will be paid to the registered holders of the above shares whose names appear in the Company's Register of Members on 21st January, 1963 after deduction of tax under Section 194 of the Income Tax Act, 1961.

The Share Transfer Books of the Company will be closed from 15th January, 1963 to 21st January, 1963, both days inclusive.

By Order of the Board,
McLEOD & CO. LTD.,
C. HOCKLEY,
Director,
Managing Agents.

Registered Office:

"McLeod House",
3, Netaji Subhas Road,
Calcutta, 29th December, 1962.

DALMIA IRON & STEEL LIMITED

NOTICE is hereby given that the Seventh Annual General Meeting of the Company will be held at the Registered Office of the Company at Rajgangpur (Dist.: Sundergarh, Orissa State) on Thursday, the 21st February, 1963, at 3 P.M. to transact the following business:—

- To receive and consider the Directors' Report, the Auditors' Report and the audited Statement of Accounts for the year ended 30th September, 1962.
- To declare dividend.
- To elect a Director in place of Shri J. Dalmia who retires by rotation and is eligible for re-election.
- To elect a Director in place of Shri B. P. Khatian who retires by rotation and is eligible for re-election.
- To elect a Director in place of Shri B. D. Goenka who was appointed as an Additional

Director on 23rd October, 1962 and who holds office as such upto the date of the Seventh Annual General Meeting. Notice has been received from a shareholder under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director.

6. To appoint Auditors and to fix their remuneration.

By Order of the Board of Directors,
For DALMIA IRON & STEEL LIMITED,
G. KEJRIWAL,
Managing Director.

18th December, 1962.

NOTES.

- Every shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/her and such proxy need not be a shareholder. The proxies should, however, be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
- The Register of Members & Share Transfers of the Company will remain closed for accepting Share Transfer Applications from 16th January to 31st January, 1963 both days inclusive.
- The dividend when sanctioned will be paid to those shareholders whose names would appear in the Register of Members on 31st January, 1963. Dividend Warrants are expected to be posted by 15th March, 1963.
- Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 for item No. 5 of the Agenda is being forwarded to the Members of the Company.

MESSRS. PLACE, SIDDON'S & GOUGH (PRIVATE) LIMITED Stock Brokers,

6, Lyons Range, Calcutta-1.
MESSRS. M. I. Wadsley and K. K. Dutt have been appointed Managing Directors of Messrs. Place, Siddons & Gough (Private) Limited, with effect from 1st January, 1963.

For a nominal charge, "Capital's Statistical Department can provide you with a certificate of share prices."

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

Exchange Associations and other sources.

Figures given after stroke (/) mean Naye Paise.

Saturday, 29th December, 1962.

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GOVERNMENTS LOANS

PORT TRUST LOANS

IMPROVEMENT TRUST LOANS

Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations	Amount	Interest per cent	Year of issue	Repayable	Market quotations	Amount	Interest per cent	Year of issue	Repayable	Market quotations
Ra.				Ra.	Ra.				Ra.	Ra.				Ra.
GOVERNMENT OF INDIA														
2,48,91,12,000	3	1946	1986 or later	63/40	90,24,300	4	1914	1974	98/25	36,50,000	4	1904	1964	99/25
			{ At the option of the Government of India after a months notice		76,90,100	4	1915	1975	98/25	35,00,000	4	1905	1965	96/00
8,93,33,000	3	1896-97		62/50	68,02,300	3	1921	2nd 1981	82/00	15,00,000	4	1906	1967	96/00
					1,50,00,000	6 1/2	1921	2nd 1981	144/00N	44,00,000	4	1907	1968	96/09
1,16,17,46,000	3	1938		98/95	£892,600	5	1923	1953-83	£61	75,00,000	4	1908	1968	96/00
1,10,11,78,000	3	1943		96/65	£901,000	5	1924	1954-84	£61	40,00,000	4	1909	1970	93/00
					1,24,00,000	4 1/2	1957	1987	99/50	56,00,000	4	1910	1971	93/00
30,00,10,000	3	1950		98/45	50,00,000	4 1/2	1958	1988	99/00	75,00,000	4	1911	1972	93/00
14,77,48,000	2 1/2	1946		83/45	50,00,000	4 1/2	1961	1971	98/75					
1,15,05,83,000	3	1948		87/25	90,00,000	4	1931	1991	93/00					
1,58,17,94,000	3 1/2	1954		99/30										
1,53,67,92,000	3 1/2	1955		99/65	80,00,000	3 1/2	1935	1965	99/00	£892,600	5	1923	1953-83	£63
					50,00,000	3	1946	1976	83/50	£901,000	5	1924	1954-84	£63
58,05,92,000	3 1/2	1958		99/00					£835,100	5 1/2	1932	1962		
86,63,53,000	3 1/2	1956		98/20	50,00,000	3	1945	1-2-2005	72/00					
56,99,30,000	3 1/2	1957		99/30					83/75					
49,17,27,000	4	1957		99/18										
49,51,44,000	4	1958		99/30	25,00,000	3	1938	1963-68	93/00					
1,97,26,27,000	3 1/2	1956		98/35	50,00,000	3	1946	2006	72/00	28,48,275	3 1/2	1947	1977	A
70,00,00,000	3 1/2	1958		98/14	50,00,000	2 1/2	1947	1977	78/50	9,98,000	3	1947	1977	A
					50,00,000	3	1948	1978	83/00	8,00,000	3	1949	1979	A
1,90,85,37,000	3 1/2	1959		97/48										
81,06,39,000	4	1959		98/48	50,00,000	3	1950	1980	81/00					
82,65,41,000	3 1/2	1960		99/50										
98,04,98,000	4	1960		98/40	50,00,000	3	1951	1981	80/50					
65,66,25,000	4	1961		98/55										
					50,00,000	4	1953	1963	100/00	A=Held by the Govt. of India.				
					50,00,000	4	1953	1983	97/50					
3,40,34,300	4	1952		99/85	50,00,000	4	1953	1983	97/50					
5,10,79,800	4	1953		98/85	77,00,000	4	1954	1984	97/50					
6,57,22,800	4 1/2	1957		98/00	1,00,00,000	4	1959	1969	99/50					
6,58,20,700	4 1/2	1958		98/00										
4,35,25,000	4 1/2	1958		98/00										
MADHYA PRADESH														
2,03,28,800	3	1948		98/00										
MADRAS														
5,24,81,200	4	1952		99/80										
10,33,70,600	4	1953		99/80										
5,55,57,300	4 1/2	1958		96/50										
UTTAR PRADESH														
1,55,31,200	3	1936		94/00	10,00,000	5 1/2	1932	1962	100/75N					
5,89,13,900	4	1952		99/80										
5,58,25,400	4	1953		99/80	33,91,000	3 1/2	1935	1965	96/00	10,00,000	5	1920	1980	101/00
7,65,58,900	4 1/2	1958		96/50	72,50,000	4 1/2	1954	1979	100/00					
WEST BENGAL														
2,00,00,000	4	1952		99/85	90,00,000	3	1936	1966	93/00	2,00,34,000	3 1/2	1951	1966	93/00
3,60,23,300	4	1953		99/85	47,50,000	3	1938	1968	92/50					
7,58,72,200	4	1955		97/40						8,25,00,000	3 1/2	1947	1977	83/25
7,11,46,100	4	1956		97/50	21,10,000	3 1/2	1942	1972	92/00					
5,10,49,700	4 1/2	1958		98/50										
7,69,69,400	4	1959		97/50	87,36,000	4	1952	1982	99/75					
7,00,00,000	4	1960		97/50						2,13,14,500	3 1/2	1949	1979	83/25
73,07,21,000	4 1/2	1961		98/00	2,22,72,000	4	1955	1985	97/25N					
					1,67,32,000	4 1/2	1958	1970	101/00N					
MYSORE														
2,95,85,200	4	1933		100/10	73,36,000	4 1/2	1958	1968	100/50	4,00,00,000	3 1/2	1950	1965	95/00
3,83,47,200	4	1953		99/99										

MUNICIPAL LOANS

These notes refer to the Debentures on the next page.

(a) Option to repay at par on 6 months' notice—

(b) at any time after.

(c) on or after 1-1-61.

(d) option to redeem at 2 1/2% Prem. after 14-5-64 and before 15-5-68.

(e) at any time after 30-6-61 at 10 1/2%.

(f) at 10 1/2% between 1-1-60 & 31-12-64.

(g) at 10 1/2% after 30-6-59 but before 30-6-64.

(h) at any time after 30-6-65 at 10 1/2%.

(i) Option to repay on 3 months' notice—

(j) at any time at 3% Premium.

(k) at 1% Prem. after 1-3-64 but before 1-3-67 and 1% Prem. on or after 1-3-67.

(l) at any time at par.

(m) at any time after 31-3-62 at the rate of 1% Premium.

(n) redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-69.

(o) at any time on two months' notice—

(p) to be redeemed at a premium of 10% Ra. 70,000 to be redeemed annually by drawing on 3 months' notice with option to redeem all after 6 years from date of issue on 6 months' notice. Option not exercised repayment to be made after full term.

(q) Option to repay.

(r) at par after September 1960.

(s) at par on or after 1-12-59.

(t) with option to redeem at 10 1/2% after 10 years or at 100/8% after 12 years.

(u) Ra. 1 lac Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100/8% between 1-6-57 to 1-6-60 and at 10 1/2% afterwards.

(v) with option to redeem at 10 1/2% after 10 years or at 100/8% after 13 years.

(w) with option to redeem all or any of the Debts at 10 1/2% at any time after 31-3-64 and at 100/8% at any time after 31-3-68.

(x) Ra. 80,000 are being redeemed annually repayment of Debentures commencing serially from No. 1 to No. 80 on 31-12-48.

(y) Redeemable at any time at 5 per cent premium (a) on 6 months' notice by the Company or (b) in the event of the security becoming enforceable or at par if the Corporation of Calcutta or Howrah purchase the undertaking on 1st January, 1945 or every seventh year thereafter.

(z) At par all or any of the Debts on 31st December, 1960 or on any subsequent interest date.

(aa) Redeemable (a) at 102% on 1st October, 1974 or in the event of voluntary liquidation of the undertaking being purchased or (b) at 105% at any time after 31st March 1953 on 6 months' notice from the Co. (c) also redeemable out of a sinking fund (commencing in 1938) by drawing at 102% or purchase at or under 102%.

(ab) Also redeemable out of a cumulative sinking fund or 1 1/2% per annum commencing in 1943 by purchase at any price less than par or by annual drawing at par.

JOINT STOCK COMPANIES' DEBENTURES

Amount Authorised	Amount Outstanding	Rate of Interest per cent	NAME OF COMPANIES	Year of Issue	MARKET PRICE		A year ago	Interest payable	Principal Repayable	Remarks
Ra.	Ra.				29-12-62	19-12-62	Ra.			
(CALCUTTA)										
COAL										
60,00,000	60,00,000	6	Bengal	1961	99/00	99/00	105/25	1st May 1st Nov.	31-10-75	(X)
30,00,000	30,00,000	6	Bharat Collieries	1944	90/00	90/00	90/00	30th April 31st Oct.	30-6-64	(C*)
20,00,000	20,00,000	4 1/2	Burrakur	1947	85/00	85/00	85/00	30th June 31st Dec.	30-6-67	(r*)
50,00,000	50,00,000	5 1/2	Equitable	1953	100/00	100/00	100/00	1st July 1st Jan.	14-12-68	
COTTON MILL										
4,00,000	4,00,000	6	Bengal Nagpur	1897	85/00	85/00	85/00	10th May 10th Nov.	15-11-66	(H)
JUTE MILLS										
15,00,000	12,00,000	5 1/2	Agarpara	1939	92/00	92/00	92/00	1st Oct. 1st April	31-3-69	..
15,00,000	15,00,000	4	Auckland	1945	78/00	78/00	78/00	30th June 31st Dec.	31-12-64	(F)
9,00,000	6,00,000	5 1/2	Alexandra	1939	91/00	91/00	91/00	30th June 31st Dec.	30-6-69	(g)
10,00,000	10,00,000	5 1/2	Bengal (2nd Mortgage)	1940	95/50	95/50	95/50	30th June 31st Dec.	30-6-65	(b)
12,00,000	10,69,000	5	Chitavalah	1951	88/50	88/50	88/50	30th June 31st Dec.	30-6-66	(e)
25,00,000	20,48,000	5	Dalhousie	1954	90/00	90/00	90/00	31st March 30th Sept.	31-3-69	(u*)
10,00,000	8,86,000	5 1/2	Empire	1951	98/00	98/00	98/00	15th Jan 15th July	15-7-68	(e*)
25,00,000	25,00,000	5 1/2	Fort Gloster	1952	92/50	92/50	92/50	31st March 30th Sept.	30-9-66	(Q*)
30,00,000	30,00,000	5 1/2	Howrah	1949	90/00	90/00	90/00	31st March 30th Sept.	31-3-70	(N)
25,00,000	25,00,000	5	Kinnison	1948	89/00	89/00	89/00	30th June 31st Dec.	31-12-64	(r*)
25,00,000	13,04,000	5 1/2	Kamarhaty	1955	90/00	90/00	90/00	30th June 31st Dec.	30-6-70	(h*)
25,00,000	25,00,000	5 1/2	Nailah	1952	92/00	92/00	92/00	14th Nov 14th May	31-3-67	(l*)
5,00,000	5,00,000	6 1/2	Nellmaria	1939	92/00	92/00	92/00	30th June 31st Dec.	14-3-74	(d)
20,00,000	20,00,000	4	Northbrook	1945	85/00	85/00	85/00	30th June 31st Dec.	31-12-64	(B)
25,00,000	25,00,000	5 1/2	Rellance	1950	81/00	81/00	81/00	31st March 30th Sept.	30-9-65	(M*)
12,00,000	12,00,000	5 1/2	Union	1937	95/50	95/50	95/50	31st March 30th Sept.	31-3-67	..
10,00,000	10,00,000	6	Waverley	1925	80/00	80/00	80/00	31st Jan. 31st July	31-7-72	..
MISCELLANEOUS										
80,00,000	19,80,000	4 1/2	Associated Hotels of India	1948	850/00	850/00	1,000/00	1st Jan 1st July	31-12-62	(v)
10,00,000	10,00,000	5	Aluminium Corporation of India Ltd	1945	92/00	92/00	92/00	1st Jan. 1st July	31-12-65	(U)
5,00,000	5,00,000	4 1/2	Bareilly Electric Supply Co. Ltd.	1949	88/00	88/00	88/00	30th June 31st Dec.	31-12-64	(m*)
12,00,000	12,00,000	4 1/2	Benares Elec. Ltd. & Power Co. Ltd.	1949	90/00	90/00	90/00	30th June 31st Dec.	31-12-64	(m*)
1,00,00,000	90,00,000	5 1/2	Buckingham & Carnatic Co. Ltd.	1952	100/00	100/00	100/00	1st April 1st Oct.	1-3-72	(T*)
5,00,000	5,00,000	5	Britannia Engineering	1945	94/00	94/00	94/00	30th June 31st Dec.	31-12-69	(g)
8,00,00,000	8,00,00,000	5 1/2	Burmah-Shell Refineries Ltd.	1954	92/75	94/00	100/25	1st March 1st Sept.	1-9-69	(K*)
2,66,00,000	2,32,89,400	4	Calcutta Electric Supply Corporation	1950	£66/10	£66/10	98/00	1st Jan 1st July	1-1-70	(*)
2,66,00,000	2,32,89,400	5 1/2	Calcutta Tramways	1950	£74/10	£74/10	£66/10	1st Jan 1st July	1-1-70	(w)
£250,000	£157,788	5	Calcutta Tramways	1938	98/00	98/00	£74/10	1st April 1st Oct.	1-10-74	(y)
19,50,000	17,50,000	6	Carew & Co. (2nd Mortgage)	1941	98/00	98/00	98/00	1st Jan 1st July	1-6-63	(a)
5,50,000	4,00,000	6 1/2	Carew & Co.	1915	85/00N	85/00N	85/00	1st April 1st Sept.	28-2-70	(l)
21,00,000	21,00,000	5 1/2	Chowringhee Properties	1945	80/00	80/00	80/00	1st Feb 1st August	1-2-64	..
26,00,000	26,00,000	5 1/2	Chowringhee Properties (2nd Mortgage)	1945	80/00	80/00	80/00	1st Feb. 1st August	1-2-64	..
25,00,000	19,29,000	4 1/2	Clive Building	1936	82/00	82/00	82/00	1st July 1st Jan	1-7-66	(A)
1,00,00,000	1,00,00,000	6 1/2	Dalmia Cement	1946	86/00	86/00	84/50	31st March 30th Sept.	1970	(p)
1,30,00,000	1,04,55,000	6 1/2	Dunlop Rubber Co. (I) Ltd.	1950	101/00	101/00	106/30	1st Jan 1st July	1-1-73	(b*)
1,00,00,000	1,00,00,000	6 1/2	Dunlop Rubber Co. (I) Ltd.	1958	90/00	90/00	106/30	1st Jan 1st July	1-1-73	(w*)
1,00,00,000	25,00,000	4	Gourepore Electric Supply	1954	100/00	100/00	100/00	30th June 31st Dec.	31-12-70	(x)
25,00,000	25,00,000	5 1/2	Indian Cable Co. Ltd.	1954	96/00	96/00	96/00	1st Jan 1st July	30-6-69	(l*)
1,00,00,000	97,80,000	5 1/2	Kumardhubi Fireclay & Silica Works	1954	84/00	84/00	84/00	31st Dec	31-12-69	(D*)
20,00,000	20,00,000	5 1/2	Kumardhubi Engineering Works Ltd	1946	85/00	85/00	85/00	1st Jan 1st July	31-12-69	(C)
10,00,000	10,00,000	6	Katakhal Lala Bazar Railway	1945	85/00	85/00	85/00	31st Dec	31-12-69	(D*)
6,50,000	6,50,000	4	McLeod & Co. Ltd. (Con Notes)	1947	410/00 P note	410/30 P note	410/00 P note	30th June 31st Dec.	31-12-72	(l*)
45,00,000	43,00,000	4	Macneill & Barry Ltd.	1951	85/00N	85/00N	85/00	1st April 1st Oct.	1-4-71	(P*)
1,00,00,000	75,00,000	5	National Tobacco Co India Ltd.	1948	82/00	82/00	82/00	30th June 31st Dec.	30-6-68	(S)
12,00,000	12,00,000	4	National Electric Supply Co. Ltd.	1949	96/00	96/00	90/00	31st May 30th Nov.	1-12-64	(V*)
20,00,000	20,00,000	5	Patna Industries Ltd.	1946	94/00	94/00	86/50	30th June 31st Dec.	31-12-69	(a*)
1,00,00,000	1,00,00,000	6 1/2	Standard Vacuum Rtg Co. of India	1953	95/00	95/00	100/25	1st May 1st Nov.	1-5-68	(H)
4,00,00,000	4,00,00,000	5 1/2	Shree Gopal Paper Mills Ltd	1944	£64N	£64N	£64N	Jan & July	15-7-66	(E*)
10,00,000	10,00,000	5 1/2	Shahdara (Delhi) Saharanpur Rly.	1905	91/00	91/00	91/00	1st Jan 1st July	..	..
£200,000	£200,000	4	Silva Jheriah	1951	90/00	90/00	90/00	1st Jan 1st July	30-6-76	(C*)
15,00,000	11,40,000	4 1/2	United Provinces Elec. Supply Co. Ltd.	1949	90/00	90/00	90/00	31st March 30th Sept.	31-12-64	(r*)
30,00,000	30,00,000	4 1/2	United Provinces Elec. Supply Co. Ltd.	1949	90/00	90/00	90/00	31st March 30th Sept.	31-12-64	(r*)
(BOMBAY)										
2,50,000	2,50,000	6	Baitakhal	1943	85/00	85/00	85/00	30th June 31st Dec.	1-7-63	..
1,00,00,000	98,28,000	4	Andhra Valley Power Supply	1940	86/50	86/50	101/00	1st April 1st Oct.	1952	..
60,00,000	50,00,000	4	Tata Power	1941	86/00	86/00	85/00	..	1951-55	..

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations 29-12-62	Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations 29-12-62	Year of Issue
Rs.		Rs.		Rs.	Rs.			Rs.		Rs.	Rs.	
BANK												
1961	Allahabad Bank (May Nov.)	15.00	6	100	97/30	1955	Bengal Assam Steamship (Nov.)	2.00	7	60	47/03	43/8
COALS												
1936-37	Borrae (June Dec.)	4.00	6 1/2	100	84/00	1936	Bengal Chemical (Aug.)	6.25	7 1/2	10	11/62	11/7
1901-19	Burrakur (Jan July)	22.98	7	100	97/50	1889	Bengal Paper Mill (Mar. Sept.)	2.00	7	50	46/50	46/5
1946	Burrakur (June Dec.)	4.50	6 1/2	10	6/10	1923	Bengal Paper Mill "A" (Mar. Sept.)	4.00	7	100	98/00	98/0
1935	Equitable (May Nov.)	4.00	6	100	79/00	1918	Birds Investments (Dec.)	24.00	5 1/2	100	53/27	58/0
1931	Khas Kajora (March Sept.)	1.93	5	10	6/87	1920	Britannia Biscuit (Feb. Aug.)	13.00	8	10	11/00	8/2
1920	New Beerboom (Jan July)	2.00	7	10	10/25	1905-99	British India Corporation (Feb.)	81.00	8	100	115/00	109/0
1938-39	Ondal (June Dec.)	2.00	6 1/2	100	64/10	1903-5	Burn Eng. (1st & 2nd) (Feb. Aug.)	13.00	7	100	115/50	109/0
							Burn Engineering (Feb. Aug.)	15.00	6	100	101/00	99/5
1903	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	70/00	1909-11	Calcutta Electric Supply (Mar. Sept.)	£1,900	5	£1	8/31	8/7
1934	Bangalore (Jan July)	6.00	6	100	106/93	1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	49/12	49/1
1938	Basanti (Oct.)	5.00	6 1/2	100	7/30	1906	Calcutta Tramways (Jan July)	£250	5 1/2	£1	7/94	7/6
1896	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	48/00	1938	Carew & Co (Jan.)	8.00	6 1/2	100	79/00	80/5
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	111/00	1905-24	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	117/00	118/0
1900	Bowreah "B" (1) (Apr. Oct.)	6.00	7	100	82/50	1940	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	40/25	45/0
1913	Bradbury "B" (Jan Dec.)	14.85	7	50	47/00	1937	Dalmia Cement (Bharat)	35.00	6	10	8/56	8/0
1920	Buckingham & Carnatic (Jan July)	21.30	7 1/2	100	114/59	1916	Delt Flour Mills (Oct.)	90.00	7 1/2	100	101/00	101/0
1928	Cambodia (July)	1.00	7	100	83/63	1935	Deshgarh Power Supply "A" (Jan.)	15.00	5	100	73/62	73/2
1912	Central India (Apr. Oct.)	50.00	5	500	412/50	1940	Duncan Brothers & Co Ltd.	45.00	4	100	56/00	54/5
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	16/63	1926	Dunlop Rubber "First" (Jan. July)	30.00	6	100	106/50	109/5
1912	Elgin (May Nov.)	11.00	8	100	113/00	1936	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	76/50	79/0
1943	Elgin "B"	10.00	5	10	7/25	1937	East India Distilleries (Jan. July)	£200	7	20st	18/90	18/0
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	73/00	1908	General Investment & Trust (Feb. Aug.)	1.00	5	100	56/00	56/0
1919	Kesaram (June Dec.)	20.00	7	100	107/30	1947	General Investment & Trust (Feb. Aug.)	1.00	6	100	48/00	48/0
1925	Khatana Makani (Nov.)	10.00	6	100	77/00	1946	Gilfanders Arbuthnot (Apr. Oct.)	25.00	5 1/2	100	55/00	57/0
1937	Kothari (Nov.)	12.00	6	10	8/10	1948	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	60/00	60/0
1900	Muir (Feb. Aug.)	30.00	6	100	100/00	1940	Godfrey Phillips India Ltd.	30.00	5 1/2	100	56/00	57/0
1913	New Great Eastern (Mar.)	8.00	5 1/2	200	107/00	1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	62/00	62/0
1920	New Victoria (Apr. Oct.)	16.00	6	10	2/81	1936	Gwalior Sugar (Dec.)	5.00	7	100	62/00	62/0
1933	Palani Andavar (Mar.)	2.00	7	50	118/84	1936	Humayan Properties Ltd (Nov.)	12.00	6	10	6/62	6/7
1935	Swadeshi (Bombay) (May)	15.00	5	100	82/00	1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	68/00	68/0
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	68/00	1927	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	78/00	78/0
1931	Vasanta (Apr. Oct.)	3.00	6 1/2	100	92/04	1899	India General Navg. & Railways	£244	6	£10	79/00	77/0
1908	Vishnu (Apr.)	16.00	7	500	385/00	1923	Indian Cable Co. (Nov.)	12.88	6	10	31/75	31/7
						1918	Indian Standard Wagon (Aug. or Sept.)	19.66	7	100	113/50	112/0
						1936	Indian Iron & Steel	2,69.95	5	100	84/00	88/0
						1936	Investment and Finance (Feb. Aug.)	2.00	5	100	69/00	69/0
						1935	Investment and Finance (Feb. Aug.)	1.00	6 1/2	100	60/00	60/0
1927	Agarpara (Jan. July)	10.00	7	100	90/50	1937	James Wright (Jan. July)	1.30	6	50	14/00	19/0
1905	Alexandra (Feb. Aug.)	9.00	7	100	85/50	1937	Jardine Henderson Ltd.	50.00	5 1/2	100	57/00	54/0
1935	Alliance (March Sept.)	15.00	6	100	89/00	1941	Jessop & Co.	10.00	5	100	75/50	75/0
1917	Anglo-India (May Nov.)	40.00	7	100	68/50	1915	Kumardhubi Engineering (June)	12.00	5	100	68/00	70/0
1909	Auckland (July Jan.)	10.00	5 1/2	100	56/00	1915	Martin Burn Ltd.	30.00	5	100	83/50	84/0
1945	Auckland (July Jan.)	15.00	4 1/2	100	96/50	1946	McLeod & Co.	10.00	5 1/2	100	45/00	47/0
1918	Bally (Jan July)	20.00	7	100	96/50	1930	McLeod & Co.	40.00	5	100	61/00	61/0
1936	Barnagore (Oct. Dec.)	£200	5 1/2	£5	38/00	1936	Metall Chemical & Industrial (Sept.)	20.00	6	10	9/25	9/2
1896	Bengal (June Dec.)	10.00	5 1/2	100	62/50	1938	Metal Box Co. of India Ltd.	2.00	6	10	83/50	84/0
1940	Birla (June Dec.)	23.64	7 1/2	100	77/00	1938	Mysore Chemical Mfg. (Sept.)	2.00	6	10	7/83	8/4
1919	Budge Budge (May Nov.)	9.00	7	100	90/50	1942	National Tobacco (June Dec.)	25.00	6	100	66/00	68/0
1934	Calcutta (Jan July)	8.00	6 1/2	100	90/00	1944	National Tobacco (Jan. Dec.)	20.00	4 1/2	100	57/50	62/0
1915	Caledonian (June Dec.)	10.00	7	100	90/00	1917	Poonia Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	101/00	101/0
1919	Chetivort (June Dec.)	10.00	7	100	90/50	1935	Premier Construction "First" (Apr.)	10.00	6 1/2	100	73/50	73/0
1928	Chitavalah (Mar. Dec.)	5.00	7	100	89/00	1936	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	69/50	69/0
1900	Clive (First) (May Dec.)	8.00	6	100	52/00	1922	Purnabore (Sugar) (Oct.)	6.00	10	10	10/50	10/0
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	68/50	1936	Ramnagar Cane & Sugar (Aug.)	4.00	6	100	82/00	86/0
1903-13	Dalhousie (July Jan.)	11.76	7	100	88/50	1933-38	Rohas Industries (April)	20.00	7	100	97/00	106/0
1897	Delta (June Dec.)	5.00	6	100	64/75	1935	Rohas Industries "B" (April)	86.00	4 1/2	100	52/00	53/0
1912	Empire (Jan. July)	10.00	7	100	90/25	1944-48	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	57/00	64/0
1930-33	Fort Gloster (Jan. July)	14.00	7	100	97/00	1939	Shree Gopal Paper	7.50	8	100	104/00	101/0
1948	Fort Gloster (2nd)	7.00	5	100	65/50	1936-38	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	62/00	63/0
1911	Fort William (May Nov.)	10.00	7	100	80/80	1937	Shree Krishna Gyanodaya Sugar "B"	12.00	5	100	70/00	65/0
1916	Ganges (June Dec.)	6.00	8	100	100/50	1918	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	62/50	63/0
1895-94	Gourepore (June Dec.)	26.50	6	100	80/00	1933	South Behar Sugar (Oct.)	5.00	9	100	20/50	20/0
1935	Hastings (Aug. Feb.)	25.00	6	100	84/50	1897	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6 1/2	100	6/89	7/0
1913	Howrah (Jan July)	11.76	10	10	10/87	1923	Spencer & Co. "B" (Provisions) (Jan. July)	30.90	8 1/2	10	9/55	10/0
1890	Howrah "A" (Jan July)	8.75	7	100	90/50	1936	Star Paper (Apr. Oct.)	10.00	5	100	65/90	65/0
1903-06	Howrah "B" (Jan July)	17.50	7	100	90/50	1925	Surat Electricity (April)	5.00	6 1/2	100	107/00	107/0
1919	Hukumchand (June Dec.)	40.00	7	100	88/50	1939	Tata Chemicals (Nov.)	60.00	5	100	85/50	82/0
1898-04	Kamarbhaty (Apr. Oct.)	18.00	6	100	73/00	1910	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	95/50	100/0
1930	Kankarnath (Apr. Oct.)	10.00	6	100	126/00	1906	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	100	132/50	135/0
1925	Kedarnath (Jan July)	2.00	7	100	90/50	1918	Tata Iron & Steel (Second) (May)	69.82	7 1/2	100	99/00	100/0
1907	Kelvin (Mar. Sept.)	10.00	7	100	90/00	1919	Tata Power (May Nov.)	86.97	7 1/2	1,000	1,006/25	1,035/0
1895-99	Khardah (May Nov.)	9.00	6	100	77/00	1928	Titagarh Paper Mills (Mar. Sept.)	11.50	8	100	117/00	117/0
1900-13	Kinnison (July Jan.)	15.00	7	100	90/00	1936	Titagarh Paper Mills "2nd" (Mar. Sept.)	15.00	4 1/2	100	70/00	71/0
1905	Landsdowne (July Jan.)	15.00	7	100	90/00	1934	Vellore Electric (Sept. Mar.)	1.25	6	10	5/81	6
1905	Lawrence "A" (July Jan.)	5.00	7	100	85/50							
1912	Lawrence "B" (July Jan.)	10.00	5 1/2	100	64/50							
1906-07	Naihati (July Jan.)	7.50	7	100	112/00							
1945	Naihati (July Jan.)	10.00	4 1/2	100	90/00							
1917	National (May Nov.)	5.00	7	100	88/50							
1939	Nellimarla (Apr. Oct.)	5.00	6	100	76/00							
1915	New Central (Jan. July)	33.00	7	100	94/00							
1908-09	Northbrook (July Jan.)	15.00	7	100	72/00							
1935	Rameshwara (Jan July)	7.00	6	10	10/00							
1928	Reliance (Jan July)	20.00	7	100	86/00							
1906-12	Shree Ambica (Mar. Sept.)	11.70	7 1/2	100	94/50							
1928	Soorah (Feb. Aug.)	10.00	7	100	88/50							
1901-02	Union (July Jan.)	6.00	7	100	94/00							
1913	Waverley (Mar. Sept.)	7.50	5	50	40/50							
MISCELLANEOUS												

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	1959 1960 1961	Rs.	29-12-62 19-12-62 A year ago
25.00.000	58.52.284	43.77.890	3.90.484	Amalgamated	3 236	16.40.057	39.090	15 10 12-15*	10	22/87 22/12 22/95
1.20.00.000	3.15.46.304	2.44.30.490	36.03.088	Bengal P	10 2	85.68.875	10.42.254	25 25 21	100	335/00 335/00 350/00
4.49.350	4.37.982	1.30.142	91.796	Bengal Bhatdee	12 368	43.397	4.471	3/48 3/48 3/48	10	3/48 3/48 3/48
2.25.000	3.06.216	5.45.835	5.19.015	Bengal Nagpur	12 11	1.55.638	16.129	Nil 10 28	10	22/00 22/00 20/19
15.97.000	23.27.321	4.87.308	63.982	Bhaigora	8 152	2.62.417	21.275	 4/75	10	5/00 5/00 4/75
40.00.000	67.23.620	2.75.000	21.19.681	Bharat Collieries P.	6 335	11.30.816	2.120	 3/75	10	3/53 3/53 3/75
7.15.000	14.96.845	11.02.672	64.329	Bhulanbarree	12 362	-3.06.406	-4.92.536	 4/25	10	12/00 12/00 4/25
16.00.000	38.87.272	16.18.636	7.185	Bokaro & Ramgur	8 12 315	1.21.936	-79.196	 14/00	10	11/19 11/19 14/00
7.50.000	19.13.173	22.77.003	12.32.439	Boroka P	12 106	5.26.414	33.647	10 15 15	10	23/87 23/87 23/66
90.92.480	2.32.19.267	1.46.53.383	33.70.740	Burrakur P	6 21	37.97.832	90.768	13 13 13-13*	10	16/56 16/56 18/75
49.97.000	50.93.754	6.86.120	6.35.332	Central India	3 166	16.11.083	3.58.023	8 8 10-10*	10	10/37 10/19 12/50
8.00.000	18.69.439	12.87.490	98.940	Central Kurkend P.	12 10	6.357	214	 3/06	10	8/00 8/00 1/00
6.00.000	12.87.490	1.55.159	8.05.472	Churaha	12 106	63.745	7.043	 7/06	10	3/06 3/06 7/06
18.00.000	25.01.205	Nil	Nil	Dhemo Main	12 444	-6.45.261	-5.39.034	Nil Nil Nil	10	5/94 5/94 7/06
22.00.000	25.01.205	2.56.1.905	2.56.1.905	East Indian	4 128	2.29.452	2.29.452	15-20*	10	50/00 50/00 32/81
22.00.000	25.01.205	2.56.1.905	2.56.1.905	East Indian	4 128	2.29.452	2.29.452	15-20*	10	50/00 50/00 32/81
29.63.700	1.42.23.054	1.18.76.888	27.65.725	Equitable P	12 19	10.14.185	32.594	7/4 15 10	10	25/62 25/62 28/87
10.00.000	6.74.708	2.07.496	3.32.973	Ghoseck & Muslia	3 307	12.979	24.444	 2/75	10	15/00 15/00 14/00
6.50.000	4.21.847	Nil	12.025	Guzdar Kajora	12 20	10.870	-14.705	 2/75	10	2/05 2/05 2/75
8.00.000	5.43.022	..	16.702	Hurridadih	12 393	-10.172	-3.65.025	 14/37	10	8/12 8/12 14/37
15.00.000	23.47.952	27.81.955	39.74.704	Karanpura Development	12 21	3.95.071	1.40.029	5 5 5	100	12/19 12/06 17/12
20.00.000	34.15.535	9.86.018	3.72.692	Karanpura Collieries P	2 21	8.92.065	32.810	5 7/4 10-10*	10	18/00 18/00 19/04
14.88.480	20.68.761	16.01.825	8.75.590	Katras Jheriah	1 2	8.29.962	1.11.842	65 95 40-25*	10	48/75 48/75 49/00
1.38.400	6.75.090	95.000	11.80.294	Khas Kajora P.	6-12 337	49.776	1.918	 18/70	10	18/70 18/70 18/70
5.65.750	5.95.833	Nil	9.780	Mundulpur	3 372	-1.80.535	-18.47.497	 2/62	10	2/69 2/69 2/62
7.48.240	3.46.525	2.50.000	7.62.941	Nazira	12 347	1.28.839	94.963	10 10 10	10	5/75 5/75 6/50
31.97.210	61.58.848	34.47.233	3.39.307	New Beerbhoom P.	10 2	9.75.812	93.645	15 16 10	10	21/62 20/94 21/75
9.90.340	9.04.373	5.21.710	75.374	New Manbhoom	3 202	4.12.216	43.822	5 7/4 9-12*	10	13/75 13/75 13/62
1.15.000	7.05.719	4.31.409	40.364	North West	12 441	1.44.042	15.045	15 20 20	10	19/75 19/75 22/19
7.50.000	1.33.788	13.22.645	22.85.007	Ondal P.	12 106	1.91.515	45.060	7 6 7/4	10	18/00 18/00 17/88
8.34.000	23.69.066	1.52.212	4.78.984	Parasea P.	12 207	1.79.344	589	61/5 11 10-10*	10	16/50 16/50 17/00
15.75.000	32.93.192	24.59.122	4.11.055	Penon Valley	3 236	5.41.674	54.253	10 10 10	10	8/00 8/00 8/00
2.50.000	5.62.405	1.900	11.530	Pure Sitapur	6-12 5	1.54.576	35.781	 17-17*	10	15/00 15/00 15/19
33.58.900	50.26.723	40.85.000	1.26.141	Raneegunge	3 370	11.64.576	35.781	10 15 20	10	29/12 29/12 30/00
13.50.000	25.32.135	20.90.190	18.89.318	Rewa	12 236	13.18.197	41.233	10 20 20	10	10/03 10/03 8/50
37.50.000	74.38.430	38.61.070	1.69.086	Samia	12 48	12.37.914	26.993	Nil Nil Nil	10	1/94 1/94 0/78
2.50.000	4.47.534	74.281	10.748	Searsole P.	1 353	-19.279	-4.27.396	42 6/7 42 6/7	10	45/00 45/00 45/50
2.80.000	10.74.006	12.23.716	10.17.267	Seebpore P.	12 2	6.13.147	67.383	5/75 5/75 6/44	10	7/00 7/00 6/81
8.00.000	6.203	4.54.648	13.04.570	Sendra	12 106	78.390	1.540	3/4 5/4 10	10	16/00 16/00 13/81
17.50.000	26.80.253	25.63.630	40.202	South Karanpura	8 21	-1.74.305	-1.54.124	 10	10	10/37 10/37 10/00
8.00.000	1.30.091	15.48.988	26.78.255	Standard	12 106	1.84.925	38.908	 10	10	9/50 9/19 9/69
2.50.000	4.36.300	3.23.900	36.660	Union	12 11	1.37.973	1.77.952	 71-9*	10	10/37 10/37 10/00
49.98.000	63.57.150	6.09.055	2.69.620	Western Bengal	3 166	11.72.192	1.19.162	10 10 10	10	9/37 9/37 7/25
7.80.000	26.06.335	Nil	47.091	West Jamuria	12 444	-6.51.403	-6.23.711	Nil Nil Nil	10	9/37 9/37 7/25

*1962

COTTON MILLS

Paid-up Capital Ordinary	Number on Spindle Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.		Rs.	Rs.	Rs.			Rs.	Rs.	1959 1960 1961	Rs.	29-12-62 19-12-62 A year ago
15.00.000	14 108	556	14 06.683	3.15.002	12.59.541 Basanti P	12 49	26.012	41.532	.. ..	10	15/12 9/19 7/75
7.11.280	38.000	932	17.17.120	2.20.369	30.842 Banga Luxmi	3 27	3.66.177	47.818	.. ..	40	28/00 28/00 28/00
21.00.000	31.476	824	17.77.373	93.872	Bengal Nagpur P.	12 223	-6.24.150	-6.86.183	Nil Nil	10	3/25 3/25 3/25
50.00.000	..	1.10.03.881	39.06.900	9.82.146	Sharat Commerce	12 394	55.78.866	1.45.829	6 15 10	10	25/87 25/87 28/12
39.95.950	39.764	992	80.94.300	1.21.02.782	53.37.204 Birla Cotton	8 22	39.77.025	1.67.525	Nil 10 20-20*	10	28/87 28/87 28/12
24.00.000	43.136	841	94.15.536	31.39.700	2.59.240 Bowreah P.	12 138	30.41.946	2.15.857	Nil 10 20	10	24/00 24/00 36/62
30.00.000	22.000	510	23.07.805	48.99.554	5.33.310 Cawnpore Textiles	12 25	20.76.448	47.303	Nil 7-1/5 10	8	7/06 7/06 8/87
3.78.33.535	1.97.348	3.307	6.72.37.739	6.96.27.768	77.61.228 Delhi Cloth & Genl. P.	8 238	3.08.40.769	4.03.436	10 12 13-13*	25	45/00 45/00 61/82
38.00.000	43.049	518	85.25.204	49.09.112	2.35.557 Dunbar	12 138	40.11.298	2.29.897	10 20 20	10	28/37 27/90 32/19
63.00.000	64.000	1.200	72.11.946	1.75.75.771	91.53.931 Elgin P.	9 389	73.50.384	80.801	11 11 17 1/2	10	19/75 19/50 22/58
1.25.00.000	..	3.48.97.571	58.34.321	65.50.730	J. K. Cotton (Rayon) P.	12 158	19.28.764	1.22.795	0 12 10	10	14/50 14/44 19/69
49.18.000	6.272	202	51.44.000	4.76.538	Jay Shree	12 22	28.42.100	67.268	8 10 10	10	16/25 16/25 15/62
30.00.000	38.000	1.823	47.44.548	52.19.301	92.55.055 Muir P.	12 208	17.77.941	-7.77.290	.. ..	100	100/00 100/00 100/00
35.11.583	78.848	1.367	47.49.840	3.96.990	1.09.256 New Victoria P.	12 237	12.73.761	-6.55.495	Nil Nil	10	1/37 1/37 1/37
48.00.200	..	1.06.10.352	78.144	2.34.188	Orissa Textiles P.	3 399	12.34.741	-22.17.524	.. Nil	10	9/00 9/00 10/00
19.47.7500	23.198	795	16.56.550	78.491	1.61.387 Ramporia Cotton	6 4	5.999	53.833	Nil 8 Nil	10	12/00 12/00 11/00
17.50.000	1.14.836	2.077	4.48.79.351	2.63.83.071	2.15.81.189 Swadeshi (Kanpur) P.	12 333	76.20.241	5.044	Nil Nil	100	2/00 2/00 2/00
1.57.50.000Po	..	..	..	..	..	..	..	..	Nil 4 6.51	100	11/50 11/50 11/50

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TEA COMPANIES

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

Paid-up Capital Ordinary				Net Block Accounts	Reserve & other Funds	Accounts under Tees	Outturn and Average Price per Kg./lb. realised for crop				Estimate	NAMES	Accounts Closed	Net Profits including taxation	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until			
Rs.				Rs.	Rs.	Kgs.	Rs.	Kgs.	Rs.	Kgs.	Rs.		Rs.	1959	1960	1961	Rs.	Rs.	Rs.	A year ago
ASSAM GARDENS																				
4.45.700	15.18.849	15.50.949	879	308.034	5.24	424.104	4.81	442.700	12	165	3.53.660	15	Nil	10	20/00	20/00	25/94			
7.00.000	12.88.670	8.07.423	501	321.178	6.85	311.077	6.58	311.077	12	88	3.99.567	17 1/2	30	32 1/2	10	33/25	33/25	23/50		
5.50.000	15.79.312	14.43.241	573	260.179	5.57	353.284	5.32	362.900	12	165	95.555	15	Nil	15	10	18/50	18/50	22/50		
1.80.000	3.62.618	1.89.284	315	123.695*	1.56	..	..	..	12	349	-78.494	Nil	Nil	6	8/50	8/50	8/50			
7.65.000	15.19.743	10.56.055	154	264.700	7.21	313.600	6.01	290.000	12	345	1.49.454	30	35	25	10	27/25	27/25	26/50		
4.95.800	6.73.519	5.67.320	610	415.786	6.32	408.268	6.56	..	12	345	2.93.848	30	30	..	5	18/00	18/00	18/81		
6.40.000	11.89.778	11.78.262	610	415.786	6.32	408.268	6.56	..	12	88	3.99.567	25	40	45	10	32/62	32/62	31/50		
33.00.000	40.22.201	18.08.333	1,407	1,375.572	5.87	16,30,448	5.90	15,47,300	12	279	1,67,600	13	13	13	10	17/25	17/25	23/00		
6.00.000	10.99.605	4.27.428	479	154.372	6.30	2,23,900	5.00	2,43,125	12	202	2,07,619	8	Nil	12	10	13/75	13/70	13/70		
7.50.000	11.90.141	10.08.335	450	299.816	5.30	303.665	5.25	3,33,900	12	165	2,34,694	12 1/2	15	15	10	16/12	18/12	15/62		
4.50.000	7.82.300	2.32.500	234	121.026	5.30	265.021	5.27	2,90,300	12	279	78.333	Nil	Nil	10	11/75	11/75	10/87			
35.00.000	66.10.893	13.07.736	1,163	1,15,847	5.63	17,32,777	5.19	192,300	12	165	5,94,471	12 1/2	15	10-7 1/2	11/65	12/15	15/75			
12.00.000	1.81.585	1.10.487	307	116.318	5.70	543.624	5.68	515.318	12	128	541.972	40	15	20	48/25	49/25	49/25			
8.40.000	12.29.324	10.53.356	553	291.938	5.32	632.799	4.28	627.400	12	214	3,54,091	20	12 1/2	..	10	20/00	20/00	21/12		
17.53.440	19.18.176	1.90.000	157	283.690	6.19	301.383	5.61	308.000	12	165	2,12,996	23	20	15	10	15/00	15/00	15/00		
4.50.000	10.12.800	7.43.003	675	283.690	6.19	464.799	5.77	454.000	12	165	303.586	30	40	40	10	32/50	32/50	33/00		
7.43.400	10.12.800	7.43.003	675	283.690	6.19	464.799	5.77	454.000	12	279	2,25,939	30	25	20	10	21/87	21/87	25/75		
7.00.000	14.27.900	13.39.500	267	388.343	6.18	464.799	5.77	454.000	12	279	98.106	35	25	25	10	27/87	27/87	30/50		
10.00.000	20.53.490	19.68.000	479	366.144	5.68	525.799	5.76	539.000	12	278	188.604	10	Nil	Nil	10	18/81	18/87	18/50		
5.03.760	13.75.770	6.44.277	191	344.520	4.95	3,58,797	5.81	2,62,000	12	354	1,94,850	25	20	20	10	25/34	25/49	25/50		
6.76.000	12.89.800	5.77.500	224	220.227	6.19	254.919	5.81	2,62,000	12	279	93.109	10	Nil	5	10	13/31	13/31	13/00		
23.29.085	55.16.400	35.83.224	1,034	975.452	5.54	1,079,309	4.98	11,321	12	202	63.288	14	6	6	5	8/06	8/06	9/62		
5.00.000	10.51.765	7.53.498	197	307.199	4.79	3,58,885	5.69	525.000	12	354	1,82,327	25	20	20	10	27/12	27/12	24/81		
8.70.700	24.12.514	13.84.289	542	469.500	5.69	483.000	..	..	12	2	8.77.320	20	10	7 1/2	100	190/00	190/00	185/00		
9.00.000	15.74.647	10.51.189	949	506.565	6.52	5,39,472	5.99	..	12	88	3,82,815	10	30	30	10	32/00	32/00	34/06		
2.40.000	16.48.699	15.08.170	490	436.872	5.39	440.797	5.11	524.469	12	236	3,43,662	35	35	35	100	212/00	212/00	210/00		
1.80.000	17.88.233	23.500	491	440.797	5.11	524.469	4.69	520.000	12	63	2,19,061	Nil	Nil	5	10	10/31	10/31	10/31		
5.00.000	8.47.753	2.74.103	180	150.866	5.81	..	..	..	12	41	1,45,496	10	15	..	10	10/50	10/50	9/50		
2.00.000	1.81.000	21.000	71	229.767	5.53	279,777	5.15	285.000	12	236	4,138	Nil	Nil	10	8/06	8/06	8/06			
6.50.000	12.20.327	8.50.278	268	229.767	5.53	279,777	5.15	285.000	12	63	153.230	Nil	Nil	10	17/25	17/25	17/00			
8.00.000	11.51.913	3.20.098	144	229.767	5.53	279,777	4.99	2,24,000	12	202	3,87,218	15	5	14	10	14/81	14/81	15/25		
10.00.000	15.48.292	13.75.000	262	285.908	6.00	382,590	5.68	384.674	12	..	..	10	Nil	..	10	18/56	18/56	17/44		
4.80.000	9.43.489	30.000	286	68.951	4.59	..	..	..	12	..	-36.789	10	Nil	..	10	11/56	11/56	11/50		
1.50.000	2.71.599	13.65.825	135	68.951	..	83.921	..	..	12	138	72.274	25	30	30	100	507/00	507/00	507/00		
1,75,000 P.	14.31.493	8.49.447	158	122.300	5.87	182,900	6.01	200.000	12	2	2,22,943	25	10.63	20.53	10	28/75	28/75	22/24		
4.00.000	5.99.355	6.84.798	554	337.198	4.63	319.104	4.51	345.000	12	143	2,07,239	6	10	10	10	22/68	22/68	18/81		
5.35.000	9.31.834	3.98.379	447	246.382	4.79	..	..	..	12	..	1,78.991	16	12	10	10	14/56	14/56	14/00		
5.00.000	7.84.180	1.35.500	298	163.249	6.84	290.979	5.31	216.600	12	63	3,02,699	Nil	Nil	100	450/00	450/00	450/00			
6.00.000	12.46.354	7.17.592	157	187.100	6.00	216.600	..	..	12	2	1,75,136	35	40	13	10	21/37	21/37	25/25		
2.49.000	6.24.100	5.35.000	207	203.694	6.24	242,697	5.56	220.000	12	354	2,97,941	20	22 1/2	20	10	24/44	24/44	18/75		
5.58.000	16.64.283	14.42.974	500	330.366	5.70	373.286	6.59	390.000	12	279	1,31,236	17 1/2	22 1/2	15	10	20/75	20/75	23/06		
8.00.000	11.82.725	6.72.053	540	339.133	8.88	348.111	1.92	249,600	12	165	1,43,998	25	25	25	10	27/75	27/75	28/50		
19.82.800	33.61.383	16.92.483	2,407	2,816.560*	2.17	2,972,880*	5.14	638.700	12	236	4,61,762	17 1/2	30	30	10	35/06	35/06	35/00		
7.50.000	13.02.677	4.34.925	363	267.677	4.53	..	..	..	12	236	4,76,239	20	20	12 1/2	10	13/56	15/56	16/56		
5.20.090	35.29.595	27.60.165	1,050	480.745	5.90	590.423	5.14	638.700	12	165	1,73,399	30	10	15	10	34/37	34/37	39/62		
CACHAR																				
3.00.000	3.31.837	5.000	348	93.975	4.42	..	..	..	12	35	4,314	Nil	Nil	..	10	7/00	7/00	7/00		
4.00.000	6.54.409	3.37.709	190	158.349	4.45	..	..	..	12	35	23,985	5	2 1/2	..	10	6/59	6/59	6/69		
11.00.000	20.49.762	9.06.106	595	380.752	4.90	545.645	4.26	541.552	12	139	2,38,932	5	5	7 1/2	100	73/00	73/00	73/00		
7.00.000	6.64.780	Nil	278	122.864	4.63	..	..	..	12	383	-43,051	Nil	..	..	10	4/12	4/12	4/44		
4.50.000	3.35.089	3.30.000	2,208	525.805	4.43	723.716	3.84	725.747	12	384	34.716	6	8	..	100	87/00	87/00	87/00		
12.00.000	18.22.020	13.75.800	2,208	525.805	4.43	723.716	3.84	725.747	12	202	2,92,141	5	Nil	8	10	14/4	9/44	10/37		
3.60.000	4.07.626	5.99.900	223	133.364	4.60	..	..	..	12	63	-1,29,393	Nil	Nil	..	10	6/00	6/00	3/94		
5.63.680	5.22.853	5.44.553	2,220	570.970	4.48	477.747	3.81	183.293	12	202	49.257	Nil	Nil	..	10	5/00	5/00	3/87		
7.00.000	22.63.639	15.44.553	4,068	1,192.967	4.63	2,21,967	3.85	263.083	12	202	1,14,040	Nil	30	20	100	205/00	205/00	205/00		
2.59.059	4.67.819	1.238	531	194.123	4.96	326.670	4.40	319.400	12	165	91.920	Nil	Nil	10	17/50	17/50	17/25			
2.69.000	8.86.044	4.60.292	638	272.623	4.96	307.903	3.94	290.000	12	63	1,04,322	7 1/2	8	50	10	13/62	13/62	11/81		
5.25.000	11.99.745	11.88.100	722	227.869	4.95	307.903	..	..	12	..	69.977	Nil	Nil	..	10	50/00	50/00	58/50		
4.00.000	7.06.442	2.94.472	263	165.158	4.26	..	..	..	12	..	..	..	..	..	10	9/12	9/12	9/12		
DARJEELING																				
3.99.750	7.28.177	6.033	563	85.684	6.00	..	..	..	12	101	55,959	Nil	Nil	..	10	3/25	3/25	3/44		
2.79.700	3.73.000	1.55.000	165	82.007	7.75	82.803	8.66	84.000	12	279	1,11,516	Nil	Nil	10	10	10/25	10/25	9/37		
3.75.900	3.96.896	2.95.050	400	281.993	6.12	..	..	..	12	139	2,73,543	Nil	30	..	100	185/00	185/00	164/00		
2.00.000	2.34.125	1.98.148	195	72.220	6.85	135.642	7.33	300.000	12	74	1,38,209	Nil	8	..	100	102/50	102/50	100/00		
4.00.000	9.20.900	1.75.770	427	450.432	5.10	..	..	..	12	99	1,38,209	12 1/2	15	10	10	11/69	11/69	10/50		
1.03.000	21.89.194	13.43.500	578	177.545	7.60	174.261	6.94	191.500	12	165	59,454	10	15	15	10	11/62	11/62	12/69		
1.59.000	4.76.047	4.58.479	818	99.400	8.33	101.390	8.21	100.000	12	2	77.616	10	22 1/2	20	100	191/50	191/50			

TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Accrue under Tea	Outturn and Average Price per Kk./lb. realised for crop		Estimate	NAMES	Accounts closed	Mz. Agis. Secretaries etc.	Net Profits including taxation	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until					
				1960	1961						1959	1960	1961		29-12-62	19-12-62	1 A year ago			
Rs.	Rs.	Rs.		Krs.	Rs.	Krs.				Rs.				Rs.	Rs.	Rs.	Rs.			
DOOARS																				
27,00,000	55,60,730	32,07,760	1,023†	1,408,000	5.11	1,551,500	4.51	1,525,000	Banarhat P.	12	2	11,55,236	32½	22½	100	255/00	255/00	275/00		
12,00,000	23,85,571	21,47,404	436†	721,583	5.20	724,314	4.69	682,400	Baradighi	12	128	6,62,191	25	30	25	10	23/87	23/87	27/00	
9,00,000	17,32,113	18,96,100	1,112	558,147	4.94	593,617	4.42	580,604	Bhatkawa	12	386	2,94,647	10	15	15	10	17/37	17/37	19/12	
9,00,000	21,64,171	19,54,000	555	543,381	5.32	666,763	4.37	600,000	Birpara P.	12	63	4,10,050	22½	17½	12½	100	151/00	151/00	149/00	
6,00,000	11,78,375	9,70,500	243†	305,122	5.01	299,250	4.17	295,000	Carron	12	63	1,08,467	15	20	5	100	145/00	145/00	145/00	
9,00,000	21,98,098	14,50,681	365†	533,309	5.15	514,200	4.45	530,000	Choonabbuti P.	12	2	2,23,622	30	32½	20	100	262/00	262/00	267/00	
3,00,000	5,34,585	5,17,500	197†	171,106	5.00	219,480	4.35	203,200	Ellenbarrie	12	63	79,168	6	5	6	100	184/00	184/00	176/00	
1,20,000	3,31,280	3,17,245	265	134,440	4.20	162,265	3.73	160,000	Engo	12	397	1,15,877	Nil	60	30	100	136/00	136/00	136/00	
4,90,000	8,16,062	70,656	180	218,696	3.96	224,026	..	..	Ethelbari	12	354	50,788	Nil	5	5	10	13/12	13/12	9/19	
7,50,000	10,03,911	7,97,827	900	523,656	5.03	533,092	4.98	..	Gairkhata	12	88	3,52,027	12½	25	20	10	21/50	21/50	23/50	
14,00,000	27,43,996	19,20,969	418†	1,122,800*	2.11	1,094,000*	1.71	..	Gopalpur	12	387	—1,19,268	9,24	12	2	25	20/00	20/00	19/62	
38,00,000	49,19,787	40,85,000	1,034†	1,401,804	4.99	1,433,022	4.07	1,390,000	Hantapara P.	12	63	5,19,303	12½	15	5	100	102/00	102/00	118/50	
32,00,000	64,79,513	76,71,749	2,314†	2,787,460	5.73	28,49,021	5.54	3,012,569	Hasimara P.	12	3	74	29,24,415	12½	17	18†	10	14/00	14/00	30/25
8,25,000	20,48,832	22,92,078	611†	890,959	4.52	889,068	4.02	..	Hudibari	12	74	3,32,189	22½	22½	19 2/7†	10	14/00	13/69	28/31	
7,00,000	7,79,450	5,13,133	246†	215,100	4.91	190,300	4.48	..	Jaybirpara	12	2	—1,53,219	5	10	Nil	10	11/06	11/06	15/25	
9,00,000	18,44,956	20,36,500	377†	539,462	5.09	563,337	4.23	520,000	Killooti	12	63	3,87,639	17½	25	15	10	17/31	17/31	19/75	
2,00,000	10,41,117	5,27,720	246†	244,220	3.96	2,47,991	..	..	Manabarrie	12	354	—67,780	5	10	6	10	59/50	59/50	56/37	
9,60,000	17,91,264	22,58,500	1,129	542,139	5.10	603,619	4.07	490,000	Nagaisuree	12	63	4,66,532	17½	25	15	100	169/50	169/50	190/00	
14,00,000	28,28,996	21,33,698	471†	812,200	5.28	784,700	4.31	750,000	New Dooars P.	12	2	4,53,104	30	35	20	100	258/00	258/00	286/00	
6,40,000	8,40,172	6,77,528	284†	291,297	4.14	307,645	3.89	308,400	Oodlabari	12	363	1,58,809	10	12½	7½	100	14/25	14/25	15/50	
2,50,000	4,02,726	3,11,000	330	112,988	4.90	100,575	4.22	116,100	Phaskowa	12	63	—78,071	Nil	Nil	Nil	100	127/00	127/00	127/00	
6,00,000	9,02,274	5,77,334	764	357,499	4.82	363,864	4.36	362,900	Rajabhat	12	165	67,304	Nil	Nil	Nil	10	12/12	12/12	12/00	
7,65,000	16,33,948	16,37,050	1,635	497,276	4.96	503,538	4.32	534,100	Ranicherra	12	165	2,37,892	10	15	15	10	16/75	16/75	18/00	
14,92,800	34,73,433	28,87,329	713†	854,415	5.21	921,964	4.79	1,008,645	Ryda	12	128	4,75,664	30	25	20	100	27/31	27/31	26/87	
3,46,000	9,38,534	7,85,220	278†	300,700	4.79	..	..	..	Sarugaon	12	44	2,89,919	40	40	..	10	36/25	36/25	36/00	

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4,50,000	13,66,318	1,61,700	627	2,17,325	4.93	..	..	..	Atal	12	101	1,50,753	10	5	..
6,00,000	2,61,415	6,10,382	223	2,40,454	3.33	..	..	..	Belgachi	12	345	2,98,178	20	20	..
13,44,000	17,81,100	25,47,000	433†	6,99,341	4.85	794,331	4.07	6,70,000	Gungaram	12	63	531,984	15	20	12½
5,00,000	10,87,941	12,09,500	214†	2,61,270	4.84	288,960	4.29	2,54,000	Hansqu	12	63	2,10,540	17½	20	15
3,00,000	5,94,258	8,71,307	472	2,53,883	4.72	275,784	4.10	275,784	New Chumta	2	74	15,355	15	15	12 6/7†
4,50,000	5,14,996	5,51,400	442†	3,99,412	5.05	..	..	..	New Terai	12	139	3,14,780	15	22½	..
5,85,000	7,31,628	10,29,030	407†	4,00,643	5.04	..	..	..	Pahargoomiah	12	139	2,69,729	25	20	..
1,00,000	2,27,060	2,24,244	119	94,461	4.39	..	..	..	Putinbaree	12	63	43,136	26	14	..
2,20,000	8,34,600	10,76,160	549	9,121*	2.02	..	..	..	Tirrihannah P.	12	165	2,85,088	30	40	..

CHITTAGONG

1,25,000	83,465	4,22,450	206†	1,19,459	5.03	..	..	..	Kodala	12	139	23,045	Nil	Nil	..
2,40,000	1,37,058	2,42,992	397†	1,30,649	5.12	..	..	..	Kornafull	12	139	12,742	Nil	Nil	..
2,00,000	1,51,925	3,95,000	216†	1,24,798	5.02	..	..	..	Kordaleah	12	139	1,26,040	Nil	Nil	..

SYLHET

3,00,000	11,41,512	8,41,647	617	1,64,340	5.14	276,309	4.48	2,90,300	Chundeecherra	12	..	339,312	Nil	Nil	10
6,00,000	8,76,636	13,11,051	554	1,64,802	5.68	2,33,890	4.97	1,94,690	Dauracherra	12	63	4,42,596	15	22½	10
2,46,000	3,50,022	..	479	88,302	5.00	1,26,336	4.28	1,34,264	Kaliti	12	358	24,933	Nil	Nil	10
5,59,930	8,72,647	14,67,800	1,090	9,16,490*	2.40	11,42,720*	1.99	10,40,000	New Samanbagh P.	12	236	344,758	Nil	25	Nil
36,00,000	48,80,181	75,27,644	4,128	11,23,657	5.40	19,52,002	5.00	18,51,000	Patrakola	12	63	42,44,455	40	32½	40
3,20,000	3,93,671	1,46,290	724	2,65,920*	2.22	..	..	..	Rajnagar	12	236	—179,428	Nil	Nil	..
9,00,000	17,77,865	25,69,827	1,182	3,06,754	5.57	4,18,826	5.01	4,07,080	Teliapara	12	63	825,281	17½	22½	100

* lbs.

† 1962

† Hectares.

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				
Ra.	Ra.	Ra.	Ra.			Ra.	Ra.	1959	1960	1961	Ra.	29-12-62	19-12-62	1961		
MININGS																
£2,369,796	..	£201,900	£2,766,792	Burma Mines	12	153	£7,456	£164,295	2,41/42	23/5	Nil	3½S	0/44	0/44	0/53	
30,00,000	37,08,889	32,54,468	54,05,355	Chrestien Mica Industries P.	12	312	15,96,846	13,914	15	15	12½	100	11/12	11/12	10/75	
15,00,000Dd				Indian Copper Corporation	12	88	£1,057,163	£72,310	25	25	20	5Dd	8/85	8/85	6/25	
£1,371,300		£1,758,381	£225,873	£755,274	Metal Corporation P.	3	343	5,66,976	14,41,622	27	27	27	2s	4/37	4/40	4/80
50,00,000		51,72,031	10,43,352	53,971	Orissa Mineral Development	6	21	13,17,757	38,801	Nil	Nil	..	100	9/37	9/37	10/50
20,00,000	46,05,415	67,67,431	55,46,956						36	36	28—20*	10	36/50	36/50	46/62	
CEMENT, LIME, SLATE, ETC.																
59,90,843	1,64,85,110	12,01,831	18,510	Ashoka Cement	3	381	7,17,476	14,996	4½	7	7-7*	10	7/87	7/50	8/87	
43,14,800	41,51,412	21,43,429	29,64,072	Assam Bengal Cement	3	80	1,70,813	6,44,675	..	..	..	100	4/00	4/00	4/25	
70,97,000				Bengal Potteries	12	155	24,46,663	1,703	14 29/100	15	..	1Dd	0/44	0/44	0/62	
55,23,146		98,02,889	19,77,396	66,723	Bisra Stone Lime	3	21	23,10,445	50,122	18.7	30	30—10*	2½	5/51	5/54	7/00
40,00,000		73,55,750	28,31,157	3,76,724								10	27/87	27/87	87/00	
1,66,00,000Q	1,99,67,060	78,78,500	1,78,46,612	Dalmia Cement (Bharat) P.	12	123	55,28,120	18,971	12	12	12	100	13/81	13/81	12/00	
5,00,000Dd											1Dd	2/15	2/15	2/56		
2,50,00,000		5,94,43,663	94,05,545	5,54,170	Jaipur Udyog P.	3	335	65,02,100	4,94,598	Nil	6	8-8.36*	10	11/31	11/34	11/62
30,00,000		65,85,756	48,53,199	6,16,752	Kumardhubi Fireclay & Silica P.	12	21	26,19,499	34,654	18	18	18	10	18/45	18/45	18/45
2,25,00,000	3,31,57,214	1,14,16,157	41,93,096	Orissa Cement P.	12	362	1,15,68,431	1,10,784	11	15	15	10	15/62	15/69	16/00	
6,00,000	21,13,454	21,06,155	17,03,820	Reliance Firebricks & Pottery	2	223	5,75,522	67,770	40	22	15	10	22/75	22/75	22/50	
75,00,000	70,40,378	22,40,000	3,27,800	Sone Valley Portland Cement	12	357	6,34,591	31,640	Nil	4	..	5	4/69	4/56	4/81	
9,64,520	19,00,054	10,46,690	6,23,484	Sutna Stone & Lime	12	3	10,16,971	23,403	20	27½	30	10	37/00	37/30	18/25	

*1962

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Ra.	Ra.	Ra.	Ra.			Ra.	Ra.	1959	1960	1961	Ra.	Ra.	Ra.	Ra.
CHEMICAL INDUSTRIES														
62,00,000 2,48,00,000A 20,00,000 15,00,000 11,08,90,000 22,54,700B 15,00,000 4,85,00,000 20,00,000	5,26,30,158 18,48,048 76,41,344 36,34,102 99,022 11,71,084	1,97,50,273 15,681 68,84,605 22,82,883 NIJ 16,07,251	5,45,473 5,958 21,14,440 19,49,050 41,554 9,33,133	Alkali & Chemical Corp. of (I) Bathgate & Co. Ltd P. Bengal Chemical & Pharm P. Calcutta Chemical P. Frank Ross P. Smith Stanistreet P.	9 121 12 442 3 245 6 377 2 129 6 181	1,41,28,376 -2,50,346 18,06,053 12,04,892 72,146 11,60,256	1,16,274 -8,53,536 1,30,717 6,978 2,561 92,801	9½ Nil 7 18 2 25	12 Nil 7 18 18-18* 25	15 .. 10 18-18* 25-25*	10 5 100 10 6 5	39/25 0/84 101/00 101/00 19/31 3/25	38/50 0/84 101/00 101/00 19/31 3/25	43/62 0/81 104/00 17/62 3/25 17/25
ELECTRIC LIGHTING, POWERS														
19,99,600 8,00,000 17,00,000 5,91,360 £4,262,646 6,00,040 43,20,000	1,15,72,761 29,33,899 1,03,03,450 15,14,249 £21,040,641 21,44,689 66,87,445	51,20,883 15,51,802 52,26,411 7,86,148 £10,615,240 7,55,075 29,73,446	27,74,218 8,09,008 19,58,483 2,64,862 £173,835 2,06,395 41,87,140	Agra Electric Supply Bareilly Electric Supply Benares Electric Supply Bhagapur Electric Supply Calcutta Electric Supply Cuttack Electric Supply Dishergarh Power Supply P.	3 32 3 32 8 32 3 202 3 202 3 202 3 2	4,56,810 2,00,631 4,34,454 2,51,655 £1,599,019 2,20,007 14,42,862	52,889 25,623 47,298 34,466 £100,524 42,463 4,27,713	10 10 10 8 7 7 7½	11 11 11 11-11* 7½-7½* 7 10-10*	11-11* 11-11* 11-11* 11-11* 11-11* 11-11* 10-10*	100 10 9 10 10 10 100	120/00 11/75 12/44 12/44 12/44 12/44 88/00	120/00 11/75 12/44 12/44 12/44 12/44 12/62	125/00 12/25 12/25 12/25 6/03 15/06 8/69
5,34,640 22,49,550 4,95,000 5,82,990 6,99,700 35,07,380	17,29,086 66,50,848 6,70,324 24,27,617 13,47,574 98,50,734	95,513 29,21,749 2,54,192 5,52,392 1,14,377 48,67,675	95,409 5,35,563 1,09,770 3,1,566 2,15,991 3,95,468	Jhansi Electric Supply Jubbulpore Electric Supply Mirzapur Electric Supply Muzafferpore Electric Supply Muttra Electric Supply Patna Electric Supply	3 168 3 32 3 258 3 202 3 329 3 202	65,283 2,69,909 46,495 99,693 83,664 12,96,460	3,590 33,302 39,415 28,790 18,984 1,27,547	6½/5 9½/5 5 12½ 8 7½	10 10 12½ 12½ 10 10	10-10* 10-10* 10-10* 10-10* 10-10* 10-10*	10 10 9 10 10 10	5/90 11/37 12/00 12/25 11/12 10/81	5/90 11/37 12/00 12/00 12/25 10/81	6/00 11/00 6/28 9/81 9/85 10/81
9,10,000 16,80,000 56,00,000 5,00,000	8,77,208 3,22,692 2,03,16,819 21,74,345	2,86,692 14,98,812 80,84,613 14,00,467	3,19,022 14,98,812 25,53,868 7,69,903	Shahjahanpur Electric P. Sijua (Jherria) Electric United Provinces Electric Upper Jumna Valley Electric	3 202 3 21 3 32 3 32	1,58,667 45,05,575 11,08,426 1,92,745	17,201 11,622 92,879 35,674	5 7½ 10 12½	6½ 10 11 13½	11-6½* 10-10* 11-11* 13½-13½*	10 9 100 10	7/00 9/06 120/00 15/25	7/00 9/06 120/00 15/25	6/81 8/87 115/00 14/65
ENGINEERING & METAL														
6,00,000 50,00,000 4,00,00,000 12,00,000 19,88,670 50,00,000 15,00,000 84,00,000 1,00,00,000 80,00,000	6,61,485 37,72,507 1,03,33,194 61,14,305 33,56,748 97,94,575 12,12,276 3,32,64,591 59,09,200 99,29,770	63,428 31,83,221 61,14,305 40,28,897 1,09,796 47,45,365 14,63,600 2,76,84,425 12,29,727 16,00,000	1,48,213 1,07,272 10,96,741 7,66,530 1,86,939 1,14,934 14,598 40,25,787 61,59,964 2,57,259	Arthur Butler (Muzafferpore) P. Bhartia Electric Steel Braithwaite India Bridge & Roof Britannia Building & Iron P. Britannia Engineering P. British India Electric Cons. Burn P. (Engineering) Calcutta Steel Dalmia Iron	12 300 12 31 12 289 12 24 12 192 12 165 12 24 4 32 3 437 8 434	2,93,398 12,85,593 8,814 18,61,414 18,66,773 1,80,146 11,48,142 12,02,402 1,39,62,242 24,04,847 22,60,631	-1,52,122 46,999 9,814 1,82,241 -611,196 1,11,267 94,441 10,751 3,67,903 1,64,773	.. 15 22½ 30 10 8 25 28½ 5 ..	 25 30 Nil Nil 45 28½ 15 15 10	10 10 25 10 Nil 10 10 28½ 15 10	14/50 13/94 34/00 52/25 3/65 10/31 33/12 600/00 14/87 11/69	14/50 13/75 34/00 32/25 3/85 10/75 33/12 609/00 14/91 11/56	14/05 41/00 52/25 51/25 3/69 13/50 36/87 516/00	
4,00,00,000 12,50,000 £2,44,08,990 3,85,00,000 1,54,00,000D 38,98,500	6,44,65,941 18,90,579 63,85,01,942 11,52,812 49,44,759	6,76,06,738 23,65,648 27,24,83,378 14,001 95,69,160	2,02,29,683 47,073 2,11,93,832 1,82,994 43,31,087	Guest, Keen, Williams Hooghly Docking Indian Iron & Steel P. Indian Malleable Casting Indian Standard Wagon P.	12 227 12 32 8 32 3 223 8 32	1,04,26,264 -20,18,457 9,18,74,616 -41,5,836 -4,03,294	.. 24 24,72,163 6 7½	16 14 16-16* Nil Nil	14 10 10 10 10	10 50 10 50 10	35/00 102/00 22/00 8/00 2/50	34/87 102/00 22/00 6/00 2/50	39/12 107/00 25/50 5/50 3/12	
96,79,740 12,00,070 1,51,85,883 40,00,000 2,04,00,000 27,64,800	3,27,37,933 8,18,350 2,75,25,083 59,72,635 2,86,54,899 54,66,353	2,72,79,486 1,41,916 2,78,78,839 35,75,700 1,98,14,815 48,98,269	1,63,14,080 2,530 11,63,784 10,46,960 76,78,724 1,31,288	Indian Steel & Wire Products Industrial Containers Jay Engineering J. K. Steel P. Jessop & Co. P. Kumardhubi Engineering P.	3 122 12 24 3 443 6 132 10 280 11 21	39,84,802 6,15,154 56,79,346 60,45,860 11,66,1943 7,79,898	2,31,048 45,149 8,033 86,647 91,571 13,579	16½ 12 12 12½ 8.58 10	23 Nil 17 3/20 20 10 10	24-23* 10 17 3/20-20 15 20-10* 11½*	100 10 10 10 10 3	49/00 22/00 24/31 16/50 22/25 7/62	49/00 22/00 24/31 16/56 22/19 7/50	.. 44/12 19/56 20/31 7/50
10,50,000 49,96,000 6,00,000 14,00,070 1,50,00,000	4,02,051 61,94,985 10,13,254 8,20,458 2,73,21,766	19,21,798 13,58,398 18,86,375 8,56,154 61,37,433	4,45,599 3,83,836 2,59,969 13,28,341	Marshall Sons (India) National Iron and Steel Saran Engineering Steel Containers Textile Machinery	6 170 8 192 8 28 12 24 12 22	3,25,891 2,56,716 6,90,089 12,24,473 52,01,525	-5,63,688 -4,42,917 11,859 77,799 62,642	10 6½ 7½ .. 20	Nil Nil 8½ 30 10	Nil Nil-11½* 10-12½* 20 20	2 4 10 10 10	3/25 4/75 11/12 19/75 20/00	3/25 4/75 11/12 19/75 20/10	3/75 5/19 8/06 .. 21/75
SUGAR, BREWERIES, ETC.														
14,00,000 29,23,537 32,00,000 32,00,000 30,00,000 18,00,000 26,00,000 27,56,355	17,29,860 25,29,299 5,64,327 45,72,835 62,18,328 22,05,357 26,75,847 1,31,99,222	10,85,148 11,50,627 13,51,513 43,34,408 75,62,480 52,45,390 31,58,160 1,76,30,095	39,573 10,02,614 18,14,343 27,81,820 74,51,201 3,03,419 32,323 24,30,790	Balrampur Sugar Belsund Sugar Bharat Sugar P. Carew (Sugar) P. Cawnpore Sugar P. Champaran Sugar Durbhanga Dyer Meakin (Breweries)	6 371 8 234 6 316 6 89 10 25 6 25 8 395 8 116	1,10,785 5,72,466 1,94,561 33,71,567 3,71,540 18,7193 -1,36,348 1,00,50,837	15,763 3,552 2,330 3,71,540 -3,70,713 18,674 12,948 12,604	8 18½ 18½ Nil Nil 15 4 16	8-4* 18½ 15 4 25	2½ 7½ 10 10 10 10 10 5	2/34 9/62 12/87 12/25 12/37 15/87 9/00 29/62	2/34 9/62 12/87 12/25 12/37 15/87 9/00 29/62	2/37 9/62 16/50 13/06 12/94 16/87 10/50 42/00	
11,00,000 9,00,000 18,59,320 65,00,000 8,00,000 11,99,161 39,99,000 7,94,500 9,99,950	6,45,722 19,47,931 38,07,078 49,62,674 6,07,238 22,10,161 67,63,905 13,54,858 17,76,381	3,75,000 23,02,870 54,06,359 33,85,945 7,72,778 18,54,067 25,93,624 11,65,175 59,403	10,90,564 2,05,743 2,977 14,95,322 3,77,846 2,00,186 21,94,795 11,65,368 1,03,913	New Savan Sugar and Gur Purtabpur Sugar P. Ramnugger Cane & Sugar E. Raza Buland Ryam Sugar P. Samastipur Central Sugar Shree Krishna Gyanoday Sugar P. Shree Sitaram Sugar Sitalpore Sugar	6 140 10 400 8 1 10 82 6 25 6 .. 7 335 6 140 6 94	95,437 2,86,458 22,97,804 4,88,145 2,24,492 -2,24,027 16,75,658 1,90,057 -36,202	62,205 4,006 61,005 34,557 13,204 .. 34,778 7,991 16,870	 213/7 12½ 12½ .. 15 15	 30 30 10	 35 10 10	10 10 10 10 10 10 10 10 10	5/25 11/50 30/37 10/15 8/08 9/06 7/12 6/12	5/25 11/50 30/37 10/15 8/06 9/06 7/12 6/12	5/75 11/81 29/50 10/40 9/12 10/12 10/37 7/12 6/62
16,00,000 8,00,000 64,00,000A 7,00,000B	18,38,740 87,51,188 14,24,740 23,74,426	1,81,652 15,14,976 23,74,426	3,86,458 10,36,496 10,72,924	United Provinces Upper Ganges Sugar P. Upper India Sugar	8 341 8 316 4 302	7,68,053 26,31,220 16,80,986	53,565 49,173 86,393	15 72½ ..	15 72½ ..	.. .. ..	10 10 100A 12½B	10/62 70/00 77/00 7/75	10/62 70/00 77/00 7/75	14/87 17/00 77/00 7/75

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	1959 1960 1961	Rs.	29-12-62 19-12-62	Rs. Rs. Rs.
MISCELLANEOUS											
830,000	3,97,903	1,70,000	5,86,425	A Firpo (Restaurateur)	10 85	1,53,521	3,834	3 1/2 7 1/2	10	5/90 5/90 5/90	
93,75,000	4,66,28,334	219,45,581	9,97,266	Aluminium Corporation P.	3 132	21,39,820	1,20,001	10 12 12-12*	10	15/12 15/12 17/25	
20,00,000	42,19,616	16,50,000	52,45,373	Anderson Wright Ltd. P.	12 382	9,56,934	60,514	10 11 1/2	10	11/50 11/50 11/50	
30,00,000	13,21,705	4,13,99,88	12,99,503	Angelo Bros	8 268	16,02,730	2,09,448	20 25 22 1/2	10	25/37 23/25 23/37	
30,00,000	19,07,791	28,03,816	36,63,364	Assam Match	12 274	18,71,969	1,49,964	18 18 20	10	28/75 28/75 25/25	
13,99,998	20,17,690	19,73,119	31,223	Assam Saw Mills & Timber	9 348	2,57,148	10,925	Nil Nil Nil	3	2/90 2/78 2/44	
1,18,00,000	48,69,246	88,61,435	34,21,171	Associated Battery	8 391	45,56,753	8,24,384	40 25 15	10	28/87 27/31 36/75	
20,00,000	43,70,177	43,14,239	45,78,834	Associated Hotels of India P.	3 204	8,62,260	1,22,491	Nil Nil 10	10	10/31 10/31 8/00	
80,01,400	41,69,783	1,00,44,367	89,25,652	Balmer Lawrie & Co.	12 396	41,27,153	5,49,959	25 25 25	100	257/00 257/00 247/00	
12,00,000	5,96,566	10,21,963	6,94,390	Bararee Coke	3 128	9,56,254	46,563	Nil Nil Nil-15*	10	24/50 24/50 16/00	
44,00,000	3,72,000	67,35,380	67,35,380	Birds Investments P.	9 160	6,84,379	50,926	11 9 10	10	12/50 12/50 12/62	
68,95,530	1,01,23,412	67,97,735	7,04,768	Britannia Biscuit P.	3 50	72,75,311	2,84,100	14 25 30-25*	10	45/12 45/12 62/00	
3,25,00,000	73,67,363	2,01,22,345	1,58,91,691	British India Corporation P.	12 33	1,06,65,119	3,91,983	Nil 4 7	5	9/62 9/62 11/37	
50,00,000	21,14,667	40,83,960	2,92,254	British Paints	12 392	13,04,762	19,948	10 12 15	10	20/25 20/25 27/75	
5,00,000	6,83,781	1,65,739	1,54,429	Calcutta Silk Manufacturing P.	3 213	2,63,717	5,201	Nil Nil Nil	10	7/15 7/15 7/12	
1,38,80,000	14,79,453	1,92,04,790	2,49,217	Clive Row Investment	12 2	14,62,760	2,49,217	10 8 7 1/2	10	8/25 8/25 8/31	
90,00,000	22,97,556	1,21,50,000	2,48,19,559	Duncan Brothers & Co Ltd. P.	12 169	37,24,110	3,46,877	14 14 14	100	157/50 157/50 152/00	
4,50,00,000	6,31,32,676	4,12,74,162	8,32,011	Dunlop Rubber Co (India) P.	12 96	2,87,37,462	25,38,694	21 21 20	10	38/25 38/00 39/50	
51,26,000	61,19,702	1,64,42,198	2,67,765	Eastern Investments Ltd. P.	12 21	17,23,955	8,374	14 14 14	100	129/00 129/00 147/00	
80,93,490	35,30,050	15,17,300	73,822	Electric Construction	10 388	14,92,995	8,374	5 10 10	10	13/50 13/69 14/25	
30,00,000	28,94,553	27,23,508	19,90,832	French Motor Car	3 51	15,65,118	2,10,371	12 20 20	20	35/12 35/12 34/50	
14,00,000	21,39,604	17,97,347	25,404	Ganges Rope	12 19	6,52,807	46,213	17 17 20	100	236/00 236/00 231/00	
2,25,000	56,065	5,62,570	6,305	General Investments Trust P.	2 21	35,240	6,305	3 5 5-3*	75	43/00 43/00 43/00	
65,00,000	32,50,865	50,31,906	1,51,99,383	Gillanders Arbuthnot & Co Ltd P.	3 105	28,70,050	1,68,102	10 10 11-11*	10	14/06 14/06 13/62	
40,00,000	17,69,681	7,21,344	36,90,302	Gladstone Lyall & Co Ltd. P.	12 209	5,43,666	8,524	Nil 4 2 1/2	10	33/25 33/25 31/00	
40,00,000	33,21,954	5,22,500	87,620	Godfrey Phillips (India) Ltd. P.	12 310	46,18,514	17,00,907	26 40 40	10	33/25 33/25 31/00	
30,00,000	43,74,366	17,66,560	1,60,432	Great Eastern Hotel	3 225	1,09,512	794	6 9 6	250	241/00 241/00 240/00	
4,68,75,000	3,08,48,439	2,33,36,909	2,11,555	Hindustan Aluminium P.	12 438	2,11,555	2,11,555	Nil Nil Nil	10	14/56 14/75	
7,91,91,750	5,13,91,859	1,97,01,491	4,19,55,825	Hindustan Motors P.	3 42	3,13,19,271	1,26,139	9 12-12 1/2*	10	17/12 17/44 21/44	
80,00,000	66,37,287	18,00,000	39,09,797	Hindustan Pilkington	10	28,38,718	3,11,125	12 10 11-11*	10	19/50 19/50 30/25	
39,64,650	46,43,081	Nil	2,27,855	Hindusthan Twyfords P.	5 211	15,18,194	1,66,274	Nil Nil Nil	10	15/75 15/75 18/19	
35,20,000	23,35,537	16,00,000	24,48,098	Hoare Miller & Co Ltd.	12 294	3,91,968	36,500	6 6 6	10	6/62 6/62 6/25	
5,16,00,000	8,38,68,674	9,87,38,292	2,17,80,428	Imperial Tobacco	3 325	3,21,94,827	24,56,089	12 15 15	10	10/87 10/87 12/87	
3,98,80,840	13,63,35,090	3,45,09,860	10,45,969	Indian Aluminium Co. Ltd. P.	3 325	2,09,54,000	62,31,753	12 15 15	10	33/81 32/62 38/25	
2,35,77,700	1,61,90,633	2,47,87,168	99,57,176	Indian Cable P.	3 34	1,37,75,284	50,15,117	15 22 22-22 1/2*	10	34/50 34/50 35/94	
2,00,00,000	4,75,29,114	2,11,58,469	32,69,296	Indian Oxygen	9 366	1,07,55,284	18,06,872	15 15 15	10	30/87 31/00 40/75	
8,27,970	8,30,780	9,65,146	10,77,314	Indian Rubber Manufacturers P.	3 223	9,35,908	80,309	15 20 30	10	21/06 21/06 17/75	
20,00,000	3,37,220	25,48,665	21,98,914	Indian Wood Products	9 68	16,32,571	1,85,076	25 30 30	10	32/00 32/00 31/50	
74,89,150	72,05,408	2,48,602	2,48,602	Isaac Holdens	12 63	8,28,769	14,68,469	Nil Nil Nil	10	15/69 15/56 18/75	
5,00,000	2,75,956	13,26,325	Investments and Finance P.	2 21	93,493	26,270	5 7 7 1/2-7 1/2*	100	55/00 55/00 55/00		
72,62,500	23,44,049	64,37,500	3,02,73,819	J. K. Synthetics	6 439	8,00,318	44,050	Nil Nil Nil	10	12/25 12/19	
5,87,500	2,28,843	Nil	5,88,284	James Wright P.	12 281	1,19,242	1,18,804	Nil Nil Nil	10	2/75 2/75 2/75	
1,17,500	59,52,034	74,40,380	5,22,38,926	Jardine Henderson Ltd. P.	8 39	16,43,783	4,49,956	5 7 7-6*	100	00/43 00/43 00/43	
2,00,00,000	1,62,75,090	73,74,120	6,46,513	Jay Shree Industries P.	12 22	37,33,223	18,455	14 14 12 1/2	10	72/00 68/00 82/00	
87,46,830	1,62,75,090	3,32,78,328	49,57,955	Kesoram Industries P.	6 22	1,00,74,268	43,454	2 5 12-12 1/2*	10	16/50 16/50 18/81	
1,99,81,750	8,81,41,369	6,02,958	3,21,617	Mactarlans & Co.	8 133	14,078	4,849	Nil Nil Nil	10	22/00 22/00 29/75	
6,34,000	3,17,363	92,10,447	2,71,03,736	Macneill & Barry Ltd. P.	12 334	35,11,053	3,38,735	Nil Nil Nil	10	7/00 7/00 6/75	
1,50,00,000	88,29,556	2,06,18,318	2,45,501	Martin Burn Ltd. P.	9 309	81,01,941	2,45,501	10 8 8	100	2/50 2/50 2/19	
1,47,12,250	70,19,731	1,21,48,546	1,32,02,891	McLeod & Co. P.	12 282	14,08,964	2,00,558	15 15 15	100	93/50 93/50 93/00	
40,00,000	18,23,673	80,84,814	2,67,07,892	McLeod & Co. P.	12 282	14,08,964	2,00,558	15 15 15	100	215/00 215/00 215/00	
5,00,000	2,44,54,393	1,96,95,151	34,56,436	Metals Box Co. of India Ltd. P.	3 167	1,13,74,875	29,82,294	10 10 10	100	53/50 53/50 59/00	
1,61,00,000	16,89,17,95	8,15,375	20,86,743	National Insulated Cable P.	3 7	68,52,668	1,73,335	17 25 25	10	25/37 25/37 36/75	
90,00,000	22,72,420	31,10,865	31,24,719	National Pipe & Tubes P.	9 7	28,46,005	67,385	20 20 20	10	29/75 29/75 30/12	
30,00,000	37,29,364	15,08,140	3,89,821	National Rolling & Steel Ropes	6 7	20,63,112	35,985	10 13 15-15*	10	20/30 20/30 21/10	
40,00,000	69,57,492	1,21,10,510	29,60,555	National Rubber P.	12 375	58,466	58,466	8 8 8	10	11/75 11/50 14/00	
79,97,000	81,44,163	1,014	9,90,509	National Tobacco P.	12 33	1,39,128	40,375	16 16 16	10	13/00 13/00 17/00	
23,31,600	1,014	1,302,891	9,90,509	New India Investment Corpn.	12 33	1,39,128	40,375	16 16 16	10	90/00 90/00 44/50	

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts Closed	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.	Rs.		Mis. Accts. Secretaries etc.	Rs.	Rs.	1959 1960 1961	Rs.	29-12-62 19-12-62	Rs.
MISCELLANEOUS—(Contd.)											
60,00,000	6,74,367	66,56,843	85,18,613	Octavius Steel P.	12 321	12,27,365	2,77,718	12 10	100	28/12 28/12	36/25
2,20,00,000	1,65,64,981	63,83,140	25,36,442	Philips India	12 364	66,19,862	1,43,494	12 12	10	28/12 28/12	36/25
2,86,200	31,000	5,62,800	2,80,533	Publicity Society	3 145	4,74,296	82,858	37 10	75—75*	26/19 26/19	23/87
2,25,00,000	35,07,570	15,42,305	1,34,28,216	Railis India P.	8 332	54,44,510	4,35,553	Nil 4	8 100	150/00 150/00	151/50
5,00,00,000	8,03,38,621	2,57,80,000	1,14,05,040	Rohas Industries P.	8 335	49,28,459	5,08,029	15 20	10—8*	12/00 12/06	16/94
94,27,380	5,55,68,835	Nil	14,04,491	Sirsilk P.	9 22	3,60,253	37,513	Nil	8 10	8/81 8/75	11/06
70,00,000	2,25,52,451	61,94,790	29,78,780	Sen Raleigh Industries P.	9 376	2,15,365	7,622	8 8	10	18/87 18/87	22/56
75,00,000	1,05,26,889	41,88,000	1,77,92,109	Shaw Wallace P.	12 278	47,78,759	8,97,299	15 15	15 10	20/50 20/06	22/37
3,00,000	3,33,174	23,169	90,501	Spencer's Hotel	12 111	17,483	1,739	14 24	24 2	0/94 0/94	1/50
2,80,00,000	5,97,89,163	2,48,69,275	24,48,825	Union Carbide	12 301	83,20,569	42,35,939	18 18	18 10	43/75 43/50	51/25
2,10,200	5,18,268	24,12,476	10,86,208	Walford Transport	12 195	13,99,207	3,87,027	15 30	30 10	2/25 2/25	2/50
8,40,800	5,18,268	24,12,476	10,86,208	Walford Transport	12 195	13,99,207	3,87,027	20 20	20 10	3/37 3/37	3/31
INSURANCE COMPANIES											
13,50,000	6,47,527	54,93,120	1,31,72,690	Concord of India	12 174	6,70,637	78,475	20 20	20 5	11/50 11/50	10/56
24,00,000	65,903	82,46,577	1,27,34,450	Hercules	12 248	16,71,935	3,93,660	20 24	26 10	25/37 25/37	24/12
32,00,000	7,51,382	1,15,82,907	2,08,14,578	Ruby General	12 38	12,75,071	4,95,149	10 10	13 8	9/69 9/69	8/75
8,00,000	25,990	73,52,563	99,05,303	Standard General	12 39	7,07,189	1,95,530	45 45	50 25	132/00 132/00	134/00
4,75,000	25,990	73,52,563	99,05,303	Triton	12 39	7,07,189	1,95,530	45 45	50 25	132/00 132/00	134/00
FLOUR MILLS											
12,00,000	4,80,900	26,61,133	10,62,993	Bengal	12 24	7,30,069	1,68,614	45 40	25 10	34/25 34/25	38/62
5,60,000	6,51,040	2,47,038	2,17,808	Delhi P.	10 47	1,05,473	1,26,880	.. ..	.. 10	14/00 14/00	14/00
48,90,137	47,18,433	77,72,310	56,85,368	Ganesh P.	9 175	33,61,767	4,07,338	12 12	12 16/00	16/00 16/00	24/37
9,00,000	4,38,798	4,52,302	24,041	Hooghly	12 236	8,629	—4,336	27 15	Nil 10	19/75 19/75	19/75
5,00,000	2,92,255	6,61,791	3,26,246	United	11 236	1,14,554	10,571	52 35	10 10	30/00 30/00	38/00
OIL COMPANIES											
22,900,001	22,383,591	21,700,442	25,07,508	Attock Oil	12 249	21,073,511	21,00,742	13 13	13 21	sh. 29/3 26/10 1/2	sh. 26/9
2,92,00,000	25,843,356	21,750,000	21,148,421	Burmah Oil P.	12 52	21,846,093	25,82,861	.. 9-2/5	.. 21	sh. 44/1 1/2 sh. 41/6	sh. 31/3
1,00,00,000	56,10,926	2,56,15,353	3,11,16,359	Indo-Burmah Petroleum P.	12 249	63,36,353	5,00,220	25 30	25 10	23/50 25/44	27/87
6,00,000	2,79,005	9,89,137	5,10,244	Tide Water Oil	10 2	4,10,168	92,708	22 30	35 10	26/00 26/00	20/25
PAPER MILLS											
45,00,000	1,00,03,801	62,77,149	4,73,511	Bengal P.	12 436	41,43,085	1,40,204	32 32	27 10	32/50 32/06	..
88,20,000	1,18,96,097	44,80,934	10,29,515	India Paper Pulp	3 2	23,47,414	46,493	10 15	13—12* 10	19/00 19/12	17/25
1,57,83,688	6,50,00,000	3,92,78,014	59,38,470	Orient Paper P.	3 22	1,41,20,011	2,25,579	15 22	22 22 22 1/2* 10	36/70 36/75	40/75
1,25,51,920	4,31,23,657	1,49,74,478	71,97,860	Shree Gopal Paper P.	12 140	56,83,929	31,55,867	17 6-7/7	17-6/7 10	24/25 23/62	26/37
2,18,55,240	4,62,89,369	72,10,000	6,79,140	Sirpur P.	6 22	33,33,899	99,729	6 6	8 10	12/62 12/19	17/25
50,00,000	3,54,48,618	851,143	4,35,589	Star Paper P.	9 36	703,201	3,97,323	3 Nil	.. 10	10/00 10/00	11/25
10,00,000A	4,96,82,144	3,30,31,629	21,85,452	Titaghur P.	3 106	—11,38,443	58,939	25 25	20-10* 24PO	3/78 3/78	3/81
4,37,50,000PO	4,96,82,144	3,30,31,629	21,85,452	Titaghur P.	3 106	—11,38,443	58,939	25 25	20-10* 10AO	20/75 x.r. 36/00	36/00
56,00,000AO	4,95,97,051	85,00,000	1,73,752	West Coast P.	6 373	58,44,196	17,196	Nil 6	7 100	160/50 160/50	183/00
56,04,800BO											
1,50,00,000O											
PRESSING COMPANY											
4,30,000	1,81,531	1,45,000	5,34,786	Camperdown	7 326	65,294	24,928	11 11	11 100	100/00 100/00	101/00
REAL PROPERTY STORAGE											
10,00,000A	14,81,415	69,980	8,16,177	Bengal Bonded Warehouse	4-10 73	1,00,777	4,504	8 11	8-8* 100	610/00 610/00	530/00
1,25,000B										77/25 77/25	58/93
2,00,000C										122/00 122/00	87/00
25,000D										D123 14/75	14/75
7,42,150	11,68,346	4,23,135	33,823	Calcutta Safe Deposit	8 6	81,259	3,142	.. ..	.. 100	7/25 7/25	7/25
1,00,00,780O	19,85,068	9,01,590	13,43,272	Humayan Properties P.	9 432	3,61,779	1,33,593	8 12	.. 100	11/00 11/00	11/00
2,00,000D	13,373	Nil	13,17,910	Midnapore Zemindary P.	4 8	—85,757	—21,89,035	Nil Nil	Nil-Nil* 10	2/15 2/15	8/18
7,99,00,000										85 11/12	11/12
TRAMWAYS & STEAMER											
20,00,000	29,74,805	27,13,587	10,28,887	Bengal Assam Steamship P.	10 2	3,59,472	11,765	3 7 7	100	106/00 106/00	118/50
6,25,000	5,95,186	6,22,000	4,23,357	Calcutta Landing & Shipping	10 89	1,34,197	16,331	8 3	.. 10	49/50 49/50	..
12,80,000	27,63,012	14,32,970	10,139	Calcutta Steam Navigation	6 398	—7,79,141	—71,119	10 10	Nil 10	8/87 7/75	11/37
2,700,000	22,937,715	21,560,682	2,315,682	Calcutta Tramways P.	12 98	2,105,609	2,140,7	.. 3 10	.. 21	12/25 12/25	11/00
6,04,680	6,97,987	6,56,706	33,440	Fraser	3 139	1,35,098	—837	Nil Nil	.. 10	10/00 10/00	10/12
2,655,580	21,970,808	24,832,856	2,419,913	India General Nav. Railway P.	3 431	—230,988	—84,854	Nil Nil	.. 210	66/50 66/50	65/00
2,47,50,000	16,80,58,821	1,57,51,789	1,36,10,384	India Steamship P.	3 291	—41,42,006	—41,42,006	10 10	Nil-Nil* 10	6/25 6/28	7/44
14,08,220	13,34,804	74,870	7,951	Port Shipping	12 ..	—62,391	—4,09,480	Nil Nil	Nil 10	12/06 12/06	10/75

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of Spindles Looms	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES OF MILLS	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.		Ra.	Ra.	Ra.			Ra.	Ra.	1959 1960 1961	Ra.	21-12-62 18-12-62 A year ago
40,00,000	48,652	1,016	1,28,56,156	46,70,828	Ahmedabad Advance P.	269	10,39,744	26,620	7 16	100	170/00 170/00 201/25
50,00,000	48,254	896	20,17,010	9,99,960	Apollo	229	1,49,501	2,24,486	.. ..	2	2/04 2/00 2/08
40,00,000	41,135	980	43,32,511	11,42,781	Beharilal Ramcharan	350	1,42,728	..	Nil	100	82/50 82/50 67/00
2,50,98,000	2,03,942	4,911	6,03,86,319	3,79,10,818	Bombay Dyeing etc	199	72,20,563	69,669	14 14 14	25	62/00 60/60 66/80
10,00,000	35,052	948	32,07,778	34,59,612	Bradbury P.	262	10,89,180	1,37,996	10 10 25	50	155/00 155/00 155/00
1,27,75,700	1,18,294	2,760	4,98,32,541	3,26,61,466	Century	22	80,66,350	9,53,042	.. ..	100	575/00 562/50 623/00
46,87,500	1,15,188	2,062	3,08,53,158	10,75,722	Central India P.	6	20,50,911	-69,69,939	Nil Nil Nil	100	98/00 98/00 129/00
26,00,000	24,916	719	37,34,829	32,52,434	Coorla	68	4,46,029	1,28,751	.. ..	100	150/00 150/00 133/75
28,00,000	43,512	..	33,97,504	29,03,230	Dawn	262	2,06,873	20	30 30	200	142/00 140/00 159/00
34,00,000	49,164	920	30,75,487	37,58,286	Edward Textiles	260	23,98,267	2,29,973	9 9 9	100	325/00 325/00 349/00
29,98,050	47,700	886	1,30,16,691	50,97,407	Elphinstone P.	59	18,79,801	-2,29,973	14 18 22	50	99/00 95/00 144/00
50,00,000	63,212	784	58,32,658	71,62,852	Finlay	241	31,72,674	1,36,030	.. ..	100	296/00 295/00 322/00
39,04,700	77,966	..	19,75,309	43,25,176	Gokak	56	12,85,523	85,195	.. ..	100	178/00 175/50 203/00
12,00,000	40,856	1,116	64,14,595	68,13,239	Hindoostan	305	4,27,954	5,195	.. ..	250	965/00 965/00 ..
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,022	India United	15	1,32,22,197	5,89,816	.. ..	10	25/60 25/60 15/44
9,00,000	47,824	1,202	75,60,490	61,57,161	Indian	305	..	..	.. ..	250	890/00 890/00 ..
50,00,000	50,074	1,426	36,57,318	14,88,806	Indore Malwa United	103	17,32,998	16,103	7 8	100	196/00 196/00 180/00
59,85,000	65,260	1,514	1,07,21,545	82,79,165	Khatrau Makanji P.	149	78,87,297	38,751	16 32	100	373/75 373/75 480/00
1,00,00,000	1,20,504	1,846	1,38,52,384	1,07,07,211	Kohinoor	146	38,39,253	1,555	9 15 18	100	291/00 283/00 310/00
89,60,000	49,883	1,369	83,54,669	59,99,043	Lakshmi-Vishnu P.	83	29,76,041	-8,13,701	Nil 5.7 8	100	110/00 110/00 695/00
51,75,000	71,552	1,620	94,37,939	60,60,557	Morarjee Goculdas	104	41,05,083	1,54,822	21 21 24	100	496/00 472/00 392/00
39,68,250	50,480	500	55,13,433	39,56,794	Mysore Spg. & Mfg P.	261	2,05,250	Nil	10 14 14	50	54/00 54/00 59/00
24,00,000	45,944	432	23,52,760	7,45,700	New City of Bombay	12	15,87,753	8,456	.. ..	100	142/50 142/50 180/00
30,00,000	46,884	1,029	22,27,098	25,72,444	New Great Eastern P.	12	12,48,697	153	.. ..	100	270/00 270/00 257/00
48,00,000	54,244	728	53,94,222	35,02,899	Phoenix	119	21,027	27,380	.. ..	100	213/00 203/00 230/00
10,00,000	9,520	277	13,17,604	7,28,222	Sassoon & Alliance Silk	257	3,22,456	-1,07,771	Nil Nil	10	14/00 14/00 15/00
75,40,000	96,488	1,217	1,66,56,252	1,46,91,699	Sassoon Spinning	339	52,89,571	30,196	25 17 20	100	48/75 48/75 67/70
50,00,000	49,840	1,258	1,26,34,913	22,64,819	Shree Niwas P.	379	-1,24,433	-5,86,457	10 15 Nil	50	152/00 152/00 161/00
90,00,000	77,436	1,640	1,44,03,087	87,99,257	Shree Niwas P.	327	61,50,016	1,06,435	15 18 20	100	236/00 236/00 285/00
1,00,00,000	65,040	2,000	1,68,10,102	1,05,78,408	Swadeshi P.	269	24,20,000	24,523	14 17 ..	100	265/00 263/00 278/00
36,00,000	40,328	549	56,94,838	71,73,336	Swan	341	8,20,551	26,062	.. ..	100	250/00 250/00 630/00
65,57,875	63,248	1,800	1,81,82,529	61,75,268	Tata	269	31,74,545	26,322	10 20 ..	25	59/00 58/00 73/50
12,00,000	45,508	1,308	62,07,441	12,11,933	Western India	205	52,10,985	8,027		250	835/00 835/00 ..

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BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Net Profits including Taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Ra.			Ra.	Ra.	1959 1960 1961	Ra.	21-12-62 18-12-62 A year ago
19,06,37,933	26,36,01,625	10,69,18,847	3,64,15,028	Associated Cement	53	2,99,01,961	61,250	11 12 12	100	154/00 152/50 162/50
8,74,77,100	11,61,05,785	1,36,05,785	30,82,878	Ahmedabad Electricity	146	78,42,905	638	7 6	100	91/00 89/50 92/50
3,02,77,000	9,34,77,781	1,23,89,917	32,52,570	Andhra Valley Power Supply P.	267	52,28,395	36,154	5 5 5-5*	1000	1,005/00 1,005/00 1,010/00
1,74,99,700	2,14,85,122	39,32,465	6,79,834	Bombay Suburban Elec. Supply	146	21,91,739	45	.. ..	100	104/00 104/00 100/50
2,39,99,975	7,17,76,350	1,39,56,841	51,65,971	Fata Hydro Elec. Power Supply P.	267	60,68,808	27,536	5 5 5-5*	100	104/00 104/00 98/50
5,15,36,000	17,59,03,832	3,61,11,341	57,28,753	Fata Power P.	267	1,22,80,113	29,988	5 5 5-5*	100	1,100/00 1,100/00 108/50
31,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	268	5,79,668	1,35,820	.. ..	100	319/00 297/00 316/00
6,00,000	2,88,390	4,73,722	16,18,228	Jost's Engineering	115	1,48,734	2,147	8 10-10*	50	98/00 98/00 96/50
1,10,00,000	1,16,50,921	43,23,121	75,17,436	Larsen & Toubro P.	351	40,26,365	1,50,895	12 12 18-14*	10	26/75 25/00 39/75
1,10,00,000	1,03,70,225	3,45,914	..	McKenzie	283	..	1,016	12 12	100	140/00 140/00 147/50
2,50,00,000	1,31,250	1,00,53,052	1,79,52,042	Premier Construction P.	284	3,35,178	59,102	.. ..	300	131/50 125/00 187/00
7,99,97,300	16,18,43,951	3,03,75,493	18,14,244	Fata Eng. & Locomotive P.	269	3,78,39,743	3,61,752	9 9 14 14-14*	100	295/50 288/00 362/00
27,55,65,204	1,09,05,81,817	29,28,64,147	9,76,72,406	Fata Iron & Steel P.	269	6,08,86,595	34,084	9 9 10-36-10-36*	750	123/75 121/00 143/75
20,00,000	25,01,134	23,84,913	95,96,033	British India General	297	4,24,629	1,18,606	.. ..	10	12/24 12/24 11/78
18,74,940	28,88,61,155	2,61,49,442	4,65,316	Jupiter General P.	55	38,951	4,65,316	.. ..	15	12/52 12/52 13/00
1,42,42,125	23,46,782	8,80,68,899	9,41,74,741	New India	179	92,81,250	44,28,397	.. ..	15	62/00 62/00 59/50
15,99,270	..	29,41,860	59,86,789	Vulcan	255	6,05,803	3,81,242	.. ..	10	16/40 16/40 16/24
70,49,850	41,70,604	1,23,53,608	1,09,82,038	Belapur Sugar	42	87,94,850	3,00,263	.. ..	50	213/50 213/50 274/00
89,25,000	3,32,42,226	3,91,11,720	2,03,23,186	Bombay Burmah Trading	285	1,01,08,049	2,03,146	19 30 33-33*	125	652/00 618/00 665/00
42,00,000	3,72,90,952	4,55,90,890	4,03,50,918	Hindustan Lever	91	4,16,60,330	7,46,736	24 6 6	10	247/50 241/25 260/00
5,57,60,000	3,754	20,08,796	1,44,31,515	Industrial Investment Trust	299	8,97,490	30,418	.. ..	10	48/00 45/00 58/30
99,99,250	13,82,957	7,24,142	14,05,2231	Kemp (Chemists)	87	58,232	16,942	.. ..	10	72/00 72/00 74/50
11,99,900	7,40,36,031	2,03,71,160	27,33,067	National Rayon Corporation	352	1,69,61,608	4,41,151	.. ..	200	305/00 305/00 310/00
2,41,12,000	26,56,63,326	1,26,95,184	10,45,38,526	Scindia Steam Navigation	6	4,59,390	2,82,887	22 22	100	427/00 422/00 562/00
11,27,98,680	61,89,784	6,93,280	3,40,490	Shivrajpur Synd. (Manganese)	146	-11,30,191	-7,04,525	3 3	20	11/04 11/04 13/24
2,02,33,705	6,11,37,864	58,26,418	25,12,521	Tata Chemicals P.	6	16,94,201	4,550	.. ..	10	24/52 24/00 46/00
70,07,475	1,54,67,225	53,28,586	53,84,586	Tata Oil P.	289	40,26,521	28,609	13 23 23	10	13/56 13/12 19/60
2,55,00,000	99,43,718	80,22,811	37,98,501	Volta	380	1,39,55,506	3,78,851	13 13 14	25	60/00 60/00 77/50
2,75,00,000	2,76,96,622	2,02,75,541	1,56,63,919	Western India Match	274	1,11,67,649	5,11,264	16 16 16	100	256/00 256/00 309/50

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SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Acceage	Outturn and Price realised for crop 1960	Average Price per kg/lb for crop	Estimate	NAMES	Accounts closed	Ma. Agri. Secretaries etc.	Net Profits	Dividend per cent	Paid-up per Share	Latest Market Quotations as available until					
Ra.	Ra.	Ra.		Lbs.	Ra.	Lbs.				Ra.	1959	1960	1961	Ra.	Ra.	Ra.	A year ago	
6.75.000	16.06.067	1,50,000	1,992	7,996cwt	9.68	4,32,000	Amalgamated P.	3	401	1,19,757	7 1/2	10	..	10	10/36	10/36	11/06	
2,50,000	12,57,795	5,72,253	878	1,12,000	1.49	1,20,000	Anandam P.	12	402	70,011	15	15	..	10	15/24	15/24	13/80	
3,25,000	6,09,131	1,50,000	402	1,28,902	1.47cwt	..	Atimattam	2	403	3,501	Nil	Nil	..	2	0/80	0/80	0/81	
10,98,990	13,96,078	4,84,841	1,630	2,28,168	4.34	4,50,000	Bainadip P.	3	287	4,11,290	15	15	12	10	12/91	12/91	14/00	
3,00,000	3,73,935	2,35,000	919	76,517cwt	3.2	1,55,520	Balmadies P.	5	404	27,863	7 1/2	11 1/2	..	2	1/90	1/90	1/94	
17,32,230	13,36,710	3,56,253	377	3,59,531	1.65cwt	4,25,000	Be Be P.	6	141	6,75,897	12 1/2	12 1/2	10	5	2/50	2/15	2/78	
94,00,000	69,91,565	23,76,747	1,329	12,67,652	4.61	13,72,000	Blue Mountain	3	210	7,16,036	15	20	20-20*	2	2/65	2/60	2/85	
14,00,100	19,05,883	12,45,700	1,338	7,58,097	4.19	81,646	Chembra Peak	2	210	15,14,112	15	17 1/2	20-20*	3	3/35	3/30	3/32	
28,91,278	47,43,806	19,53,790	8,050	11,59,888	..	..	Cochin Malabar P.	6	405	8,71,249	25	6	..	10	6/30	6/30	7/23	
22,50,000	39,31,709	30,58,661	2,710	19,48,320	..	19,32,000	Coffee Lands P.	6	406	3,71,249	25	6	..	10	14/70	14/70	16/62	
71,55,000	1,15,74,494	63,44,278	7,001	60,81,120	..	52,89,840	Consolidated Coffee P.	6	406	25,60,562	25	20	..	10	16/35	16/35	19/80	
5,66,420	21,24,818	12,20,975	372	4,04,655	26.13	3,60,000	Coonoor P.	9	203	2,55,424	20	17 1/2	..	10	23/00	22/47	26/50	
4,80,000	10,36,448	4,76,798	432	3,53,888	1.52	3,65,000	Coorg P.	3	407	1,19,880	20	20	..	2	3/98	3/98	5/65	
6,00,000	11,82,508	2,17,761	1,026	1,25,710	1.47	1,60,000	Cottanad Plantation P.	3	12	46,942	15	10	..	10	9/75	9/31	10/10	
6,00,000	8,89,831	3,40,155	345	3,57,301	2.66	3,50,000	Davashola (Nilgiri)	12	212	1,25,313	25	20	..	10	25/50	25/50	31/00	
6,74,656	9,14,544	3,31,040	450	1,38,386	4.26	1,36,100	Devon P.	3	287	1,36,712	15	15	12	10	12/66	12/66	13/76	
7,50,000	3,38,952	1,26,500	197	1,12,936	2.66	1,00,000	Emerald Valley	12	408	28,121	8	..	..	5	5/55	5/34	5/67	
4,50,000	3,64,462	20,000	278	82,830	..	..	Gokul	12	409	40,428	9	10	..	2	1/90	1/90	2/00	
1,85,700	1,88,058	17,750	1,465	17,21,550	2.04	21,00,000	Haileybury P.	12	410	2,13,414	12 1/2	15	..	10	12/85	12/85	14/00	
11,00,000	42,82,150	70,000	1,528	9,59,804	1.67	9,36,000	Kailas	2	402	3,60,461	20	22 1/2	..	2	5/35	5/35	5/30	
8,85,700	28,02,059	10,77,705	1,528	9,59,804	4.64	5,34,500	Kaiaasa Tea Produce	3	210	4,14,877	15	20	25	2	3/34	3/31	3/47	
11,00,000	11,83,395	8,86,159	465	2,92,200	5.17	..	Kil Kotagiri P.	10	408	5,88,691	25	25	..	2	4/75	4/75	4/82	
17,17,076	27,90,278	9,40,446	741	2,46,673	2.76	2,45,000	Lucky Valley	12	203	9,05,110	10	10	..	2	10/25	10/25	11/35	
5,00,000	8,66,919	70,556	267	6,70,174	1.48	6,00,000	Malankara	3	411	2,09,136	16	15	..	10	15/92	15/92	16/75	
13,50,000	17,31,286	4,85,241	1,691	740,800	4.47	7,37,000	Midland Rub. & Prod. P.	3	270	13,89,961	10	12 1/2	12 1/2	10	10/40	10/40	10/85	
40,50,000	74,75,217	14,33,242	4,013	1,024,830	2.90	1,024,830	Nilgiri P.	3	402	1,80,000	5	8 1/2	..	10	8/75	8/75	8/40	
14,06,250	35,53,804	7,45,346	1,587	9,88,596	..	5,25,000	Nonsuch	6	14	14,10,257	20	20	20	10	21/55	21/55	25/50	
23,10,000	22,24,327	57,73,357	1,057	13,82,095	..	..	Ossoor	3	210	1,41,776	15	15	..	2	2/82	2/82	2/70	
6,50,000	7,07,991	5,71,464	510	1,35,293	..	..	Ouchterlony	10	210	6,27,924	15	13	12	2	3/85	3/85	3/44	
19,45,980	34,53,670	25,53,533	1,498	1,57,507	4.84	6,50,000	Parkside Neilgherry	12	6	203	7,40,156	27 1/2	27 1/2	12	2	4/00	22/90	25/95
14,88,960	26,94,604	16,87,314	579	8,45,100	4.29	21,00,000	Peermade P.	2	250	1,65,244	10	10	..	10	22/25	21/75	22/50	
17,00,000	26,70,629	11,57,787	1,563	10,05,181	1.50	4,00,000	Peninsular	6	208	9,22,172	22 1/2	22 1/2	..	10	22/10	22/10	24/54	
6,00,000	7,90,316	3,35,530	1,167	8,83,266	..	50,50,000	Rajagiri Rub. & Prod. P.	3	210	26,86,596	12 1/2	13 1/2	20	2	2/96	2/96	2/96	
57,94,880	75,03,172	30,24,711	3,724	2,32,142	..	8,16,466	Rajagiri Rub. & Prod. P.	6	270	9,83,709	20	20	20	10	19/55	19/55	19/05	
13,50,000	45,61,490	9,28,404	2,827	798,833	3.30	8,16,466	Rajendra P.	3	412	1,18,791	50	25	..	5	10/50	9/80	11/25	
2,00,000	3,14,567	1,53,963	711	3,320cwt	1.32	..	Swinton	3	413	43,141	7 1/2	12 1/2	..	2	2/82	2/82	2/85	
1,25,000	1,90,373	15,000	216	..	..	..	..	..	..	..	..	..	..	..	..	..	..	
10,00,000	20,71,084	2,48,373	1,454	3,40,695	1.51	..	Theekoy P.	3	172	63,263	6	Nil	..	10	5/03	5/03	5/10	
9,15,300	13,14,493	10,80,000	2,227	2,45,549	3.76	1,80,000	Thirunbadri	9	210	1,27,943	7	13	12	1	1/70	1/70	1/56	
6,00,000	6,51,402	46,742	1,307	2,23,784	3.21	5,15,000	Travancore Rubber	12	414	80,950	10	7	..	10	10/95	10/95	12/25	
41,00,000	68,42,809	15,07,631	5,028	5,20,862	..	13,00,000	Travancore Rub. & Tea P	12	414	4,75,078	7 1/2	9	..	10	9/20	9/20	10/87	
20,00,000	24,78,111	1,35,000	3,028	6,38,402	1.00	5,00,000	Tropical Plantations	12	271	2,02,762	8	8	..	25	18/82	18/82	18/87	
15,75,000	24,78,111	16,00,000	1,267	9,63,293	2.16	12,25,000	Pwytords	12	410	1,00,000	10	10	..	10	9/25	9/25	11/85	
21,93,280	30,03,223	17,04,089	3,638	8,28,976	5.11	6,50,000	United Nilgiri	3	250	12,85,658	19 1/2	21	22	10	20/87	20/37	23/50	
8,80,010	9,28,839	2,82,051	952	4,94,400	1.50	5,50,000	Vaikundam	12	415	2,20,096	25	30	..	10	30/65	30/65	32/50	
47,25,000	54,71,548	32,96,030	2,344	11,40,431	1.78	12,75,000	Waterfall Estates P.	6	157	12,73,061	12 1/2	12 1/2	..	2	2/40	2/33	2/62	
4,85,000	12,64,609	6,35,454	971	1,65,429	1.78	1,60,000	Woodland P.	3	416	88,225	5	10	..	10	7/85	7/85	7/85	

SOUTH INDIA SUGAR MILLS

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profit	Carry Forward	Dividend per cent	Paid-up per share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	1959 1960 1961	Rs.	21-12-62 18-12-62 A year ago
30,00,000	62,64,264	26,55,000	5,52,430	Andhra P	9 417	10,92,779	22,959	20	10	18/20 18/23 22/90
40,00,000	80,62,883	12,61,424	1,58,472	Cauvery P.	6 218	13,46,260	1,40,987	Nil	100	114/50 114/50 117/40
39,84,000	72,41,268	44,96,509	8,38,760	Deccan Sugar & Abkar	5 218	19,41,784	1,02,809	25 1/2	5	9/65 9/58 11/15
21,00,000	45,80,752	21,695,212	1,83,004	East India Distilleries Sugar	9 319	2,690,130	1,15,584	28 1/2	21 3/4	40/50 40/00 35/90
39,97,650	1,22,68,623	15,25,348	84,67,521	Indian Sugar & Refineries P	9 418	12,34,057	3,17,077	12 1/2	14	10/25 10/25 10/90
32,45,572	1,22,68,623	18,99,861	1,51,052	Jeyapore P.	6 419	5,99,416	2,090	10	8	17/25 17/25 15/75
10,52,200	2,87,27,773	1,23,75,000	31,53,982	K. C. P.	6 420	20,76,426	91,745	13	10	22/00 22/00 22/85
80,00,000	1,69,281	Nil	47,90,533	Kothari	6 141	-8,756	-8,756	Nil	10	7/05 7/05 8/00
21,79,280	60,75,675	1,13,81,202	44,42,348	Mysore	6 264	30,07,166	63,783	30	30	53/40 53/40 56/50
30,00,000	35,93,381	11,41,000	19,12,037	Travancore P.	4 218	4,88,902	1,48,735	10	10	6/95 6/95 8/80
25,00,000	45,00,640	61,40,000	58,68,569	United Breweries	3 320	30,54,528	11,19,844	60	60	97/50 97/50 101/50

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SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profit	Carry Forward	Dividend per cent	Paid-up per share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	1959 1960 1961	Rs.	21-12-62 18-12-62 A year ago
1,00,00,000	86,99,116	39,83,750	10,36,603	Aluminium Industries	3 421	19,80,945	1,52,816	12 1/2	18	23/30 23/30 23/20
71,02,270	91,13,952	4,21,545	6,36,271	Andhra Cement P.	12 16	8,56,859	22,879	10	10	10/05 10/03 9/85
3,02,87,658	1,59,93,383	25,63,610	1,84,694	Ashok Leyland	12 422	30,01,343	20,076	8	8	8/15 7/90 9/08
1,00,00,000	17,47,081	49,33,435	2,75,867	Binny	12 423	19,86,813	4,39,222	10 1/2	100	329/40 329/40 310/00
7,50,000	5,45,587	56,538	41,650	Brunton & Co.	12 270	93,226	-1,46,143	Nil	10	5/30 5/30 5/80
24,99,000	40,82,511	3,52,644	62,051	Enfield P.	12 424	3,35,186	4,810	5	5	9/50 9/50 12/50
2,24,44,750	321,08,642	66,66,496	73,60,473	India Cement P.	3 425	51,28,679	1,38,608	9	11	6/30 6/23 6/40
23,82,732	16,92,196	2,50,222	99,924	Indian Steel Rolling Mills P.	12 230	2,16,808	2,977	7	10	11/37 11/37 11/20
80,00,000	1,40,17,097	30,38,801	23,06,408	Mettur Chemical Industrial Corpn P	3 263	19,71,130	11,275	8 1/2	12 1/2	13/30 13/25 14/65
24,81,220	12,69,939	10,47,778	17,48,674	Mysore Chemical & Fertilisers	3 239	6,48,641	8,514	6	10	10/10 10/10 10/70
8,00,000	6,20,889	4,52,189	2,18,413	Mysore Chemical Mfgs. P.	3 151	2,33,791	85,187	20	20	18/28 18/28 22/45
6,56,250	5,13,585	9,38,696	8,374	Mysore Lamp P.	3 426	1,32,899	3,146	16	20	34/66 34/66 32/85
25,00,000	58,50,342	37,12,000	2,43,664	Mysore Paper	3 226	14,29,395	36,663	12 1/2	15	13/82 13/80 15/00
10,00,000	7,56,329	3,18,884	29,32,342	Mysore Tobacco	3 201	75,422	622	12 1/2	10	7/90 7/90 9/40
10,00,000	6,54,848	8,02,000	2,90,194	Parrys Conf.	3 218	4,84,835	1,51,607	20	30	3/98 3/95 4/52
40,00,000	79,96,023	1,02,93,924	52,25,720	Spencer (Provisions)	6 221	24,53,729	9,57,352	18	18	24/50 24/50 24/50
47,00,000	86,53,610	20,63,000	51,902	Standard Motors P.	12 427	7,85,986	3,569	9	10	16/13 16/13 16/50
11,56,300	6,95,547	14,04,007	16,66,624	I. Stanes P.	9 428	4,19,707	41,732	27 1/2	32 1/2	29/75 29/75 31/50
39,84,400	42,58,650	13,07,759	26,027	Textool	4 428	6,82,616	932	15	15	155/50 155/50 182/00
8,50,00,000	4,17,90,907	15,68,314	45,93,964	Tube Investments	6 430	1,12,69,691	12,03,238	10	10	262/00 269/00 281/00

* 1962

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Accounts	Reserve & other Funds	NAMES	Accounts closed	Net Earnings Rs. Agt. etc.	Carry Forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
Rs.	Rs.	Rs.			Rs.	Rs.	1959	1960	1961	Rs.	29-12-62	19-12-62	A year ago Rs.	
17,24,000	17,58,291	12,145	Ahmedpur Katwa	3 165	-1,57,290	..	2.25	1.90	1.90	100	29/00	29/00	31/00	
21,69,300	34,93,819	8,09,882	Arrah Sasaram	3 32	2,68,610	1,865	3	5	5	100	30/50	30/50	30/50	
34,00,000	35,89,380	24,201	Bankura Damodar River	3 165	-4,03,822	..	2	1.90	1.90	100	29/50	29/50	30/50	
17,80,000	20,02,993	10,327	Burdwar Cutwa	3 165	-1,81,995	..	2.19	1.90	1.90	100	29/50	29/50	30/50	
81,00,000	28,10,290	44,296	Chaparnukh-Silghat	3 32	1,72,713	1,480	2	2.90	2.90-2.80*	100	35/00	35/00	30/00	
4,75,000	1,48,268	5,33,369	Cherra Chhatrak Ropeway	3 296	1,35,796	3,891	9	12-12*	..	10	5/75	5/75	6/75	
2,47,650	2,26,169	49,706	Darjeeling Ropeway	3 101	2,49,899	4,003	..	..	..	10	8/00	8/00	6/12	
40,00,000	49,60,137	14,51,000	Dehri Rohtas	3 336	19,14,361	35,951	17	20-15*	..	10	15/00	17/25	24/62	
11,46,700	15,84,943	4,501	Futwah Islampur	3 32	59,013	1,489	1.90	1.90	1.90-1.90*	100	28/70	28/70	28/70	
18,00,000	49,13,938	13,57,712	Howrah Amta (P)	3 32	1,70,485	3,022	4.50	6	5-41*	100	48/00	48/00	45/00	
6,00,000	13,66,352	4,14,406	Howrah Sheekhala	3 32	62,731	4,225	4.50	6	5-41*	100	45/00	45/00	40/00	
8,91,100	11,74,348	14,826	Katakha Lals Bazar	3 165	98,399	..	4	4-3	10	100	41/00	41/00	41/00	
15,00,000	60,91,311	18,08,821	Shahdara (Delhi) Saharanpur	3 32	1,11,807	6,893	3.50	6	3	100	50/75	50/75	68/00	

* 1962

MANAGING AGENTS, MANAGING DIRECTORS, DIRECTORS OR SECRETARIES WITH THEIR RESPECTIVE ADDRESSES.

1. Anderson Wright Ltd.—7, Wellesley Place, Calcutta.	65. K. S. R. Iyer—Imperial Bank Buildings, Bank Street, Fort Bombay.	109. Holmes Wilson & Co. Ltd.—"Stephen House" Calcutta.	164. I. K. Anantharam Iyer & Bros. Ltd.—Pushpagiri Trichur.
2. Andrew Yule & Co., Ltd.—8, Clive Row, Calcutta.	66. Chinoy, F. M. & Co. Ltd.—Radio House, Apollo Bunder, Bombay.	110. R. G. Khanna—Solan Brewery Simla.	165. McLeod & Co. Ltd.—3, Netaji Subhas Road, Calcutta.
3. S. N. Berti—6, Middle Road, Hastings, Calcutta.	67. Cumberbatch & Co.—Colombo.	111. Hotel (Control) Private Ltd.—4 & 4/1, Wellesley Place Calcutta.	166. Hindustan Investment Corporation Ltd.—15 India Exchange Place, Calcutta.
4. Hazareemull, Heeralal—147, Cotton Street, Calcutta.	68. Cowasjee Jehangir & Co. Ltd.—Ready Money Mansion, Churchgate Street, Fort Bombay.	112. Glass, I. O. H.—Bibao House, 36 New Broad Street, London, E.C.2.	167. B. Barker—"Barlow House" 56C, Chowringhee Road, Calcutta.
5. Amritlal Ojha & Co., Ltd.—"Security House" Netaji Subhas Road Calcutta.	69. N. K. Jalan—Kamini Chamber, 32 Nicol Road, Ballard Estate, Bombay.	113. B. P. Khaitan—14 Netaji Subhas Road, Calcutta.	168. Moonla Lal & Sons—120/1, Civil Lines Jhansi.
6. Alcock, N. C.—Ruitdrot Mills, Colombo.	70. Chandrie & Co. Ltd.—Madras.	114. Harrison & Crossfield Ltd.—Calcutta.	169. K. P. Goenka—31, Netaji Subhas Road, Calcutta.
7. Associated Industrial Development Co. (Private) Ltd.—"Nico House", Hare Street, Calcutta-1.	61. Bagaria More Co. Ltd.—5, Clive Row, Calcutta.	115. I. V. Braddeley—The Great Social Buildings, Sir Phirozeshan Menta Road Fort Bombay.	170. Marston (Direction) Private Ltd.—33/1 Netaji Subhas Road, Calcutta.
8. Agarwala S. L.—Indian Insurance Building, Old Cantonment Road, Dehra Dun.	62. Dayaram & Sons—9, Old Court House Street, Calcutta.	116. K. G. Khanna—Solan Brewery (H.P.), Hare Street, Calcutta.	171. W. E. Malden—P.O. Lohat, Dist. Darbhanga.
9. Aspinwall & Co. (Travancore) Ltd.—Alleppey.	63. Duncan Brothers & Co. Ltd.—31 Netaji Subhas Road, Calcutta.	117. Hari Sons—Aylur (Cochin State).	172. East India Agencies Private Ltd.—Palat Kerala State.
10. Aryan Planter Agency—P-12, Chowringhee Square Calcutta.	64. Dutt Thomas & Co.—2 and 3, Clive Row, Calcutta.	118. Hormusjee Sons & Co.—600, Girgaum Road Dholi Talao, Bombay-2.	173. Moulton G. S. & Co. (India) Ltd.—11 and 12, Esplanade Mansions, Calcutta.
11. Alium Bharucha & Co.—214, Hornby Road Bombay.	65. Dass Bros—29 and 30, Strand Road, Calcutta.	119. Ramnarayan Sons Ltd.—Bombay.	174. N. M. Cole—8, Clive Row, Calcutta.
12. Associated Planters Private Ltd.—25, General Patters Road Madras.	66. A. K. Das—15, Netaji Subhas Road, Calcutta.	120. Imperial Chemical Industries (India) Private Ltd.—34, Chowringhee, Calcutta.	175. Satya Narain Gupta—Subzimandi, Delhi.
13. Antony, M. K.—Alleppey.	67. Day, P. E.—Alderman's House, Bishopsgate, London E.C.2.	121. Hari Brothers Private Ltd.—Scindia House New Delhi.	176. Moton & Co.—Maung Pauley St., Rangoon.
14. Harrison and Crossfield Ltd.—Cochin.	68. Hari Brothers Private Ltd.—Scindia House New Delhi.	122. Indra Singh & Sons Private Ltd.—7, Wellesley Place Calcutta.	177. H. B. Marshall—1, Humayan Place, Calcutta.
15. Agarwal & Co.—E. D. Sassoon Building, Douglas Road, Ballard Estate, Bombay.	69. Jagabhai Sir M. B.—Kampte Road, Civil Lines Nagpur.	123. Hari Brothers Private Ltd.—Scindia House New Delhi.	178. Madura & Co. Ltd.—Cochin.
16. Andhra Eng. Co., Ltd.—22/422, Dana-vayipeta, Rajahmundry.	70. N. D. Bangur—14, Netaji Subhas Road, Calcutta.	124. R. Raja Rao—Honhawal Road, Shimoga.	179. A. D. Shroff—New India Assurance Bldgs., Mahatma Gandhi Road, Fort, Bombay.
17. Amte & Co.—Hubli.	71. B. C. Roy—Hindustan Buildings & Chittaranjan Avenue, Calcutta.	125. Iyer, I. K. Anantharam & Bros. Ltd.—Pushpagiri Trichur.	180. Maratani Gaganai & Sons—Rustage Bldgs, 23, Churchgate Street, Fort, Bombay.
18. B. M. Krishnan—Sri Jayachamaraja wadiyar Road Bangalore-2.	72. Duffs, J. C. & Co., Ltd.—National Bank Buildings, Netaji Subhas Road, Calcutta.	126. A. S. R. & Co. Private Ltd.—70, Forbes Street, Fort Bombay.	181. Murphy, C.—Rampart Row, Fort, Bombay.
19. Macneil and Barry Ltd.—2, Fairlie Place, Calcutta.	73. C. C. Dey—25, Netaji Subhas Road, Calcutta.	127. J. P. Hannay—2 Metcalfe St. Calcutta.	182. Mehta, Chunilal V. & Co. Ltd.—Queen's Mansions, Prescott Road, Bombay.
20. Ojha Brothers Ltd.—Security House, Netaji Subhas Road, Calcutta.	74. Davenport & Co. Private Ltd.—6, Church Lane, Calcutta.	128. S. S. Ghimwal—7, Chowringhee Road, Calcutta.	183. Sh. V. N. Chandavarkar—Standard Buildings, Hornby Road Fort, Bombay.
21. Bir & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.	75. Desai, R. M.—14, Nicol Road, Ballard Estate, Fort, Bombay.	129. J. K. Industries (Private) Ltd.—7, Council House Street, Calcutta.	184. Mysore Industrial Development Co.—33, Gandhinagar, Bangalore City.
22. Birla Bros Private Ltd.—6, India Exchange Place, Calcutta.	76. Dodwell & Co. Ltd.—Glennie Street, Slave Island, Colombo.	130. J. K. Industries (Private) Ltd.—7, Council House Street, Calcutta.	185. Mascarenhas, M. M.—Platform Road, Bangalore City.
23. Babulal & Co. Ltd.—13, Syed Salley Lane, Calcutta.	77. Darragh Small & Co. Ltd.—Alleppey.	131. Jain, N. K. & Co. Ltd.—"Devashram", Arrah, Shahabad.	186. Naidu G. Kuppaswamy & Co.—Pappanaikepalayam, Coimbatore.
24. Balmer Lawrie & Co. Ltd.—21, Netaji Subhas Road, Calcutta.	78. Dadabhai, B. A. & Co.—Ilaco House, Sir Phirozeshab Mehta Road Bombay.	132. J. K. Industries (Private) Ltd.—7, Council House Street, Calcutta.	187. Best & Co. Ltd.—The Hyderabad Laminated Products Ltd., Secunderabad-3.
25. Brijani India Corporation Ltd.—Sutherland House, Kanpur.	79. B. N. Elias & Co. Private Ltd.—1 and 2 Old Court House Corner Calcutta.	133. James & Co. Ltd.—25, Netaji Subhas Road, Calcutta.	188. K. Beema Naidu & Co.—Singanailur, Coimbatore.
26. R. L. Thompson, Agharam Road, Bangalore-2.	80. Eastern Corpn. Ltd.—7, Wellesley Place, Calcutta.	134. Jute Industries Ltd.—4, Lyons Range, Calcutta.	189. Naidu, A. G. Guruswamy & Co.—Peelamedu, Coimbatore.
27. Bengal Textile Agency Ltd.—11, Clive Row, Calcutta.	81. Eoeling, A. F.—Rawalpindi.	135. John, V. C.—Kottayam, Travancore State.	190. Naidu P. S. Govindaswami & Sons—Coimbatore.
28. Swadeshi Enterprise Ltd.—41, Chowringhee Road, Calcutta.	82. Podgar, P. L.—135, Canning Street, Calcutta.	136. Jones, H. Edwin—Oriental Building, Bombay Elec. House, Ahmedabad.	191. K. Moorkjee—18, Convent Road, Entally, Calcutta.
29. Banarsih, W. A. & Co. Private Ltd.—Second Line Beach, Madras.	83. Pratap Singh Mathuradas—9, Wallace Street, Fort, Bombay.	137. John, Kurlan—Kottayam, Travancore State.	192. B. D. Agarwalla—Stephen House, 4 Dalhousie Square, Calcutta.
30. Bagyalakshmi & Co.—Dehali Road, Udampet Dt. Coimbatore.	84. S. B. Industrial Development Co. Ltd.—12, Old Court House Street, Calcutta.	138. Kettlewell Bullen & Co. Ltd.—21, Strand Road, Calcutta.	193. Kesarnai Manocha—529/1, Halli Bagh, Amritsar.
31. Rameshwar Lal Fanta—1 & 2, Old Court House Street, Calcutta.	85. A. Pirpo, Jr.—18/2, Chowringhee, Calcutta.	139. Kilburn & Co. Private Ltd.—4 Fairlie Place, Calcutta.	194. G. V. Swaika—"Pollock House" 16/B, Brabourne Road, Calcutta.
32. Martin Burn Ltd.—12, Mission Row, Calcutta.	86. Forbes, Forbes, Campbell Ltd.—Forbes Buildings, Home Street, Fort, Bombay.	140. Karamchand Thapper & Bros. Private Ltd.—Thapar House, 25, Brabourne Road, Calcutta-1.	195. R. R. Aiyer—71, Park Street, Calcutta.
33. K. M. Wilcox—Sutherland House, Kanpur.	87. S. V. S. Iyer—88C, Old Prabhadevi Road, Bombay-28.	141. Kothari & Sons Agency Private Ltd.—Armenian Street Madras.	196. Srinivasan S. D.—7, Council House Street, Calcutta.
34. Sir John Brown—9, Hare St. Calcutta.	88. Gillanders Arbuthnot & Co. Ltd.—Clive Buildings Netaji Subhas Road, Calcutta.	142. R. Suryanarayan Rao—Channappatna, Mysore State.	197. Naraindas Lachmandas Ltd.—Rajpurva, Kanpur.
35. Ramdutt Ramkissendass—9, Brabourne Road, Calcutta.	89. Gladstone Lyall & Co. Ltd.—4, Fairlie Place, Calcutta.	143. S. L. Dhanuka—P-15, Bentinck Street, Calcutta.	198. Dharamsing M. Knatau—Scindia House, Douglas Road, Ballard Estate, Bombay.
36. Bajoria & Co.—27, Brabourne Road, Calcutta.	90. H. C. Bowker—"Victoria House" Calcutta.	144. Khaitan, D. & Sons—14, Netaji Subhas Road, Calcutta.	199. Nowrojee Wadia & Sons (Private) Ltd.—Neville House, Ballard Estate, Bombay.
37. Birla, L. N.—8, Royal Exchange Place, Calcutta.	91. K. I. Chandy—India House, Fort Street, Bombay.	145. P. S. Nikantan—1, Waterloo Street, Calcutta.	200. Dooduwalla & Sons—5, Mukhtar Babu Street, Calcutta-7.
38. Birla, B. M.—"India Exchange", Calcutta-1.	92. Govan Bros. (Rampur) Private Ltd.—4, Scindia House New Delhi.	146. K. I. Chandy—India House, Fort Street, Bombay.	201. R. Arunachalam—17, Richmond Road, Bangalore-1.
39. Sir John Brown—4, Clive Row, Calcutta.	93. Govan Bros. Ltd.—Mahatma Building, Queensway, New Delhi.	147. Kanga, R. D.—Electric House, Post Fort, Bombay.	202. Octavius Steel & Co. Ltd.—14, Old Court House Street, Calcutta.
40. Bhargava, R. K.—Mohalla Masjid Bagh, Badshahagar.	94. R. K. Deva—93-A, Dharamtalla St., Calcutta.	148. Kurlan John—Alleppey.	203. Matheson Bosanquet & Company Ltd., Belmont, Coonoor, Nilgiris.
41. Binarilal Lahoty—161-1, Harrison Road, Calcutta.	95. W. H. Brady & Co. Ltd.—Brady House, 12-14, Veer Nariman Road, Bombay-1.	149. Khatun Makant & Co.—8, Ballard Road Fort Bombay.	204. Oberoi Hotels (India) Private Ltd.—17, Chowringhee Calcutta.
42. W. H. Brady & Co. Ltd.—Brady House, 12-14, Veer Nariman Road, Bombay-1.	96. M. L. Bexon—57B, Free School Street, Calcutta-16.	150. Khatun Makant & Co.—8, Ballard Road Fort Bombay.	205. Oakley Bowden & Co. Ltd.—18, Armenian Street, Madras.
43. Brijlal Bilasval & Co.—Aga Khan Buildings, Dalal Street, Fort, Bombay.	97. Govan R. G. & Co.—Scindia House, Connaught Circus, New Delhi.	151. S. Ramasathan—Chickkanavar P.O., Bangalore Dt.	206. Ogale Glass Works Ltd.—43, Gandhinagar, Bangalore City.
44. Punam Chand Batta—19, Circular Garden Reach Road, Calcutta.	98. Furnbui R. W.—P-4, Mission Row Extension, Calcutta.		

MANAGING AGENTS, MANAGING DIRECTORS, DIRECTORS OR SECRETARIES WITH THEIR RESPECTIVE ADDRESSES.

217. L. C. Kanol-P-8 Mission Row Extension Calcutta	275. United Eastern Agencies-Bombay House Bruce Street Fort Bombay.	329. Sri G. D. Bhagat-15, Shib Thakur Lane, Calcutta	383. G. P. Kanoria-5, Clive Row, Calcutta
218. Parry & Co. Ltd.-Dare House Parry's Corner Madras	276. United Agencies Ltd.-Punatur.	330. Mahindra & Mahindra Ltd.-Gateway Building, Apollo Bunder Bombay.	386. D. N. Jalan-McLeod House 3, Netaji Subhas Road, Calcutta
219. Indo Sugar Agencies Ltd.-Mangalore.	277. Villiers Private Ltd.-F-3, Clive Buildings, Calcutta	331. N. L. Roy & Sons-Canning Street, Calcutta	387. Shubendra Sankar Sarbadhyaksha Jalpaiguri
220. Price R. G. N.-National Bank Bldgs., Madras.	278. S. M. Smith-4 Bankshall St., Calcutta	332. M. P. A. Paspati-16, Hare Street, Calcutta	388. A. V. Birla-9, Kaliprasanna Singhee Road, Calcutta-2
221. Z. R. Irani-1/153, Mount Road, Madras.	279. Williamson Major & Co. Ltd.-1, Mangoe Lane Calcutta	333. Mungturam Jaipuria-Swadeshi House, Civil Lines Kanpur.	389. British India Corporation Ltd.-Kanpur.
222. Christian Mica Industries Ltd.-1, Lyons Range, Calcutta	280. Whitman M. J. M. C.-Mayo Road, Rawalpindi	334. H. Mackay Fallack-2, Fairlie Place, Calcutta	390. L. Ratan-16/3, Chowringhee Road, Calcutta-13
223. R. N. Agarwala-4, Lyons Range, Calcutta	281. N. K. Jhaharia-22, Chittaranjan Avenue, Calcutta	335. Sanu Jain Ltd.-11, Clive Row, Calcutta	391. H. M. Cox-59-C, Chowringhee Road, Calcutta-20
224. Lonha Brothers Ltd.-138, Canning Street, Calcutta	282. C. Hockley-3, Netaji Subhas Road, Calcutta	336. Luisidas Kilachand-Semdia House, Dougali Road, Bombay.	392. A. V. Niblett-32, Chowringhee Road, Calcutta-16
225. Roy, B. K.-1, 2 and 3, Old Court House Street, Calcutta	283. P. K. Jhunjhunwala-Sewrie, Bombay-15.	337. Beriwala & Co.-63, Netaji Subhas Road, Calcutta	393. Khatau M. Shethia-14, Netaji Subhas Road Calcutta-1
226. M. D. Shivanappa-Kampegowda Road, Bangalore 9	284. Waichand & Co. Ltd.-Ballard Estate, Fort, Bombay	338. D. R. Sons Ltd.-Hornby Road, Fort, Bombay.	394. B. M. Birla-India Exchange, Calcutta-1
227. W. Morrice-41, Chowringhee Road, Calcutta-16	285. Wallace & Co.-9, Wallace Street, Bombay.	339. M. G. Investment Corp. Ltd.-Mafatlal House, Backbay Reclamation, Bombay-1.	395. W. F. Malden-Lohat, Darbhanga.
228. Ramnarain Sons Ltd.-Bank Street, Fort Bombay	286. Wilkinson A.-117/119, Esplanade Road Bombay	340. K. O. Cherian-Travancore.	396. G. D. Wilson-21 Netaji Subhas Road, Calcutta
229. Rajputana Textile (Agencies) Ltd.-Delisle Road, Chenchipoka, Bombay.	287. Young India Agencies Private Ltd.-175/1, Mount Road, Madras-2.	341. N. L. Kanoria-India Exchange, Calcutta-1.	397. N. M. Bhuwalka-135, Canning Street, Calcutta
230. Rajam C.-Oriental Bldgs Armenian Street, Madras	288. Dass Group Private Ltd.-29, Strand Road, Calcutta.	342. O. N. Chatterjee-2, Royal Exchange Place, Calcutta.	398. Hoare Miller & Co. Ltd.-5, Fairlie Place, Calcutta
231. Ramamurthy, A.-Ravakhada (Orissa), Koraput Dist.	289. Y. S. Nayal-4, Clive Row, Calcutta-1.	343. Indra Singh-135, Canning Street, Calcutta-1.	399. B. Patnaik & Co. Private Ltd.-P.O. Chowringhee, Cuttack
232. Ratnams Ltd.-Pugalar Trichinopoly.	290. K. S. Basu-63, Netaji Subhas Road, Calcutta	344. V. J. Pillai-Victoria Bunder, Colaba.	400. K. K. Kanoria-9, Brabourne Road, Calcutta-1
233. T. Shamanna-1129, Vanli Vilasa Road, Mysore.	291. Lower Edwards (Private) Ltd.-21, Old Court House Street, Calcutta	345. The National Tea Corporation-130, Cotton Street, Calcutta	401. K. V. Venkatasubramoney Iyer-Seetagundy Estate Sitharkunda P.O., Palghat, Dist. Kerala State
234. Bangur Bros. Ltd.-11, Netaji Subhas Road, Calcutta	292. K. N. Jhunjhunwala & Co. Ltd.-9, Ezra Street Calcutta.	346. Seshasayee Brothers (Travancore) Ltd.-Eloor Factory Alwaye.	402. A. V. George & Co. Ltd.-Anchoril Bank Buildings, Post Box 1 Kottayam Kerala State
235. Soorajmull Nagarmull-8, Dalhousie Square East, Calcutta	293. J. F. Horwood-31, Chowringhee Road, Calcutta	347. Tania Brothers Private Ltd.-1 & 2, Old Court House Corner Calcutta	403. Mathew Sebastian-Thodupuzha, Kerala State
236. Shaw Wallace & Co. Ltd.-4/5 Bankshall Street, Calcutta	294. R. L. Rampuria-5, Fairlie Place, Calcutta	348. M. D. Jalan-62, Ballygunge Circular Road Calcutta-19	404. Planting Agencies Private Ltd.-Oriental Buildings, Armenian Street, Madras-1
237. Srivastava J. P. & Sons-Kanpur.	295. Premnath & Sons, Ltd.-New Delhi.	349. Sethi Sonanial Murarka-19 Circular Garden Reach, Calcutta-23	405. The Consolidated Coffee Estates (1945) Ltd.-Pollibetta, Coorg.
238. Bharat Ram Charat Ram Private Ltd.-Bura Hindu Rao Delhi.	296. S. N. Tania-1 & 2 Old Court House Corner, Calcutta	350. K. Agarwal-Empire House, Dr. Dada-Bhoj Naroll Road Fort Bombay.	406. C. L. Machia-Pollibetta S. Coorg.
239. A. R. Kalairaja Chettiar-Coimbatore.	297. F. H. Mehta-Mehta House, Appitho Street, Bombay.	351. L. & L. (Management) Private Ltd.-1, C. House Dougali Road, Ballard Estate, Bombay	407. Srinivas Agencies-Coimbatore-2.
240. A. K. I. K. M. Narayanan Nambodripad-Kallai Malabar	298. L. S. Vaidyanathan-Oriental Buildings Bombay	352. Chinnai And Co Private Ltd.-Sadhana Rayon House, Dr. Dadabhai Naoroji Road Bombay-1	408. K. N. Krishna Iyer-22, Royapettah High Road Madras-14
241. Singh, Ranjit-Lucknow.	299. Kishore M. Premchand-61, Apollo Street, Fort, Bombay.	353. N. K. Jhaharia-14 Netaji Subhas Road Calcutta	409. Young India Agencies Pvt. Ltd.-Monorama Bldgs., K. K. Road, Kottayam (Kerala State).
242. N. L. Roy & Co.-9, Royal Exchange Place, Calcutta	300. Madanlal Kakarania-P-23/24, Radha Bazar Street, Calcutta-1.	354. L. C. Kanol-P-8, Mission Row Extension Calcutta	410. Parkins Private Ltd.-Kottayam.
243. Shyamali Agarwal-9 Dalhousie Sq. East Calcutta	301. Jennis Roy Galloway-1 & 3, Brabourne Road Calcutta-1.	355. T. R. Jalan-16, Strand Road, Calcutta	411. Johnsons Estates & Agencies (Private) Ltd.-Malankara Bldgs., Kodimatha, Kottayam Kerala.
244. Sovaram Keshavdeo-15, Netaji Subhas Road Calcutta	302. Mitra Mondal-Khatauli, Dt. Muzaffarnagar.	356. R. Bajoria-10, Clive Row, Calcutta.	412. Associated Planters (Pvt.) Ltd.-25, General Patters Road Madras-2
245. Dr. B. N. Ghose-6, Ganesh Avenue, Calcutta-13	303. G. S. Shroff-2, Hardinge Avenue, New Delhi.	357. A. K. Jain-11, Clive Row Calcutta.	413. J. R. Motinshaw-Mercantile Bank Building 16, First Line Beach, Madras-1
246. Sundaren, S.-Indian Mercantile Chambers, Nicol Road Bombay	304. James Finlay & Co. Ltd.-2, Netaji Subhas Road Calcutta.	358. I. P. Goenka-14 Old Court House Street, Calcutta-1	414. K. V. Mathew-Kottayam, Kerala State.
247. Singhania Padampat-Kamala Tower, Kanpur	305. Thackersey Mooljee & Co.-16, Apollo Street Fort, Bombay.	359. G. D. Kothari-15, India Exchange Place, Calcutta	415. K. Ramachandran-Pattom Palace P.O. Irivanandrum-4.
248. E. K. Srinivasan-16, Hare Street, Calcutta	306. Jatia Brothers Ltd.-21, Rupchand Roy Street, Calcutta.	360. S. K. Handoo-Volkart Building, 19, Graham Road, Bombay-1.	416. N. Kunjursana Pillai-1, C. 6/750, Patton Palace P.O. Irivanandrum-4.
249. Steel Bros. & Co. Ltd.-Gillanders House, Netaji Subhas Road Calcutta.	307. Bonatters Agency Ltd.-18, Netaji Subhas Road Calcutta.	361. N. K. Bose-65, Netaji Subhas Road, Calcutta	417. Rango Rao & Co.-Venkatarayapuram, Tannuku, West Godavari Dist., Andhra Pradesh.
250. T. Stanes & Co.-Coimbatore	308. The Hyderabad Constructions Co. Ltd.-Kothagudum Collieries, Singareni P.O., Deccan.	362. Daimia Agencies Private Ltd.-Rajaganpur (Orissa)	418. The India Sugar Agencies Private Ltd.-139, Meadows Street, Fort, Bombay-1
251. Southern India Plantations Agency Ltd.-Coonoor	309. I. Leslie Martin-12, Mission Row, Calcutta.	363. G. L. Nahata-14, Old Court House Street, Calcutta	419. R. S. Industrial Corporation Private Ltd.-Rayagada, Koraput Dist., Orissa
252. Sana, Bahuballav-18/11/B, Raja Raj Ballav Street, Calcutta	310. D. S. Barron-Chakala Andheri P.O., Bombay.	364. P. C. Vink-7 Justice Chandra Madhab Road, Calcutta-20.	420. V. Ramakrishna Sons (Private) Ltd.-38 Mount Road Madras-6
253. R. B. Pradhan-Empire House, 214, Hornby Road Bombay	311. Pyne & Sons-23A, Netaji Subhas Road, Calcutta	365. S. L. Unanuka & P. L. Dhanuka-3, Mission Row, Calcutta.	421. Seshasayee Brothers (Travancore) Pvt. Ltd.-1, Ceramic Factory Road, Kunnara (Kerala)
254. Sinda, M. Rumendara Rao-3rd Road, Chamaraipet, Bangalore City.	312. Ram Kumar Agarwalla & Sons-4, Lyons Range, Calcutta.	366. A. K. Sen-48/1, Diamond Harbour Road Calcutta-21.	422. Sri A. Ramaswamy Mudaliar-Ennore, Madras.
255. Setaivad, J. C.-73, Oppo. Churchgate Station, Fort, Bombay	313. Bullion Co. Ltd.-, Canning Street, Calcutta	367. Lakshmiapat Singhania-7, Council House Street, Calcutta.	423. F. J. M. Leigh-7, Armenian Street, Madras-1
256. Seindia Steam Navigation Co., Ltd.-Ballard Estate, Bombay.	314. Brooke Bond India Ltd.-2, Metcalfe Street, Calcutta	368. Kaiyanti Mavji & Company-14, Netaji Subhas Road, Calcutta.	424. K. K. Sundaram Iyer-Tiruvottiyur, Madras-19.
257. Rannith A. Podar-Podar Chambers, Parsee Bazer St., Fort, Bombay	315. Anderson Wright (Ramgarh) Ltd.-7, Wellesley Place Calcutta.	369. P. L. Batia-7, Canning Street, Calcutta.	425. Essen Private Ltd.-175/1, Mount Road, Madras-2.
258. Swedish Match Co.-Nicol Road, Ballard Estate, Bombay.	316. The Cotton Agents Private Ltd.-14, Radha Bazar Lane, Calcutta-1	370. P. L. Sarogi-58, Sir Hariram Goenka Street, Calcutta-7.	426. J. L. D'sa-Old Purnkur Road, Malleswaram, Bangalore-12.
259. S. Ramasramony Aiyer-Trivandrum.	317. Bird & Co. (Pakistan) Ltd.-Narayan-gani	371. R. N. Goenka-18-A, Brabourne Road, Calcutta.	427. The Standard Motor Co. (India) Pvt. Ltd.-29, Mount Road, Madras-2.
260. Puranmai Subba Sons-Indu House, Dougali Road Ballard Estate Bombay.	318. Shree Krishna Investment Co. Ltd.-1-B Halwasiya Road, Calcutta.	372. H. K. Newar-9, Brabourne Road, Calcutta	428. E. H. Stanes-6/33, Race Course Road, Coimbatore-1.
261. N. Shirur & Co Private Ltd.-70, Forbes Street, Fort Bombay	319. Parry's Holding Private Ltd.-Dare House, Parry's Corner Madras.	373. C. L. Maheswari-Shreeniwas House, Waudby Road, Fort Bombay.	429. Balasundaram & Co.-Satyamangalam Road, Ganapathy P.O., Coimbatore-4.
262. Ramnarayan Sons Ltd.-Bank Street, Fort Bombay.	320. F. W. J. Penn-32, Grant Road, Bangalore-1	374. Talukdar Law & Co Private Ltd.-4, Chittaranjan Avenue, Calcutta-13.	430. A. M. M. Arunachalam-52/53, Jehan-Elr Street, Madras-1.
263. Seshasayee Bros. Private Ltd.-Met-tur Dam R.S.	321. B. Ghosh-14, Old Court House Street, Calcutta	375. K. N. Mookerjee-Leslie House, 19, Chowringhee Calcutta-13.	431. J. M. Parsons-2, Fairlie Place, Calcutta-1.
264. V. Venugopal Naidu-Sir Jayachama-raja Wadiyar Road Bangalore-2.	322. Messrs. Tata Sons Ltd.-New India Assurance Buildings Mahatma Gandhi Road Fort Bombay-1.	376. K. D. Ganguli-Mercantile Buildings, Lalbazar, Calcutta	432. Manabir, S. J. B. Rana-1, Humayun Place, Calcutta.
265. Shree Hanuman Invt. Co. Ltd.-173, Harrison Road Calcutta	323. Anderson Wright & Co.-7, Wellesley Place, Calcutta	377. R. C. Dass & B. Maltra-35, Panditla Road, Calcutta-20.	433. G. N. Sam & Co.-Senthottam Sow-ripalayam P.O., Coimbatore-4.
266. Talukdar, B. S. Amlasadarapur, Nadia (West Bengal).	324. Indo Corporation Private Ltd.-5, Swinnoe Street, Calcutta-19	378. R. N. Goenka-18-A, Brabourne Road, Calcutta.	434. G. Kejriwal-Rajgangpur, Dist. Sundergarh, Orissa State.
267. Tata Hydro-Elec. Agency Ltd.-34, Bruce Street Bombay.	325. Brian Granger Pearson-Virginia House 37, Chowringhee Calcutta	379. S. R. Damani-30, Clerk Road, Bombay-11.	435. D. C. Ghosh & Co. (Agents) Private Ltd.-11, Government Place East, Calcutta
268. Turner Morrison & Co. Ltd.-6, Lyons Range, Calcutta	326. H. L. Pyne-14, India Exchange Place, Calcutta-1	380. British India Corporation Ltd.-Sutherland House, Kanpur.	436. N. D. Bangur-14, Netaji Subhas Road, Calcutta.
269. Tata Industries Private Ltd.-Bombay House, Bruce Street, Fort, Bombay.	327. Marwar Textiles (Agency) Ltd.-Waudby Road, Fort Bombay-1	381. S. P. Jain-Dalmanagar Bihar.	437. R. N. Bhotika-4, Old Court House St., Calcutta
270. Thomas, A. V. & Co Ltd.-Alleppey.	328. J. N. Taylor & Sons (India) Ltd.-Mysore Oorgram South India.	382. B. P. Kedia-7, Wellesley Place, Calcutta-1	438. Birla Gwalior Private Ltd.-Industry House, 159 Churchgate Reclamation, Bombay-1.
271. Thomas, P. T.-Kottayam (Kerala State).		383. W. H. G. Baird-9, Brabourne Road, Calcutta	439. R. S. Baipal-Kamala Tower, Kanpur.
272. Thomas, M. K. & Co. Ltd.-Trivan-drum.		384. Punam Chand Batia-19, Circular Garden Reach Road, Calcutta-23.	440. R. L. Jalia-9, Brabourne Road, Calcutta-1
273. Tayabjee, O. S.-158, Gunfoundry Rd., Hyderabad (Deccan).			441. S. K. Agarwalla-24, Netaji Subhas Road, Calcutta-1.
274. A. Hydari and S. Gotsberg-Indian Mercantile Chambers Nicol Road, Ballard Estate, Bombay.			442. S. P. Bhoumick-17, 18 & 19, Old Court House Street, Calcutta.



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SIGNIFICANCE OF THE BANK RATE INCREASE

LAST week's decision to increase India's Bank rate from 4 percent to 4½ percent is mainly in the nature of formal recognition by the Reserve Bank of the prevailing level of interest rates in the country. The International Monetary Fund had, in fact, suggested such a measure some time ago. For many years, Bank rate has remained largely ineffective in the sense that the rate at which the Reserve Bank has actually offered accommodation to the scheduled banks has been a good deal higher, varying with the amount of loans sought. The Reserve Bank has had two conflicting motives to reckon with, in its efforts to wield Bank rate as an instrument of credit policy. One was the Government's desire to borrow large sums of money from the public as cheaply as possible; this called for a relatively low Bank rate. The other was the need to curb excessive credit expansion, which always carries the threat of inflation; this prompted higher lending rates.

A compromise between the two conflicting requirements was evolved whereby Bank rate was pegged at 4 percent—a level at which it had remained since May 1957—while the actual rates for lending to banks have been governed by a three-tier system. (Incidentally, this is the third time that Bank rate has been changed since the inception of the Reserve Bank in 1935). According to this system, scheduled banks were required to pay 4 percent interest on their borrowings up to 25 percent of their statutory reserves with the Reserve Bank, 5 percent interest on the next 25 percent, and 6 percent on further borrowings up to 50 percent of the statutory reserves. Loans in excess of the statutory reserves were considered only in exceptional cases and were offered at penal rates. This system of differential lending rates has been simplified. Scheduled banks now have to pay the enhanced Bank rate of 4½ percent on their borrowings up to 50 percent of their reserves, and 6 percent on further loans up to the other half of their reserves. Thus, after a long period of disuse, Bank rate is now returning to service. Banks requiring assistance beyond the above limits will have to secure special permission from the Reserve Bank, and penal rates will be charged on such loans. Obviously, the two-tier scheme is meant to streamline the rediscounting system, as its effect on the borrowing banks will in practice be very limited. They will now have to pay a uniform 4½ percent on what were the first two tiers, instead of 4 percent on the first 25 percent and 5 percent on the next 25 percent.

Although Bank rate, by itself, has so far been a feeble instrument of credit policy, the effects of its increase on the economy may in course of time be far-reaching. The increase is interpreted as a major step in the move towards dearer money. The share markets have responded by weakening and there has been a tendency to offload stocks at the floor prices. Major commodities advances will henceforth become more expensive and also selective. According to a recent inter-bank agreement, the minimum lending rate is to be 2 percent above Bank rate. The minimum

interest rate chargeable by scheduled banks on their advances will thus become 6.5 percent. Interest rates on call money and term deposits may also go up. This may, however, stimulate an increase in bank deposits and put the banks in a better position to meet the demand for credit from their own resources. The Reserve Bank has tried, so far with only limited success, to foster such self-reliance on the part of scheduled banks.

It remains to be seen how the industries catering to defence needs and export markets will respond to the increase in interest rates. Although the higher rates may not seriously affect the growth of production, special measures may be necessary to assist such industries. Since many producing units depend on bank loans for their working capital requirements, the higher interest rates will push up their cost of production and ultimately affect profits and dividends. The public sector undertakings are, however, likely to remain insulated from the higher interest charges, as their requirements are financed by the State Bank of India at lower rates.

An upshot of the rise in Bank rate may be a downward adjustment in the values of preference shares and debentures, which offer a fixed return, to bring their yield in line with the higher lending rates. Equities too may behave likewise as their present yields will become less attractive; besides, the shrinking of profit margins consequent on the increased cost of borrowing may affect their dividends. Power companies, however, are likely to fare better since the "reasonable return" on their capital is fixed at 2 percent above Bank rate. In any case the Government has already promised to raise their return by 1 percent. Whether the increase of ½ percent accruing from the Bank rate rise will be absorbed in the promised 1 percent, or will be over and above that, will depend on the Government's attitude. Gilt-edged may shed some value to bring about closer alignment between their yield and the interest rates. They had already suffered a depreciation when the Central Government floated its loans in 1962 offering higher interest rates. This had affected the investment portfolios of institutional investors like banks, who are statutorily required to hold a certain percentage of their deposits in Government securities.

Since Bank rate has now gone up, investors will watch with interest whether the Government will offer higher interest rates on its new flotations. Past experience offers no guidance in this matter. In May 1957, when Bank rate was raised from 3½ percent to 4 percent, the Government did not match it with a corresponding increase in its borrowing rate. As a substantial chunk of the Government's revenues goes to meet its interest obligations, it is doubtful whether it will readily add to its commitments. It may be argued that, in any case, the securities market is a very limited one, buyers of Government paper being motivated more by considerations other than interest rates. In the case of banks, provident funds, the Life Insurance Corporation and other similar investors, earnings from in-

terest have not always been the decisive factor. However, one thing seems likely: the new defence loans floated by the Government, whose

FOREIGN CAPITAL IN SHIPPING

THE resolution adopted at the Congress Parliamentary Party's executive committee meeting in New Delhi last Friday, recommending that the ceiling for foreign participation in the share capital of Indian shipping companies be raised from 25 percent to 40 percent, has revived an old and fierce controversy. Reactions to the proposal range from strong opposition to unqualified support. The critics say that with increased foreign participation, Indian lines will lose their voice in international shipping conferences, and foreigners will have more influence over the policies, operations and management of the shipping companies accepting collaboration. Some critics have even gone to the extent of asserting that increased foreign participation in shipping, which provides a second line of defence, will endanger the security of the country. But there can be little doubt that such fears are greatly exaggerated. The Merchant Shipping Act, 1958, provides sufficient safeguards against any adverse consequences of foreign capital participation.

The proposal deserves support primarily because the Indian shipping industry is greatly in need of foreign exchange for expansion, and the increased participation of foreign capital might be one way of getting the exchange. The industry might flatter itself that, despite the shortage of funds and other difficulties, it will easily exceed the revised Third Plan target of 1.25 million tons; and that it might even cross the target of 1.4 million tons originally recommended by the National Shipping Board. The tonnage in operation at present is 1,026,000 tons, with a further 268,000 tons under construction. The tonnage under consideration amounts to 255,000 tons. All this makes a total of 1,549,000 tons. After allowing for the scrapping of 240,000 tons during the next three years, the country will be left with a little over 1.3 million tons of shipping at the end of the Third Plan. Of the Rs. 51 crores allocated for shipping under the Plan, only Rs. 37 crores have been committed so far, which means that there is still Rs. 14 crores at the disposal of the industry.

The progress seems encouraging in terms of the Third Plan target, but many feel that the target is low in comparison with the country's needs. As long ago as 1947, the Reconstruction Policy Sub-committee had recommended a target of 2 million tons to be achieved by 1954 to enable Indian ships to carry 50 percent of the country's foreign trade, 100 percent of the coastal trade and a fair share of the adjacent trade. The requirements have increased considerably since then. That the present tonnage is inadequate will be apparent from the fact that hardly 10 percent of the foreign trade is carried in Indian vessels and in the field of tramp and oil tankers, the share of Indian shipping is only 2 percent or 3 percent. It is said that tramp ships of 500,000 tons and oil tankers of 250,000 tons would be required if half the country's foreign trade is to be carried in Indian bottoms.

The need for expanding India's merchant navy has been highlighted by the present emergency. But one of the main obstacles hindering its growth is the shortage of foreign exchange. At present, ships are acquired on a "pay-as-you-earn" basis. Under this arrangement, no initial down payment is made. The first instalment falls due after one year of the delivery of the ship. The first as well as the subsequent instalments are paid on the basis of a certificate issued by the Reserve Bank concerning the net foreign exchange earned every year. These terms are very difficult to meet. It is with a view to overcoming such difficulties that the restriction on the participation of foreign capital is sought to be relaxed. The move for an increase in the percentage of foreign participation from 25 percent to 40 percent should be welcomed if it can help attract more foreign capital for the development of the Indian shipping industry. Fears that with greater foreign participation,

appeal is not confined to institutional investors, may not retain their present attractiveness as an investment proposition.

the control will pass into foreign hands are baseless. Nor is there much force in the contention that increased foreign participation will strain the foreign exchange position by leading to the outflow of money from India in the form of dividends; the chances are that the foreign exchange earnings will far exceed the outflow through dividends. It is worth noting that under the Merchant Shipping Act, the Government can change the percentage of foreign participation in the industry through a notification in the official gazette.

Indian shipowners who have strongly criticised the Congress Parliamentary Party executive's proposal are disguising self-interest under a facade of nationalism. Shipping has not in recent years

SMALL AND HAND TOOLS

SMALL tools and hand tools play an important rôle in the industry of any country. In an economy like India's, where a great part of the productive operations are carried on manually, their contribution is all the more important. These tools are the basic means of production. They are also essential for the maintenance and servicing of machinery. They cover a wide range of products—from fine precision callipers and twist drills to picks and shovels. Their production in India is organised on varying scales: there are large numbers of small producers working on a cottage industry basis, catering mostly to local needs, and also some large-scale manufacturers. The increased investment in equipment in the last few years has caused an unusual increase in the demand for these tools. But due to the way production is carried on and demands satisfied, data on production, consumption, installed capacity and the trends in them, have been lacking. The Engineering Association of India, therefore, undertook a survey, and the report on it has now been published.

The report shows that the manufacture of small and hand tools is concentrated in West Bengal, Maharashtra and Punjab. Since most of the firms manufacturing hand tools belong to either the small or medium size category, they are not able to install special-purpose machines to give consistency to their products. For instance, hammers produced by small-scale firms vary to the extent of one-eighth of an inch in size. Other production techniques like controlled heat treatment for forgings and quality control cannot be introduced, and the firms cannot afford to employ highly-qualified technical personnel. These factors harm the quality of the products, raise costs and reduce the ability of the factories to raise output. The report, therefore, suggests that efforts should be made to expand the output of the small units. It recommends that licences to new entrants should be granted only for such items as are not being produced in the country or whose output is negligible. But where most entrants are small-scale and do not require an industrial licence under the Industries Act, the suggestion cannot be implemented effectively. This point seems to have been overlooked.

Imports of small tools and hand tools have risen fairly fast in the last few years—from Rs. 1.94 crores in 1958 to Rs. 3.17 crores in 1960 and Rs. 4.82 crores in 1961. Domestic production in the large and small-scale sectors (excluding cottage industry units) rose from Rs. 4.06 crores in 1960 to Rs. 5.45 crores in 1961. But demand has been rising faster than the two sets of figures indicate, and imports would have risen even more but for the foreign exchange restrictions. The report estimates that demand will rise by 40 percent every year, reaching a level of Rs. 46.2 crores in 1965, on the basis of the expansion in general and electrical engineering, machinery manufacture, machine tools, electrical machinery and appliances, and small tool

been a particularly profitable industry, so any impression that huge amounts of foreign capital are waiting to rush into Indian shipping companies is plainly false. The proposal deserves support on principle: why should foreign capital be unwelcome in shipping, when its entry is eagerly sought in other industries? The suspicion arises that some of the Indian companies are afraid that competitors might improve their efficiency by obtaining foreign collaboration. In any case, there is no evidence to show that the servicing of the loans, credits and deferred payments which the Indian companies are so keen to get, will be less "burdensome" than the outflow of dividends resulting from foreign capital participation. In other industries, there is, if anything, an inclination to favour the entry of risk capital rather than loans, for the simple reason that the former does not have to be repaid as long as the investment climate remains reasonably satisfactory. But Indian shipowners cannot have much confidence in their own strength and business acumen if they think that greater foreign capital participation will undermine what they choose to consider their interests.

and hand tool manufacture itself, in the last few years. India exported small and hand tools worth Rs. 5.80 lakhs in 1960 and Rs. 6.93 lakhs in 1961, mostly to under-developed countries. The report recommends extensive market research in advanced countries. But this is likely to be of doubtful value, since a lot more can be sold even to the under-developed countries. It is not clear why tool exports to advanced countries should be considered to have greater prospects, as against the established markets where promotion efforts may yield greater dividends at less cost.

In view of the large scope for increasing output, it is surprising that the report should recommend that "the Government should take due cognisance of the claims of underdeveloped regions while of the claims of fresh licences." But there is merit in the suggestion that co-operatives should be organised in centres where small units are concentrated to undertake the common purchase of materials and sales of products, since the requirements of output of each unit may be relatively small. The laying down of specifications by the Indian Standards Institution will, as suggested, help to overcome consumer prejudice, but units which can adhere to such specifications at present may be comparatively few. Raw materials of the required quality, whether imported or indigenous, are not available in certain cases. Without them, the quality of the products cannot be improved.

PROGRESS OF INDIAN INVESTMENT CENTRE

BEFORE the Chinese invasion, the investment climate in India was less discouraging than it is now, for both indigenous and foreign capital. The stringent import restrictions offered a sheltered market, the consumption potential was increasing as large sums of money were pumped into the economy, and new industries were being set up under the five year plans with official blessings. The impetus given by these factors seems to have suffered recently because of the new political and economic uncertainties. As a result, the inflow of foreign risk capital appears to have shrunk. Formerly, it was arriving in a fairly steady stream, aided by the active collaboration-scouting done by Indian entrepreneurs faced with the foreign exchange shortage. According to a survey in the October issue of the *Reserve Bank of India Bulletin*, the net inflow of foreign private capital into the private sector in India touched a record level of Rs. 53.3 crores in 1960 from a meagre Rs. 2.4 crores in 1958, the year when industrial expansion in this country suffered a sharp setback. The rise in the volume of foreign investments was not as impressive as these figures alone might suggest; a single industry, petroleum, accounted for a major share of the investments. Besides, compared with the very large amounts of

foreign capital that sought investment opportunities across international borders, what came into India was only modest. Still, the rising trend was encouraging, and it played an important part in the expansion and diversification of Indian industry.

The Indian Investment Centre, which is still only a little over a year old, has played an extremely useful rôle in attracting foreign capital to this country. It is officially stated that, during 1962, 25 projects for setting up industrial enterprises with foreign collaboration, which were assisted by the Centre, have matured into Government-approved joint ventures. Collaboration agreements between Indian and foreign entrepreneurs for 16 more enterprises have either been submitted to the Government or are likely to be submitted shortly. Over 100 other proposals are in varying stages of progress. Of the 25 projects

Current News and Comment

Study of Markets and Prices

The Government of India's decision to reorganise, strengthen and streamline the statistical set-up throughout the country in a bid to have an accurate idea of the market behaviour and price pattern at all levels—producers, wholesalers, retailers and consumers—is welcome because a correct assessment of the situation is essential for the formulation of a sound price policy. To start with, the study will be confined to rice and wheat in about a dozen pairs—primary and secondary—of markets. The proposal is to cover about 50 percent of the markets in the country for collection of general data. At present, information is being collected from nearly 850 markets and this is to be increased to 1,500. The results of these studies will make it possible for the Government to have a broad idea of the producer's share in the consumer's rupee, the wholesaler's margin and the retailer's profit. Besides wholesale prices, special attention will be paid to retail prices. Data relating to these are generally collected from areas where the lower middle-class or labour population predominates.

Retail prices are now obtained from 79 urban centres every day, from 110 urban centres every week and from 385 rural centres every month. The number of centres is to be greatly increased in all cases. Schemes for expanding and improving training facilities and for tightening supervision are under way. The Government also proposes to devote more attention to the processing work so that the data might yield more meaningful index numbers at the State and all-India levels. While the collection of reliable market data will greatly help in the formulation of a sound price policy, its successful implementation will depend largely on honest and efficient administration, the co-operation of the business community, and the restraint and discipline of the consuming public. With production failing to catch up with the growing demand, the question of holding the price line has assumed great importance. But inflationary pressures cannot be kept under check for long through fiscal and monetary measures. The real answer to the problem of high prices lies in increased production. The study of market behaviour is useful, but far more important is the study of how to raise output.

Refinancing Export Credits

The Study Group on Credit Facilities for Exporters, set up by the Ministry of Commerce and Industry in April 1960, recommended that the Refinance Corporation should extend the scope of its activities by taking up refinancing of medium-term export credits, i.e., credits for periods exceeding six months but less than five years. As a result, the Corporation has introduced a scheme for refinancing medium-term export credits. The facility will be limited to exporters in the private sector, who are manufacturers, re-

which have matured, 10 have secured collaboration from the U.S.A., four from Japan, three from France, two each from Britain, Canada and West Germany, and one each from Belgium and Switzerland. The Centre has an office in New York, while the Commercial Counsellors in Indian Embassies function as its representatives in other countries.

The Chinese aggression has now affected the investment climate adversely, because of the political and economic uncertainties it has brought. It is reported that the number of enquiries and follow-ups from foreign industrialists has fallen sharply. U.S. investors, who had taken a steadily growing interest in Indian opportunities, have been the quickest to react to the changed conditions. British entrepreneurs, however, are believed to have been bolder; their interest in industries catering directly or indirectly to defence is growing.

cognised export houses or other exporters of standing and will be ordinarily available for exports of capital or engineering goods. The question of extending the facility to other goods will also be considered by the Corporation, subject to Exchange Control agreeing to the receipt of the sale proceeds within a period exceeding 180 days initially. The refinance facilities will be available to banks which are authorised dealers in foreign exchange and otherwise eligible for refinance facilities from the Corporation.

The scheme provides for refinancing of pre-shipment credit also where it is combined with post-shipment credit. The total period of credit, excluding pre-shipment credit, should not be less than six months or more than five years. The minimum amount of a loan for which refinance may be sought will for the time being be Rs. 1 lakh; the total amount of export credits refinanced for any one exporter will not exceed Rs. 50 lakhs. The loans eligible for refinance will relate to exports against firm contracts and will ordinarily be covered by appropriate policies of the Export Risks Insurance Corporation. A down cash payment of 20 percent or a letter of credit or guarantee providing for payment to that extent against delivery of shipping documents should ordinarily be obtained from or on account of the importer before the loan is refinanced. This condition may be waived by the Corporation where the period of credit is short, say, not exceeding one year, and in other deserving cases.

Bullion Prices Recover

Spot gold, after dipping to Rs. 84 for 10 grams some time ago, has bounced back to Rs. 105. But the rise might be shortlived in view of the stern measures the Finance Minister has threatened to take. The incentive for smuggling should, however, have worn off a little in view of the uncertainties of the price situation. Apart from the risk of smuggled gold being confiscated by the Government—in 1961, the amount seized was worth Rs. 2.76 crores—it is not easily possible to secure gold in large quantities in world markets at the international price. Besides, the heavy discount that the Indian rupee commands against the dollar and pound sterling in the unofficial foreign exchange market greatly enhances the cost of financing smuggling activity. Evidence is accumulating that the Government of India is not only determined to check smuggling of gold to stop the leakage of foreign exchange, estimated at between Rs. 30 crores and Rs. 45 crores a year, but it is equally anxious to mobilise the country's huge gold hoards through the gold bonds which have been issued at the international price of Rs. 53.58 a 10 grams. For this, it is necessary to bring down the price of gold still further, and the Government is said to be contemplating necessary action shortly. Several factors such as the application of the Industries Development (Regulation) Act to bullion, the amendment of the Sea Customs Act, restrictions on bank advances against bullion, the issue of gold bonds at the international price

and the ban on all types of forward dealings contributed to the heavy decline in the price of gold from its August peak.

It may be recalled that the panicky selling which pushed down the price from Rs. 106 on 20th November to Rs. 95 the very next day and further down to Rs. 84—the lowest rate since 1956-57—on 23rd November, was touched off mainly by Mr. Morarji Desai's statement at the meeting of the Parliamentary Consultative Committee on Finance that the Government would take more steps to bring down the price of gold. Mr. Desai expressed the view that the price of gold would soon come down to around Rs. 70 a tola (about Rs. 61 a 10 grams), and if gold fell to that level, the glamour of gold would disappear and gold bonds would become attractive. Whether the price of gold will come down so very close to the international price of Rs. 62.50 a tola, is difficult to say. But if the Finance Minister can somehow bring down the price anywhere near Rs. 70 a tola and make it stay there for a long while, he can be assured of a good response to his gold bonds. But fear alone cannot produce a lasting decline in the price of gold, particularly because of the check on smuggling activity. The Government will need to take further positive steps to bring down prices and it would be well-advised not to delay these measures for long because it is only during a national emergency as at present that drastic measures like strict control of spot dealings and limits on individual holdings of gold can attract wide public support.

Rapid Rise in Bicycle Output

The bicycle industry has made remarkable progress over the past 12 years. From an annual output of only 114,000 units in 1951, the organised sector of the industry raised its production to 660,000 in 1956, to 990,000 in 1959 and to over 1 million in 1961. During the first six months of 1962, production was running at an annual level of 1.2 million bicycles. It was claimed by Mr. M. G. Vohra, president of the Cycle Manufacturers Association of India, in his speech at the annual general meeting held in Bombay recently, that the industry was able to reach the production targets set under the first and second plans much ahead of time, and taking the output of both the organised and the small sector together, it was in a position to reach the third plan target of 2.5 million units by 1965-66. As the industry has steadily expanded its production, it has experienced raw material difficulties increasingly. It is now unable to secure the steel products it requires for making bicycle parts. The ancillary units are also unable to supply their products in the right quantity and quality. The position of such consumable stores as nickel anodes, brighteners, levellers, and felt bobs is far from satisfactory. "The quality of the materials produced by the indigenous manufacturers is below requirements and have adverse effects on the finish of bicycles", Mr. Vohra complained.

An export target of 200,000 bicycles has been set under the third plan. Mr. Vohra considers this to be a bigger challenge for the industry than increasing its production. But the performance on the export front has been disappointing. In 1961, the industry was able to export only 12,677 bicycles to countries in the Middle East and Africa. But during the past year, only 2,400 units

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The Cotton Textile Industry's
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C. S. Nair

Importance of Road Transport

In addition, there are many other articles
and features, including surveys of develop-
ments during the year in jute, tea, the stock
market, and life and general insurance.

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had been sold abroad up to the end of October. The real hurdle appears to lie not so much in competing against firmly established brands supplied by other countries, as in bringing down the cost of the Indian product to levels more acceptable to the overseas buyer. The pool system under which member exporters are subsidised by the Association at the rate of Rs. 30 a bicycle has not helped much; nor has the liberal assistance which the Government has been offering. The Government has now revised the import entitlement against bicycle exports—from Rs. 40 a vehicle to 40 percent of the f.o.b. price. An export target of 50,000 bicycles has been set for 1962-63, and the manufacturers have assured to do their best to reach this target. Mr. Vohra urged that a thorough enquiry into the cost structure of the industry is required. Nearly 40 percent of the value of a bicycle is accounted for by imports. The prices of raw materials imported against D.L.F. loans are very high. "Even where the indigenous sources are established for these imported products the price tends to be at par with the c.i.f. value of imports, and in some cases, costs 50 percent more", Mr. Vohra said. He hoped that the official committee which has been appointed to recommend measures for reducing the costs of export goods, of which bicycle is one, would make some suggestions helpful to the industry.

Prohibition in U.P.

The U. P. Government's decision to revise its Prohibition policy is to be welcomed. The recent statement of the State Finance Minister that there was "no question of scrapping Prohibition" was somewhat guarded. Whatever may be the ideological conflict or emotional drama that had preceded the decision, the State has undoubtedly stolen a march over others. Apart from the fact that Rs. 1.75 crores will accrue to the State Exchequer, money need not now be spent on maintaining an unwieldy and ineffective Prohibition staff. So far, the scheme was in operation in 11 districts, namely, Kanpur, Unnao, Fatehpur, Rae Bareilly, Pratabgarh, Jaunpur, Sultanpur, Farrukhabad, Mainpuri, Etah and Budaun. It was also in force in the three pilgrim towns of Vrindaban, Rishikesh and Hardwar.

The income of the State will go up by Rs. 80 lakhs a year by the enhancement of duties on country-made and foreign spirits and beer and the imposition of export duty on beer. The export duty on country and foreign spirit will bring in an additional revenue of about Rs. 21 lakhs. The rate of increase will be from 12nP to 50nP a L.P. gallon. The duty on beer will be raised from Rs. 1.50 to Rs. 3 a gallon. This is expected to yield an additional income of about Rs. 4.5 lakhs. The new levy of export duty on beer will be at the rate of 6nP a bottle or 36nP a bulk gallon. This will swell the coffers by about Rs. 5 lakhs. The vend fee on denatured spirit has been raised from Rs. 2 to Rs. 3 a bulk gallon. This will bring in additional revenue of Rs. 7.5 lakhs.

Training for Cost Accountancy

In a rapidly industrialising economy such as India's, cost accountancy plays a vital part; and cost control acquires special significance because of the large and growing public sector. In a free competitive economy, the inefficient unit is weeded out "sooner rather than later". A public sector concern, however, is not unduly worried about costs. This view was expressed by Mr. V. Srinivasan in his presidential address at the 1962 Convocation of the Institute of Cost and Works Accountants of India, held recently in Calcutta. He suggested that the production cost, which is a truer indication of the efficiency of public sector undertakings, should be subjected to close and continuous scrutiny and measured with such reasonable yardsticks as may be available. Such scrutiny will promote an efficient system of production. With a highly protected domestic market, Indian industries may not have much incentive for reducing costs. But since the country has to increase its exports to earn more foreign exchange for development and defence, cost consciousness is of paramount importance now.

Mr. Srinivasan has commended the decision of the Government to set up a division of cost studies in the Department of International Trade to undertake enquiries into the cost structure of certain major export industries. An unofficial agency is also conducting similar studies relating to the cost of production of some other industries. Indian industries, by and large, have realised the advantages of cost accountancy, and the prospects for the profession have greatly improved. But the outturn of qualified cost accountants has been rather slow, in spite of the great enthusiasm noticed among men and women to take to it as a career. The total number of students registered at present exceeds 20,000, and the registration every year is nearly 4,000. But the slow outturn, according to Mr. Srinivasan, is due to the very high standard of the examinations and the inadequate facilities for coaching and practical training. Mr. Srinivasan deplored the stop-gap arrangements made by way of short-term training courses to meet immediate requirements, such as the courses run by Hindustan Steel, the Orissa State Government and the Institute itself (for Government employees). It is impossible to learn the subject to any appreciable extent within a few months, as a full grasp can be acquired only through continued study over a long period supplemented by practical training. The Institute, therefore, does not issue any certificate to persons receiving such short-term training.

A scheme has been drawn up for widening the study of management accounting, a subject which has lately been engaging the attention of industries, accountants and governments. This scheme is intended for top-level accountants as well. Mr. K. C. Reddy, Union Minister for Commerce and Industry, who addressed the Convocation and distributed the certificates, agreed with Mr. Srinivasan that the short-term course introduced at the instance of the Department of Company Law Administration offered only elementary training, and was not an adequate substitute for the knowledge acquired by qualified members.

WIRELESS TELEGRAPHY

THE success of Marconi in establishing wireless telegraphy between Canada and England is just what everyone expected, who has been following that young inventive genius through the successive stages that led up to this wonderful achievement. After this, it is now only a question of time, when wireless telegraphy will be practicable wherever it is wanted, irrespective altogether of mileage, anywhere on the face of the planet. The transmission of power without wires has also a big future before it. Commercial and press messages between Europe and America will begin to be regularly sent in a day or two by the Marconi system, at rates considerably under the present cable tariff. It will be possible now for ships on any sea, however far away from land, to be in constant communication with their owners. Exploring expeditions whether by sea or land in the heart of Africa, or winter bound in the neighbourhood of either Pole, will be able to supply a record of their daily doings to the Newspapers. The possibilities are endless everywhere, except perhaps in India. For more than a year back, the authorities have been urged to go in for wireless telegraphy, and as first instalment, to Light Ships, Saugor Light House, the Pilot Brigs, and the stations down the Bay to the Andamans and Nicobars. But because the engineering staff not fully competent to tackle this new development without being educated up to it, or because of its initial cost, or some other reason, here we are, and nothing has been done. Some abortive experiments were carried on between the Government Telegraph Office and Alipore, and today when wireless messages are being freely telegraphed across the Atlantic, we are gravely informed, as if a new discovery had been made, that Mr. Simpson has managed to transmit signals between Saugor and the Pilot Brig, a distance of 45 miles. Well done! Mr. Simpson, there is hope for India yet. The Government will now begin to believe that wireless telegraphy is an actuality, fitted for every day work. We will get on now.

FROM

CAPITAL
15th January, 1963

A Ditcher's Diary

I THINK PAKISTAN SHOULD BEWARE OF REPEATING too often its threat of leaving its western military alliances—in its own interest. I am not forgetting the breathtaking Hitler-Stalin non-aggression pact of 1939; nor do I consider wholly improbable similarly dangerous pacts between Washington and Moscow to take care of China or—take a deep breath—between Tokyo and Peking to divide up Asia between them. (I could, at a pinch, think up some unlikely alliances that India might well get involved in.) I rule out nothing in international affairs. I do, however, maintain that there is something unreal in thinking that even an all-powerful President like Field-Marshal Ayub Khan can, at will, throw up old alliances and enter new ones. Mr. Nehru is not wholly wrong in claiming that India's policy of non-alignment arises naturally from this country's traditions and present position in the world. Pakistan's alliances, I suggest, are equally natural growths; and it is wholly illusory to imagine that Pakistan can get out of them just because the West will not satisfy every whim of Rawalpindi. Only on ill-defined and largely irrelevant moral grounds can Pakistan be arraigned for trying to take some advantage of India's difficulties; I can think of many countries for which India does worse things. India is as right in not relaxing on the Pakistan front as Pakistan is in seeking to put pressure on the West; that is the way of national States. It is for this reason that I have, right at the beginning, mentioned Pakistan's national interest. This demands a realistic appraisal of Pakistan's bargaining power which, like every country's, is not exactly unlimited; and I am anxious that Pakistan should not overcall—overplay is inaccurate—its hand. The socio-economic set-up of Pakistan makes an alliance with communist China a most unnatural affair; unless a war supervenes, which upsets everything, no Peking-Pindi understanding can be anything more than ephemeral and superficial. In spite of India's many anti-West stances, it was inherent in the situation that India should turn to the West and that the West should respond instinctively. There's no such rapport between China and Pakistan; and that should be as clear in Rawalpindi as anywhere else.

THE TIME MAY HAVE COME FOR THE INDIAN Press to tell the Government of India quite firmly: "Thus far and no farther". Of actual constraints there have so far been very few, for which one must thank the Government. What I object to is the way in which the emergency is being used by certain parties who are distributing some very unworthy advice to my profession

which is well able to take care of itself and does not need to prove its patriotism any more than any other body of people in any walk of life. Several ministers have said that criticism of the Government or of Mr. Nehru will be treason; Mr. Nehru does not need to be told this, but some others in the Government do, that it is nothing of the sort. The Government needs to be criticised—because of the emergency—very severely and regularly on several counts; and I hope it will be. One count is access to information. Mr. Lal Bahadur Shastri said the other day that it would be good for the Press and good for the Government if half the files marked "Secret" were made public. What prevents the Home Minister from rendering so signal a service to the Press and the Government? Already many, even in New Delhi, are turning more and more to expensive air editions of foreign papers to get more Indian news. To suggest that this is because the Indian Press is less enterprising or less efficient is to malign it; the fault is somewhere in the Government. Now come to the more positive objections. I understand that the dailies have been persuaded to publish the long and quite useless lists of donors to the N.D.F. on some vague promise of more newsprint. This, surely, is the one reason for which India does not need to import more newsprint. Nor can I say that I am enthused every morning by seeing in the papers those emergency slogans, some of which are childishly alliterative and say nothing. One said something to the effect that we should talk less; I wish some ministers set a good example or two. On civil defence, for instance, there have been so many confusing pronouncements that the picture is as clear as mud. You see why the Government must keep being criticised—because, I repeat, of the emergency.

"NOT IN YEARS HAS A PRESIDENT EXERTED SUCH a great influence on masculine taste both in the U.S.A. and around the world. What Mr. Kennedy wears or doesn't wear shows its immediate effect and, hence, we're looking for ideas that will appeal to him". So says Mr. Bernard L. Salesky, chairman of the Hat Corporation. Specifically, Mr. Salesky and colleagues are trying to get the chief executive to go under cover, in the hope that millions of men "both in the U.S.A. and around the world" will at once start buying hats. Actually I had not noticed anyone around here rushing to imitate Mr. Kennedy's sartorial preferences, and I think he could buy a hat for every hatpeg in the White House before Calcutta business men started going in for headgear again. This city's sudden dis-

affection for the sun helmet about 20 years ago has been variously explained, but in any case it seems to be final and irrevocable and even if Theodore Roosevelt were to come back to Washington in a tiger-shooter we would remain defiantly bare-headed. No doubt it is different with Americans, whose mimicry of the presidential couple has become ludicrous. Every debutante in the country wants to have that First Lady look, and if the hatters could get the plentiful presidential coiffure under felt, hat sales would probably soar. Not that one can laugh in a country where the Mahatma's simple cap was soon copied in millions and millions of Gandhi caps, which became the very symbol of high purpose, against the ostentation of the traditional turban. Nor could British friends, for their recurrent imitation of Prince Albert's slippers, Mr. Eden's hat and the Duke of Windsor's tie-knot are familiar. True, Sir Winston's broad-brimmed stetson and Mr. Macmillan's Russian fur hat found fewer if any imitators, but presumably Mr. Salesky does not aim to get the President into anything so spectacular.

ON ARRIVAL AT A HOTEL RECENTLY IN SOUTH INDIA, a friend found the place plastered with one importunate, almost plaintive, notice:

PLEASE DO NOT TIP
Kindly Co-operate with the Management
Any Member of the staff soliciting Tips
is liable for Dismissal

By Order

My friend writes: "This really was touching. Here, at last, was a management imploring me not to pay something; this, I said, despite the emergency which has already been the excuse for mulcting you and me on various counts. The South, I mused, is really different. The management of the hotel was requesting me to co-operate with it; and for once co-operation was going to cost me nought. The whole tone of the notice conjured up visions of a long queue of foreign tourists, American by preference and, so, suckers born, pathetically appealing to the management that they must, they really must, be allowed to tip the hotel's numerous servants (numerous when you don't need them) on the American scale; and the complementary vision of the Manager on his knees pleading non-payment and saying, 'Please don't, don't, for here in the South we believe in service with no thought of reward. If you ladies and gentlemen tip the servants they will be materialists like you; and then what will be left of eternal India?' It did not take long, however, to get off the dream sequence (very popular in southern films, I'm told), for about five men had carried my sole, light bag into my room; and there they were—waiting and waiting. For Godot? Hardly. I looked at the notice; and the men followed my gaze. Five sets of white, gleaming teeth flashing against the background of ebony skins. For a

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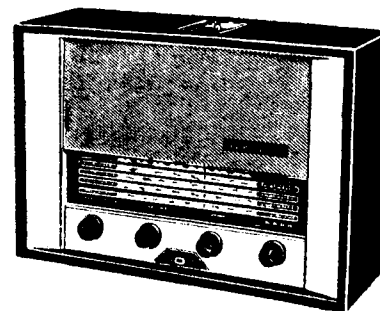
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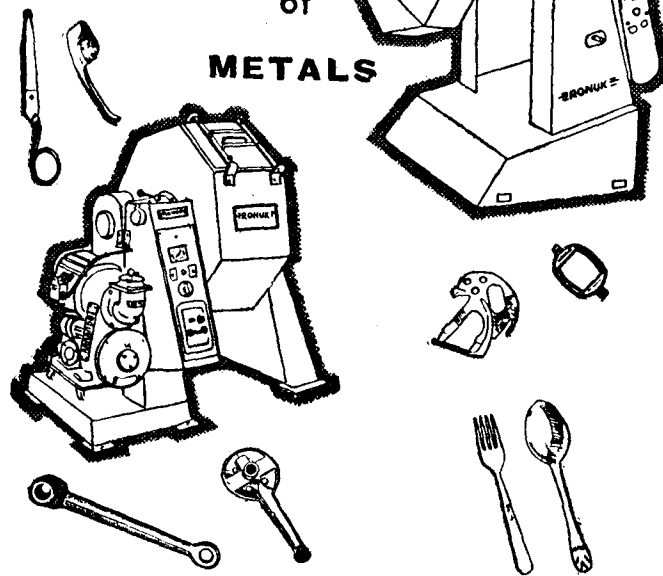
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JALC-8

CAPITAL, 10th January, 1963.

brief second I thought of reporting them to the management; but what was there to report? They hadn't said a thing. Well, I paid 25nP each; and I tried to explain that half a man would have been enough to carry my bag from the reception to my room. They laughed, as though I had said something funny. The next morning one of the men saw me and didn't laugh. I realised that I had gravely offended him by paying 25nP. In the name of the emergency, these notices should really be removed". My friend does not seem to remember that Madras may have learned the thing from Calcutta.

SENIOR DITCHERS MAY HAVE NOTICED THAT ONE OF the four baronetries in the latest New Year's Honours List has been conferred on R. H. M. Thompson, an erudite and genial personality who was a director of the Standard Literature Company here in the years just before the second World War. Richard Thompson was in fact born in Calcutta; and after a highly successful business career, during which he travelled extensively, he volunteered as an ordinary seaman for the R.N.V.R. when the war broke out. Commissioned shortly afterwards, he participated in several naval battles in the Mediterranean, the Atlantic, Madagascar and north Africa, before moving to the Pacific Fleet in the last months of the conflict. A former colleague tells me that, after the sinking of the *Hermione*, Thompson braved the treacherous waters of the Mediterranean for almost 24 hours before he got to safety. That was but one example of the determination which was at the root of his success, not only as a naval officer but also in business and subsequently in politics. He has been a Conservative M.P. since 1950, first for Croydon West and then for Croydon South. Within this period, he has held important responsibilities in Party and Government, the last of them as Parliamentary Secretary to the Ministry of Works until, if I remember right, July last year. The *Economist*, I notice, has expressed some rather unorthodox views on baronetries in general, while conceding that the latest ones have gone to men of ability. Those who have known Thompson cannot doubt that in his case the honour is richly deserved.

A CARTOON ON THE BUSINESS PAGE OF A POPULAR weekly lately showed the venerable company-board chairman rising to address a roomful of those staid, bald, cigar-smoking gentlemen that the public imagines to compose the class of directors. The old tycoon is saying, "As chairman of your company, Top Pops Records Limited, I'll clue you cats in on the year's activities. Like, man, the profit after tax is a gasser, but to stay on the top of the charts we'll have to get hip to trade and play it like cool, Dads, cool!" The joke seemed suitably improbable until I came across the following passage in a report on U.S. musical instrument companies: "Benny Goodman is a director of H. and A. Selmer Incorporated (one of the leading instrument making firms); he not only plays the company's instruments at music dealers' conventions but also, during his recent tour of Russia, he gave out Selmer buttons to the Muscovites. So imbued with missionary zeal are the instrument makers that many of the top executives play in jam sessions. Jack Fedderman, president of Selmer, plays the saxophone. The chairman of the board beats the drums. At the Richards Music Corporation, the treasurer performs on the clarinet. The sales manager plays the saxophone and the credit manager toots on the trumpet". It did not say that they do these things at company meetings, but I am beginning to wonder whether proceedings at board conferences in a firm where Benny Goodman is a director and his colleagues share his taste for jazz can be really so different from what the cartoonist imagined.

BANK MANAGER TO CUSTOMER: "I HAVE, TOGETHER with my superiors, reviewed your financial situation and we have decided that we should revert to our original arrangement whereby you banked with us."

THE DITCHER

CAPITAL, 10th January, 1963.

Money

THE CALCUTTA MONEY MARKET

SMALL INCREASE IN ADVANCES

Wednesday, 9th January.
THERE has been a small increase in the general level of advances in the Calcutta money market during the past week. The increase has been shared by the jute and sugar mills, and by the iron, steel and engineering industries. Credit for cotton, and for the storage of food-grains and seeds, remains almost unchanged. In the interbank market, conditions have become steadier after an easy spell, and the call rate quotes 4½ percent.

The exchange market has been quiet, with few tea or gunny bills. The demand for remittance has been poor. Sterling has firmed up, and shows gains against all the major currencies.

BULLION WAS STEADY IN CALCUTTA during the past week on fresh purchases following the arrival of the marriage season. Gold rose from Rs. 106.75 in the previous week to Rs. 124.75. The sovereign hardened from Rs. 83 to Rs. 83.50. Silver was also steadier in sympathy with gold and the price advanced from Rs. 211.25 to Rs. 250.50 quoted for ready delivery. The London and New York prices were 104½d and 120.50 cents.

DURING THE WEEK ENDED 4TH JANUARY. Government of India Treasury bills for Rs. 54,27,50,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 8th January. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.410 percent and above were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.355 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 14th January.

IT IS STATED THAT 91-DAY INTER-MEDIATE Treasury bills will be sold from 9th January to 12th January at Rs. 99.426 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills, sold from 3rd January to 5th January, amounted to Rs. 5 lakhs only.

RISES OF RS. 33.77 CRORES TO Rs. 2,154.05 crores in active notes and of Rs. 22.37 crores to Rs. 2,171.03 crores in the total note issue were notable features of the statement of the Reserve Bank of India for the week ended 4th January, 1963. The currency expansion was covered by increasing rupee securities of the paper currency reserve by Rs. 25 crores to Rs. 1,843 crores. In the Banking Department, deposits of the Central Government rose by Rs. 51 lakhs to Rs. 53.79 crores and those of other Governments by Rs. 9.67 crores to Rs. 15.79 crores. Balances of commercial banks at Rs. 75.26 crores showed a decline of Rs. 5.92 crores. Balances held abroad improved by Rs. 9 lakhs to Rs. 8.79 crores. The investment portfolio rose by Rs. 22.47 crores to Rs. 203.49 crores. Loans given to scheduled banks declined from Rs. 20.70 crores to Rs. 19.45 crores.

res, of which advances against usance bills were Rs. 10.31 crores (Rs. 13.56 crores). Ways and means advances stood at Rs. 12.45 crores, against Rs. 16.38 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 28th December, 1962, shows a rise of Rs. 33 lakhs to Rs. 566.67 crores in total deposits. Investments in Government securities are down by Rs. 9.94 crores to Rs. 257.56 crores, while other authorised investments are up by Rs. 7 lakhs to Rs. 10.48 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have increased by Rs. 6 crores to Rs. 272.29 crores. Cash and balances are, in consequence, shown at Rs. 25.71 crores, or Rs. 1.36 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 28th December, 1962, shows Demand and Time liabilities at Rs. 952.40 crores (Rs. 33.44 crores on account of borrowing from banks) and Rs. 1,270.79 crores (Rs. 16.47 crores), compared with Rs. 944.42 crores (Rs. 34.13 crores) and Rs. 1,263.87 crores (Rs. 12.52 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 4.27 crores and Rs. 5.07 crores to Rs. 52.57 crores and Rs. 79.35 crores, respectively. There is a drop of Rs. 9.96 crores to Rs. 653.70 crores in investments. Advances and bills discounted at Rs. 1,430.56 crores show a rise of Rs. 15.99 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.9 percent and 64.3 percent, against 5.6 percent and 64.1 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 11-1-63.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
11-1-63	14-4-63	2,00.00	Rs. 2.355%
4-1-63	7-4-63	2,00.00	Rs. 2.355%
21-12-62	24-3-63	2,00.00	Rs. 2.355%
14-12-62	17-3-63	2,00.00	Rs. 2.355%
7-12-62	10-3-63	2,00.00	Rs. 2.350%
30-11-62	3-3-63	2,00.00	Rs. 2.345%
23-11-62	24-2-63	2,00.00	Rs. 2.350%
16-11-62	17-2-63	2,00.00	Rs. 2.360%
9-11-62	10-2-63	2,00.00	Rs. 2.360%
2-11-62	3-2-63	2,00.00	Rs. 2.350%
26-10-62	27-1-63	2,00.00	Rs. 2.350%
19-10-62	20-1-63	2,00.00	Rs. 2.365%
(Monthly Maturities 000's omitted)			
January 1963		4,00.00	
February 1963		8,00.00	
March 1963		8,00.00	
April 1963		4,00.00	
Total		24,00.00	

CLEARING HOUSE RETURNS

Week ended	Calcutta Rs. (Lakhs)	Bombay Rs. (Lakhs)
4-1-63	...	95.08
28-12-62	92.24	92.19
21-12-62	95.06	106.33
14-12-62	86.23	96.62

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		4-1-63	28-12-62	5-1-62
Liabilities—				
Notes in Banking Dept.	...	16,97.71	27,97.14	14,77.18
Notes in Circulation	...	21,54.04.93	21,20,28.49	19,69,89.57
Total Notes Issued	...	21,71,02.64	21,48,25.63	19,84,66.75
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.03
Foreign Securities	...	88,08.43	88,08.43	1,26,86.07
Total of A	...	2,05,84.53	2,05,84.53	2,44,62.10
B. Rupee Coin	...	1,21,74.51	1,23,97.50	1,21,23.57
Rupee Securities	...	18,43,43.80	18,18,43.60	16,18,81.08
Total	...	21,71,02.64	21,48,25.63	19,84,66.75

BANKING DEPARTMENT		Week Ended		
(In 000's of Rupees)		4-1-63	28-12-62	5-1-62
Liabilities—				
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	61,00.00	61,00.00	50,00.00
National Agricultural Credit (Stabilisation) Fund	...	7,00.00	7,00.00	6,00.00
Deposits—				
(a) 1. Central Govt.	...	53,79.13	53,28.04	61,21.21
2. State Govts.	...	15,78.99	6,11.75	11,81.47
(b) Banks—				
(i) Scheduled Banks	...	75,25.95	81,18.30	...
(ii) State Co-operative Banks	...	2,19.94	2,52.48	...
(iii) Other Banks	...	6.43	6.16	...
(c) Others	...	1,63,09.89	1,60,90.24	1,47,81.65
Bills Payable	...	32,67.33	38,41.28	29,15.12
Other Liabilities	...	47,39.13	42,42.42	45,23.46
Total	...	5,43,27.29	5,37,90.57	5,13,08.03
Assets—				
Notes	...	16,97.71	27,97.14	14,77.18
Rupee Coin	...	2.49	2.75	1.63
Small Coin	...	2.60	2.65	3.01
National Agricultural Credit (Long Term Operations) Fund	...	...	...	...
(a) Loans and Advances to—				
(i) State Govts.	...	23,94.76	23,94.76	...
(ii) State Co-operative Banks	...	11,35.84	11,39.76	...
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	...	...	2,94.88	...
National Agricultural Credit (Stabilisation) Fund	...	...	...	...
Loans and Advances to State Co-operative Banks	...	2,84.88	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. treasury Bills	...	72,09.98	72,37.31	39,22.42
Balances Held abroad	...	8,70.08	38,41.28	16,58.83
Loans and Advances to Govt.	...	12,45.22	16,37.73	61,73.21
Loans and Advances to—				
(i) Scheduled Banks	...	19,44.75	20,68.95	1,43,82.63
(ii) State Co-operative Banks	...	1,37,42.85	1,38,09.18	...
(iii) Others	...	1,40.57	...	...
Investments	...	2,03,48.96	1,81,02.39	2,10,61.69
Other Assets	...	32,96.23	33,01.52	26,27.28
Total	...	5,43,27.29	5,37,90.67	5,13,08.03

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		28-12-62	21-12-62	29-12-61
(i) Demand Liabilities—				
(a) Demand Deposits	...	...	...	...
(1) From Banks	...	53,73.45	47,73.21	55,75.42
(2) From others	...	8,14,27.11	8,09,86.59	7,24,60.34
(b) Borrowing from Banks	...	33,43.57	34,13.20	19,68.45
(c) Others	...	50,93.43	53,67.47	55,47.35
(ii) Time Liabilities—				
(a) Time Deposits	...	...	...	...
(1) From Banks	...	21,74.77	22,70.75	19,91.41
(2) From others	...	12,21,13.39	12,17,62.84	10,98,88.77
(b) Borrowing from Banks	...	16,47.10	12,51.83	19,63.98
(c) Others	...	11,41.06	11,01.28	24,30.59
(iii) Borrowing from State Bank—				
(a) Demand Liabilities	...	4,70.78	6,16.40	3,54.35
(b) Time Liabilities	...	10,96.00	11,44.00	8,77.00
(iv) Borrowing from Reserve Bank	...	21,04.95	16,46.50	18,74.00
(v) Cash	...	52,56.74	48,29.63	51,90.90
(vi) Balances with the Reserve Bank	...	78,35.27	74,27.85	99,36.95
(vii) Balances with other Banks in current account	...	22,81.50	19,15.99	22,94.36
(viii) Money at call and short notice	...	60,85.75	58,39.78	43,76.45
(ix) Investments in Central and State Govt. Securities	...	6,53,68.62	6,63,65.75	5,79,83.53
(x) (a) Loans, Cash credits and Overdrafts	...	12,10,04.36	11,99,51.62	10,85,81.76
(b) Due from Banks	...	9,55.13	9,27.15	9,98.98
(xi) Inland Bills purchased and discounted	...	1,56,66.75	1,51,68.55	1,45,21.79
(xii) Foreign Bills purchased and discounted	...	54,30.15	54,09.41	44,25.21
(xiii) Total of X XI and XII	...	14,39,56.44	14,14,56.73	12,85,27.74

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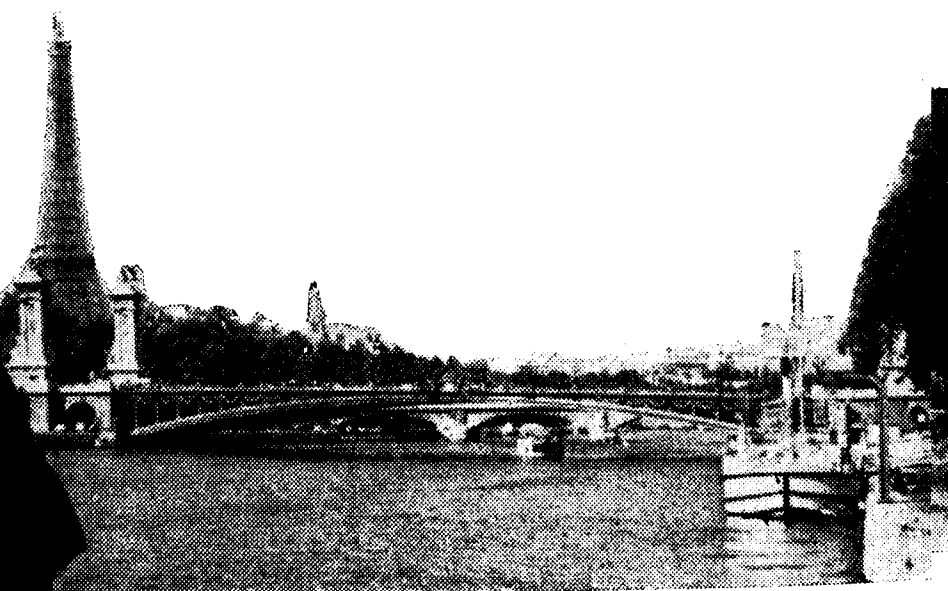
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JUTE SHARES REACT MILDLY TO INTERIM DIVIDENDS

It is not surprising that jute shares have responded only mildly to the declaration of some excellent interim dividends. In the present depressed mood of the stock market, good news fails to make any impression, while bad news affects sentiment immediately. Kanknarrah, for instance, has returned to the dividend list after an interval of seven years by declaring a taxable interim ordinary of 5 percent for 1962. Kamarhaty has also declared the same dividend. In the Bird-Heilgers group, Auckland, Dalhousie, Lawrence, Union and Northbrook have declared taxable interim ordinary dividends of 5 percent each for 1962-63. Except for Lawrence and Northbrook which paid taxable ordinary dividends of 10 percent and 20 percent, respectively, all these companies had skipped the dividends for 1961-62.

The interim dividends have bullish significance as they imply that during the current financial year, the operations of the jute mills will be profitable. Since the early part of 1962, the working of the industry has taken a definite turn for the better. During the current season, not only has there been an abundant supply of raw jute; the price of fibre has also been maintained at a satisfactory level. As a result, jute mills have found it profitable to do simultaneous business. There have been satisfactory overseas enquiries for jute goods. Hessien, in particular, has been sold at remunerative prices. At the present price, the mills have also been making fair profits on the manufacture of sacking. The industry has been working with no restriction on looms. In view of an abundant supply of raw jute, the full working is likely to continue for some time. Although there has been a lull in foreign enquiries for jute goods for the time being, the demand is likely to pick up soon. It is also hoped that the domestic demand for gunnies will increase due to the defence effort.

Now that the sowing season is approaching, attention is being diverted to the new crop for 1963-64. Considering that vigorous efforts are being made by the Government and the industry to maintain the price of fibre at a remunerative level, it is hoped that the next season's crop will be satisfactory. Mills have plenty of raw jute to last them until the arrival of the new crop. The current season should end with a fairly comfortable carryover. Hence the industry can look forward to an abundant supply of fibre for several months ahead.

Share Offer by Pyrotex India

PYROTEX India Ltd, which proposes to set up a factory in Kirkee near Poona for the manufacture of mineral-insulated metal-sheathed electrical cables, is offering 14,250 equity shares of Rs. 100 each at par for public subscription. The list will open on 21st January and close on 29th January or earlier, but not before 23rd January. (Fuller details of the issue are published on page 55 of this week's Capital.) In spite of the continued depression on the stock market, the success of the issue seems assured; unofficially, the shares are quoted at a sizable premium. The project is claimed to be the first of its kind in the country

as mineral-insulated metal-sheathed electrical cables are not yet being manufactured in India. The cables will be fireproof and will have a wide applicability. Pyrotex Ltd of Hebburn, England, which is collaborating in the venture is one of the leading manufacturers of special types of cables.

Pyrotex India will have an authorised capital of Rs. 60 lakhs, all in equity shares of Rs. 100 each. Of this, Rs. 55 lakhs is being issued for the present which will cover the entire cost of the project. Out of the issued capital of Rs. 55 lakhs, half has been reserved for allotment to the British firm which is collaborating in the venture, partly for cash and partly in consideration for the supply of technical know-how and assistance and for the supply of plant and machinery. The Bombay Company (Private) Ltd, Bombay, one of the promoters, will subscribe for Rs. 6.25 lakhs and the directors and their associates are taking up shares worth Rs. 7 lakhs. The balance of Rs. 14.25 lakhs is now being offered to the public in the form of ordinary shares. The directors include Mr. F. W. Tomlinson, Mr. E. S. Vernon-Jose, Mr. G. V. Nath, Mr. Jaisinh Vitthaladas and Mr. G. H. Pardiwala.

Same from Dena Bank

AS usual, the Devkar Nanjee Banking Co. Ltd (popularly known as the Dena Bank), which ranks among the top ten banks in the country, is the first to announce its working results for 1962. The preliminary report shows all-round progress—in deposits, advances, working funds and number of accounts and branches. The net profit, however, is down by about 18.8 percent from Rs. 29.65 lakhs to Rs. 24.08 lakhs. Apart from the fact that the increase in the bank's advances is much smaller than the expansion in deposits, the profit margin seems to have been adversely affected by the deposit insurance scheme, contributions to the National Defence Fund and the payment of arrears of salaries due to the staff under the Desai award. The bank opened five new branches during the year, raising the total number of branches to 112. The number of accounts recorded an appreciable increase from 224,000 to 250,000. The bank's deposits rose by about 16.6 percent from Rs. 43.36 crores to Rs. 50.50 crores, while advances increased by a little over 7 percent from Rs. 30.06 crores to Rs. 32.24 crores. The credit ratio came down from 69.3 percent to 63.8 percent, which is well below the general average for all scheduled banks. With the amount of Rs. 13.51 lakhs brought forward from the previous year's account, the disposable surplus amounts to Rs. 37.59 lakhs, against Rs. 37.51 lakhs which included a sum of Rs. 7.86 lakhs brought in from the 1960 accounts.

Allocation to the reserve fund has been raised from Rs. 15 lakhs to Rs. 23 lakhs and the bonus to the staff is also higher at Rs. 4.50 lakhs, against Rs. 3.50 lakhs. The dividend has been maintained at 11 percent, less tax, but it absorbs a larger sum of Rs. 6.90 lakhs, against Rs. 5.50 lakhs because of the increase in the capital from Rs. 50 lakhs to Rs. 1 crore. The increased capital, however, participated in the dividend only for a

short period. If the dividend is maintained for 1963, it will involve a total distribution of Rs. 11 lakhs, against Rs. 6.90 lakhs for 1962. After making various allocations, there remains a balance of Rs. 3.19 lakhs to be carried forward, against Rs. 13.51 lakhs brought in. With the amount of Rs. 23 lakhs transferred from the year's profit and Rs. 2 lakhs from the share premium on new shares, the bank's reserve fund has risen from Rs. 75 lakhs to Rs. 1 crore, thus bringing it on par with the paid-up capital. The Rs. 50-paid share of Dena Bank is currently quoted around Rs. 58 cum-dividend, offering a gross return of about 10 percent.

Bank of Maharashtra Earns More

THE preliminary report on the working of the Bank of Maharashtra in 1962 shows all-round progress. Deposits have risen by 23 percent from Rs. 19.48 crores to Rs. 23.96 crores, advances by 21.9 percent from Rs. 9.76 crores to Rs. 11.90 crores, investments by 24.9 percent from Rs. 7.47 crores to Rs. 9.33 crores, and the working funds by 16.7 percent from Rs. 21 crores to Rs. 24.50 crores. The net profit, after providing for gratuity and bonus to staff and making the usual provisions including that for taxation, however, shows only a small increase from Rs. 8.24 lakhs to Rs. 8.44 lakhs. This is because of the sizable increase in expenses. The Bank has had to pay Rs. 62 lakhs, about Rs. 20 lakhs more than in 1961, by way of interest on deposits and the deposit insurance scheme premium amounts to Rs. 1.14 lakhs. Salaries of staff including arrears have risen by Rs. 5 lakhs to Rs. 32 lakhs as a result of the Desai award.

The dividend has been maintained at 9 percent, less tax, which is payable on the increased capital of Rs. 50 lakhs. The bank issued new rights shares in August on the basis of one-for-four at a premium of Rs. 2.50 a share. The proposed dividend will absorb Rs. 3.89 lakhs, against Rs. 3.34 lakhs. Allocation to the reserve fund has been increased from Rs. 4.40 lakhs to Rs. 4.50 lakhs, raising the total reserve fund to Rs. 25 lakhs, against a paid-up capital of Rs. 50 lakhs. After making various appropriations, there remains a surplus of Rs. 47,000 to be carried forward, against Rs. 42,349 brought in. The Rs. 50-paid share of the Bank of Maharashtra is quoted around Rs. 62, offering a gross return of about 7.8 percent.

United Bank Profit Up

SUBJECT to audit and after providing for taxation, the net profit of the United Bank of India for the year ended 31st December, 1962, amounts to Rs. 21.20 lakhs, against Rs. 20.50 lakhs for 1961. The directors have recommended a dividend of 6 percent, subject to tax, for the year (the same as in 1961), and it will absorb Rs. 16.08 lakhs. About Rs. 4.26 lakhs will be allocated to statutory reserve, leaving a balance of Rs. 86,000, against Rs. 32,000 in the previous year. The balance,

together with the sum brought down from the previous year's account, will amount to Rs. 3.26 lakhs, and will be carried forward. Deposits of the Bank have increased by more than Rs. 5 crores to over Rs. 64 crores during 1962.

McNally-Bird Making Progress

MCNALLY-BIRD Engineering Co. Ltd, a joint Indo-American venture, is aiding the development of coal and basic industries in India. Set up with an authorised capital of Rs. 2 crores, the Company is presently engaged in the manufacture of coal washeries, and coal and ore-handling plants. Under the present phased manufacturing programme, it is anticipated that 70 percent of the coal washery will be manufactured indigenously, and in the course of five years, it is planned that the entire production will be carried out in India. This represents a considerable saving in foreign exchange, especially when coal washeries are required by the rapidly developing basic industries during the third plan. At a rough guess, it is estimated that the production of the new firm will save Rs. 4 crores or Rs. 5 crores in foreign exchange during the third plan period. The plant of McNally-Bird is located in Kumardhubi, Bihar. The equipment to be manufactured includes heavy medium washeries, jig type washeries, heavy medium cyclones, crushers, screening plants, belt conveyors, bins, car hauls, chain conveyors, structurals and tipplers.

C. D. F. C. Loan for Braithwaite

THE Commonwealth Development Finance Co. Ltd has agreed to make a sterling loan of £322,500 to Braithwaite and Co. (India) Ltd, as a contribution towards the cost—estimated at £319,000—of modernising the Angus works in Bhadrachalam and the Clive works in Kidderpore, both near Calcutta. This modernisation will help introduce the manufacture of various types of cranes at the Angus works, and increase the production of railway wagons at the Clive works from 17,000 tons to 30,000 tons a year. The output of the foundry will also be increased.

More Electrical Sheets from Tata Steel

RELIABLE reports indicate that the Government of India has approved the scheme submitted by the Tata Iron and Steel Company for stepping up the production of electrical sheets (dynamo grade) from the present 24,000 tons to 42,000 tons a year at its Jamshedpur works. The project involves an additional capital outlay of Rs. 1.17 crores, of which Rs. 71 lakhs will be needed for the import of machinery from abroad. Additional capital is to be secured from internal resources and by borrowing. The Company had made an application to the World Bank for its foreign exchange requirements, which include the requirements for the electrical sheets project. The ferro-silicon and aluminium needed for the manufacture of electrical sheets are available from indigenous sources. The expansion scheme, therefore, will not involve any recurring foreign exchange expenditure and it will save the country the foreign exchange that is now spent on imports. In 1960, imports of electrical sheets were valued at

Rs. 1.18 crores, and the figure for 1961 was a little higher at Rs. 1.27 crores. Imports up to July 1962 are placed at Rs. 1.06 crores.

The present demand for electrical sheets is estimated at around 30,000 tons, made up of 20,000 tons of d-i-amo grade sheets and 10,000 tons of transformer grade sheets. The total requirements of electrical sheets by the end of the third plan were originally estimated around 70,000 tons. But according to the Government's latest estimates, the country will need 85,000 tons of dynamo grade and 30,000 tons of transformer grade sheets by the end of 1965-66. This revised target has been accepted by the Planning Commission. At present, the Tata Iron and Steel Company is producing at the rate of 24,000 tons a year of dynamo grade electrical sheets, and another 50,000 tons of electrical sheets will be available from Rourkela when full production is achieved. The expansion scheme of Tata Steel will help cover the gap between the anticipated demand and existing capacity.

T.E.L.C.O. Rights Issue

AN extraordinary general meeting of the shareholders of the Tata Engineering and Locomotive Company is being convened on 29th January to vote on the resolutions relating to the increase in the Company's authorised capital from Rs. 10 crores to Rs. 15 crores and the issue of 200,000 new equity shares of Rs. 100 each at a premium of Rs. 50 a share. The Government sanction for the proposed rights issue has already been received. These will be offered to existing shareholders in the ratio of one share for every four held. Shareholders have been given the option to apply for additional shares, the allotment of which will be made on an equitable basis with reference to the shares already held by them. A sum of Rs. 75 a share, made up of Rs. 25 on premium account and Rs. 50 on capital account, is payable on application and the balance of Rs. 75 is payable on or before 30th September, 1963. The new equity shares will not be entitled to the dividend for 1962-63, but will rank for dividend from next year onwards. Additional funds are being raised for meeting part of the cost of the first stage of the Company's expansion programme, which visualises an increase in the output of diesel vehicles from 12,000 to 18,000 units. The total cost of the first stage of the expansion programme is estimated at around Rs. 13 crores.

An agreement has already been finalised with the Agency for International Development for a loan of Rs. 6.5 crores (\$13.7 million) to cover the foreign exchange requirements. The proposed capital issue will bring Rs. 3 crores and the balance of Rs. 3.5 crores will be met from internal resources. Originally, the Company had proposed to finance the expansion programme through the issue of debentures, but this proposal had to be modified in the light of the Government's reaction to the scheme of convertible debenture, the present economic situation and the general desire of the shareholders to be more closely associated with the financing of the project. It may be noted here that in an otherwise depressed market, the shares of the Tata Engineering and Locomotive Company have been remarkably steady, and are currently quoted around Rs. 283.

Jenson and Nicholson to Expand

JENSON and Nicholson (India) Ltd of Calcutta, which manufactures

quality surface coatings, has sought the Government of India's permission to set up a paint factory in Kolaba district of Maharashtra State. The Company proposes to make in the proposed factory 575,000 kilograms of paints, 517,000 kilograms of distempers and 600,000 litres each of enamels and varnishes every year. The new factory in Maharashtra will provide better service to the customers on the spot and will ensure quicker delivery of products. It is stated that about 25 percent of the Company's products are consumed in the western region of the country. The proposal involves the import of raw materials and capital goods to the tune of Rs. 3 lakhs and Rs. 1.16 lakhs, respectively. The Company will meet its requirements of imported raw materials and capital goods either through the State Trading Corporation or from foreign exchange earned through the export of its products.

Jenson and Nicholson has a paid-up capital of Rs. 58.19 lakhs, made up of Rs. 32.5 lakhs in equity shares of Rs. 10 each and Rs. 25.69 lakhs in 7½ percent redeemable preference shares of Rs. 100 each. Out of the paid-up equity capital of Rs. 32.5 lakhs, approximately 76 percent is held by the Jenson and Nicholson Group Ltd, London, and the balance is held by residents. The Company now intends to issue further equity capital to the extent of Rs. 7.5 lakhs and the principals in the U.K. have agreed to issue the entire amount to residents which will bring down the foreign holding in the equity capital of the Company to about 60 percent. Reliable reports indicate that the Government has approved the Company's scheme and the licence, it is expected, will be issued shortly. The demand for paints, enamels and varnishes by the end of 1965 is estimated around 140,000 tons. The third plan target for capacity has been set at 160,000 tons.

Kesar Sugar to Issue Shares

KESAR Sugar Works Ltd, which, as Kesar Industries Ltd, reports encouraging results for the year ended July 1962. Production of sugar as well as of alcohol is up; so are sales and profit. The sugar factory crushed 2.31 million quintals (6.31 million maunds) of sugarcane producing 230,000 quintals (617,000 maunds) of sugar, the corresponding figures for the previous season being 2.11 million quintals (5.81 million maunds) and 211,000 quintals (565,000 maunds). The average rate of recovery was higher at 9.70 percent, against 9.60 percent in 1960-61. The production of alcohol increased from 1 million gallons to 1.1 million gallons. The Company's sales in 1961-62 amounted to Rs. 2.29 crores, against Rs. 2.24 crores in 1960-61, and the gross profit increased from Rs. 14.31 lakhs to Rs. 15.40 lakhs. After providing Rs. 4.28 lakhs (against Rs. 3.95 lakhs) for depreciation and Rs. 5.25 lakhs (against Rs. 4 lakhs) for taxation, the net profit amounts to Rs. 5.86 lakhs, compared with Rs. 6.36 lakhs in the previous year. Allocation to development rebate reserve has been reduced from Rs. 96,000 to Rs. 85,000. The dividend has been maintained at 20 percent, less tax, absorbing Rs. 4.50 lakhs. Preference dividend accounts for another Rs. 91,000. The directors state that the Company would have earned a much higher profit but for the provision of about Rs. 4 lakhs towards the liability resulting from the price-linking formula under which growers are to receive a share in sugar price from the season 1958-59 onwards, and also in the incentives received by the factory.

The industrial licence originally granted to the Company for expanding the crushing capacity of the sugar factory by 900 tons a day has been amended since the directors thought that sufficient cane for the increased capacity might not be available. They have decided to expand the capacity by 400 tons to begin with. The whole scheme, it is expected, will be completed within two years at a cost of about Rs. 34 lakhs. The Company has received a licence for further expansion of the capacity of its distillery to 2.95 million gallons a year, and the directors are considering its implementation. The Company's scheme for the manufacture of sodium hydrosulphite, formalal and other chemicals in Baheri in technical and financial collaboration with A.C.C. (Brother-ton) Ltd, U.K., has been modified and the revised scheme, it is said, has been approved in principle by the Government of India. The directors state that the production and sales of the Company's chemical factory increased slightly during the year, but the results were not satisfactory as the prices of chemicals continued to remain depressed while the cost of production continued to rise.

In view of the expansion of the Company's activities and the consequent need for additional funds, the directors propose to issue equity capital of Rs. 9 lakhs at par. For this purpose, 35,000 unissued equity shares of Rs. 100 each will be subdivided into 70,000 equity shares of Rs. 50 each. Out of these, 18,000 shares will be offered to existing shareholders in the ratio of two shares for every five held. It is proposed to change the name of the Company to Kesar Industries Ltd as the directors feel that the existing name does not properly represent the Company's diverse activities. The necessary resolution to this effect will be moved at the forthcoming annual meeting. The Rs. 50-paid share of Kesar Sugar is currently quoted around Rs. 180 cum-dividend, offering a gross return of about 5.9 percent.

Kolhapur Sugar Diversifying

THE Kolhapur Sugar Mills Ltd has produced satisfactory results for the year ended June 1962. In his statement at the annual general meeting of the Company held recently, the Chairman, Mr. Ramniwas Ramnarain Ruia, has taken an optimistic view of the current working. (A fuller version of the speech was printed in last week's issue of Capital). In 1961-62, the Company produced 269,890 bags of sugar, compared with 316,779 bags in 1960-61. The recovery fell from 12.57 percent to 12.45 percent. The decline in output was due to the 10 percent cut in production enforced by the Government and also because of poor cane supplies. During the current year, the cane crush may be more than 300,000 tons. The distillery has worked satisfactorily, and its output is likely to improve further during the current year. It is hoped to realise a daily capacity of about 7,000 gallons. Production was 731,580.3 gallons in 1961-62. In view of the prospect of a bigger cane supply, the Company has asked the Government for permission to expand capacity.

Referring to the diversification of activity, Mr. Ruia said that the acetic acid plant might be installed by June 1963. The Company had approached the Government for a licence to produce alcohol-based products, such as ethyl acetate, carbon dioxide and dry ice. The adverse effects of the Land Ceiling Act of the Maharashtra Government could be offset if the State Govern-

CAPITAL, 10th January, 1963.

ment ensured an adequate supply of cane to the factories. He did not think that the adoption of the new price-linking formula would help in the improvement of cane quality. As the procedure for enforcing the formula has been defective, mills might be discouraged to buy cane, especially during the earlier and later parts of the sugar season.

Nil from Champaran Sugar

THE results of the Champaran Sugar Co. Ltd for the year ended June 1962 are unsatisfactory. The ordinary dividend has been passed. A dividend of 12 percent, taxable, was paid for 1960-61. Losses on sugar exports, combined with a substantial increase in interest charges following the large accumulation of sugar stocks, have contributed to the loss suffered by the Company during 1961-62. As the crushing season had to be extended, recovery fell from 9.12 percent to 8.66 percent in the case of the Barrah factory and from 9.40 percent to 9.08 percent in the case of the Chanpatia factory. The Barrah factory had a cane crush of 1.4 million quintals, against 1.5 million quintals, while the crush of the Chanpatia factory at 1.5 million quintals showed a slight increase.

Steps have been taken to improve the working of the Barrah factory. It has been decided to produce 7,500 tons of raw sugar at the Chanpatia factory for exporting. Referring to the removal of restrictions on production during the current 1962-63 season, the directors think that the move is belated as the acreage under cane has already declined due to the former restriction on output. The cane supply during the current season may also be affected by floods. Efforts are, however, being made by the Company to obtain additional cane supplies from outlying areas. The loss of Champaran Sugar has amounted to Rs. 9.79 lakhs during 1961-62, after transferring Rs. 2.27 lakhs (against Rs. 1.78 lakhs) to depreciation and Rs. 27.820 (against Rs. 84,644) to development rebate reserve. There was a profit of Rs. 3.58 lakhs in 1960-61. A debit balance of Rs. 9.07 lakhs has been carried forward.

Outlook for Steel and Allied Products

IN their report for the year ended June 1962, the directors of the Steel and Allied Products Ltd mention that the expansion scheme has been completed, but the installed capacity has not yet been fully used due to the shortage of power and unsatisfactory labour conditions. Production has, however, improved and turnover has risen from Rs. 42.77 lakhs in 1960-61 to Rs. 60.20 lakhs in 1961-62. The profit has increased from Rs. 8.47 lakhs to Rs. 8.82 lakhs after transferring Rs. 2.91 lakhs (against Rs. 1.64 lakhs) to depreciation. A taxable ordinary dividend of 15 percent has been maintained on the increased share capital. It is more than three-and-a-half times covered. General reserve absorbs Rs. 1.50 lakhs (the same) and taxation Rs. 4.50 lakhs (against Rs. 3.50 lakhs). The carry-forward is Rs. 22,122, against Rs. 13,899 brought in.

The final instalment of the loan from the Industrial Finance Corporation amounting to Rs. 2.50 lakhs has been received. In order to finalise the expansion in activity, it is proposed to issue further ordinary shares for Rs. 7.50 lakhs. The directors have been negotiating

CAPITAL, 10th January, 1963.

with the foreign collaborators for the production of taps, dies and chasers. It is also intended to manufacture drills and reamers as the Government of India has agreed to issue the licence to the Company for the production of these items. The scheme, it is expected, will be finalised at an early date. As for the current working, the directors take an optimistic view assuming that production is maintained at the present level.

Mysore Kirloskar Does Well

MYSORE Kirloskar Ltd has produced satisfactory results for the year ended June 1962. Turnover rose from Rs. 1.57 crores in 1960-61 to Rs. 1.75 crores in 1961-62. The Company has made good progress in the manufacture of its existing products, but the progress in the manufacture of Capstan and Turret lathes has been hampered by the shortage of imported components. In view of the foreign exchange shortage, this line of production may be difficult to improve in the near future. The Company has declared a taxable ordinary dividend of 12 percent, which is more than one-and-a-half times covered. The profit at Rs. 27.47 lakhs shows a small rise of Rs. 64,000, after increasing depreciation from Rs. 9.35 lakhs to Rs. 11.87 lakhs. Taxation absorbs Rs. 15.95 lakhs (against Rs. 11.30 lakhs). Development rebate reserve is allocated Rs. 1.46 lakhs (against Rs. 4.10 lakhs), debt redemption reserve Rs. 2 lakhs (the same) and general reserve Rs. 20,000 (against Rs. 1.70 lakhs). The carry-forward is Rs. 3,365, against Rs. 3,724 brought in.

Beadwire from National Standard Duncan

A NEW company called National Standard Duncan Ltd has been promoted and formed as a joint venture by the National Standard Company of the U.S.A. and Duncan Brothers and Co. Ltd of Calcutta. The latter will also be appointed the secretaries and treasurers of the new undertaking. The share capital of the venture will be subscribed by the National Standard Company, Duncan Brothers and the public. The foreign collaborator will not be entitled to any royalty or technical know-how fee.

National Standard Duncan will manufacture beadwire for the first time in India. The product is an essential item in the manufacture of tyres and is now entirely imported. The National Standard Company is a well-known manufacturer of various types of wires. The new Indian types of wires will be due course. The factory will be situated in Bombay and may start production early in 1964. Mr. K. P. Goenka, chairman of Duncan Brothers, will be chairman of the new Company.

Kirlampudi Sugar Skips Dividend

THE working of Kirlampudi Sugar Mills Ltd for the year ended June 1962, shows a net profit of Rs. 30,616, after providing Rs. 3.73 lakhs for depreciation and Rs. 14,720 lakhs for development rebate. The previous year's net profit was Rs. 69,217, after providing Rs. 4 lakhs for depreciation and Rs. 38,788 for development rebate. With Rs. 1.10 lakhs

brought forward, the total comes to Rs. 1.41 lakhs which is carried forward.

During the year, the factory crushed 105,147 tonnes of sugarcane and produced 105,080 bags of sugar with a recovery of 10.02 percent. This is the highest so far for any year. Although the recovery has been satisfactory, the Company's profits have not shown any improvement, mainly due to the fall in sugar prices, implementation of the Sugar Wage Board award with retrospective effect from 1st November, 1960, provision for all arrears of depreciation and extra shift allowance for previous years, loss on compulsory exports, high interest charges and increased expenditure under other items. The excess of current assets over liabilities and provisions amounted to Rs. 31.16 lakhs on 30th June, 1962. The directors regret their inability to recommend any dividend from the available surplus

India Forge Makes Progress

THE directors of India Forge and Drop Stampings Ltd say in their annual report for the year ended June 1962 that barring unforeseen circumstances, the Company will start experimental production in about six to eight months. The training of technical and supervisory staff required for the project is mak-

ing progress. India Forge has received a licence for importing the bulk of the required machinery. A major portion of the machinery—both imported and indigenous—is expected to be received according to the original schedule. Some items of imported and indigenous equipment have already arrived at the site. The bulk of the machinery to be supplied by the foreign collaborators, Messrs B. and S. Massey Ltd, is ready for shipment.

The directors state that the Company has secured a licence for expanding the installed capacity of the plant for producing an additional 3,600 tons of steel forgings and drop stampings and 120 tons of non-ferrous stampings. Due to the increased cost of land, steel, building materials, etcetera, and in view of the provision in the layout for further expansion, the total project cost has increased appreciably. The Madras Government has allotted the Com-

THIS IS ONLY AN ANNOUNCEMENT OF INTENTION TO MAKE PUBLIC ISSUE OF SHARES AND IS NOT A PROSPECTUS

PYROTENAX INDIA LIMITED

(Incorporated on the 7th July 1962 under the Companies Act, 1956)
Registered Office: 9 Wallace Street, Fort, Bombay-1.

AUTHORISED CAPITAL:..... 60,000 Equity Shares of Rs. 100/- each **Rs. 60,00,000**
ISSUED CAPITAL:..... 55,000 Equity Shares of Rs. 100/- each **Rs. 55,00,000**

SUBSCRIBED CAPITAL:

(a) Pyrotex Limited, Hebburn, England, have agreed to subscribe for and have been allotted 5,500 Equity Shares of Rs. 100/- each credited as fully paid up for consideration other than cash, namely supply of technical know-how and technical assistance pursuant to the Technical Collaboration Agreement dated 26th November 1962 entered into with them. **Rs. 5,50,000**
(b) The Bombay Company (Private) Limited, Bombay, the other promoters, have subscribed for and have been allotted 6,250 Equity Shares of Rs. 100/- each for cash, on which Rs. 50/- per each Equity Share has been paid up. **Rs. 6,25,000**
(c) The Directors, their friends and associates have subscribed for in cash and have been allotted 7,000 Equity Shares of Rs. 100/- each, on which Rs. 50/- per each Equity Share has been paid up. **Rs. 7,00,000**

RESERVED FOR SUBSCRIPTION:

Pyrotex Limited, Hebburn, England, one of the promoters have agreed to subscribe for and will be allotted 22,000 Equity Shares of Rs. 100/- each credited partly for cash and partly for plant and machinery agreed to be supplied by them pursuant to an Agreement dated 26th November 1962. **Rs. 22,00,000**

NOW OFFERED AT PAR TO THE PUBLIC FOR SUBSCRIPTION IN TERMS OF THE PROSPECTUS: 14,250 EQUITY SHARES OF Rs. 100/- EACH.

(a) Rs. 25/- per share on application;
(b) Rs. 25/- per share on allotment;
(c) balance of Rs. 50/- per share on call to be made subsequently but not earlier than three months after the date of allotment.

BOARD OF DIRECTORS

Name	Address	Description and Occupation
1. Mr. F.W. Tomlinson	Pyrotex Limited, Hedgeley Road, Hebburn, County Durham, England.	Chairman and Mg. Director, Pyrotex Limited, Hebburn, England.
2. Mr. E.S. Vernon-Jones	Wallace Bros. & Co. Ltd., 4, Crosby Square, London E.C. 3	Director of — The Bombay Company (Pte.) Ltd.
3. Mr. G.V. Nath	The Bombay Co. (Pte.) Limited, 9 Wallace Street, Bombay-1.	Director of — 1. The Bombay Company (Pte.) Ltd. 2. The Lakshmi-Vishnu Cotton Mills Ltd.
4. Mr. Jaisinh Vithaldas	Vishnu Villa, Worli Seaface, Bombay-18.	Partner of—Vissanji Sons & Co. Director of—1. Wallace Flour Mills Co. Ltd. 2. The Bank of India Ltd.
5. Mr. C.H. Pardiwala	Crawford Bayley & Co., State Bank Buildings, Bank Street, Bombay-1.	Solicitor and Partner of Crawford Bayley & Co., Solicitors.

It is proposed to purchase an industrial site in Kirkee near Poona, for the erection of the Company's factory.

EXISTING AND PROPOSED ACTIVITIES

The Company has been incorporated with the immediate object of manufacturing and marketing of every kind of mineral insulated metal sheathed cables. Pyrotex Limited, England, who are the leading manufacturers of special types of cables have agreed to subscribe Rs. 27.5 lakhs which will be 50% of the Company's issued capital. Pyrotex Limited are the Technical Collaborators to the Company and have agreed to supply plant and machinery.

DATE OF OPENING AND CLOSING FOR SUBSCRIPTION

The Subscription List will open at the commencement of banking hours on the 21st January 1963 and will close at the closing of banking hours on the 29th day of January 1963 or earlier at the discretion of the Director but not before the close of banking hours on the 23rd January 1963.

FROM WHOM APPLICATION FORMS ALONG WITH COPIES OF PROSPECTUS CAN BE OBTAINED

Copies of application forms and of prospectus can be obtained from the Registered Office of the Company and from the Company's undermentioned Bankers and Brokers.

BANKERS: The Chartered Bank, Chartered Bank Buildings, BOMBAY.
Branch Offices: Calcutta, New Delhi, Madras, Kanpur, Delhi, Cochin, Calicut and Amritsar.
The Bank of India Limited, 70/80, Mahatma Gandhi Road, BOMBAY-1.
Branch Offices: 23-B, Netaji Subash Road, Calcutta; 54, Janpath, New Delhi; 10, Armenian Street, Madras; Thapar House, Kasturba Gandhi Marg, Kanpur; Mahabir Trust Building, Chandni Chowk, Delhi-6; 3/51, Bazar Road, Cochin; Silk Street, Calicut; Hall Bazar, Amritsar; Bhadrar, Ahmedabad; B-4-329, Sultan Bazar, Hyderabad and Pungaliya Bhuwan, Santa Bazar, Indore.

BOMBAY: Dorabji Framji, 59, Apollo Street, Fort, Bombay-1.
MADRAS: Paterson & Co., 22, Errabalu Chetty Street, Madras-1.
CALCUTTA: Place, Siddons & Gough Private Ltd., 6, Lyons Range, Calcutta-1.

pany 10.26 acres in the Ambattur industrial estate, at a distance of 9½ miles from Madras city.

The Company's audited accounts for the year ended June 1962, show a net loss of Rs. 6,518. To this is added the loss carried forward from 1960-61, amounting to Rs. 11,765. The total debit balance of Rs. 18,283 is carried forward.

Parshuram Pottery Pays the Same

DESPITE a modest increase in sales from Rs.70.08 lakhs to Rs. 73 lakhs, the gross profit of Parshuram Pottery Works Ltd for the year ended July 1962 is down from Rs. 16.77 lakhs to Rs. 15.88 lakhs. After providing Rs. 4.31 lakhs (against Rs. 4.39 lakhs) for depreciation and

Rs. 5.25 lakhs (against Rs. 6.05 lakhs) for taxation, the net profit amounts to Rs. 5.17 lakhs, against Rs. 5.73 lakhs in 1960-61. Allocation to rehabilitation reserve has been increased from Rs. 2 lakhs to Rs. 2.25 lakhs, but provision for development rebate is lower at Rs. 26,000, against Rs. 57,466. A sum of Rs. 1 lakh (against nil) has been set aside for dividend equalisation reserve and another of Rs. 50,000 (against nil) have been provided for investment fluctuation reserve. The dividend has been maintained at Rs. 5.36 a share, less tax, absorbing Rs. 1.36 lakhs (the same). After making certain minor adjustments, there remains a balance of Rs. 24,892 to be carried forward, against Rs. 37,499 brought in. The directors state that the Industrial Credit and Investment Corporation of India has sanctioned a loan of Rs. 12 lakhs, of which Rs. 4.75 lakhs is in foreign currency. The Com-

pany's collaboration arrangements with a French firm have been completed and the work on the new project will start soon. It spent Rs. 6.12 lakhs in 1961-62 on new buildings and machinery. The Rs. 25-paid share of Parshuram Pottery is currently quoted around Rs. 59.

New Capital Issues

NINE companies have been authorised to issue capital totalling Rs. 3.33 crores. Of these, eight companies are issuing equity shares and one company is capitalising part of its reserves. One is a new company. The consent in all cases is valid for 12 months. Following are the details:

The Kalyanpur Lime and Cement Works Ltd, Calcutta, will raise capi-

tal of Rs. 76 lakhs. The capital is required for the expansion of the Company's existing cement works in Banjari, Shahabad, district Bihar.

South Bend India Ltd, Madras, will issue equity capital of Rs. 65 lakhs. The money will be used for setting up a factory in Madras State for the manufacture of centre lathes, milling machines, turret lathes and drilling machines, etcetera, in collaboration with South Dend Lathe Incorporated, U.S.A., which will be issued equity shares of the value of Rs. 29,25,000.

The Omega Insulated Cable Co. (India) Ltd, Madras, is issuing equity capital of Rs. 60 lakhs for cash at par. The proceeds will be used for the manufacture of V.I.R. and P.V.C. cables and electric wires in technical collaboration with Wireco Engineering Ltd, Canada.

Assam Small Industries Development Corporation Ltd, Gauhati, will issue equity capital of Rs. 50 lakhs (in addition to Rs. 5 lakhs already issued) to be entirely subscribed by the Government of Assam partly for cash and partly for other than cash for taking over the commercial undertakings of the Industries Department of the State Government.

Galvawire Industries Ltd, Bombay, is to issue capital of Rs. 30 lakhs, divided into 30,000 equity shares of Rs. 100 each for cash at par. The proceeds of the issue will be used for the manufacture of galvanised iron steel wires, etcetera.

Selected Satgram Collieries, Ltd, Calcutta, is issuing 30,000 equity shares of Rs. 100 each to existing shareholders of the Company. The existing paid-up capital of the Company is Rs. 40 lakhs. The capital is required for the development of its collieries in the third plan period.

Franco Malhotra Steel Rolling Mills Ltd, a new Company, will issue capital of Rs. 20 lakhs in 200,000 equity shares of Rs. 10 each. The proposed capital is required for undertaking the manufacture of steel for engineers' files in collaboration with a French firm.

Shree Digvijay Cement Company Ltd, Gujarat, is raising further capital of Rs. 1,50,000 divided into 1,500 equity shares of Rs. 100 each at a premium of Rs. 50 a share. All the shares will be offered to Johns Manville International Corporation, New York, U.S.A. The proceeds of the issue would be used for financing the setting up of an asbestos sheet and pipe factory.

Sri Lakshmi Saw Mills Ltd, Kasaragod, has been allowed to capitalise reserves to the extent of Rs. 46,125 for making existing 2,287 equity shares of Rs. 10 each (50 per cent paid-up) as fully paid-up, by crediting Rs. 5 a share and issuing 3,469 new equity shares of Rs. 10 each as bonus shares to the existing 3,469 equity shares of Rs. 10 each (fully paid-up).

NAMES AND DATES

Mr. Akbar Hydari, managing director of the Western India Match Co. Ltd, has been elected president of the Bombay Chamber of Commerce and Industry for 1963-64. Mr. Hydari is the chairman of Vulcan Trading Company, Atlas Copco (India) and Alfa-Laval. He is a director of the Assam Match Co. Ltd, Ceylon Match Co. Ltd, Associated Bearing Co. Ltd, Kirloskar-A.S.E.A. Ltd, and Facit Asia Ltd. He is, in addition, an executive committee member of the Employers Federation of India and a member of the General Council of Mayo College, Ajmer.

Stocks and Shares

LIMITED TURNOVER IN LYONS RANGE

Wednesday Evening.

THE Calcutta stock market has been quiet during the past week and turnover has shrunk considerably. Business has largely consisted of "squaring-up" deals. The decision of the authorities to relax the restrictions on trading has had virtually no effect. The minimum prices have been removed for some more cash shares in addition to electric company, jute and preference shares for which the minimum prices were removed earlier. There will no longer be any compulsory carryover for Howrah Jute, Jai-pur Udyog, J. K. Rayon and Orient Paper. Hence only six clearing shares will now be subject to the compulsory carryover; earlier, it had been scrapped in the case of eight other clearing shares. Freer trading has been introduced for Indian Iron. Members have been allowed to make fresh purchases of these shares up to a maximum of 6,000. Purchases up to 3,000 shares can be made by paying a margin of Re. 1 a share; a further 3,000 shares can be bought on payment of a margin of Rs. 2 a share. Only those members who have bought less than 10,000 shares will be allowed to make these purchases. Day-to-day jobbing business continues to be prohibited.

As the relaxations have not impressed operators, the settlement on Wednesday has been uneventful. Sentiment has weakened as Lyons Range is inclined to interpret the increase in Bank rate bearishly, although the Reserve Bank has indicated that the rise merely formalises the existing pattern of interest rates. Operators, nevertheless, feel that the increase confirms the impression that a dearer money policy has come to stay. It is quite on the cards that interest rates will harden further in the coming weeks when the pull of the busy season is felt more. In any case, the stock market cannot expect a big flow of funds into stocks and shares. Not only has bank credit become costlier; it has also become more scarce. In fact, many banks have been pressing for bigger margins against share overdrafts.

Political uncertainties have also restrained activity. Until a clearer picture of Sino-Indian relations emerges, operators will be reluctant to enter into fresh commitments. The near-term trend is unlikely to improve because of the prospect of heavier taxation clearly indicated for the next Central Budget (to be presented at the end of February).

Indian Iron have not responded to the relaxation of restrictions on trading. The shares have been freely offered below the minimum price in the kerb market. The Company produced 116,804 tons of pig iron in December 1962, against 107,690 tons in November 1962. The output of steel ingots rose from 85,016 tons to 91,175 tons. But the output of salable steel was 66,444 tons, against 70,218 tons in November. Despatches improved from 79,856 tons to 80,395 tons. Except for scattered support for Jessop, engineering shares have been generally neglected. Although some jute companies have paid excellent interim dividends, support for shares has been limited. Attention has been confined to Dalhousie, Barnagore, Northbrook, Anglo-India and Kanknarrah. Investors have been worried by the

present lull in overseas enquiries for jute goods.

The earlier improvement in miscellaneous shares has not been maintained at the close. Despite the payment of a higher dividend, Angelo Brothers have been neglected due to the discouraging outlook for shellac exports. Among new shares, Hindusthan Twyford and Asiatic Oxygen have attracted attention. Steamship company shares have been depressed by the recommendation of the Congress Parliamentary Party's executive committee to allow an increase in the participation of foreign capital in Indian shipping companies. Calcutta Electric have met with scattered support on prospects of a rise in the "reasonable return" for electric undertakings following the increase in Bank rate. Among paper shares, Sirpur have recovered on influential buying. Tea shares have been freely offered without attracting support, as investors are chary about the border situation.

Selected preference shares and good debentures have been bought because of their attractive yields. Government securities have been dull and quiet. There has been virtually no buyer, except for some official support. Investors are wondering whether the increased Bank rate will push the prices of securities down. The 3 percent Conversion loan 1986 has declined to Rs. 63, at which level the Reserve Bank has been supporting it. Prices of State Government loans have been de-

pressed and buyers have been difficult to locate even by discounting prices.

Tata Steel Output

Messrs Tata Industries Private Ltd, managing agents for the Tata Iron and Steel Company Ltd, report that the approximate production of iron and steel at the steel works in Jamshedpur during December 1962 was: iron 161,800 metric tons; steel ingots 158,200 metric tons and salable steel 128,000 metric tons.

Bombay Market

SHARE PRICES HOLD STEADY

TRADING RESTRICTIONS RELAXED

Wednesday Evening.

THE Bombay stock market has started the new account in a steadier mood. Except for a temporary reaction when the Bank rate rise was announced, share prices have improved, although modestly. In order to help the restoration of normal conditions, the authorities have relaxed the various restrictions on trading. There will be no compulsory carryforward business in 33 clearing scrip and there will also be no fixed carryforward charges for them. When the carryforward charges were fixed

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WORKING FUNDS EXCEED	Rs. 55 Crores
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NO. OF OFFICES	112
SAFE DEPOSIT VAULTS	34

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PRAVINCHANDRA V. GANDHI Managing Director

freely last Friday, they showed a mixed pattern. For some shares, the badla rate was even higher than the 9 percent hitherto fixed by the authorities.

The minimum prices for three shares—Tata Steel, Century and National Rayon—have been reduced. The minimum prices for all non-clearing shares have been removed. Jobbing business has been permitted in cash shares to a limited extent. The extent of fresh purchases in any single scrip has been raised from Rs. 50,000 to Rs. 1 lakh, and purchases worth more than Rs. 50,000 will be subject to a margin of 5 percent. The overall limit of Rs. 2 lakhs on total purchases of all shares continues as before. The authorities have also decided that spot delivery business will be permitted in Tata Steel, Indian Iron, National Rayon and Century without the previous permission of the Stock Exchange president.

In spite of the small improvement, turnover is limited and confined to selected shares. In the cotton mill section, sentiment has taken a turn for the better on reports of improvement in the cloth offtake. Operators are nevertheless inclined to go slow on fears of heavier taxation. Scattered business has been transacted in Tata Steel. In the engineering section, Tata Locomotive have met with support on prospects of a rights issue in the proportion of one new ordinary share for every four held, at a premium of Rs. 50 a share. The funds will be used to finance the expansion of the production capacity for lorries. In motor-vehicle shares, Hindustan Motors and Premier Automobiles have recovered. Business in cotton mill shares has been limited and stray support has been extended to Standard, Kohinoor and Century.

In the miscellaneous section, Bombay Burmah and National Rayon have recovered on short-covering. B. B. Petrol have attracted attention on rumours that the Company may receive compensation on account of second World War damage. Indian Dyestuff and Voltas have recovered on replacement buying. Among new shares, attention has been confined to S. L. M. Maneklal and Permanent Magnets. Electric company shares are steadier on hopes that the "reasonable return" will be increased due to the rise in Bank rate.

Among transactions, Tata Steel have been done at Rs. 123.25, Tata Locomotive at Rs. 295, Hindustan Motors at Rs. 17.36, Premier Automobiles at Rs. 106.50, Century at Rs. 559, Standard at Rs. 785, Indian Dyestuff at Rs. 385, Bombay Burmah at Rs. 636, B. B. Petrol at Rs. 4.28 and Associated Cement at Rs. 151.

Madras Market

TRADING PARTIALLY LIBERALISED PRICES STEADY IN SMALL TURNOVER

Tuesday Evening.

THE Madras stock market has been steady during the past week. Although turnover is small, prices are generally maintained. The increase in Bank rate has had no appreciable effect. The authorities have taken steps to liberalise trading somewhat. The minimum prices for bank and electric company shares have been removed, except in the case of Punjab National Bank. Business in odd lots may now be transacted below the minimum prices.

Government securities are depressed and State Government loans, in particular, have been offered freely at lower rates without attracting

support. Electric company shares have met with selective buying and West Coast Electric have been taken. Sugar shares are neglected; Kirlampudi has declined on a predominance of sellers as the dividend has been passed. In planting, support is confined to Blue Mountain, Consolidated Coffee and Periakaramalai. Mercara has paid a taxable ordinary dividend of 15 percent and Kailas an interim taxable ordinary dividend of 15 percent. Cotton mill shares are dull, and small business has passed in Rayalaseema. Travancore Rayon have reacted modestly. In the miscellaneous section, scattered support has been forthcoming for selected chemical and fertiliser shares. Andhra Scientific has paid a taxable ordinary dividend of 15 percent.

E.I.D. has changed hands at Rs. 40.25, K.C.P. at Rs. 26.12, Blue Mountain at Rs. 2.60, Periakaramalai at Rs. 3.05, Ashok Leyland at Rs. 8.20, India Cement at Rs. 6.42, F.A.C.T. at Rs. 6.85, Seshasayee Paper at Rs. 8, Parry's Confectionery at Rs. 3.95, Textool at Rs. 155.50 and West Coast Electric at Rs. 18.25.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES
Birla—Rs. 29/62—29/81—29/62—29/81—(28/94).
Dunlop Rubber—Rs. 37/62—37/75—36/87—37/25—(39/25).
Guest, Ken, Williams—Rs. 34/45—34/45—34/45—34/45—(39/00).
Hindustan Motors—Rs. 16/78—17/25—16/78—17/19—(20/31).
Indian Aluminium—Rs. 31/75—31/75—31/37—31/37—(37/62).
Indian Copper—Rs. 4/34—4/38—4/30—4/36—(4/74).
Indian Iron—Rs. 22/00—22/00—22/00—22/00—(24/74).
Jaipur Udyog—Rs. 11/00—11/12—11/00—11/00—(11/69).
Orissa Cement—Rs. 15/31—15/31—15/25—15/37—(15/87).
Rohtas—Rs. 12/00—12/00—12/00—12/00—(16/31).
Shree Gopal—Rs. 23/25—23/25—23/25—23/25—(26/12).

GOVERNMENT SECURITIES
3 % Loan (1986)—Rs. 63/00—63/00—63/00—63/00—
3 % „ (1963-65)—Rs. 99/00—99/00—99/00—99/00—
4 % „ (1972)—Rs. 99/00—99/00—99/00—99/00—
4 % „ (1979)—Rs. 98/30—98/30—98/30—98/30—
4½ % „ (1985)—Rs. 100/05—100/05—100/05—100/05—
4½ % Bihar (1974)—Rs. 96/30—96/30—96/30—96/30—
4½ % Orissa (1972)—Rs. 95/10—95/10—95/10—95/10—
4½ % Orissa (1974)—Rs. 96/40—96/40—96/35—96/40—
4½ % U.P. (1974)—Rs. 96/40—96/45—96/30—96/30—
4 % Madras (1968)—Rs. 97/18—97/18—97/18—97/18—
4½ % „ (1974)—Rs. 96/35—96/35—96/35—96/35—

BANK
United (Rs. 10 Paid)—Rs. 7/81—7/81—7/81—7/81—
TEXTILES
Basanti—Rs. 14/00—14/25—13/50—14/00—
Bowreah (A' Pref.)—Rs. 114/00—114/00—114/00—114/00—
Elgin Mills—Rs. 19/94—19/94—19/94—19/94—
Jay Shree—Rs. 16/25—16/25—16/25—16/25—
COALS
Analgamated—Rs. 22/75—23/12—22/75—23/12—
Central India—Rs. 10/00—10/12—10/00—10/12—
Equitable—Rs. 25/62—25/62—25/62—25/62—
Pench Valley—Rs. 18/50—18/50—18/37—18/50—
JUTES
Alliance (Pref.)—Rs. 68/00—68/00—68/00—68/00—

Anglo-India (Pref.)—Rs. 91/50—91/50—91/50—91/50—
Barnagore—Rs. 186/00—188/00—185/00—188/00—
Champdany—Rs. 140/00—140/00—140/00—140/00—
Dalhouse—Rs. 134/00—138/00—134/00—138/00—
Do (Pref.)—Rs. 87/50—87/50—87/50—87/50—
Delta—Rs. 179/00—179/00—179/00—179/00—
Ganges—Rs. 14/00—14/06—14/00—13/87—
Gourepore—Rs. 467/00—468/00—467/00—468/00—
Hukumchand (Pref.)—Rs. 91/00—91/00—91/00—91/00—
India—Rs. 18/12—18/12—18/06—18/12—
Kankarnarah—Rs. 135/00—136/00—135/00—136/00—
Kelvin—Rs. 175/00—185/00—175/00—185/00—
Kinnison (Pref.)—Rs. 91/00—91/00—91/00—91/00—
Lawrence (1st Pref.)—Rs. 87/50—87/50—87/50—87/50—
Meghna—Rs. 13/56—13/69—13/56—13/69—
Naihati—Rs. 101/50—102/50—101/00—101/00—
New Central—Rs. 13/69—13/81—13/44—13/81—
Presidency—Rs. 5/19—5/25—5/00—5/06—
Reliance—Rs. 6/94—7/12—6/75—6/75—
Union (Pref.)—Rs. 91/00—91/00—91/00—91/00—

CEMENT
Ashoka Cement—Rs. 7/87—7/87—7/87—7/87—
Bengal Potteries—Rs. 5/94—6/00—5/87—6/00—
Dalmia Cement (Bharat)—Rs. 13/81—13/81—13/25—13/25—
Do (Pref.)—Rs. 8/62—8/62—8/56—8/56—
Sone Valley—Rs. 4/44—4/56—4/44—4/56—
MINING
Karanpura Development—Rs. 12/25—12/25—12/25—12/25—
CHEMICALS
Alkali & Chemical—Rs. 39/37—39/50—39/12—39/12—
Katoria Chemical—Rs. 4/00—4/00—4/00—4/00—
ELECTRIC
Calcutta Electric—Rs. 14/37—14/44—14/31—14/37—
Do (Pref.)—Rs. 8/31—8/44—8/31—8/44—
ENGINEERINGS
Bhartia Elec. Steel—Rs. 13/75—13/87—13/75—13/87—
Binani Metal—Rs. 10/87—10/94—10/87—10/87—
Braithwaite & Co.—Rs. 35/00—35/00—35/00—35/00—
Britannia Eng.—Rs. 10/50—10/62—10/28—10/69—
Dalmia Iron—Rs. 11/87—11/87—11/87—11/87—
Indian Iron & Steel (Pref.)—Rs. 84/00—84/00—84/00—84/00—
Indian Standard Wagon—Rs. 30/50—31/50—30/50—31/50—
Industrial Containers—Rs. 22/00—22/00—22/00—22/00—
Jay Engineering—Rs. 24/25—24/25—24/25—24/25—
Jessop & Co.—Rs. 22/50—23/31—22/37—23/12—
Kumardhubi Eng.—Rs. 7/50—7/62—7/50—7/50—
Do (Pref.)—Rs. 68/00—68/00—68/00—68/00—
Saran Eng.—Rs. 11/50—12/00—11/12—11/12—
Textile Machinery (6½ Pref.)—Rs. 99/25—99/25—99/25—99/25—
INSURANCE
Triton Insc.—Rs. 131/00—131/00—131/00—131/00—
MISCELLANEOUS
Aluminium Corp.—Rs. 15/12—15/12—15/12—15/12—
Asiatic Oxygen—Rs. 9/50—9/56—9/31—9/37—
Associated Battery—Rs. 28/50—28/62—28/25—28/25—
British India Corp.—Rs. 9/50—9/56—9/50—9/56—
British Paints—Rs. 19/81—19/81—19/81—19/81—
Duncan Brothers (Pref.)—Rs. 56/00—56/00—56/00—56/00—
Electric Construction—Rs. 13/50—13/50—13/50—13/50—
Gillanders—Rs. 14/06—14/06—14/00—14/00—
Goodyear India—Rs. 39/75—40/06—39/75—39/87—
Hindustan Aluminium—Rs. 13/81—14/44—13/56—13/62—

CAPITAL, 10th January, 1963.

Hindusthan Twyford—Rs. 15/75—15/75—15/75—15/75—
Hindusthan Wire Products—Rs. 15/62—15/62—15/62—15/62—
Hindusthan Development—Rs. 5/06—5/06—5/06—5/06—
India Carbon—Rs. 24/25—24/25—24/25—24/25—
Indian Oxygen—Rs. 31/00—31/00—31/00—31/00—
Isaac Holdens—Rs. 15/56—15/69—15/50—15/69—
Jardine Henderson—Rs. 72/50—73/25—72/50—73/25—
Kesoram Industries (2nd Pref.)—Rs. 89/00—89/00—89/00—89/00—
Martin Burn—Rs. 30/25—30/25—30/00—30/00—
Metal Distributors—Rs. 4/87—5/12—4/87—5/12—
National Insulated Cable—Rs. 25/06—25/12—25/00—25/12—
National Rolling & Steel Ropes—Rs. 20/30—20/37—20/30—20/37—
National Rubber—Rs. 11/81—11/81—11/81—11/81—
Rohtas Ind. 'B' (Pref.)—Rs. 52/00—52/00—52/00—52/00—
Shaw Wallace—Rs. 19/87—19/94—19/87—19/87—
Sirsilk—Rs. 8/75—8/81—8/75—8/81—
Union Carbide—Rs. 43/62—43/62—43/62—43/62—
Walford (Ord.)—Rs. 3/37—3/37—3/37—3/37—
OIL
Indo-Burma Petroleum—Rs. 25/44—25/94—24/87—24/87—
SAW MILL
Assam Saw—Rs. 2/84—2/87—2/84—2/87—
PAPERS
Ballarpore Paper—Rs. 17/62—17/62—17/56—17/56—
Bengal—Rs. 32/56—32/56—32/25—32/31—
India Paper Pulp—Rs. 18/94—19/00—18/81—19/00—
Shree Gopal Paper (2nd Pref.)—Rs. 97/50—97/50—97/50—97/50—
Sirpur—Rs. 11/87—12/18—11/87—12/18—
Titagbur—Rs. 20/56—20/56—20/44—20/44—
SHIPPING
India Steamship—Rs. 6/31—6/44—6/25—6/34—
SUGARS
Bharat—Rs. 14/00—14/00—14/00—14/00—
Dyer Meakin Brew.—Rs. 29/62—29/62—29/62—29/62—
Carew & Co.—Rs. 12/37—12/44—12/37—12/44—
Rannugger Cane—Rs. 30/37—30/37—30/37—30/37—
United Provinces Sugar—Rs. 10/62—10/62—10/62—10/62—
TEAS
Hathikihira—Rs. 9/44—9/44—9/44—9/44—
Nagaisur—Rs. 169/50—169/50—169/50—169/50—
Rydak—Rs. 27/31—27/31—27/31—27/31—
DEBENTURE
6½ Dunlop Rubber Debs.—Rs. 100/50—100/50—99/50—99/50—

London Market
LEADING INDUSTRIALS RISE
GILT-EDGED DULL
London, 9th January.
THE past week witnessed varying trends in the stock market. It resumed after the New Year holiday on a firm note, following the Chancellor of the Exchequer's move to stimulate the economy by reducing purchase tax on a number of articles. Just as they were returning to subdued conditions again there was a further and more marked advance in response to the cut in Bank rate to 4 percent which followed the good December gold figures. This gave the market its busiest Monday for some months, but the advance was then halted by the Russian broadcast on the Berlin situation. New Common Market uncertainties were a restraining influence. It was equities that received most support and gilt-edged faded out of the picture. Most leading industrial equities showed good gains on the week, but best prices were not always held.

CAPITAL, 10th January, 1963.

New Delhi

PLANNING COMMISSION DISCUSSES GAP IN RESOURCES

(FROM OUR NEW DELHI CORRESPONDENT)

THE Planning Commission recently had a preliminary discussion on the resources for the 1963-64 plan. It found a sizeable gap between the resources, as estimated by the Central Ministry of Finance, and the so-called minimum demanded by the Planning Commission. Mr. Pitambar Pant made a thought-provoking study of resources. He referred to taxes which were affecting production or had already reached the limit of diminishing returns. The meeting felt the impact of pressure groups, which were lobbying to maintain the progressively increasing but in-essential expenditure. The Prime Minister, Mr. Nehru, is understood to have told the meeting that India herself should shoulder the burden of implementing the plan, whatever the sacrifices. Meanwhile, deficit financing is becoming inescapable, although it may lead to inflation. If the price line has been held so far, it is due to consumer resistance.

The Commission wants Rs. 900 crores for implementing the 1963-64 plan, against a little over Rs. 700 crores which the Central Ministry of Finance estimates it can raise. Much will, however, depend on the size of the defence budget. In the last analysis, both civil and defence expenditure will have to be financed by the taxpayer. Since the defence budget is irreducible, the size of the plan will depend on the availability of funds—both existing or potential—which could be made available after meeting defence requirements and without overstraining the economy. But the core of the third plan, including industries such as power, transport and agriculture as well as defence industries, will have to be accorded the highest priority.

The total amount of external aid for the third plan is still undisclosed. The aid-giving countries, such as the U.S.A. and the U.K., are faced with numerous problems. The defence aid which is now demanded by India will have to come from the same pool from which development aid is offered. While India's defence needs are being discussed, the Government has urged the aid-giving countries to indicate the maximum amount they can offer for the development programme during the next three years and for 1963-64 in particular.

The standing committee of the National Development Council will meet here on 18th January, when a fuller picture of the plan and resources to implement it should be available.

ALLOY STEEL

Tenders being Examined

Tenders for the 50,000-ton alloy steel project in the public sector are being examined by the Central Ministry of Steel, it is learned. Enquiries show that the Japanese tender is the lowest. The Japanese have made two offers, both in the nature of package deals. One tender is based on the project report, while the other is for a modified scheme. These tenders are believed to have a bargaining cushion. The Japanese tender is given by the Japan Consulting Institute.

Two feasibility studies—one by Hindustan Steel and the other by

Dastur and Company—are being made for steel plants proposed to be set up in the fourth plan period. Dastur and Company has undertaken the study for a plant in the Goa-Mysore region and Hindustan Steel in the Bailadilla area in Madhya Pradesh. In both areas, coal supply is the main problem. The studies are expected to be completed by the middle of 1963. The fourth plan steel target is now placed at 18 million tons.

SHIPPING

Foreign Collaboration

The executive committee of the Congress Parliamentary Party, at its meeting last week, decided to suggest amending the Merchant Shipping Act, in order to increase the permissible percentage of foreign collaboration in shipping undertakings from 25 percent as at present to 40 percent. The proposal is intended to increase the tonnage on the Indian register, particularly during the present emergency, which has created shortages of both rupees and foreign exchange.

CEMENT

Raising Output

The Government of India, in consultation with the Planning Commission, has decided to maximise the production and availability of cement. It proposes to do this by maintaining the present throughput of 90 percent of the existing units, by accelerating the commissioning of the new units already licensed, and by expanding the existing units wherever possible. It has, however, been made clear that the Government will not permit the import of complete cement plants in the future. Side by side, steps are being planned to reduce the consumption of cement by lowering the standards and specifications for ordinary buildings.

TECHNICIANS

Reducing Training Courses

The Production Committee of Secretaries, dealing with manpower, has recommended the acceleration of technical training of engineers, telecommunication and medical personnel, etcetera. It has suggested the reduction of the duration of the course by cutting down holidays and by working training schemes on the basis of a two shift system. Another committee, which is examining the question of increased and improved production, has decided to send productivity teams to some public and private sector undertakings in order to raise production both quantitatively and qualitatively.

NATURAL GAS

Talks on Transport

Mr. A. C. Geddes has arrived here and is discussing with officials concerned the new process for transporting natural gas. He claims that he can bring natural gas from the Persian Gulf in special tankers to India at a cost cheaper than that of crude. Natural gas, among other things, can

planned in four phases. During the first phase, the production of lathes, planers and radial drills is expected to be taken up. The manufacture of other types of machines will be taken up in the next two phases. The interval between the consecutive phases will be one year. The maximum output is expected to be reached two years after the starting of production of different phases. It will thus be seen that the maximum production of the factory, namely, Rs. 8 crores to 9 crores, will be achieved only after the conclusion of the third five year plan. An output target of about Rs. 3 crores has been tentatively fixed for 1965-66.

PRAGA TOOLS

Production Plan Outlined

In March 1961, the Government of India entered into an agreement with C.E.K.O.P. of Poland for the design and supply of some complete plants. The foreign exchange expenditure for further expansion of the Praga Tools Corporation under the scheme was estimated at Rs. 1.5 crores, out of which Rs. 1 crore was set apart from the Polish Government credit. The rupee expenditure was estimated at about Rs. 1.5 crores, excluding working capital. The tentative production programme under the proposed Polish collaboration will be as follows:

Machine tools	Annual Production in the first stage (by 1962)	Annual Production in the second stage (by 1966)
	Nos.	Nos.
Universal lathe	240	720
Bench lathes	240	480
Milling machines	300	420
Bench drills	720	1200
Column drills	180	360
Tool and cutter grinders	240	360
Tapping machines	60	120

DEFENCE EFFORT

More Technicians Needed

The Central Minister for Economic and Defence Co-ordination, Mr. T. T. Krishnamachari, has appealed to employers "to release liberally engineers and other technical personnel who volunteer their services for the defence of the country". Mr. Krishnamachari has urged employers to give an assurance to employees that their emoluments and service conditions will not be affected if they join the defence forces. The following is the full text of his appeal: "The Chinese aggression on India has created problems demanding unstinted effort and sacrifice on the part of the whole nation. An urgent and crucial need that has arisen is for technical manpower. To meet the increasing defence needs, our defence forces and defence production establishments need engineers, technicians and skilled craftsmen as also doctors and other medical personnel in substantial numbers.

"The Government of India has, therefore, decided that doctors, engineers and other technical personnel employed under them should be freely permitted to apply for the defence services during the present emergency, save only in cases where their release is likely to come in the way of essential production or the efficient functioning of an essential service. Orders have also been issued protecting the service lien, civil pay, seniority and other service interests of Government servants joining military service. Certain leading firms in the private sector, I am happy to note, have offered similar encouragement to their technical personnel who apply for defence services by permitting retention of lien and seniority on their jobs, protection of their pay in the company by making up any difference between their civil and military

Capacity of Ranchi Plant

A decision is expected shortly concerning the heavy machine tool project in Ranchi to be constructed with Czechoslovak collaboration. The total planned capacity of the plant is 10,000 tons a year, including the production of special accessories and spare parts. The annual output of complete machine tools will be 7,000 to 10,000 tons when full production is achieved. The production programme is

pay and continuance of participation in annual bonus.

"I appeal to all employers to release liberally, wherever they can do so without impairing essential production, engineers and other technical personnel who volunteer their services for the defence of the country and assure them the necessary protection of emoluments and service interests for the purpose."

MOSCOW

Indian Exhibition Planned

The Government of India has decided to hold an Indian exhibition in Moscow in June-July 1963. The exhibition is being organised to present to the Russian public the progress that India has made during the past 15 years, opportunities for future

development and the part that the Russian economy can play in this country's development. Raw material and semi-processed and manufactured goods, which India can export to Russia, are proposed to be displayed. Apart from display and visual publicity, information on quality, specification, price range and the terms of trade of the goods on display along with full addresses of exporters will be provided at a special counter at the exhibition. An advisory committee has been set up in connection with the organisation of the exhibition.

NEWSPRINT

Restriction on Use

According to an amendment to the newsprint control order, no consumer

—other than a publisher of textbooks or books of general interest—shall use any kind of paper other than newsprint except with the permission, in writing, of the Controller of Newsprint.

WEST BENGAL

Techno-economic Survey

Early in 1959-60, the National Council of Applied Economic Research undertook the techno-economic survey of West Bengal at the State Government's request. The objective of the survey was to make an appraisal of the material and manpower resources available within the State and to outline a programme for their effective utilisation and for ensuring a rapid development of the State's economy during the decade 1961-71. Although

the State enjoys the highest per capita income among all the States of the Indian Union, the distribution of incomes is highly uneven, and masses of people live in poverty. The majority of the people do not earn enough to assure themselves of a reasonable standard of living in terms of elementary human comforts. Unemployment and under-employment are widespread.

Agriculture is the main occupation of the people of West Bengal. The heavy pressure of population on arable land, coupled with conditions of backward technology and organisation, has resulted in severe under-employment and low output an engaged person. Increased intensity in agricultural operations, expansion of animal husbandry, fish culture, and sericulture, may provide some additional employment. Nevertheless, extensive employment opportunities could be provided in the rural areas only through an intensive industrialisation programme. The secondary sector comprising industries, mining, and power is the key sector of growth. But this sector supports a low-income segment of small cottage establishments which have been continuing for ages with almost stationary techniques of production. In the process of accelerated development, this segment might be a drag on growth, unless it is modernised and production techniques are considerably improved.

Although the State had many years of early start in its industrialisation programme, economic growth could not gather momentum due to lack of integrated and planned development among various sectors of the economy and of the State as a whole. There is extreme regional polarisation of industrial development in the State. Except for Calcutta and its surroundings, the Asansol-Durgapur region, and the tea districts of Jalpaiguri and Darjeeling, industrial development has not made much progress in other parts of the State. On account of the continuous agglomeration of industries, Calcutta with its limitation of space, severe strain on transport facilities and civic amenities, has reached almost a state of saturation. In the interests of both balanced regional development and a faster rate of growth, it is necessary to effect a planned dispersal of industries over a wider region.

West Bengal holds a premier position in the field of power development among the States. But there is a striking regional unbalance in power development which is in accord with the regional lack of balance in industrial development. Whether catering for more civic amenities, or for dispersing industries in outlying semi-rural and rural areas, it is essential to provide adequate facilities for generation and transmission of power to serve the vast deficient areas of the State. Transport facilities are better in some aspects in West Bengal than elsewhere in India. But the available facilities are at present under severe strain and require to be considerably expanded to handle the ever-increasing traffic in and around the State. It is, therefore, essential to prepare a programme for reducing congestion in old areas, and to provide a transport network to link up the areas of industrial and urban growth and arrange expanded facilities of rural communication to achieve a full integration of the economy.

On the basis of appraisal of resources, the National Council has suggested a programme of development for the next decade, 1961-71, which will require an investment of Rs. 2,000 crores. This investment, which may be necessary for achieving the projected overall rate of growth of 7.4 percent, is undoubtedly high; all that is stated is that the rate of

growth is technically and economically feasible, and that it is a worthy goal to be kept in view.

Sectorwise, out of the total investment of Rs. 2,015.5 crores, the primary sector will account for Rs. 129.2 crores or 7 percent, the secondary sector Rs. 1,150.5 crores or 57 percent and the tertiary sector Rs. 735.8 crores or 36 percent. In the primary sector, agriculture—including sericulture—accounts for Rs. 86.1 crores, that is, 65.8 percent of the total investment. Most of this will be for irrigation, drainage, flood control, and land reclamation. An investment of Rs. 14.5 crores is allotted to animal husbandry, for better breeding and improved veterinary facilities, Rs. 6.1 crores for the development of forests, comprising new plantation, farm forestry, rehabilitation of degraded forests, improvement of the communication system, soil conservation, etcetera. For fisheries, an investment of Rs. 22.5 crores is allotted.

About 68 percent of the total investment on the secondary sector (Rs. 1,150.5 crores) is set apart for the development of factory industry: most of the investment will be on metallurgical, metal-based, chemical, and forest-based industries. Some metallurgical and chemical industries are anticipated in the Asansol-Durgapur area and resource-based industries in the Jalpaiguri-Siliguri area. The main objective of industrial planning is a wide regional dispersal of industries. For the development of minerals, almost the entire investment of Rs. 126 crores will be devoted to the mining and development of coal which is of major importance to the State and the national economy. For sustained industrial progress, power development, mostly thermal, deserves special attention; so an investment of Rs. 320 crores has been proposed for the large-scale expansion of power facilities.

In the tertiary sector, an investment of Rs. 300 crores is proposed for transport and communications, and Rs. 435.8 crores for social services. The investment under transport will be mainly on roads and road transport, railways and ports.

Of the total investment of Rs. 2,015.5 crores, the State's share will be about Rs. 644.9 crores. In other words, the latter will have to find resources of this order during the next decade. But the amount that the State Government could make available for plan investment during 1961-71 works out to Rs. 243 crores. The anticipated gap of about Rs. 401.9 crores needs to be bridged by additional efforts on the part of the State Government, as well as from Central assistance, so that the entire programme may be fulfilled within the next ten-year period.

The development programme suggested in the report will result in a 7.4-percent annual rate of growth in the next decade. This should be considered as a desirable goal, although it may be difficult to attain. The per capita income, it is also expected, will increase at an average rate of 3.7 percent a year. Compared with the past standards, this is a much higher rate of rise for the State. Out of the additional net output of Rs. 747.1 crores expected during the next decade, 17 percent will originate in the primary sector, 42.5 percent in the secondary sector, and 40.5 percent in the tertiary sector.

IMPORT TRADE

O.G.L. for Pakistan

The Central Government has issued an open general licence granting permission to import from Pakistan five items produced or processed in that country. The items are: live tortoise; fish (not otherwise specified); fish (salted wet); hides and skins (raw or

salted); and kapok. The O.G.L. will be valid up to 20th March, 1963, and is subject to the condition that goods are shipped or despatched on through consignment to India. The payment for imports of two of the items, namely, live tortoise and kapok under the O.G.L. will be made in non-convertible Indian rupees as provided for in the trade agreement between the Governments of India and Pakistan.

AVIATION

Developing Civil Aerodromes

The Central Ministry of Works has created a special division of the Central Public Works Department to develop and strengthen civil aerodromes in Bihar, Uttar Pradesh, West Bengal and Maharashtra. The whole project will be completed within six months at a total cost of Rs. 12 crores.

RURAL SAVINGS

N.C.A.E.R. Study Proposed

The National Council of Applied Economic Research will be conducting a savings survey in rural areas during the first four months of the current year. About 9,000 rural households in 320 villages all over India will be interviewed by the Council's investigators. The study will, for the first time, provide a complete picture of the financial condition of rural families, based on a large and scientifically selected sample of households.

One purpose of the survey is to collect data which will be useful in revising the country's statistical estimates of income, saving, and investment. The rural household saving survey is the third in a series of studies undertaken by the Council directed towards this end. One of the earlier studies was concerned with the estimate of aggregate saving of the country during 1949-58 on the basis of available records and data. The second was a savings survey in urban India based on a household survey. The present survey of saving in rural India will round off the Council's studies of the financial situation of the household sector—an area where adequate data are particularly lacking. Yet the household sector is responsible for about 80 per-

cent of saving in India, with the Government and corporations accounting for the remainder. More precise information is indispensable for effective economic planning and mobilisation of saving.

A second purpose of the survey is to throw light on the economic, social and motivational factors which lead some households to save, while others with similar incomes not to save. Thus a better understanding of the savings habit among different types of rural households is expected to result from the survey.

MOPEDS

Demand Prospects Assessed

The National Council of Applied Economic Research recently took up a study to assess the demand for mopeds on the basis of a consumers' preference study in four selected towns as well as on the available statistical data on urban population, employment, salary earners, etcetera. Results of the study show that a large unsatisfied demand exists for

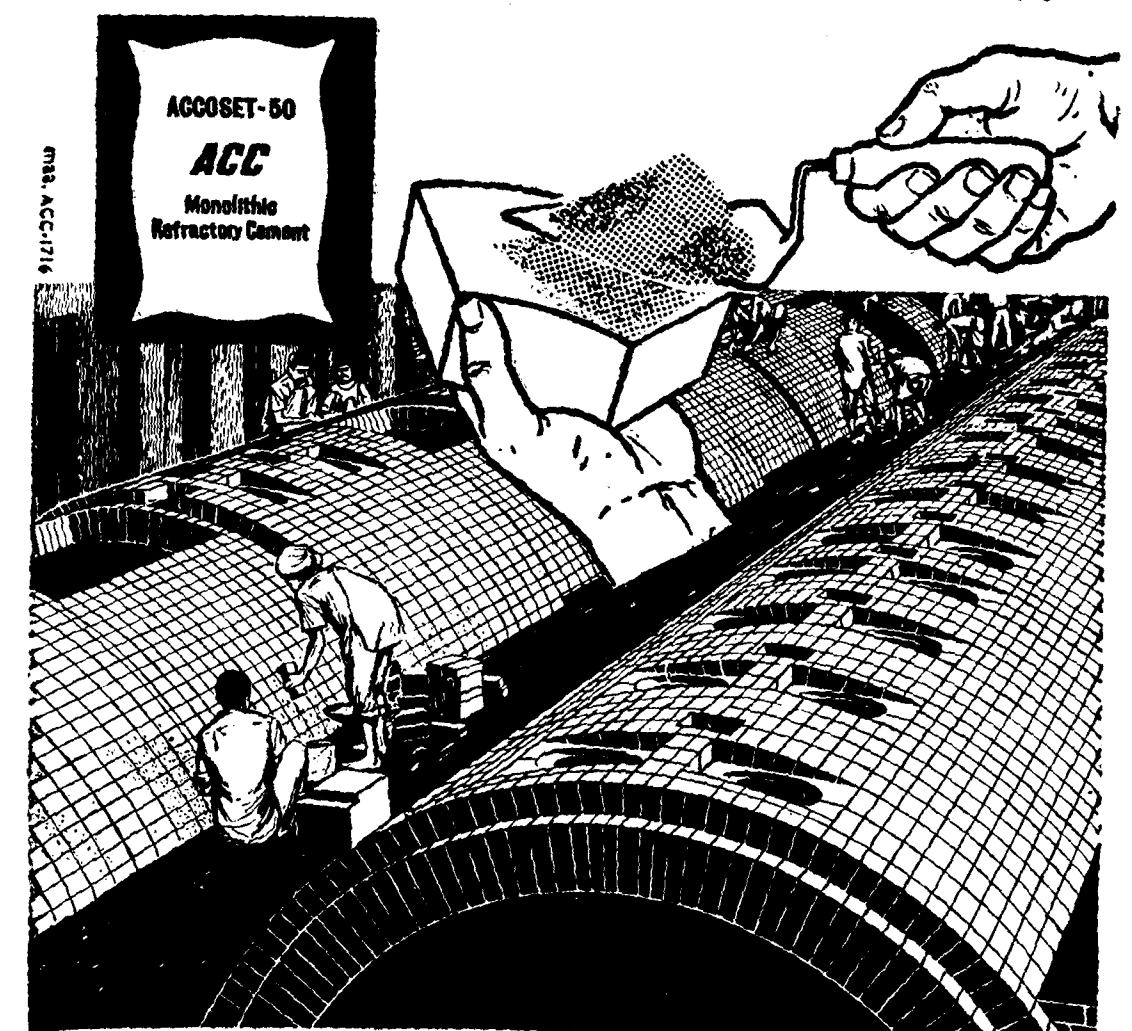
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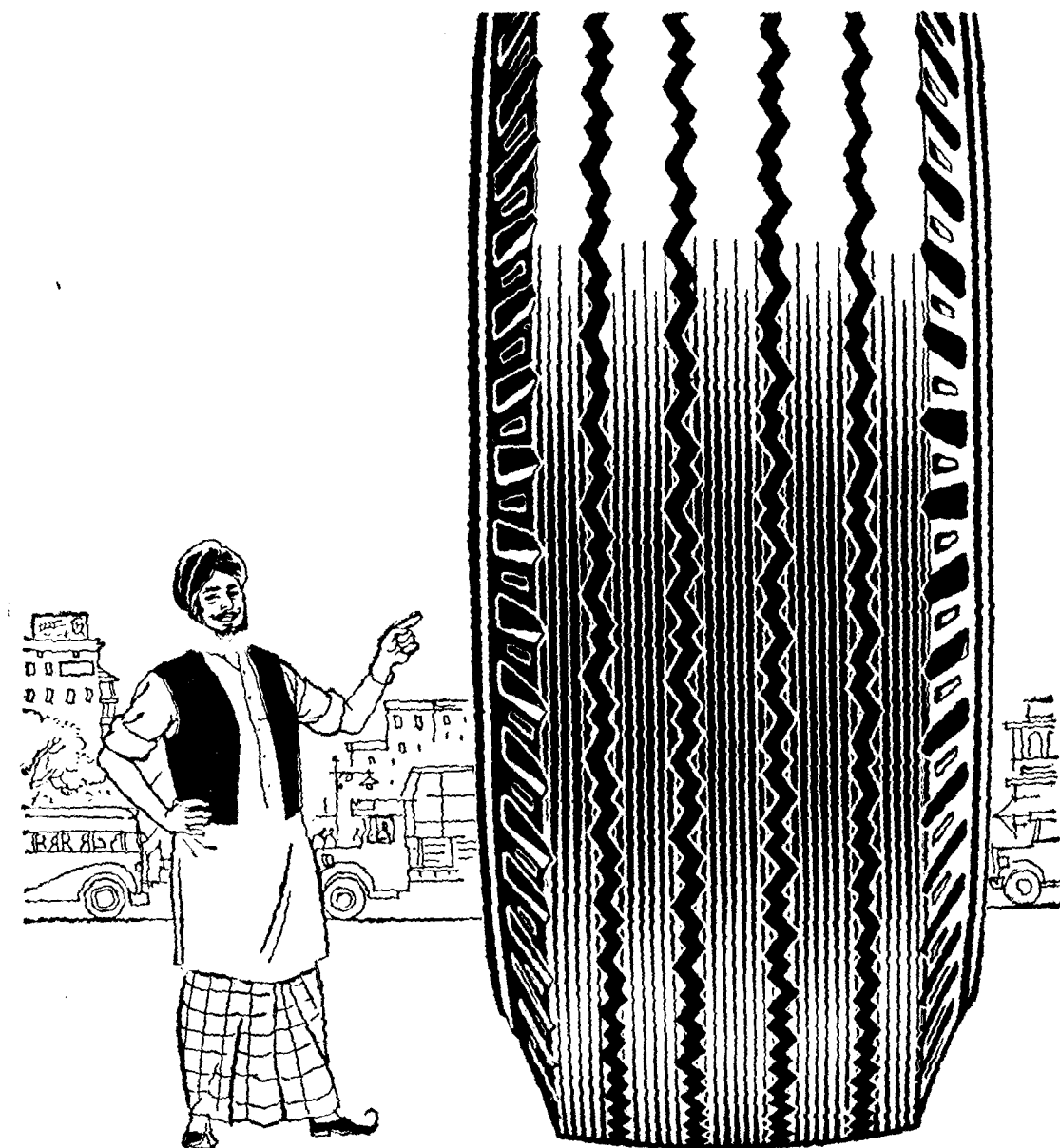
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mopeds. Looking a little more into the future, on the basis of the anticipated rise in the urban population and urban income, it has been estimated that annual production of mopeds has to reach at least 60,000 numbers by 1965-66 if the needs of the people have to be met. Results of the study also make it clear that the Government should encourage the industry in a big way, particularly, as its product caters to the need of lower middle income groups falling in the income range of Rs. 200 to Rs. 500 a month.

F.B.I.

Kipping in India

The Director-General of the Federation of British Industries, Sir Norman Kipping, is visiting India for a month. Sir Norman, who paid similar visits in 1957 and 1959, will discuss with the Indian authorities current problems of the F.B.I. members' business in India. He will exchange views with the Government, industrial and trade circles in India on general matters of common interest, and make an appreciation of the outlook with a view to preparing a report. In an extensive tour, Sir Norman will visit Calcutta (from 11th January), Durgapur (on 12th January), Madras (from 16th January), and Bombay (from 19th January), returning to Delhi on 23rd January. He will leave for London on 5th February. Sir Norman will address chambers of commerce, visit industrial centres, and talk with business and trading groups all over the country.

POWER

Two Committees Appointed

The Government of India has appointed two committees to undertake surveys of electrical power and other energy resources of India separately. Terms of reference of the electrical survey committees are the following:

In the light of the prospective demands for power by States, regions and categories of consumers to be expected by March 1971, the committee will consider appropriate measures required to meet such demands. The committee, in particular, will consider the following for the said period:

(a) Development of power resources: (i) hydro-electric, (ii) thermal (this includes coal, lignite, oil and gas) and (iii) atomic energy. The committee will make recommendations on the phasing in which these should be brought into use progressively.

(b) Fuel for thermal power stations: the availability of fuel, best location and sizes of plants. The fuel to be considered are coal, oil, gas and atomic energy.

(c) The outline plan for regional and all-India grids and dovetailing (in relation to both timing and potential) of hydro-electric, thermal, and atomic energy stations into a grid with recommendations for appropriate voltage levels.

(d) Survey of local production of generation, transmission and distribution equipment, consideration being given, among other things, to capacities of equipment and possibilities of standardisation. In this connection, the committee will make a review of facilities available for the transport of equipment and make appropriate recommendations.

(e) Investments necessary in generation, transmission and distribution, split up to the extent possible, on an annual basis.

(f) Necessary imports giving due allowance to existing and recommended local production. The extent of standardisation might also be

indicated so as to permit bulk purchase.

(g) Requirements of skilled manpower for construction, operation and maintenance of power systems.

The committee will also consider the organisational pattern for power surveys in future. The committee will also recommend on organisational and financial matters bearing on power development, with particular reference to (i) the adequacy of existing electricity supply legislation in the light of past experience and future development as well as (ii) electricity tariff and financial policies.

The terms of reference of the energy survey committee are the following: The energy study should cover present and prospective demands and supplies, both total and in relation to all constituents of energy on a national, regional and sectoral basis. The committee is expected to provide the Government of India the basic material for developing resources energy up to 1981. In making this study, the committee will consider, among other things, the use of energy in rural areas.

SOUTH INDIA

Energy Demand Assessed

The National Council of Applied Economic Research has published a study of the demand for energy requirements of the four southern States of Andhra Pradesh, Kerala, Mysore and Madras, both individually and regionally. It has made an assessment for the period up to 1976, based on known and contemplated developments in industrial and other sectors.

Chapter I of the study deals with the all-India situation. The most disturbing factor in India is the difference between supply and effective utilisation of energy. Eighty percent of energy available to the Indian economy is wasted; only 20 percent is "converted to work". In the case of non-commercial fuels, 85 percent is wasted. Fuel used in the transport sector is particularly "inefficient". Steam locomotives consume only a third of India's coal, but the net output is equivalent to 41 percent of the total calorific value of coal used.

Viewed in the light of current practices, the outlook is depressing. Energy—instead of serving a handmaid of development—has become a burden on the Indian economy. The industrial backwardness of the southern region is evident from the lower percentage of commercial energy exploited and used. Even the resources available in the region have not been fully used. The region has been a net importer of commercial energy from other States and abroad, imports being nearly 150 percent of the regional output, against 20 percent for the country as a whole. The following features, according to the N.C.A.E.R., deserve special attention:

(i) The contribution of hydro-electric power in the southern region is much higher than that for all-India. Nevertheless, it constitutes only 10 percent of the total commercial energy consumption and 1.2 percent of all energy consumption in the south.

(ii) Surprisingly, petroleum products contribute a larger share in the southern region, being nearly 47 percent of commercial energy.

(iii) The share of coal is much less in the south than for the other regions of the country.

The bulk of the energy consumed in the southern region goes to the domestic sector and 97 percent of this energy is obtained from non-commercial fuels. "It is necessary to arrest this trend in the consumption of non-commercial fuels in the domestic

sector, to relieve the intensity of the pressure on the land resources by the removal of valuable organic material essential to plant growth." The problems of such substitution and the consequent demand on commercial fuels for the various quinquennial periods up to 1976 have been assessed in the study.

The development potential in all the four States, in the field of both agriculture and industry, is high. In the light of these anticipated developments, the energy position emerges as follows:

	Actual demand in 1959	Estimated demand in 1976
Coal fuels (million tons)	23.6	79.5
Petroleum products (million tons)	1.8	5.2
Electricity (billion kWh)	1.8	5.2
Total	5.4	55.9
Hydro	1.3	23.7
Thermal	4.1	32.2
Non-commercial fuels (billion kWh)	399.4	381.5
Draft power (billion kWh)	9.5	9.5
All sources (billion kWh)	568.7	1002.0

The item which is of prime significance in the above table is the share of commercial energy. From the present level of 18.8 percent, it will rise to 64.5 percent in 1976, although non-commercial sources will still continue to play a part in the total energy picture.

The hydro-electric potential of the southern region is large. It has been estimated at 8 million kilowatts at 60 percent load factor. This is adequate to generate about 40,000 million kilowatt hours a year, against a total requirement of 46,000 million kilowatt hours in 1976. The demand beyond 1975-76 is bound to increase sharply. The development of thermal power in Andhra Pradesh and Madras and the fuller development of the hydro-electric potential in all the States appear to be essential. The development of nuclear power in places far away from the coalfields is also called for. In fact, the Central Government is now considering a proposal to set up a nuclear thermal station in the southern region.

The anticipated increase in the demand for coal and lignite can be met entirely from resources available in the region. The estimated re-

Coal fuels (billion kWh)

Petroleum fuels (billion kWh)

Electricity (billion kWh)

Total commercial (billion kWh)

Non-commercial (billion kWh)

Grand total (billion kWh)

sources of these minerals are large and represent nearly 150 to 200 times the level of anticipated demand in 1975-76. Lignite resources of Madras will be almost entirely used within the State, but it will still continue to be a net importer of coal fuels from Andhra Pradesh along with Mysore and Kerala. Except for hydro-electric power, Mysore and Kerala will have to depend on other States for all other forms of commercial energy. Kerala is very advantageously placed in relation to hydro-electric potential which is the only exportable energy from Kerala.

None of the four States in the southern region possesses metallurgical coal, but a noteworthy development which is imminent is the utilisation of the available lignite for producing energy required in steel making. Foundry-grade coke has to be imported from outside the region. Prospects of oil resources are also poor in this region. It is considered essential to establish additional refining capacity of 3 million tons in the southern region by 1975-76. The

CAPITAL, 10th January, 1963.

Government of India is already contemplating establishing a refinery with a capacity of 2.5 million tons in south India.

To sum up, a full and proper exploitation of the available energy resources of the southern region can help to (i) reduce its dependence on imports from other States and abroad from the present level of 65 percent to about 10 percent to 12 percent in 1976; (ii) to pull out the region from its relative backwardness in industrial development—a matter vital for the removal of unbalances in economic uplift of the people; and (iii) increase the share of commercial energy in the total consumption from 18.6 percent to 64.5 percent.

Power Needs of Eastern Region

The study on the eastern region comprising Orissa, West Bengal, Bihar, Assam and Uttar Pradesh is nearing completion. These States occupy 27.5 percent of the country's area and account for a population of 185 million. The region is rich in many minerals, of which the most important are coal and iron ore. This has resulted in a concentration of medium and large industries, particularly in West Bengal and Bihar. However, there are serious lack of balances within the region because in spite of being quite rich in mineral resources, Assam and Orissa are comparatively backward in industrial development. The position of Uttar Pradesh is even worse as it has not even the necessary mineral resources. The region is a net exporter of energy, although 1.8 million tons of petroleum products were imported in 1959. The net export of commercial energy was 153,000 million kilowatt hours, mainly in the form of coal fuels.

The development plans envisaged for the study contemplate further exploitation of the rich mineral resources, such as good quality of iron ore, coal, limestone and other minerals. The discovery of new oil fields and natural gas resources in Assam will go a long way for the establishment of various petro-chemical industries besides meeting the demand for petroleum products in the region. The industrial complex growing around Durgapur and Ranchi and the iron and steel industries of the region will appreciably raise further the demand for commercial energy as follows:

Consumption in 1959	Estimated demand in 1976
30.97	299.89
(4.43 mil. tons)	(38.14 mil. tons)
17.65	47.11
(1.32 mil. tons)	(3.76 mil. tons)
4.10	46.00
52.72	393.00
228.35	218.00
281.07	611.00

The resources of the region are adequate to meet its own requirements as well as for enabling it to continue to be an exporter of energy, mainly in the form of coal and coke. However, the magnitude of the future demand is high and calls for urgent action in bringing about co-ordinated planning for the development and exploitation of the available resources. The hydro-electric power resources of the region are abundant and are estimated at about 19 million kilowatts at 60 percent load-factor capable of generating 95 million kilowatt hours, against a demand of 56,000 million kilowatt hours in 1975-76. There are also extensive reserves of steam coal which can be used for power generation where the generation of hydro-electric power is not found economical. The Council estimates that the resources of the region are such that it will be possible to develop about 23,700 million kilowatt hours of hydro-electric power and 32,200 million kilowatt hours of the thermal power in a co-ordinated manner.

CAPITAL, 10th January, 1963.

London

PROSPECTS FOR THE U.K. SHIPBUILDING INDUSTRY

(FROM OUR LONDON CORRESPONDENT)

THERE is little on which to base optimism about British shipbuilding. The present position can only be described as grim and the immediate outlook appears equally bleak. In so many words, Mr. Alexander H. White, president of the Shipbuilding Conference, echoes the words of Dr. Denis Rebbeck. As president of the Shipbuilding Employers Federation, Dr. Rebbeck said recently that the outlook was not encouraging, and made a plea for combined operation by builders, repairers, sub-contractors and labour forces.

In a New Year message to the industry, Mr. White said: "At the moment, there is little on which to base optimism but our industry stands prepared to meet the challenge of the future. New contracts in 1962 represented only slightly more than a third of the normal annual capacity of our shipyards. Although the closing weeks brought some substantial orders, it would be premature to regard those as a token of sustained improvement in demand. Some of our companies were closed down during the year. Others announced their intention of going out of business, and it may be that there will be further casualties in the months to come. The same fate hangs over shipyards in other countries; it is a consequence of the creation of excessive capacity in world shipbuilding. Our faith in the long-term future of the industry, however, remains unshaken." They had continued to increase the efficiency of their shipyards and to develop their research facilities. They had also to intensify their sales effort among shipowners abroad. "The will to overcome our immediate problems is undoubted," he said. "It is precisely because the industry is now in such good shape to take advantage of a turn in the tide that we look forward with confidence."

One concern which is showing this confidence is undoubtedly Cammell Laird, of Birkenhead, whose progressive young chairman, Mr. Robert W. Johnson, has just recently returned from a salesmanship visit to Norway as a follow-up to the fact that every shipowner in the world operating sea-going cargo vessels recently received a catalogue, the first of its kind, offering shipbuilding at "bargain" prices. Because British shipbuilding is in the doldrums, he and his board are determined to go out and "sell their wares" in a big way rather than rely on tenders. He chose Norway as a start, because shipowners there not so long ago were placing 50 percent of British shipbuilders' overseas orders. He was following up talks he had with Norwegian owners when his Company exhibited at the British Trade Fair in Stockholm earlier last year.

Selected Six

The well illustrated catalogue is called "The Selected Six—Standardisation in Shipbuilding". It offers six standard ship designs, a range comprising three cargo ships, two bulk carriers, and a tanker, varying in tonnage from 3,150 tons to 57,400 tons dead-weight, with speeds from 14 to 17 knots. As to propulsion machinery, diesel engines are offered

to suit owners' requirements. This propelling unit will be the product of Britain, West Germany, Switzerland, Holland, Denmark or Italy, as desired. Cammell Laird, which has modernised its Merseyside Yard at a cost of £8 million, and intends to spend another £8 million on improvements, has, it is believed, taken the biggest step in the British shipbuilding industry's history to attract overseas trade.

Mr. Johnson told his guests in Bergen recently: "We at Cammell Laird look upon the intensely competitive conditions that prevail today, not with dismay, but with a determination to pursue vigorously all potential business. Our visit is evidence of this determination. We have every confidence in our capacity and capability to compete effectively, provided the terms are equal, in the world's shipbuilding market." During the past year or

so, a detailed and comprehensive investigation into the production of a number of sizes and types of ships has been undertaken. Six standard designs had been produced, "a presentation which we believe is unique. There will be no lowering of the standard of material or workmanship. As to cost, this is of course the question to which you will attach the greatest importance." This aspect would be dealt with for formal enquiries. "You have my assurance, however, that the prices of our standard ships are substantially below those for comparable non-standard ships built to owners' requirements".

It is 44 years since Cammell Laird built for a Norwegian owner, although it has repaired many Norwegian ships. It is because Norway is still ordering ships abroad in a fairly big way while other countries hold back that Mr. Johnson selected

the country for the beginning of his overseas drive. This was something revolutionary. Never before, as far as can be ascertained, has a catalogue of ships been published by a British shipyard. Never before has a shipowner been able to say "I'd like one of those"—and know that, by return post, he can receive full details of price and delivery date.

New Scheme Welcomed

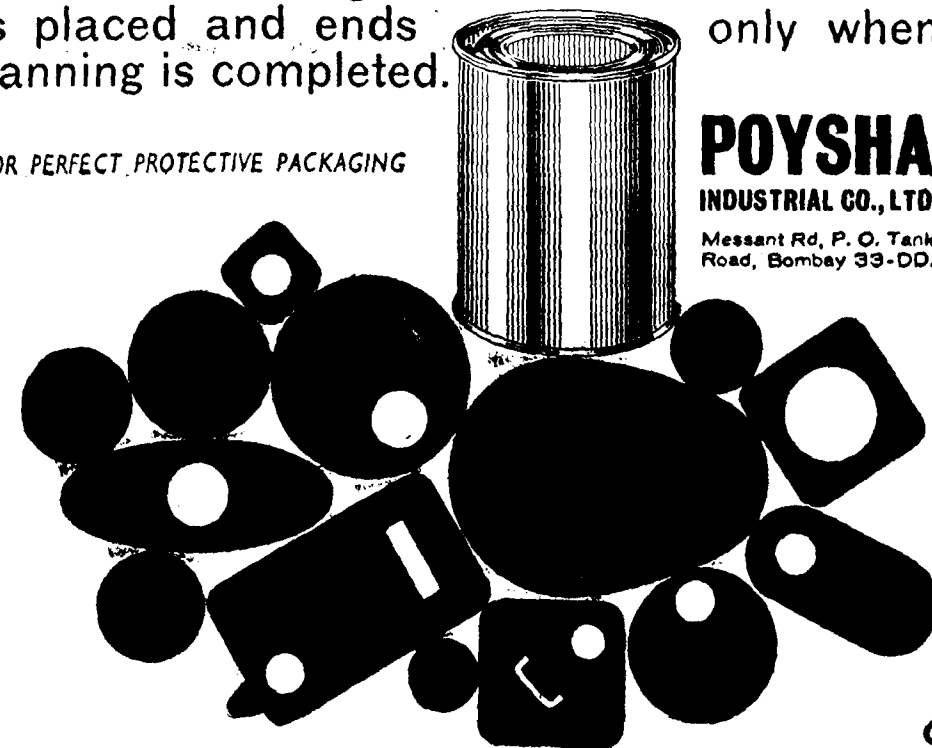
The announcement of the new scheme was greeted by an avalanche of praise in the Press, on radio, and on T.V. Perhaps the most original was television's tribute, in which a lady telecaster treated the whole subject as a fashion show. Afterwards, Mr. R. W. Johnson was interviewed by Mr. Harold Webb. The 600 type ships fulfil most general purpose requirements. It was, indeed, only after a long period of deliberation, of acceptance and rejection, that the firm's designers were able to make their selection from the almost infinite number of alternatives available to them. Even then, it was by putting the emphasis on one aspect—which happens also to be the prime preoccupation of shipowners today—economy.

In his introduction to the "Selected Six" brochure, Mr. Johnson puts it thus: "This brochure contains outline plans and principal

CONDENSED MILK TO COSMETICS

Milk products or cosmetics, lubricants or vanaspati, paints or pharmaceuticals, processed food or printing inks, wide is the range of industries served by tin containers manufactured by Poysha. Though young in years, they are already one of the leading tin container manufacturers in the country. Over the last four years their turnover has increased by about 70%, annually. A great deal has been achieved in such a short time because at Poysha the emphasis is always on quality and service. At every stage of manufacture quality control is exercised by technicians, working with modern equipment. Service begins even before the order is placed and ends only when canning is completed.

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particulars of a series of ships of varying sizes to suit most general purpose requirements. "These are, however, ships with a difference, for they have been specially designed to assist our shipowning friends combat the intense competitive conditions prevailing in world shipping today. They are designed to be produced at low capital cost and to operate at maximum efficiency with economy and reliability".

Robot Telephone Exchange

Three fully independent electronic telephone exchanges will replace manual exchanges at Goring-on-Thames, Pembury (Kent), and Leighton Buzzard within the next two years. Mr. Bevins, the Postmaster-General, announced this the other day when he accepted from the manufacturers a new experimental electronic exchange at Highgate Wood, London—the first in Britain, and one of the first in the world. The three exchanges will represent a second generation of more sophisticated electronic machinery, and they will operate completely on their own without the assistance of standby conventional electro-magnetic equipment, as the Highgate Wood exchange will do. Mr. Bevins said that there was not the slightest doubt that the future lay in electronic exchanges, "it is the Post Office's policy to move straight from our existing automatic ex-

changes to fully electronic ones as soon as we possibly can".

Subscribers need not expect speedy transfer to the electronic system, however. It is, after all, some 50 years since work began on replacing manual with automatic exchanges, a programme by no means yet complete. Replacement of existing exchanges will take place as these wear themselves out. In fact, the new system is not going to have any effect very noticeable to subscribers, apart from a barely perceptible improvement in the time it takes to make a connection. The benefits—of economy and efficiency—will be felt at the other end of the line, by the G.P.O. It is hoped that the new units will cost less, need less maintenance, be smaller in size, so that more could be packed into less space, and offer room for further and better facilities.

The Highgate Wood electronic telephone exchange is based on the principle of time division multiplex, in which a single highway through the exchange—the physical path through wires and switches—is able to carry up to 100 simultaneous telephone conversations. In conventional telephone exchanges, one subscriber is connected with another by a "solid" path through the metallic contacts of relays and selector mechanisms. All the apparatus along that path is used exclusively for the one conversation. In the electronic exchange, the caller is

directly connected with his correspondent for only one-hundredth part of the time, each of the remaining 99 periods of the time remaining available to carry another conversation. The switching rate, however, is so fast—10,000 times a second—that there is no audible break in the conversation: a single syllable may be broken into many hundreds of pulses. Despite this, speech quality is considerably higher than is required for ordinary telephone working, with a substantially flat response from 300 to 4,200 cycles a second. (Frequencies required for normal telephone working are 300 to 3,400 cycles a second.)

Co-operative Programme

The electronic exchange is the result of a unique co-operative programme of research and development between Post Office engineers and the five principal British manufacturers of exchange equipment. The co-ordinating body is the Joint Electronic Research Committee, representing the Post Office and the companies responsible for designing and building the exchange: Automatic Telephone and Electric Co. Ltd, Ericsson Telephones Ltd, the General Electric Co. Ltd, Associated Electrical Industries Ltd and Standard Telephones and Cables. A small experimental model of the electronic exchange was built at the Post Office research station at Dollis

Hill, London, N.W., in 1959. Its success led to the design of the first public exchange.

At Highgate Wood, the 800-line electronic exchange will work alongside a conventional electro-mechanical exchange, with switching available to bring either one or the other into operation. This is not because the engineers suspect the reliability of the electronic model; it is to give them the facility of taking it out of service for further research activities without interfering with the service to subscribers. A basic part of the Highgate Wood technique is an electronic switch, in most cases a semi-conductor diode, which can change from "on" to "off" in a period of time measured in thousandths of a millionth of a second. Known as "gates", these switches are controlled in a strict time sequence. The "on" moment occupies one millionth of a second and is repeated every 100 millionth of a second, so that the switch is closed and opened 10,000 times a second. Each call is allotted a particular 1-microsecond "time-slot" in the 100-microsecond period and the connection with the wanted subscriber is established by acquiring a further "empty" time slot in that part of the system corresponding to the number being called, or to the required outgoing junction to a distant exchange.

Overall Control

By interlacing the speech paths in time, any one highway can carry the full 100 conversations, each in a separate time slot in the 100 microsecond sequence. The switching cannot operate "at the wrong time", because the repetition rate of all pulses throughout the system is under the overall control of a 1-ke/s quartz crystal clock, which provides the reference time for the whole exchange. A revolving magnetic memory drum contains all the essential information relating to each line, storing on its surface such things as whether it is a pre-payment call box, or a subscriber's telephone and deals with such facilities as referring a call to an alternative number. The drum, which can be looked upon as the central information library of the exchange, also records the number and duration of each subscriber's calls. This can easily be applied to automatic accounting procedures.

In synchronisation with the revolution of the magnetic drum, each line is in turn examined to see whether a call is required or whether the line is busy. When the memory finds that a call is to be made, it causes the line to be connected with apparatus that picks a vacant time slot in the 100 microsecond sequence into which the call can be fitted and passed on to another part of the system, the register. After producing dialling tone to the subscriber, the register is ready to accept dialling pulses and store them on delay line memory units until they are required for the next step. This is to refer the pulses back to another part of the memory drum which examines them and translates them into the required "routing instructions" to make the connection. It might be to a subscriber on the same exchange, or the drum might be required to generate a series of pulses to route the call through several distant exchanges to its destination. (For calls to a distant exchange, the electronic signals from the drum require to be converted to electrical pulses acceptable to conventional exchange working.) The complete system behaves as though it had only one operator handling all the calls for the exchange, one at a time; but one working so rapidly that the subscriber can detect no delay in the completion of the call.

Jute

JUTE FLOOR PRICES WILL RESTRICT GUNNY OFFTAKE

AS far back as 1920, there was an agitation in Bengal for fixing a minimum price for raw jute, and the measure has been a favourite hobby-horse of politicians ever since. In 1938, a Bill was introduced containing a provision that "no person shall buy jute from any grower at a price lower than Rs. 10 a maund." Then, as now, the fixing of a minimum price was found impracticable, as it was easy to evade regulations and the evasion was not always at the instigation of the buyer. It has been proved, time and again, that those whom such measures are designed to protect are invariably the first to break the minimum price. This underlines the fact that many legislators are not acquainted with the realities of the world jute and jute goods trade.

If there is anything that the experience of the past few years has taught, it is that there is a demand for jute goods as long as they are cheap. While the expansion of demand during the past year is attributable in no small degree to the improvement in world trade, it is clear that the increased use of jute goods is also due to their being cheaper than in 1961. If the price of the raw material is artificially raised, a rise in the price of manufactured goods would be inevitable.

Although a modest increase would probably have little effect on consumption, any substantial increase would at once encourage the use of substitutes with disastrous results. No longer can one justify any rise in the price of jute goods as was done in the "statement of objects and reasons" of the Bill introduced in 1938 that there is "as yet no successful imitation or substitute." There are several now and they are prevented from competing only by their dearness in comparison with jute.

Fall in Prices

Recent newspaper reports show how faulty is the knowledge of many about the current raw jute situation. A statement made by a Minister of the West Bengal Government claims that one of the reasons for the fall in the price of raw jute in the State is "the absence of adequate interest of buyers and consequential unbalance in supply and demand". A glance at the purchase record of Calcutta mills over the past few months would prove that the statement is baseless. During November and December 1962, member-mills of the I.J.M.A. and others purchased 1.9 million bales of jute, or 9.5 million maunds. During that period, the consumption of the industry was estimated at about 6 million maunds. In other words, it purchased 3.5 million maunds more than its consumption. Furthermore, during the current month, the I.J.M.A. mills have undertaken to purchase 3.25 million maunds in weekly quotas, non-member mills 250,000 maunds and the Jute Buffer Stock Association (which, in effect, is again the mills) a further 250,000 maunds. Does this sound like "absence of adequate interest of buyers"? Those in responsible positions in Government circles should be sure of their facts before making sweeping statements.

Protection for Dundee

The question of protection for the U.K. jute industry has again come to the fore through the British Jute to the Fore Federal Council, which has Trade Federal Council, which has told a restrictive trade practices court

that the U.K. mills cannot compete on equal terms with low-cost jute goods from India and Pakistan. This is a question which has attracted the attention of industrial and Government circles for many years, and as is usual in such controversies, there is a great deal of exaggeration on both sides. The withdrawal some years ago of the export duty on Indian manufactured goods made the position more difficult for the British industry, and it must not be forgotten that Pakistan has a powerful weapon at its disposal for purposes of retaliation, if necessary, in the form of export duties on raw jute, although a discriminatory tariff in this direction would be unworkable. But, at present, the "mark-up" imposed by the U.K. Jute Control already operates greatly in favour of Dundee to the detriment of the Indian manufacturer, and this is a factor which should not be ignored by the British Jute Trade Federal Council.

Gunnies Ease

There has been nothing of outstanding interest in the market for manufactured goods during the past week. The downward tendency has continued and there has been a depressing absence of demand from overseas. But the shipping figures for December have been good, as is reflected by the reduction in stocks of manufactured goods. In contrast to the goods market, raw jute has remained fairly steady and good business has been transacted with mills. Upcountry markets have taken the lead, and prices in the mofussil have advanced considerably, probably as a result of reports that the State Trading Corporation has made some purchases through co-operatives at the minimum prices. The quantities so far involved, however, are not likely to have a lasting effect on the situation. Although the average holding of mills is high, and the current quotas issued by the Jute Commissioner are designed to bring the industry's stocks of raw jute up to 30.5 weeks' consumption by the end of January, the stocks are very irregularly distributed. Their quality does not conform to the mills' requirements in many cases, so mills will have to purchase selected amounts in order to get what they need. This will tend to support the market.

Stocks of Jute Goods

Stocks of jute goods held by member-mills of the I.J.M.A. at the end of December 1962, amounted to 83,000 tonnes, being made up of 22,800 tonnes (27.5 percent) of hessian, 46,600 tonnes of sacking (56.1 percent)

and 13,600 tonnes of other goods (16.4 percent). Hessian stocks dropped by 4,900 tonnes and sacking by 3,900 tonnes, but other goods rose by 400 tonnes. The overall reduction compared with November 1962 was 8,400 tonnes. In December 1961, total stocks were 55,600 tonnes, consisting of 16,100 tonnes of hessian (28.8 percent), 28,800 tonnes of sacking (52.1 percent) and 10,700 tonnes of other goods (19.1 percent).

JUTE MARKETS

Manufactured Goods: There was a certain amount of speculative buying at the start of the past week, and it tended to push up prices. Opening quotations on Thursday morning rose to Rs. 115.45 for January B Twills, which was a premium of Rs. 1.60 over the forward position, and Rs. 51.75 for January 40in. 10oz. hessian, this being Rs. 2.40 over the July-September quotation. The rise was short-lived in view of the almost complete absence of overseas interest. With renewed selling pressure in the futures market, all the gains were wiped out by Friday morning. By Saturday, new low levels were recorded at Rs. 113.75 for ready B Twills, and Rs. 51.25 for 40in. 10oz. in the same position. This trend continued with minor variations over the week-end, and speculators forced heavy goods down a further 50p by Monday. On Tuesday, there was a slight recovery on the news that jute goods stocks had shown a substantial decline of 8,400 tonnes. But again the lack of genuine interest, coupled with heavy speculative selling pressure, pushed the market down.

Opening quotations on Wednesday morning were as follows:

	Jan.	Feb.	Mar.	Apr.	May	Sept.
40in. 71oz.	38.85	38.25	37.75	37.25	36.65	
40in. 8oz.	41.50	41.00	40.50	40.00	39.25	
40in. 10oz.	50.75	50.40	49.80	49.20	48.65	
B Twills	114.25	113.25	113.90	113.65	113.00	
Cornacks	118.25	117.50	117.00	116.50	115.50	
Heavy Cees						
(Plain)	112.25	113.25	113.25	113.50	113.00	
A Twills	142.00	140.50	139.50	138.50	138.00	
Liverpools	122.25	122.25	122.00	121.75	121.00	

Raw Jute: The mills continued to make extensive purchases against allocations for the buffer stock and from the Jute Commissioner. Upcountry markets benefited from some small purchases by the State Trading Corporation at the minimum rates, and the fall in arrivals also helped. Calcutta prices, however, remained unaffected, and business was conducted well below the official minimum. Wagon arrivals in Cossipore dropped sharply and only 505 wagons

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

The Indian Jute Mills Association reports the stocks of jute goods at the end of December as follows:

Description	31st December, 1962		30th November, 1962		Increase over (+) or decrease from (-) last month		31st December, 1961	
	000 Metres (Lakh Yds.)	000 Metric Tons	000 Metres (Lakh Yds.)	000 Metric Tons	000 Metres (Lakh Yds.)	000 Metric Tons	000 Metres (Lakh Yds.)	000 Metric Tons
Hessian cloth and bag	7,66.35 (8.38)	22.8 (22.4)	9,15.57 (10.01)	27.7 (27.2)	-1,49.22 (-1.63)	-4.9 (-4.8)	5,20.47 (5.69)	16.1 (15.9)
Sacking cloth and bag	10,37.26 (11.34)	46.6 (45.8)	11,09.23 (12.13)	50.5 (49.7)	-71.97 (-7.9)	-3.9 (-3.9)	5,97.41 (6.53)	28.8 (28.3)
Others		13.6 (13.4)		13.2 (13.0)		+0.4 (+0.4)		10.7 (10.5)
Grand Total (000 Metric Tons/Tons)		83.0 (81.6)		91.4 (89.9)		-8.4 (-8.3)		55.6 (54.7)

N.B.—These figures are based on replies received and represent all members of the Association and Gagalbhal with estimates for two non-member mills. The figures in brackets are in British measures.

were reported. Arrivals on an all-India basis were estimated to be about 70,000 maunds daily.

Opening quotations on Wednesday morning were as follows:

	Landed at Mills (Basis Bottoms)		T.S.D. Prices	
	Current Rs.	Minimum Rs.	Rs.	Rs.
Assam-Agartala				
Jute	73.68	27.50	80.38	30.00
Northern Jute	72.34	27.00	79.04	29.50
Western Desal				
Jute	68.32	25.50	73.68	27.50
Selected Daissee	84.39	31.50	85.73	32.00
Assam-Agartala				
Tossa	80.38	30.00	83.05	31.00
Mesta:				
Assam-Northern	68.22	25.50	72.34	27.00
Local Daissee	68.32	25.50	72.34	27.00
Desal	69.66	26.00	73.68	27.50
Bihar Dist.	61.62	23.00	66.98	25.00
Pakistani N. C.	90.00	a bale Jan. and/or Feb.		

THE U.K. JUTE MARKETS

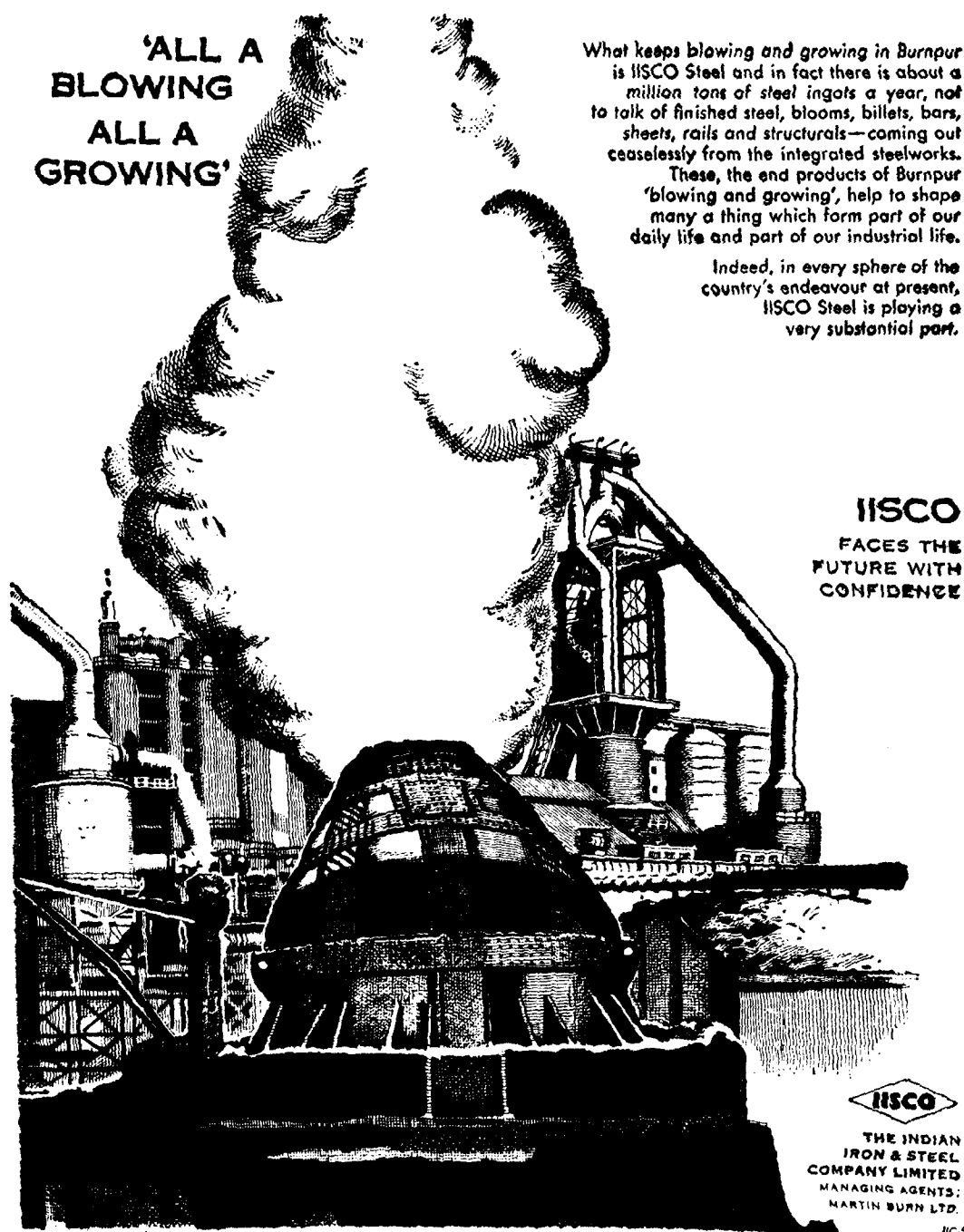
FIBRE QUIET

(FROM OUR DUNDEE CORRESPONDENT)

NO change has taken place in the Pakistani raw jute markets over the past two weeks. Due to so many business premises being closed during the Christmas and New Year holidays, offers of the fibre were not being so freely made as previously. No buying interest was shown and the position generally was very quiet. Registered sales of raw jute up to 15th December to the U.K. amount to nearly 450,000 bales. Dundee spinners are carrying substantial stocks of raw jute and large quantities are now arriving in the U.K. Spot and allot parcels are available to spinners and this is depressing the market to a certain extent. There are holders of secured lots who are willing to accept less than the generally quoted rates, and this has been making the position a little irregular.

No offers of Mill Firsts were made, but Mill Lightnings were available at £123, but up to £10 a ton more was asked in some instances. Mill Hearts were lowest at £96 5s and Grade Hearts at £82 10s c.i.f., U.K., for January-February shipment. Grade Tossa-2/3 was at £135 10s and Grade Tossa-4 at £115 10s. Prices of the lower grades of Tossa were weak with Outport-2/3 at £100 10s and Fours at £90, c.i.f., U.K. January-February. Cuttings were quieter with S.N.C. at £55 10s and N.C. at £48. There were no sellers of Siam jute. Shippers remained out of the market because of the scarcity of supply. The crop in Thailand is much smaller than expected and the early shipment position appears to be oversold.

The Calcutta goods market became steadier at the end of last week, but since then the position became quiet later. Quotations were at 78s 3d for 40in. 10oz. and at 59s 6d for 71oz. a 100 yards f.o.b. Calcutta for January



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shipment, at 77s 6d and 58s 6d February, at 76s 9d and 58s 3d March and at 75s 3d and 57s 9d April-June. B Twills were at 175s 6d, 175s 3d, 175s and 174s for the respective shipment periods.

Dundee yarns and cloth were very firm and further orders have been received since business was resumed after New Year holidays. Producers are very busy, and most of the new business has to be for delivery over the second quarter of the year.

THE PAKISTANI JUTE MARKETS

FAIR DEMAND FOR CUTTINGS

(FROM OUR Dacca Correspondent)

E.P.C. registrations during the third week of December 1962 were almost as high as during the first fortnight, and totalled 339,673 bales. Of these, over 54,000 bales were cuttings bought mainly by the United States. Possibly as a result of this, cuttings were the only grade in which fairly large transactions were reported at prices approximately equivalent to the overseas minima, which is slightly higher than the rate at which business was reported to the United States. It is

apparent from the above that there was as usual a final spurt of buying just before the holiday period. The pattern for the last few months seems to have been the same, namely, to buy as far forward as possible, probably because earlier purchases were shipped generally on the first day of the shipment period. Among other factors, this system of buying as far forward as possible has caused serious problems for the balers.

The result of this was shown in the local pucca bale market, where all transactions for the forward position were at a premium over the ready position. Quite considerable discounts were obtained by buyers who were prepared to take immediate delivery. The upcountry loose markets continued more or less unchanged, with arrivals reduced, and the moisture content, particularly in tossa, considerably higher. What is hard to explain is that in spite of the very obvious flood damage at the beginning of the season, very little seriously damaged jute has so far appeared, except for some hard-centred jute. Some better quality fibre has, however, been available. This is the traditional raky jute or better jute held back for better prices, which was not expected this season. The congestion in Chalna is probably at its peak at present, and even Chittagong is fairly well jammed with jute seeking space on ocean-going vessels.

Fairly widespread labour troubles in the jute trade and possibly also in the jute industry, are expected. Rival unions seeking to prove to their members their superiority over others have threatened a strike in Narayanang. There is already a strike in Chandpur, and quite possible, the strike may spread to all parts of the country. If this happens, it may well strengthen the prices of unsold and afloat jute, and will even give the Conference a chance to clear the congestion at ports. It will, however, put balers in a very difficult position, and will certainly not help the poor growers.

COMPLAINT AGAINST CARPET BACKING SHIPMENT DELAYS

A strong plea for relief from delays in shipments of jute carpet backing from India to the United States was made in New York by Mr. Paul M. Jones, president of the American Carpet Institute. Speaking for the U.S. carpet industry, Mr. Jones urged the Indian authorities to reconsider their administration of recent Customs regulations, which, he said, appear to be responsible for these shipment delays. This development, he stated, has had a serious impact on American carpet manufacturers, who consumed about 240 million square yards of jute carpet backing in 1962, of which 79 percent came from India. The Institute, he said, had received widespread complaints from its member-companies who are dependent on supplies of jute carpet backing, to sustain the high rate of production of tufted carpet for U.S. consumers.

Commenting on the Customs regulations, which require scrutiny of contracts for the export of jute goods by the Calcutta Customs authorities, Mr. Jones stated that these regulations in some cases interfered with the ability of suppliers to meet contract terms on prices which had been agreed upon many months ago. While stressing that the American Carpet Institute does not question the purpose of the Government of India to protect its foreign exchange, Mr. Jones urged that administration of these regulations should also take into account legitimate trade practices in the United States. These practices, he explained, provide for purchases to be made on foreign contracts at prices which must be honoured on the date of shipment regardless of current market quotations. When such contracts are abrogated by arbitrary regulations, he emphasised, the flow of trade between responsible shippers and buyers is impeded. This development, he said, could cause U.S. purchasers to lose confidence in future transactions with their sources of jute carpet backing from India. Mr. Jones stressed that the American carpet industry must be assured of dependable terms for future prices and deliveries if it is to continue as a market for jute carpet backing from India. Further uncertainty about future conditions, he declared, would certainly accelerate the use of substitutes for jute carpet backing by U.S. manufacturers. This could mean, he said, an ultimate loss of this fast-growing market to the Indian jute industry.

ALUMINIUM ON THE LONDON METAL EXCHANGE

An interesting question for 1963 is whether a fifth metal, aluminium, will be added to the four—copper, zinc, lead and tin—in which the London Metal Exchange trades at present. The idea has been discussed sometimes in recent years, but it has more substance now than previously, because the New York com-

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modities exchange is considering the same proposition. Aluminium is produced, outside the Soviet bloc, mostly by a few big companies, and they dislike the principle of fluctuating prices. But this situation is similar to that of copper; and the big producers of copper have organised a method of stabilising the price of their metal.

There is no doubt that while copper was fluctuating, the stability of aluminium helped it to compete with copper. Both metals are in abundant supply; consumption of both is increasing; producers of both desire the benefits of stability. But if the functioning of the market is to be permanently restricted by price-stabilising techniques, it will be necessary to introduce an element of flexibility into pricing policies. It is difficult to believe that the long period of stability, of both metals, in 1962 represents a basically unchanging relation between them. In November 1962, the price of copper was flexible to the extent of 2s 6d a ton, but £234 a ton is still the basic price fixed by the producers.

In an interesting reversal of earlier trends, lead has advanced while zinc has fallen back. It has been felt for some months past that lead fell too fast. The price of lead is now being adjusted—although demand for metals generally is restricted by uncertainties in the economic trend.

BOOKS RECEIVED

Traffic Survey of Karwar, Honavar and Coondapur Ports. (Published by the National Council of Applied Economic Research, New Delhi. Price Rs. 16.50, pages 276.)

Techno-economic Survey of Andhra Pradesh. (Published by the National Council of Applied Economic Research, New Delhi. Price Rs. 20, pages 333.)

Techno-economic Survey of Assam. (Published by the National Council of Applied Economic Research, New Delhi. Price Rs. 20, pages 277.)

Economic Trends and Indications, Vol. 1. (Published by Bhikhalal Kapasi, Chief Editor, *Economic Trends and Indications*, B-5 Pandara Road, New Delhi 11. Price Rs. 7.50, pages 294.)

Hand Book on Law and Practice Relating to Incorporation of Companies (Limited by Share Capital). By M. C. Bhandari. (Published by the author, 134/1 Mahatma Gandhi Road, Calcutta 7. Price Rs. 10, pages 176.)

Organised Markets. By Krishnakumar Ghia and others. (Published by K. K. Vora, Vora and Co. Publishers Private Ltd, 3 Round Building, Kalbadevi Road, Bombay 2. Price Rs. 10, pages 215.)

Price Theory: A Provisional Text. By Milton Friedman. (Published by Frank Cass and Co. Ltd, 10 Woburn Walk, London W.C.1. Price 42s, pages 285. Review copy received from Rupa and Company, 15 Bankim Chatterjee Street, Calcutta 12.)

Monetary Economics. By N. C. Agrawal. (Published by K. K. Vora, Vora and Co. Publishers Private Ltd, 3 Round Building, Kalbadevi Road, Bombay 2. Price Rs. 7, pages 134.)

Marketing of Cotton Piecegoods in India. By M. P. Kacker. (Published by K. K. Vora, Vora and Co. Publishers Private Ltd, 3 Round Building, Kalbadevi Road, Bombay 2. Price Rs. 12, pages 204.)

Who's Who in Indian Engineering and Industry. (Edited by H. Kothari and published by Kothari Publications, 12 India Exchange Place, Calcutta 1. Price Rs. 30 (Indian art paper), Rs. 40 (foreign art paper), pages 260.)

CAPITAL, 10th January, 1963.

BELGIUM WANTS MORE IMPORT CURBS ON INDIAN JUTE GOODS

By Malcolm Subhan

THE case for further restrictions on jute goods imports from low-wage countries such as India and Pakistan is argued at considerable length in a report which has just been released in Brussels by the Belgian jute industry. Broadly similar demands have been made in recent months by textile federations in France and Belgium for cotton textiles. The present report may, therefore, be regarded as part of the campaign undertaken by the European textile industry to prevent any concessions being made to the Asian members of the Commonwealth in the course of the Common Market negotiations with the British.

The report was prepared by the professional organisation of the textile and clothing industry at the request of the Belgian Ministry of Economic Affairs. However, it may be said to reflect the views of the jute industry in not only Belgium but also the other Common Market countries. Belgium, after all, is the largest European exporter of jute yarn and fabrics. Roughly half the total exports of the west European industry are of Belgian origin: in 1961, a comparatively bad year because of the severe shortage of raw jute, they amounted to 40,700 tons. While this figure is relatively small when put beside those for India or Pakistan, it must be remembered that during 1961, Belgium's two principal European competitors, France and the U.K., only exported about 13,000 tons each.

Competitive Capacity

The report is primarily an assessment of the competitive capacity of the national industry. It broadly concludes that if the Belgian jute industry is more competitive than either the British or the French, it is at a serious disadvantage vis-à-vis the Indian and the Pakistani. The latter enjoy not only a virtual monopoly of raw jute, but also a considerable degree of Government protection. The report claims that under these circumstances, the Belgian jute industry must inevitably lose its markets to India and Pakistan unless it is afforded a certain measure of protection.

The special factors which in the view of the Belgian industry favour jute manufacturers in India and Pakistan are examined at some length. The first of these relates obviously to raw materials. It is argued that both India and Pakistan have taken advantage at various times of the monopoly which they enjoy arbitrarily to fix the export prices of raw jute even while allowing domestic prices to find their own level. The report accuses the Pakistani Government, moreover, of using the monopoly of exchange price checks, the monopoly of exchange prices and a tax on minimum export prices to discriminate exports of raw jute to discriminate against overseas buyers. Inevitably, the report maintains that jute manufacturers in India and Pakistan enjoy the further substantial advantage of cheap and abundant labour. To this must be added, in the Belgian view, the various subsidies bestowed on the jute industry by the two Governments, industry by the form of bonus vouchers as far as the German. Rome, though no less protectionist than Paris, has nevertheless sanctioned barter deals involving jute goods, while Belgium, which espouses the principles of free trade, is not altogether happy defending the interests of an industry which

the support of jute interests in the other Common Market countries. The first is that the comprehensive trade agreements to be negotiated between the enlarged Community and India and Pakistan should not only impose certain restrictions on the exports of jute goods by the two Asian countries, but also contain an arrangement under which European mills could obtain their supplies of raw jute on more or less equal terms with Indian and Pakistani mills. The second proposal, put forward unsuccessfully in the course of negotiations under G.A.T.T., called for a European tax equal to the export tax on raw jute. Needless to say, the proceeds of the tax would be returned to the Asian countries in the form of financial aid.

Clearly, all Belgian fears ultimately relate to the price of jute goods from India and Pakistan. In general, Belgian prices are between 25 percent and 30 percent higher than Indian prices. The common external tariff on jute manufactures of 23 percent more or less covers this difference (although the present Belgian tariff of 18.4 percent does not), and explains why the industry is so strongly opposed to any tariff concessions. (There is, however, a drawback on temporary imports of items such as hessian and jute bags.) As matters stand at present, Britain will have to apply the common external tariff in four or five stages to all her jute imports from the Indian sub-continent, for the Six are unlikely to grant the British request for a zero tariff on heavy jute goods. They offered last summer to reduce the tariff by 15 percent in the case of heavy jute goods, although the Belgian industry would in fact like the tariff to be even higher than at present.

Commercial Policies

The industry is aware, however, that an effective policy towards imports from the low-cost countries is impossible as long as the Six do not co-ordinate their commercial policies. Some progress in this direction has already been made at industry level. Among the proposals which have been canvassed is one which while restricting imports of jute goods from Asia, would nevertheless oblige member-countries to import a fixed amount each year. There would be no restrictions, however, on jute goods imported on a temporary basis where such imports are vital to a particular industry, such as the chemical, for example.

The need to restrict imports from the low-wage countries has apparently been conceded by the Common Market Commission, although a proposal by the jute industry for the establishment of an organisation similar to the U.K. Jute Control was turned down by the Commission. The situation is quite different, however, as regards the six member-countries themselves. Bonn, conscious of the need to help under-developed countries, has undertaken under G.A.T.T. progressively to dismantle quota restrictions by the end of 1964. The French Government, strongly protectionist by tradition, has refused to go as far as the German. Rome, though no less protectionist than Paris, has nevertheless sanctioned barter deals involving jute goods, while Belgium, which espouses the principles of free trade, is not altogether happy defending the interests of an industry which

employs only a small fraction of her labour force—just over 5,000 workers in all.

The Belgian jute industry does not lack allies, however. The industry as a whole is critical of the provisional agreement on India and Pakistan concluded last August between the U.K. and the Six. Its criticisms are somewhat similar to those voiced by the cotton textile industry, in that both industries feel that the agreement contains insufficient safeguards against re-export from the U.K. of Asian goods during the transitional period, when Britain will apply a lower tariff than the present member-states. Similarly, both fear that the U.K. will import increased quantities of certain textiles for the home market in order to export part of its domestic production to the Continent at very low prices.

Distortion of Trade

The problem of the distortion of trade as a result of disguised re-exports is a real one in the Belgian view, and the report mentions two such cases arising within the Community. The German industry undertook recently to stop imports of Asian sacking until 1965, and to require a certificate of origin for other jute manufactures after 1st January, 1961. West German companies acquired one or two mills in Belgium, however, to convert sacking imported from India and Pakistan into bags. As the conversion is carried out in Belgium, a Belgian certificate of origin acceptable to the Germans is issued. The report also claims that while the French authorities do not grant foreign exchange for the import of jute manufactures from Asian countries, a very small quantity of sacking and hessian of Indian and Pakistani origin enters France from Holland under cover of false certificates of origin.

It may be noted in passing that the debate between the U.K. and the Six has turned as much on the protected nature of the British market for jute goods as on the question of imports from India and Pakistan. As the Six made clear to Mr. Heath last summer, the U.K. will have to abolish Jute Control on joining the Common Market, and at the same time, open up her market to jute goods from the other E.E.C. countries. The Belgians for their part are not afraid of British competition. As the report points out, Belgian prices are considerably lower than British, both for jute yarn and fabrics. This is because the Belgian jute industry is one of the best equipped and most modern in Europe. It produces approximately 100,000 tons of yarn and fabrics a year, against a total annual consumption of approximately 80,000 tons. Nearly all the yarn consumed in Belgium—some 55,000 tons a year during the period 1958-61—is manufactured in Belgian mills. The situation is altogether different for fabrics, however. Of the 25,000 tons or so consumed in Belgium each year, roughly half is imported at present, principally from India and Pakistan. In other words, although consumption has risen from 14,000 tons in 1950 to approximately 25,000 tons, Belgian manufacturers have secured only a small share in the increased consumption.

Fall in Belgian Exports

It is this fact, together with the overall decline in its exports, which has alarmed the Belgian industry.

While its yarn exports now average 21,000 tons a year, compared with a mere 9,000 tons in 1950, its exports of fabrics have dwindled from a peak of 34,000 tons in 1951 to roughly 21,000 tons today. (During the same period, U.K. exports fell by 20 percent, and those of West Germany by nearly half.) Only exports to Holland have risen sharply, although much of the increase apparently represents re-exports of jute fabrics from India and Pakistan.

The Belgian industry maintains that while exports from India and Pakistan to the seven countries of the European Free Trade Area have remained more or less stationary in recent years, they have risen sharply to the Common Market. The report claims that the two Asian countries exported only 14 tons of jute fabrics to the Six in 1955, but over 18,000 tons in 1961. Their exports of new jute bags rose from approximately 9,000 tons in 1955 to over 21,000 tons in 1961, and would have been higher, in the industry's view, but for the shortage of raw jute that year.

Modernisation of Industry

As the report makes clear, the Belgian jute industry has made a determined effort to strengthen its competitive position on both home and export markets. Considerable sums have been invested in new plant and equipment in an effort to raise productivity, which has, in fact, increased from just under 12 tons a worker a year in 1950 to a little over 17 tons today. At the same time, the industry has tried to diversify its production and to reduce the emphasis on packing materials. Even as regards packing materials, Belgian firms are trying to develop such new lines as jute bags lined with polythene. The industry complains, however, that its efforts to specialise have been of little avail, as the new products have been quickly adopted by Asian manufacturers. Even jute carpets, traditionally a Belgian specialty, are now being made in India. According to the report, mills in Calcutta have ordered approximately 300 broad looms for the manufacture of carpet rugs, enough to meet the entire world demand for jute carpets.

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Commodity Markets

MANGANESE ORE INDUSTRY IN DISTRESS

(FROM OUR BOMBAY CORRESPONDENT)

THE once-prosperous manganese ore industry is now in trouble. In 1956-57, India exported nearly 1.7 million tons of manganese ore; exports fell to 1.05 million tons in 1961 and the figure for 1962 is placed at no more than 850,000 tons. The disappointing export performance reflects the declining fortunes of the manganese ore mining industry. About 80 percent of the mines are said to have already closed down, resulting in a sharp decline in output. At a time when the country's critical foreign exchange position demands the utmost export effort, the slump in manganese ore exports is a matter of serious concern and measures aimed at rehabilitating the industry and the export trade deserve careful attention. In his address at the recent seventh annual general meeting of the Western India Minerals Association, the chairman, Mr. N. S. Worah, has attributed the industry's difficulties largely to the Government's unrealistic export policy, and has warned that the export trade may be lost permanently if the authorities do not take certain remedial measures soon enough. In the absence of a longer-term policy by the Indian Government, consumers abroad have been looking around for alternative sources of supplies and entering into long-term contracts with other producing countries. Hitherto, Brazil, Chile, Morocco and Russia have been India's chief competitors. But recently, the former French Equatorial Africa, where large quantities of superior grade ores have been discovered, has emerged as a formidable rival.

According to Mr. Worah, exports of manganese ore can be boosted only through barter and link deals; sales on a direct or cash basis are not possible in view of the price disparity (ranging from \$3 to \$7 a ton depending on the grade), following the high f.o.b. cost of Indian ore and the availability of large quantities of superior grade ores in other countries. The Government has been permitting certain barter deals, but what is needed is a bold, imaginative and clear-cut barter policy, allowing import of selected items against ore exports. Mr. Worah has also emphasised the need for removing various restrictions such as movement control, pre-shipment analysis and commission payable to the State Trading Corporation as they do not serve any purpose in the present altered circumstances. In order to develop the mining industry, he has suggested that the Government should be liberal in giving mining licences, and thus throw open the vast areas reserved by the Government for exploitation by private

enterprise. The levy of royalty at fixed rates according to grades, as against the previous method of basing royalty on the pits-mouth value, is said to have adversely affected the industry, particularly in the case of medium and lower grade ores.

Mr. Worah has regretted the Government's move to withdraw the present scheme of concessional railway freight rates on manganese ore from 30th March. He says that apart from giving a serious blow to the industry struggling for its existence, it has created uncertainties about the future freight rates, making it difficult for exporters to conclude forward sales. He has urged the Government to continue the present scheme for at least two years. The mineowners have made a strong representation to the Government on this point. Informed sources believe that the Commerce and Industry Ministry is inclined to accept the industry's case; only the Railway Ministry is insisting on the withdrawal of the concession from 30th March. The Railway Ministry's decision to withdraw the concession is based on the report submitted by a panel of cost accountants, who investigated the cost of production of the manganese ore mines as also their margin of profit. The representatives of the industry have challenged the findings of the cost accountants, which place the industry's profit margin between 40 percent and 48 percent. To convince the Government, some important mineowners are known to have submitted their actual accounts. The Government's final decision is awaited with interest. The industry and the export trade have also emphasised the need for increasing the rate of loading at ports like Calcutta and Madras. The enormous delay caused to ships at these ports is affecting the competitive position of Indian ore. It is pointed out that in a port like Calcutta, it takes about 15 days to load a ship of 7,500 tons, whereas a ship of this tonnage can be loaded in an African port in just a day.

Lower World Coffee Crop Forecast

(BY A SOUTH INDIAN CORRESPONDENT)

AN 8 percent fall in the 1962-63 world coffee crop is forecast by the U.S. Department of Agriculture. Its third revised estimate places the current season's crop at 65,550,000 bags, compared with the 1961-62 figure of 71,190,000 bags. Of this the exportable quantity will be to the tune of 52,142,000 bags, compared with 57,947,000 bags in 1961-62. Some

of the South American producers like Columbia are having smaller crops due to bad weather. The South American crop is placed at 37,097,000 bags, compared with 45,217,000 bags in 1961-62. The North American crop will be slightly smaller than the previous year's. African producers, on the other hand, are having a bumper harvest. Production in Africa in 1962-63 would be the highest ever, according to the Department. Record crops are expected in several countries including Angola and Kenya. The total African crop is forecast at 14,533,000 bags, compared with 12,318,000 bags in the previous year. The Department forecasts larger crops for India and Indonesia also.

The estimate concerning India seems to require a further revision. There were unseasonal rains early in December in the principal coffee-growing areas of Mysore including Coorg. As a result of these rains, it is feared that the 1962-63 crop has been damaged and its size will be smaller than what was anticipated earlier. The exact extent of the damage is being assessed. Picking and processing of coffee on the estates are also being delayed on account of these unseasonal rains. The original estimate of the Coffee Board of India was that the 1962-63 crop will be to the tune of 54,800 tons. The present indications are of the order of 53,000 tons, comprising 32,800 tons of Arabica and 20,200 tons of Robusta.

There is a feeling in certain quarters that the quality of Indian coffee is deteriorating. There are surmises that it may be due to various causes such as the age of trees, larger production, thinning out of shade and lack of proper care during harvesting, processing and curing of coffee. The Coffee Board chairman referred to this problem in the recent meeting of the Board and said that this was not peculiar to India alone because other quality coffee-producing countries like Kenya were also facing this problem. Various remedies have been suggested from time to time by scientific workers in the field such as replanting old trees with suitable varieties best suited to the soil and climate, proper maintenance and care in harvesting, processing and curing of coffee. All these involved careful planning to improve the quality of coffee, he said. What is called the "new malady" is a matter of serious concern for coffee growers. This causes unusual leaf fall followed by a severe drying of the wood. This malady was first noticed some five years ago, but it was only two to three years since the crop has been affected. It is said that extensive areas in the south west monsoon tracts where 80 percent of India's coffee is grown, are affected by this malady. The Coffee Board has been conducting some studies on it. Of late, indications of the existence of eel worms in large areas are being frequently obtained, and studies are in progress to understand the implications of this fact. The Coffee Board chairman told the last meeting of the Board that extensive investigation on this problem would be undertaken by a scientific officer of the Board

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soon. Preliminary studies have been started by the Research Department to determine whether pest incidence could cause ill health among plants due to resultant nutrient or hormonal deficiency. In the meanwhile, desirability of ground protection, improvement of soil tilth, provision of adequate shade under Indian conditions together with adequate plant protection measures and balanced nutrition, is felt as a very essential condition in bringing round the affected coffee.

Rubber Pool System

The rubber dealers in Kerala are opposed to the proposal to introduce a pool system of marketing for raw rubber produced in the country. The proposal has been mooted as a positive remedy to the present difficulty of the growers in getting the statutorily fixed price. If the proposal is accepted and implemented all the rubber produced in the country will go to a central pool from where the consumers will have to take their requirements. Under the pool system of marketing, the chances are better for the growers to get the statutorily fixed price. The dealers' contention is that the difficulty now experienced concerning the sale of raw rubber is due to the bulk release of import quota at the peak production period in India. With some readjustment it will be possible to balance supply with demand, and ensure that the growers get the price for which they are entitled. The rubber dealers have a genuine fear that they will lose their ground if the pool system of marketing is introduced. However, it is a fact that the growers are now compelled to sell their produce at prices less than the rates fixed by the Government, although rubber is in short supply in this country. The Government and the Rubber Board have a responsibility to correct this situation.

Prices at Tea Auctions Improve

(BY A SPECIAL CORRESPONDENT)

PRICES at the tea auctions to the end of November 1962 show that 1,765,545 packages have been sold in Calcutta at Rs. 5.43 a kilogram compared with 1,702,810 packages up to the same date in the previous year at Rs. 4.95 a kilogram. In London, the corresponding price average is 5s 5d a lb, compared with 4s 8d a lb in the previous year. The price fall noted at tea auctions in the past three weeks appears to have come to an end and Calcutta and Cochin have recorded some improvement. London also shows a steadier tone. After a long period of steady losses by India in export markets in competition with Ceylon, there are now signs that the efforts made by the Indian Tea Board in conjunction with the Central Government in the matter of taxation, are at last bearing fruit. The amount of tea sold in Calcutta up to the last sale in 1962 for export is given as 64,799,650 kilograms, at Rs. 5.55 a kilogram compared with 71,067,925 kilograms with previous year at Rs. 4.83 a kilogram.

The last sale of 1962 held on 27th December, reported a good general demand for Dusts (internal consumption), with prices for good types tending upwards, but plainer sorts sold at a considerable discount. Legg-cuts were in demand, but there was a drop of up to 20nP a package.

At the final London tea sale held on 31st December, a good general demand was reported with prices for the good quality fully steady, but other kinds came to an irregular market. Later news from Cochin, Colombo and Calcutta indicates a steady tone. Supplies from north

CAPITAL, 10th January, 1963.

India will be short by about 28 million lbs. Pakistan needs all its produce for internal consumption so that this season's offerings on the London market from the major producers will presumably fall short of the amount available last year at this period.

U.K. Tea Stocks and Shipments

Shipments to the U.K. from 1st April up to the end of September 1962 are given as 31,643,886 kilograms, compared with 32,188,796 kilograms during the same period of 1961. Stocks in the U.K. as on 3rd January, 1963, were reported at 141.6 million lbs. At the end of December 1960, the amount was 154.7 million lbs and in 1961 it was slightly lower at 67.4 million kilograms.

Pakistan to Import Tea

On 1st January, 1963 the Pakistani Government notified that further tea exports would be discontinued because of scarcity of supplies for internal consumption. The Government has further decided to import up to 1 million lbs. This decision has been brought about by the high price of tea ruling at the internal auction sales due, as noted, to a shortage in the Pakistani crop. Up to mid-December, about 23 million lbs were sold for local consumption and only 4 million lbs were exported. The total Pakistani crop is estimated at under 50 million lbs. Pakistan may become a small-scale importer of tea as due to the delay in the supply and application of fertilisers, there is some anxiety about production in 1963.

Coffee Drinking in South

It is generally expected that the demand for tea will increase substantially in most parts of India, although coffee has a strong hold on the population in the south. It is well known that the world supply of coffee is surplus to world requirements. Although India has secured an export quota under the new international coffee agreement the amount is small by comparison with the country's output. Therefore, the home market is the only alternative and coffee producers appear to be going all out to expand their market at home—at the expense of tea. In its December issue, a local trade journal contains an article with the heading: "Fewer Votaries of tea in Anantapur—a town in Andhra". This refers to a recent survey carried out by the Tea Board which shows that the percentage of families drinking tea has actually fallen since the last survey in 1957. Families appear to be drinking tea much as before, but the male population favours coffee for refreshment in working hours. It is also noted that women appear to be taking rather more tea than five years ago, and whereas the percentage of families taking tea declined, the ratio of those taking coffee increased. It is stated that "the quantity of coffee consumed annually" by each coffee drinking individual has increased from 5.22 lbs a head to 8.89 lbs a head and the per capita annual consumption of coffee has increased from 3.10 lbs to 5.73 lbs.

New Record for Silver Price Forecast

A FORECAST that the price of silver will reach new record levels during 1963 is made by Mocatta and Goldsmid, London bullion dealers and a subsidiary company of Hambros Bank. In its annual circular, the firm points out that by the end of 1962, "the speculative positions outstanding on 1st January, 1962, have been appreciably reduced." It continues, "Taking into account the

unpredictability of Chinese sales, the remaining stocks of the Bank of Mexico and the free stocks of 40 million ounces still retained by the U.S. Treasury, we think that during 1963, the prices of silver will reach new peaks, and in New York will approach 129 cents an ounce, while in London it may even exceed the sterling equivalent of this figure." It recalls that "by the end of 1961 a considerable speculative holding had been built up and consumers were holding larger stocks than usual. World consumption was outstripping new production by some 60 million ounces a year".

The highest ever spot price for silver was touched on 22nd October, when it went to 104½d in London and 122 cents in New York. The price fell back to some extent during November and December. In December, speculators were realising their profits before the end of the year and consumers were concerned with their end-year stock position.

Outlook for Gold

On gold, Mocatta and Goldsmid say that the experiences of the market in 1962 indicate "that in the future, the price is likely to remain between limits of \$35.05 and \$35.20 for as long as the principal central banks remain technically co-operative and the gold policy of the U.S. administration appears to private buyers to be in line with its other economic and fiscal policies." Outlining the events of 1962 in the gold market, the circular records that the total private investment during April and May of 1962, much of which is still held, was of a much greater size than at any similar period since the market re-opened in 1954. After the Cuban crisis, and by the third week of October, the demand for gold in London rose to probably unprecedented heights and the dollar equivalent at the fixing was advanced to \$35.18½, but within a week, the price had fallen back to \$35.12 as a result of massive intervention effectively managed by the Bank of England on behalf of the Gold Pool, and so it had become evident that private buyers would have to reckon with "authority" as never before. During the year, Russian sales fell away by more than a third. There was also reduced demand from the Middle East following the embargo on forward dealings in gold imposed by the Indian Government in November. Another cross-current affecting the London market has been the increased flow of gold direct from Canada to South America.

COMPANY AND PUBLIC NOTICES

PRESIDENCY JUTE MILLS COMPANY, LIMITED Annual General Meeting

NOTICE

NOTICE is hereby given that the Share Transfer Books of the Company will be closed from 17th January, 1963 to 31st January, 1963, both days inclusive.

By Order of the Board,

McLEOD & CO. LTD.,

C. HOCKLEY,

Director,

Secretaries & Treasurers.

2, Netaji Subhas Road,

Calcutta,

7th January, 1963.

THE EMPIRE JUTE COMPANY, LIMITED

Annual General Meeting

NOTICE

NOTICE is hereby given that the Share Transfer Books of the Company will be closed from 17th January, 1963 to 31st January, 1963, both days inclusive.

By Order of the Board,

McLEOD & CO. LTD.,

C. HOCKLEY,

Director,

Managing Agents.

3, Netaji Subhas Road,

Calcutta,

7th January, 1963.

THE GOUREPORA COMPANY, LIMITED

NOTICE

NOTICE is hereby given that the Ordinary Share Transfer Books of the Company will be closed from the 28th January to 6th February, 1963, both days inclusive.

By Order of the Board,

MACNEILL & BARRY, LIMITED,

A. N. MITRA,

Secretary,

Managing Agents.

2, Fairlie Place,

Calcutta-1,

7th January, 1963.

MACNEILL & BARRY, LIMITED NOTICE

NOTICE is hereby given that the Board of Directors of this Company has sanctioned payment of the Dividend on the Preference Share Capital of the Company for the half-year ended 31st December, 1962, at the rate of Rs. 2.289375 percent.

Payment will be made on or after 1st February, 1963, to those Preference Shareholders whose names appear on the Company's Register on that date or in accordance with their instructions.

The Preference Share Transfer Books of the Company will be closed from the 28th January to 1st February, 1963, both days inclusive.

By Order of the Board

A. N. MITRA,

Secretary.

2, Fairlie Place,

Calcutta-1,

8th January, 1963.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

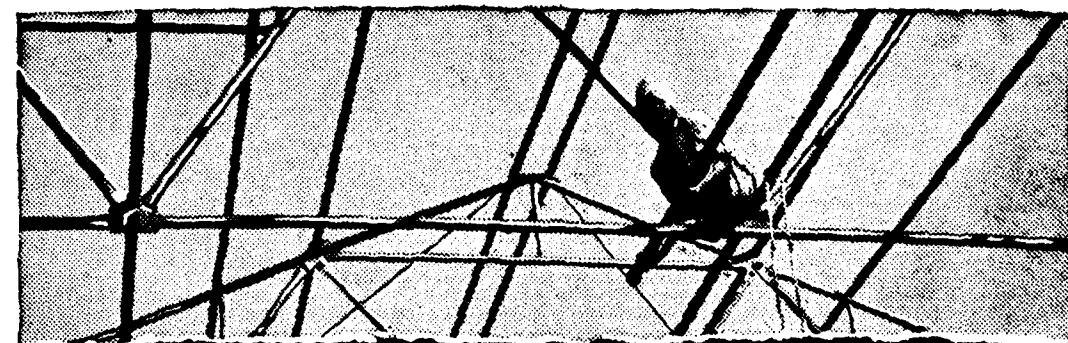
Name of Company	Date	I.S.T. Hours
Dalmia Iron & Steel Ltd.	21-2-63	3 p.m.

DIVIDENDS DECLARED OR PROPOSED

ED.—Champan Sugar Co. Ltd.—Nil;
Clive Row Investment Holding Co. Ltd.—25nP (Int.) (Ord.), subject to tax.

FERTILISER PRODUCTION IN NANGAL

The fertiliser factory in Nangal is now in a position to achieve its full production capacity. This has been achieved following the commissioning of the third stream in the ammonia plant on 16th November, 1962. Production of ammonia during December 1962, was 8,650 tonnes and that of fertiliser (calcium ammonium nitrate) 32,629 tonnes. The total fertiliser output to-date during the current financial year amounts to about 200,000 tonnes.



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SL3/44	44 ft.	10 ft., 12 ft., 14 ft. 4 in. and 16 ft. 4 in.

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Wednesday, 9th January, 1963.

BANKS

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

Paid-up Capital Ordinary	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Ra.	Ra.	Ra.			Ra.	Ra.	1959 1960 1961	Ra.	9-1-63 29-12-62 A year ago Ra.
67,50,000	1,23,75,000	27,37,97,908	Allahabad Bank P.	12	13,24,414	6,09,614	18 18 18	100	396/00 396/00 329/00
1,50,00,000H	1,81,24,560	33,09,58,958	Bank of Baroda	12	67,63,195	3,02,553	14 17 17	50	93/00 94/00 117/00
3,00,00,000H	3,28,00,000	33,83,61,910	Bank of India	12	1,10,31,538	29,16,350	16 20 20	50	109/50 110/50 142/50
2,62,50,000H 52,50,000	3,68,08,624	79,29,75,001	Central Bank of India	12	1,93,04,910	18,61,470	17-1/5 20 2/5	25	58/50 60/00 68/30
£6,600,000	£7,150,000	£141,890,310	Chartered Bank	12	£990,238	£540,648	15 15 15	£1	sh. 54/6 sh. 52/4 sh. 53/9
1,25,00,000H	2,00,00,000	3,44,38,609	Hindusthan Commercial	12	13,78,657	13,261	Nil Nil Nil	50	15/62 15/62 17/31
50,00,000H	10,85,000	94,21,660	Hindusthan Mercantile	12	1,68,130	28,888	Nil Nil Nil	50	£171 £18/-
HK\$79,046,125	£15,000,000	£165,691,749	Hong Kong & Shanghai	12	HK\$43,315,459	HK\$2,340,534	£3 £3 £3	HK\$25	173/00 173/00 179/00
60,60,000 22,40,000	83,01,884	19,38,59,976	Indian Bank	12	36,84,210	80,143	15 15	100	173/00 173/00 179/00
62,48,125	52,36,660	15,05,73,346	Indian Overseas Bank	12	28,59,610	2,03,141	15 15	100	161/00 161/00 196/50
5,00,00,000	74,41,264	2,23,84,659	Industrial Finance Corp.	12	7,80,776	21,25,000	15 15 15	50	sh. 33/4 sh. 32/7 sh. 31/6
£5,703,000	£4,760,400	£105,373,912	National & Grindlays Bank	12	£644,273	£311,105	12 13 14	sh. 15	20/62 20/62 22/87
1,99,36,910	2,10,93,691	69,22,46,887	Punjab National Bank	12	1,18,39,595	10,37,738	20 20 20	10	6/32 6/32 8/00
60,00,000	43,00,000	10,42,69,664	Union Bank of India	12	14,75,220	1,14,551	15 15	5	7/81 7/81 6/81
2,68,84,370	90,74,000	25,80,78,402	United Bank of India	12	20,50,008	2,39,804	4.3 4.3 6	10	82/50 82/50 105/00
2,00,00,000	2,35,00,000	36,83,34,071	United Commercial Bank	12	72,80,557	2,07,428	11 12 12	50	82/50 82/50 105/00

* Excluding taxation.

** Per share on increased capital.

† Guaranteed.

JUTE MILLS

Paid-up Ordinary Capital	No. of Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until					
Ra.		Ra.	Ra.	Ra.			Ra.	Ra.	1959	1960	1961	Ra.	Ra.	Ra.	A year ago Ra.	
60,00,000	879	99,19,361	66,42,500	3,92,648	Agarpara P.	3	79	59,794	79,587	5	10	21-21*	10	10/87	10/87	10/44
6,00,000	446	26,70,981	16,59,900	4,22,325	Alexandra P.	12	165	2,57,931	1,40,179	15	44	15	100	305/00	305/00	265/00
30,00,000	1,264	48,84,147	8,04,850	5,70,976	Alliance P.	6	165	11,43,880	58,837	Nil	6	Nil-10*	100	117/00	117/00	94/50
49,20,700	2,561	1,04,15,434	89,25,000	63,22,567	Anglo-India P.	3	63	20,00,933	2,75,227	13 1/2	20	7-10*	100	229/00	229/00	182/00
40,00,000	810	61,70,400	26,57,703	4,58,210	Auckland P.	3	22	-5,54,726	-5,02,872	20	27	12-Nil*	100	153/00	153/00	165/00
20,00,000	959	57,59,081	35,02,335	12,05,050	Bally P.	3	128	13,67,235	60,074	10	25	25-25*	100	280/00	280/00	255/00
£275,000	1,829	£410,570	£828,859	£53,073	Barnagore P.	6	235	-£89,216	-1,04,042	10	30	10-10*	45	188/00	188/00	168/00
45,00,000	600	29,61,854	15,46,700	8,93,663	Bengal P.	3	22	5,65,851	1,33,355	5	5	15-15*	100	10/25	10/25	9/00
1,59,56,210	1,313	5,25,85,505	3,35,31,987	90,84,701	Birla P.	3	22	96,65,712	1,08,070	10	15	15-15*	100	29/81	29/75	28/37
36,00,000	991	51,27,514	10,40,080	1,47,854	Budge Budge P.	10	62	-9,36,084	-8,90,684	15	10	Nil	100	168/00	168/00	129/00
7,47,380	502	12,59,648	1,17,958	1,73,320	Calcutta P.	6-12	62	61,970	48,461	12	12	12	100	8/00	8/00	10/50
18,00,000	616	38,26,710	28,17,842	36,75,352	Caledonian P.	11	440	1,72,996	11,777	12	10	5-Nil*	100	220/00	220/00	145/00
59,16,400	1,400	1,01,67,080	82,28,226	2,49,069	Champdany P.	3	304	-25,39,624	-24,02,338	7	10	5-Nil*	100	140/00	144/50	126/00
38,56,250	530	65,15,022	53,20,094	2,47,272	Cheviot P.	11	2	-16,01,287	1,21,444	12 1/2	5	Nil	10	24/00	24/00	15/56
30,15,000	560	61,67,235	31,67,621	12,41,633	Chitavalsab P.	7	165	-8,25,605	-7,86,279	15	11	5	100	11/25	11/25	11/75
16,00,000	959	13,80,489	25,12,433	1,35,556	Clive P.	3	318	1,51,574	18,647	12 1/2	5	Nil	100	8/37	8/37	9/85
31,49,200	766	52,19,772	12,23,514	3,57,222	Dalhousie P.	3	21	-61,738	-62,456	Nil	1	1-Nil*	100	138/00	136/00	105/00
56,00,000	779	1,24,93,442	51,26,797	3,06,994	Delta P.	11	2	-9,12,181	-8,96,549	14	7 1/2	Nil*	100	179/00	179/00	166/00
15,00,000	500	35,89,694	38,81,000	9,81,910	Empire P.	7	165	3,58,353	48,572	12 1/2	12 1/2	10-12*	100	17/50	17/50	18/62
63,00,000	1,864	1,68,88,474	24,95,369	12,66,910	Fort Gloster P.	3	138	26,14,782	14,938	20	25	10-12*	100	412/00	412/00	377/00
21,00,000	1,614	48,31,660	40,93,282	5,26,122	Fort William P.	3	234	4,99,418	7,033	15	10	10-15*	100	25/37	25/37	29/75
84,32,100	1,719	1,20,88,547	35,26,215	58,515	Ganges P.	3	367	41,38,028	1,89,764	20	25	22 1/2-10*	100	13/87	14/06	12/75
43,20,000	907	62,13,502	35,56,215	58,515	General Industrial	12	359	6,51,478	1,87,596	Nil	10	10-15*	100	18/00	18/00	35/00
24,00,000	1,394	1,02,44,325	74,30,537	45,41,712	Gouropore P.	3	19	12,24,172	49,518	25	30	25-20*	100	468/00	458/00	430/00
40,00,000	1,078	70,83,967	9,23,473	53,86,439	Hastings P.	3	234	5,68,002	1,01,636	6	6	6-6*	100	128/00	128/00	113/00
16,80,000	720	28,41,207	25,26,324	12,67,575	Howrah P.	3	356	9,68,586	38,329	10	10	10	100	20/00	20/00	16/00
65,62,500	1,940	72,72,129	42,82,842	8,05,642	Hukumchand P.	3	35	-10,94,477	-13,61,553	10	12 1/2	10-Nil*	74	19/00	19/00	20/50
52,50,000	2,212	1,31,00,000	38,55,000	23,48,290	India P.	3	353	7,44,969	3,18,900	20	28 1/2	28 1/2-28 1/2*	124	26/12	26/12	24/25
87,30,000	790	99,29,345	38,24,567	36,11,862	Kamarhatti P.	12	128	-13,75,183	-17,20,761	20	16	15-5*	100	169/00	169/00	140/00
43,20,000	1,797	56,25,250	27,20,328	6,75,226	Kankarnarab P.	12	128	-13,35,527	-30,80,212	14	15	15	100	136/00	130/00	78/00
54,00,000	1,327	58,65,106	9,43,776	5,58,686	Kelvin P.	6	165	45,353	47,758	20	20	5-12*	10	185/00	190/00	185/00
28,00,000	703	53,93,372	56,73,800	13,28,826	Khardah P.	3	382	16,20,597	-21,89,282	10	20	7-Nil	100	150/00	150/00	162/00
54,00,000	1,530	85,81,995	26,08,764	5,41,356	Kinnison P.	3	106	-22,59,829	-4,684,149	Nil	Nil	Nil-Nil*	100	120/00	120/00	120/00
48,00,000	1,250	70,14,861	46,11,711	24,80,797	Landsdowne P.	3	21	-15,64,671	1,38,282	2	7	15-10*	100	131/00	131/00	175/00
24,48,000	931	33,87,827	Nil	3,63,702	Lawrence P.	3	101	10,35,834	-13,08,719	10	12	12-Nil*	100	13/69	13/69	12/62
28,00,000	840	22,22,258	1,36,90,180	42,99,026	Megna P.	3	353	-17,83,515	-4,26,297	10	12	12-Nil*	100	101/00	107/00	86/00
81,65,200	1,294	1,26,96,079	34,55,037	2,94,057	Naihati P.	3	101	10,35,834	-13,08,719	10	12	12-Nil*	100	13/69	13/69	12/62
29,98,900	815	76,99,875	12,04,575	26,11,429	Naskarpara P.	4-10	107	3,36,343	17,816	10	10	10	100	9/06	9/06	12/25
20,00,000	425	10,79,584	15,55,000	8,25,999	National P.	10	378	-6,31,516	59,869	10	7 1/2	Nil	100	26/00	26/00	23/37
35,00,000	852	98,53,012	48,90,518	10,37,040	Nellimarla P.	7	165	5,54,299	59,869	14	9	6	100	11/25	11/25	9/75
26,25,000	816	36,08,542	33,13,272	26,20,231	New Central P.	3	335	-18,53,066	15,530	15	15	15-Nil*	100	13/81	13/81	16/81
1,56,00,000	1,765	8,08,96,118	2,42,19,122	4,86,781	Northbrook P.	3	21	10,14,322	32,186	12 1/2	30	30-20*	100	36/75	36/75	30/50
16,79,880	567	51,13,896	51,70,911	4,86,781	Nuddea P.	3	19	4,25,754	65,041	6	8	6-5*	50	58/00	58/00	65/25
88,79,000	1,092	1,00,63,618	42,63,296	5,77,179	Presidency P.	7	185	2,17,764	4,940	10	8	6	5	5/06	5/06	4/87
25,00,000	400	27,55,508	11,44,471	4,20,083	Rameswara P.	3	166	8,38,262	-3,60,855	Nil	Nil	Nil-Nil*	100	9/94	9/94	7/06
20,00,000	305	44,84,547	2,99,013	1,14,563	Reliance P.	3	128	7,31,817	25,40,896	Nil	Nil	Nil-Nil*	100	6/75	6/75	5/81
49,50,000	1,276	57,25,150	Nil	24,98,321	Sannugger P.	12	64	-2,77,715	£4,780	10	6	Nil	£1	10/50	10/50	10/50
£600,000	2,013	£1,452,330	£1,182,334	2,58,889	Shree Ambica P.	3-9	61	6,54,003	16,678	10	10	10	100	35/00	35/00	22/69
30,00,000	911	87,28,390	30,03,004	14,20,017	Soorab P.	12	186	5,87,568	16,168	25	25	25	100	25/25	25/25	21/58
14,00,000	401	23,26,975	15,88,900	£255,525	Titagarh P.	12	64	-2,77,715	£4,780	10	8	Nil	£1	10/50	10/50	10/50
£800,000	1,794	£1,331,626	£998,938	11,91,543	Union P.	3	21	1,70,129	18,317	20	25	6-Nil	100	166/00	166/00	170/00
35,98,600	1,326	37,69,632	37,88,568	£198,161	Victoria P.	12	64	-£92,439	£4,814	10	6	Nil	£1	10/50	10/50	10/50
£400,000	1,331	£1,326,471	£247,577	6,95,642	Waverley P.	5	165	6,79,755	66,272	25	30	30-60*	1	5/62	5/62	4/19
2,50,000	465	6,47,472	8,20,000	6,95,642												

* 1962

CAPITAL, 10th January, 1963.

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per share	Latest Market Quotations as available until				
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	1959	1960	1961	Rs.	9-1-63	29-12-62	A year ago		
25,50,000	58,52,284	43,77,800	3,90,484	Amalgamated	3	236	16,40,057	39,006	15	10	12-15*	10	23/12	22/87	23/00	
1,20,00,000	3,15,46,304	2,44,30,490	36,03,888	Bengal P.	10	2	86,68,875	10,42,254	25	25	21	100	335/00	335/00	360/00	
4,49,350	4,97,892	1,30,132	91,796	Bengal Bhatdee	12	368	43,337	4,471	..	..	26	10	3/48	3/48	3/48	
2,25,000	3,06,216	5,45,835	5,19,015	Bengal Nagpur	12	..	1,55,638	16,129	Nil	..	21	10	22/00	22/00	20/19	
15,97,000	23,27,321	4,87,308	65,992	Bhalgora	9	152	2,62,417	21,275	..	..	..	10	5/00	5/00	4/75	
40,00,000	67,23,620	2,75,000	21,18,681	Bharat Collieries P.	6	335	11,80,816	2,120	..	..	..	10	3/53	3/53	3/75	
7,15,000	14,96,845	11,02,672	64,329	Bhutanpararee	12	362	-3,06,436	-79,196	..	..	..	10	12/00	12/00	4/00	
16,00,000	38,87,275	16,18,636	7,185	Bokaro & Ramgur	6-12	315	1,21,936	33,647	..	..	..	10	11/19	11/19	14/06	
7,50,000	19,13,792	22,77,003	12,32,439	Boraea P.	12	106	5,26,414	90,768	..	..	..	10	23/87	23/87	23/50	
90,92,480	2,32,19,267	1,46,53,383	33,70,740	Burrakur P.	6	21	37,97,832	90,768	13	13	13-13*	10	16/56	16/56	17/62	
49,97,000	50,93,751	6,86,120	6,35,532	Central India	3	166	16,11,083	3,58,023	5	8	10-10*	10	10/12	10/12	13/12	
8,00,000	18,69,439	12,97,430	98,940	Central Kurkud P.	12	..	6,357	214	..	..	..	10	8/00	8/00	7/00	
6,00,000	..	1,55,159	6,05,672	Churulia	12	106	63,755	7,043	..	..	..	10	3/06	3/06	3/06	
10,00,000	25,01,205	Nil	19,429	Dhemo Main	12	444	-6,45,261	-5,39,034	Nil	Nil	..	4	5/94	5/94	6/94	
2,240,000	8,668,390	5,561,905	21,83,558	East Indian	4	128	2,288,452	£6,234	99	15	15-20*	10	50/00	50/00	32/75	
29,63,700	1,42,23,054	1,18,76,888	27,65,725	Equitable P.	12	19	10,14,185	33,594	74	74	..	10	25/62	25/62	28/87	
10,00,000	6,74,708	2,07,486	3,32,973	Ghustek & Muslia	3	307	12,979	24,344	..	..	..	10	15/00	15/00	14/00	
8,50,000	4,21,847	Nil	12,025	Guzdar Kajora	12	20	10,870	-14,705	..	..	..	10	2/05	2/05	2/75	
8,00,000	5,43,022	..	16,702	Hurliadib	12	393	-10,172	-3,65,025	Nil	..	..	10	8/12	8/12	14/37	
15,00,000	23,47,952	27,81,955	39,74,704	Karanpura Development	12	21	3,95,971	1,40,029	5	5	5	100	12/25	12/19	17/12	
20,00,000	34,15,535	9,86,018	3,72,692	Karanpura Collieries P.	2	21	8,92,065	32,810	5	74	10-10*	10	18/00	18/00	19/04	
14,88,480	20,68,761	16,01,825	8,75,590	Katras Jherriah	1	2	8,29,962	1,11,842	65	95	40-25*	10	48/75	48/75	49/00	
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P.	6-12	337	49,776	1,818	..	..	..	10	18/70	18/70	18/70	
5,65,750	5,95,833	Nil	9,780	Mundulpur	3	372	-1,60,535	-16,47,497	..	..	..	10	2/69	2/69	2/62	
7,48,240	3,46,525	2,50,000	7,62,941	Nazira	12	347	1,28,839	94,963	10	..	..	10	5/75	5/75	6/50	
31,97,210	61,58,849	34,47,233	3,39,307	New Beerbhoom P.	10	2	9,75,812	93,645	15	16	10	10	20/62	21/62	22/75	
9,90,340	4,04,373	5,21,710	75,374	New Manbhoom	3	202	4,12,216	43,822	5	74	8-12*	10	13/75	13/75	13/62	
1,15,000	7,05,719	4,31,409	40,364	North West	12	441	1,44,042	15,045	15	20	20	10	19/75	19/75	22/19	
1,57,500	..	..	..	..	..	..	..	..	..	..	..	74	18/30	18/30	20/25	
7,50,000	1,33,788	13,22,645	22,85,007	Ondal P.	12	106	1,91,515	45,060	7	6	74	10	13/00	13/00	14/40	
8,34,000	23,69,066	1,52,212	4,78,984	Parasee P.	12	207	1,79,344	589	6	13	13	10	16/00	16/00	17/88	
15,75,000	32,93,192	24,59,125	4,11,055	Pench Valley	3	236	5,41,674	54,253	10	10	10-10*	10	18/50	16/50	17/00	
2,50,000	5,62,405	1,500	11,530	Pure Sitalpur	6-12	5	2,003	18,981	..	..	..	10	8/00	8/00	8/00	
33,58,900	50,26,723	40,85,000	1,26,141	Raneegunge	3	370	11,54,576	35,781	10	15	17-17*	10	15/00	15/00	15/12	
13,50,000	25,32,135	20,80,190	16,89,318	Rewa	12	236	13,18,197	41,523	10	20	20	10	29/12	29/12	30/00	
37,50,000	74,38,430	39,61,070	1,69,086	Samla	12	48	12,37,914	26,993	Nil	Nil	..	10	10/03	10/03	8/50	
2,50,000	4,47,534	74,281	10,748	Searsale	1	353	-19,279	-4,27,396	Nil	Nil	Nil-Nil*	24	1/94	1/94	0/78	
2,80,000	10,74,006	12,23,716	10,17,267	Seebpore P.	12	2	5,13,147	67,383	42 6/7	42 6/7	42 6/7	10	45/00	45/00	45/75	
8,00,000	6,203	4,54,648	13,04,570	Sendra	12	106	78,390	1,540	34	6	34	10	5/75	5/75	6/44	
17,50,000	26,80,253	9,25,630	40,202	South Karanpura	8	21	-1,74,305	-1,54,124	9	24	Nil	10	7/00	7/00	8/81	
8,00,000	1,30,001	15,48,869	26,78,255	Standard	12	106	1,84,925	38,939	15	15	10	10	16/00	16/00	13/81	
2,50,000	4,36,300	3,23,000	36,660	Union	12	..	1,37,973	1,77,952	..	..	..	10	10/37	10/37	10/00	
49,98,000	63,57,150	6,09,055	2,69,620	Western Bengal	3	184	11,72,192	1,19,162	..	6	74-9*	10	9/50	9/50	9/50	
7,00,000	26,06,335	Nil	47,091	West Jamuria	12	444	-6,51,403	-6,23,711	Nil	Nil	Nil	10	9/37	9/37	7/25	
*1962																
COTTON MILLS																
Paid-up Capital Ordinary	Number on Spindle Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per share	Latest Market Quotations as available until			
Rs.		Rs.	Rs.	Rs.			Rs.	Rs.	1959	1960	1961	Rs.	9-1-63	29-12-62	A year ago	
15,00,000	14,108	356	14,06,683	3,15,002	12,59,541 Basanti P.	12	49	26,012	41,532	..	..	10	14/00	15/12	7/75	
7,11,220	36,000	932	17,17,120	2,20,369	30,842 Banga Luxmi	3	27	3,68,177	47,818	..	..	40	28/00	28/00	28/00	
27,00,000	31,476	624	17,77,373	..	93,872 Bengal Nagpur P.	12	223	-6,24,150	-8,86,163	Nil	Nil	10	3/25	3/25	3/25	
50,00,000	..	..	1,10,03,881	39,06,800	9,82,148 Bharat Commerce	12	394	55,78,866	1,45,829	Nil	5	10	25/87	25/87	27/44	
39,95,950	38,764	992	60,94,300	1,21,02,782	53,37,204 Birla Cotton	8	22	39,77,025	1,67,525	Nil	10	20-20*	28/87	28/87	28/50	
24,00,000	43,136	941	94,15,536	31,39,700	2,59,240 Bowreah P.	12	138	30,41,946	2,15,857	Nil	10	20	24/00	24/00	38/50	
30,00,000	22,000	510	23,07,805	48,99,554	5,33,310 Cawnpore Textiles	12	25	20,78,448	47,303	Nil	7-1/5	10	7/06	7/06	8/94	
3,78,33,535	1,97,348	3,307	6,72,37,739	6,96,27,768	77,61,228 Delhi Cloth & Genl. P.	6	228	3,08,40,769	4,03,436	10	12	13-13*	45/00	45/00	61/62	
38,00,000	43,049	518	55,25,204	2,35,557	Dunbar	12	138	40,11,298	2,29,897	10	20	20	28/37	28/37	34/31	
63,00,000	54,000	1,200	72,11,946	1,75,75,771	91,53,831 Elgin P.	9	389	73,50,384	80,801	11 1/2	11 1/2	17 1/2	19/94	19/75	22/75	
1,25,00,000	..	..	3,48,97,571	56,34,321	85,50,739 J. K. Cotton (Rayon) P.	12	158	19,28,764	1,22,785	9	12 1/2	..	10	14/50	14/50	20/62
49,18,000	6,272	202	51,44,000	24,71,500	4,76,536 Jay Shree	12	22	22,42,100	87,268	9	10	10	16/25	16/25	15/06	
30,00,000	38,000	1,825	47,44,548	52,19,301	92,65,055 Muir P.	12	208	18,77,941	-7,77,290	..	..	100	100/00	100/00	101/00	
35,11,583	78,348	1,367	47,49,840	3,96,960	1,09,256 New Victoria P.	12	237	12,73,361	-63,55,495	..	..	24	1/37	1/37	1/81	
48,00,200	..	..	1,08,10,352	78,144	2,34,188 Orissa Textiles P.	3	399	12,34,741	-22,17,524	Nil	Nil	Nil	10	9/00	9/00	10/06
19,47,750	23,196	795	16,56,550	78,491	1,61,387 Rampooria Cotton	6	4	5,999	53,853	Nil	3	Nil	10	12/00	12/00	10/06
5,00,000	..	..	..	..	..	..	..	..	..	Nil	..	..	100	11/50	11/50	11/50
17,50,000	..	..	..	..	..	..	..	..	..	Nil	..	..	100	7/37	7/37	8/62
37,50,000	1,14,836	2,077	4,48,79,351	2,63,83,071	2,15,81,189 Swadeshi (Kanpur) P.	12	333	78,20,241	5,044	4	5.51	..	100	7/37	7/37	8/62

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Acreage under Tea	Outturn and Average Price per Kz./lb. realised for crop				Estimate 1962	NAMES	Accounts Closed	Mr. Agts. Secretaries etc.	Net Profits including taxation	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
				1960	1961	1962	1963						1959	1960	1961		9-1-63	29-12-62	A year ago
Rs.	Rs.	Rs.	Kzs.	Rs.	Kzs.	Rs.	Kzs.	Rs.			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
ASSAM GARDENS																			
4,45,700	15,18,849	15,50,949	879	308,034	5.24	424,104	4.81	442,700	Amluckie P.	12	165	3,53,660	15	Nil	10	10	20/00	20/00	25/94
7,00,000	12,88,670	8,07,423	501	321,178	6.85	311,077	6.58	...	Anandabong	12	88	3,99,567	17	30	32	10	33/25	33/25	23/50
5,50,000	15,79,312	14,43,241	573	260,179	5.37	353,284	5.32	362,900	Baghamari	12	165	95,555	15	Nil	15	10	18/50	18/50	21/25
1,80,000	3,62,618	1,69,284	315	123,695*	1.56	...	...	...	Barduar Tea	12	349	78,491	Nil	Nil	25	10	27/25	27/25	26/50
7,65,000	15,19,743	10,56,055	154†	264,700	7.21	313,600	6.91	290,000	Basmatia	12	2	4,49,454	30	35	25	6	18/00	18/00	18/81
4,95,900	6,73,519	5,67,320	...	335,923*	4.25	...	...	...	Bateh	12	345	2,93,848	30	30	45	10	32/62	32/62	29/50
6,40,000	11,89,778	11,78,262	610	415,786	6.82	408,269	6.56	...	Betjan	12	88	536,924	25	40	13	10	17/25	17/25	23/00
33,00,000	40,22,201	18,08,333	1,407†	1,375,572	5.95	16,30,448	5.80	15,47,300	Bishnauth	12	279	1,67,606	13	13	13	10	13/70	13/70	13/70
6,00,000	10,99,605	4,27,428	479	154,572	6.30	2,23,903	5.90	2,43,125	Bokakhat	12	202	2,07,619	8	Nil	12	10	13/70	16/12	14/37
7,50,000	11,90,141	10,08,335	450	299,916	5.58	303,665	5.00	3,13,900	Borman Jan P.	12	165	2,34,694	12	15	10	10	11/75	11/75	10/87
4,50,000	7,82,300	2,32,500	234†	210,026	6.30	265,021	6.25	2,90,300	Bor Pukhuri	12	279	78,333	Nil	Nil	10	10	11/65	11/65	15/75
35,00,000	66,10,893	13,07,736	1,163†	12,15,847	5.31	14,26,351	5.27	...	Brooke Bond P.	6	127	5,94,471	12	15	10-7	10	49/25	49/25	49/25
1,20,000	1,81,585	8,10,487	307	116,318	5.83	173,271	5.19	192,300	Dejoo Valley	12	165	1,13,633	40	15	20	10	141/00	141/00	155/00
8,40,000	12,97,869	7,95,318	540†	376,082	5.70	543,524	5.68	515,318	Dessai & Purbuttia	12	128	541,972	Nil	Nil	10	100	20/00	20/00	21/12
17,53,440	22,29,324	10,53,350	179†	294,761	6.64	...	...	...	Dhelakhat	12	214	3,54,091	23	20	15	10	15/00	15/00	15/00
7,00,000	19,16,176	7,90,000	553†	591,938	5.32	632,799	4.58	627,000	Dhunseri P.	12	365	2,12,986	23	20	15	10	32/50	32/50	33/00
4,50,000	15,91,840	15,10,975	458	293,229	6.61	3,05,738	6.23	3,12,100	Dibruagarh	12	165	303,585	30	40	10	10	21/87	21/87	23/12
4,73,400	10,12,800	7,43,000	675†	383,650	6.19	301,383	5.81	308,000	Dimakusi P.	12	279	2,25,939	30	25	20	10	21/87	21/87	30/50
7,00,000	14,27,300	13,39,500	266†	388,343	6.18	464,799	5.77	454,000	Dufflaghur	12	279	393,106	35	25	20	10	18/87	18/87	18/50
10,00,000	20,53,400	9,68,000	479†	366,144	5.68	525,798	5.76	539,000	East India	12	279	188,604	10	Nil	Nil	10	25/44	25/44	25/50
5,03,760	13,75,770	6,44,277	191	344,520	4.95	3,58,797	...	...	Gillapukri	12	354	1,94,850	25	25	20	10	13/31	13/31	13/00
6,76,000	12,89,800	8,77,500	224†	220,227	6.19	254,919	5.81	2,62,000	Gohpur	12	279	93,109	10	Nil	6	10	13/31	13/31	13/00
23,29,085	55,16,400	35,83,224	1,034†	975,452	5.54	1,079,309	4.98	11,321	Grob	12	202	63,288	14	6	6	5	8/06	8/06	9/50
6,00,000	10,51,765	7,53,498	197	307,199	4.79	3,58,885	...	...	Hoograjuli (Assam)	12	354	1,82,327	25	20	70	10	27/12	27/12	24/81
8,70,900	24,12,514	14,38,299	542†	463,500	5.69	525,000	5.69	525,000	Hoolungoor	12	2	87,730	20	10	7	100	190/00	190/00	185/00
9,00,000	15,74,647	10,51,189	949	506,565	6.52	5,39,472	5.99	...	Jutlibari	12	88	5,82,815	10	30	30	10	32/00	32/00	34/06
2,40,000	16,48,698	15,08,170	490	4,36,672	5.39	...	...	...	Kingsley Golaghat P.	12	236	4,43,662	35	35	100	100	212/00	212/00	210/00
1,80,000	17,88,233	23,500	491	440,797	5.11	524,469	4.69	520,000	Kotamullai P.	12	63	2,19,061	Nil	Nil	5	10/31	10/31	...	
5,00,000	8,47,735	2,74,103	140†	...	5.81	...	...	...	Krishnabehari	12	41	1,45,496	10	15	...	10/50	10/50	9/50	
2,00,000	1,81,000	21,000	71	229,767	...	...	...	...	Kyana Tea	12	236	5,158	Nil	Nil	...	8/06	8/06	8/06	
6,50,000	12,20,327	8,50,778	268†	229,767	5.53	279,777	5.15	285,000	Ledo	12	63	153,230	Nil	Nil	Nil	10	17/25	17/25	17/00
8,00,000	11,51,913	1,30,098	144	2,00,705	5.72	2,28,707	4.96	2,24,900	Maud Tea & Seed	12	...	1,31,878	7	10	7	10	14/81	14/81	15/25
10,00,000	15,48,292	13,75,000	262†	285,908	5.68	384,674	5.68	384,674	Mathoni	12	202	3,87,218	15	5	14	10	18/56	18/56	17/69
4,80,000	9,43,489	30,000	286†	68,951	4.59	...	...	...	Moheema	12	...	36,789	10	Nil	...	11/50	11/50	11/50	
1,50,000	2,71,599	13,65,825	135	68,951	...	83,921	...	...	Mothola	12	138	72,274	25	30	30	100	507/00	507/00	507/00
1,75,000 O	14,31,493	8,49,447	156†	122,300	5.87	182,900	6.01	200,000	Murphulan (Assam)	12	2	2,22,943	20	5	15	10	26/50	26/50	24/50
2,00,000 P	...	...	...	...	...	...	...	...	...	...	...	...	25	10.63	20.63	10	28/75	28/75	22/24
4,00,000	5,99,355	6,84,758	554	337,198	4.63	319,104	4.51	345,000	Naga Hills	12	143	2,07,239	6	10	10	10	22/69	22/69	18/81
5,35,000	9,31,834	3,98,379	447†	246,382	4.79	...	...	...	Namburnadi	12	...	1,78,991	16	12	...	10	14/86	14/86	14/00
5,00,000	7,84,189	1,35,500	298†	163,289	6.84	290,873	5.98	240,000	New Chinnotalliah	12	63	3,02,699	Nil	Nil	100	450/00	450/00	...	
6,00,000	12,46,354	7,17,592	157†	187,100	6.00	216,800	5.31	216,800	Raigarh	12	2	1,75,136	35	40	13	10	21/37	21/37	23/25
9,00,000	23,07,580	2,66,937	429†	531,473	4.73	632,808	5.68	220,000	Sapoi	12	354	2,97,941	20	22	20	10	24/44	24/44	18/75
2,40,000	6,24,100	5,35,000	207†	203,699	6.24	...	...	...	Seajuli	12	279	1,31,236	17	23	15	10	20/75	20/75	23/25
5,98,000	18,64,283	14,42,974	500	350,366	5.70	473,286	4.99	390,100	Teloian	12	165	1,43,989	25	25	25	10	27/75	27/75	28/50
8,00,000	11,92,725	6,72,053	540	339,133	6.88	348,111	6.59	...	Tengpani	12	88	4,61,762	17	30	30	10	35/00	35/00	35/00
19,82,800	33,61,383	16,92,483	2,407	2,816,560*	2.17	2,972,880*	1.92	249,600*	Tezpor P.	12	236	4,76,239	20	12	12	10	15/56	15/56	16/06
7,50,000	13,02,672	4,34,925	363†	267,677	4.53	...	...	...	Tongani	12	95	1,22,530	Nil	Nil	...	10	6/50	6/50	6/44
5,20,000	35,29,595	27,60,163	1,050	480,745	5.90	590,423	5.14	638,700	Tyron	12	165	1,73,399	30	10	15	10	34/37	34/37	36/62
CACHAR																			
3,00,000	3,31,837	5,000	348†	93,975	4.42	...	...	...	Arcuttipore	12	...	4,314	Nil	Nil	...	10	7/00	7/00	7/00
4,00,000	6,54,409	3,37,709	190†	158,343	4.45	...	...	...	Baitakhal	12	35	25,985	5	2	...	10	6/59	6/59	6/69
1,00,000	20,49,762	9,06,106	596†	380,752	4.90	545,645	4.26	541,552	Central Cachar	12	128	2,38,932	5	5	7	100	73/00	73/00	73/00
7,00,000	6,64,780	Nil	278†	122,864	4.63	...	...	...	Eastern Cachar	12	383	43,057	Nil	Nil	...	10	4/12	4/12	2/94
4,50,000	3,35,089	3,30,000	637	214,640	1.95	...	...	...	Kallinugger Khoreel	12	384	34,716	6	6	...	100	87/00	87/00	87/00
12,00,000	18,22,020	13,75,800	2,208	525,805	4.43	723,716	3.84	725,747	Kattikihira	12	202	2,92,141	5	Nil	6	10	9/44	9/44	10/37
3,80,000	4,07,626	55,975	252	82,903	4.65	...	...	...	Kunchanpore										

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Mo. Asst. Secretaries etc.	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Ra.	Ra.	Ra.	Ra.				Ra.	Ra.	1959 1960 1961	Ra.	9-1-63 29-12-62	Ra.
CHEMICAL INDUSTRIES												
62.00,000	5,26,30.158	1,97,50.273	5,45,473	Alkali & Chemical Corp. of (I)	9	121	1,41,28,376	1,16,274	9 1/2	12	15	10
1,48,00,000A	29,33,899	15,51,802	5,958	Bathgate & Co. Ltd. P.	12	442	—2,50,346	—8,53,536	Nil	Nil	..	5
20,00,000	18,48,048	15,681	5,958	Bengal Chemical & Pharm. P.	3	245	18,06,053	1,30,717	7	1	10	100
15,00,000	76,41,344	68,84,605	21,11,440	Calcutta Chemical P.	6	377	12,04,892	6,978	18	18	18—18*	10
11,08,900A	36,34,102	22,82,883	19,49,050	Frank Ross P.	2	129	72,146	2,560	..	6	3/25	3/25
22,54,700B	99,022	Nil	41,554	Smith Stanstreet P.	6	191	11,00,256	92,801	25	25	25—25*	5
15,00,000	11,71,084	16,07,251	9,33,133									
4,95,000												
20,00,000												
ELECTRIC LIGHTING, POWERS												
19,99,800	1,15,72,761	51,20,883	27,74,213	Agra Electric Supply	3	32	4,56,810	52,889	10	11	11—11*	100
8,00,000	15,51,802	15,51,802	8,09,008	Bareilly Electric Supply	3	32	2,00,631	25,623	10	11	11—11*	10
17,00,000	1,03,03,450	52,26,411	19,58,483	Benares Electric Supply	3	32	4,34,454	47,298	10	11	11—11*	10
5,91,360	7,86,148	2,64,962	2,64,962	Bhagalpur Electric Supply	3	202	2,61,655	34,460	5	8	10	8
4,26,646	21,040,641	21,040,641	21,040,641	Calcutta Electric Supply	3	202	2,61,655	34,460	5	8	10	8
6,00,040	22,18,493	7,17,141	32,604	Cuttack Electric Supply	3	202	151,465	63,899	6 1/2	7 1/2	10—10*	10
43,20,000	66,87,445	49,73,446	41,87,140	Dishergarh Power Supply P.	3	2	14,42,862	4,27,783	7 1/2	10	10—10*	100
5,34,640	17,29,086	96,513	95,409	Jhansi Electric Supply	3	168	65,283	3,590	6 1/5	5/90	5/90	6/00
22,49,550	66,50,848	29,21,749	5,35,563	Jubbulpore Electric Supply	3	32	2,69,909	33,302	9 1/5	10	10—10*	10
4,95,000	6,70,324	2,24,149	1,09,770	Mirzapur Electric Supply	3	258	46,485	39,015	5	10	10—10*	10
5,82,390	24,27,617	5,52,392	3,21,566	Muzafferpore Electric Supply	3	202	99,893	28,790	10	12 1/2	12 1/2	11/50
6,99,700	13,47,574	1,14,377	2,15,991	Muttia Electric Supply	3	329	83,664	18,988	8	10	10—10*	10
35,07,380	98,50,374	48,67,675	3,95,468	Patna Electric Supply	3	202	12,96,460	1,27,547	7 1/2	10	10—10*	100
9,10,000	8,77,208	2,86,692	3,19,022	Shahjahanpur Electric P.	3	202	1,58,667	17,201	5	6 1/2	51—61*	10
18,80,000	25,32,892	14,98,612	3,98,429	Sijua (Jheriah) Electric	3	21	45,05,575	11,620	7 1/2	10	9	10
56,00,000	2,03,16,819	80,84,613	25,53,868	United Provinces Electric	3	32	11,08,426	92,879	10	11	11—11*	100
5,00,000	21,74,345	14,00,467	7,69,903	Upper Jumna Valley Electric	3	32	1,92,745	33,674	12 1/2	13 1/2	13 1/2*	10
ENGINEERING & METAL												
6,00,000	6,61,485	63,426	1,48,213	Arthur Butler (Muzafferpore) P.	12	300	2,93,398	—1,52,122	..	10	10	10
50,00,000	37,72,507	31,83,221	1,07,272	Bharati Electric Steel	12	31	12,85,503	46,999	15	25	25	10
1,00,00,000	1,03,33,194	61,14,305	1,06,741	Braithwaite India	12	289	68,11,414	5,914	22 1/2	30	30	10
12,00,000	36,61,140	49,28,897	7,66,390	Bridge & Roof	12	24	18,96,673	1,82,241	30	Nil	Nil—Nil*	10
19,88,670	33,56,748	1,09,796	1,86,939	Britannia Building & Iron P.	12	192	1,80,146	—611,196	6	10	10	10
50,00,000	97,94,575	47,45,365	1,14,934	Britannia Engineering P.	12	165	11,48,142	1,11,267	10	45	20	10
15,00,000	12,12,276	14,63,600	14,598	British India Electric Cons.	12	24	12,02,402	94,447	25	28 1/2	28 1/2*	100
94,00,000	3,32,64,591	2,76,84,425	40,25,787	Burn P. (Engineering)	4	32	1,39,62,242	1,08,751	28 1/2	15	15	10
1,00,00,000	59,09,200	12,29,727	6,51,964	Calcutta Steel	3	437	24,04,847	3,67,903	5	10	10	10
80,00,000	98,29,770	16,00,000	2,57,259	Dalmia Iron	3	434	22,60,631	1,64,773	..	10	10	10
4,00,00,000	6,44,65,941	6,76,06,738	2,02,29,683	Guest, Keen, Williams	12	227	1,04,26,264	..	24	16	14	10
12,50,000	19,90,579	23,65,648	47,073	Hooghly Docking	3	32	20,18,457	24,72,163	12	15	16—16*	10
12,44,08,990	63,85,01,942	27,24,83,378	2,11,93,832	Indian Iron & Steel P.	3	223	—4,15,836	—4,03,294	1 1/2	Nil	..	60
3,85,000	11,52,812	14,001	1,82,994	Indian Malleable Casting	3	223	67,96,336	78,603	28 1/2	28 1/2	28 1/2*	10
1,54,00,000	49,44,759	95,69,160	43,31,087	Indian Standard Wagon P.	3	32	2,31,048	161	23	24—23*	100	44/12
96,79,740	3,27,37,933	2,72,79,486	1,63,11,480	Indian Steel & Wire Products	3	122	39,84,802	45,149	..	Nil	10	10
12,00,070	8,18,350	1,41,916	2,530	Industrial Containers	12	24	5,61,554	9,036	12	17 3/20	17 3/20—15*	10
1,51,83,863	2,75,25,083	1,27,78,829	11,63,784	Jay Engineering	3	443	56,79,346	86,647	12 1/2	20	20—10*	10
40,00,000	59,72,635	35,85,700	10,46,960	J. K. Steel P.	6	132	20,45,860	91,571	8,58	8,58	8,58	10
2,04,00,000	2,86,54,899	1,98,14,815	76,75,724	Jessop & Co. P.	10	290	1,16,61,943	13,579	10	10	11 1/2	8
27,64,800	54,66,353	48,98,269	1,31,289	Kumardhubi Engineering P.	11	21	7,79,896	..	7/50	7/62	7/69	10
10,50,000	4,02,051	19,21,798	4,45,599	Marshall Sons (India)	6	170	3,25,891	—5,63,688	10	Nil	Nil	2
49,96,000	61,94,985	13,58,398	3,83,036	National Iron and Steel	3	192	2,56,716	—4,42,917	6 1/2	Nil	Nil—Nil*	10
6,00,000	10,13,254	18,66,375	1,40,370	Saran Engineering	3	25	6,90,089	11,859	7 1/2	8 1/2	10—12 1/2*	4
14,00,070	8,20,458	8,56,154	25,99,569	Steel Containers	12	24	12,24,473	77,799	..	30	20	10
1,50,00,000	2,73,21,766	61,37,433	13,28,341	Textile Machinery	12	22	52,01,325	62,642	20	10	10	10
SUGAR BREWERIES ETC.												
14,00,000	17,29,860	10,85,148	39,573	Bairampur Sugar	6	371	1,10,785	15,763	8	8	8—4*	2 1/2
29,23,537	25,29,299	11,36,627	10,02,614	Belsund Sugar	9	234	5,72,506	3,552	18 1/2	18 1/2	10	7 1/2
32,00,000	5,64,327	13,31,513	18,14,343	Bharat Sugar P.	6	316	1,94,561	2,330	..	10	10	11/31
32,00,000	45,72,835	43,34,048	27,81,820	Carew (Sugar) P.	6	25	33,71,567	3,71,540	Nil	10	10	10
30,00,000	82,18,328	75,62,480	7,45,201	Cawnpore Sugar P.	10	25	27,572	—3,70,213	Nil	Nil	Nil—Nil*	10
18,00,000	28,05,357	52,45,390	3,03,419	Champaran Sugar	6	25	8,17,913	18,674	15	15	12	10
26,00,000	26,75,847	31,58,160	92,323	Durbhanga	8	395	—1,36,348	12,948	20	4	Nil	10
27,56,355	1,31,99,222	1,76,30,093	24,30,790	Dyer Meakin (Breweries)	8	116	1,00,50,837	12,604	16	25	30	5
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	6	140	95,437	52,205	..	10	5/25	5/25
9,00,000	19,47,931	23,02,870	2,05,743	Paratapur Sugar P.	10	400	2,86,458	4,006	Nil	..	..	10
16,59,320	38,07,078	54,06,359	2,977	Ramnagar Cane & Sugar P.	8	1	22,97,804	61,005	213/7	10	10	10
65,00,000	49,62,674	33,85,845	14,95,232	Raza Buland	10	92	4,88,145	34,557	12 1/2	10	10	10
5,00,000	5,07,238	7,72,778	3,77,844	Ryam Sugar P.	6	25	1,24,492	13,204	..	10	10	10
11,99,000	22,10,161	18,54,067	2,09,185	Samastipur Central Sugar	6	..	—2,24,407	—2,20,853	..	10	9/62	9/62
39,99,000	67,63,905	25,93,624	21,94,756	Shree Krishna Gyanodaya Sugar P.	7	335	16,75,658	34,778	15	15	..	10
7,94,500	13,54,858	11,65,175	11,16,386	Shree Sitaram Sugar	6	140	1,90,087	7,991	..	10	7/12	7/12
9,99,950	17,83,543	67,398	2,82,356	Sitalpore Sugar	6	94	—6,97,343	—6,89,998	Nil	4	Nil—Nil*	10
18,00,000	18,38,740	1,81,652	3,86,458	United Provinces	9	341	1,86,053	53,565	15	15	..	10
8,00,000	90,57,769	67,09,675	9,18,326	Upper Ganges Sugar P.	6	316	37,10,125	25,765	72 1/2	72 1/2	72 1/2*	10

MISCELLANEOUS COMPANIES—Contd.

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

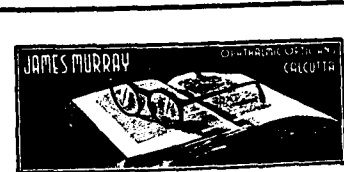
Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Mo. Asst. Secretaries etc.	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1959 1960 1961	Rs.	9-1-63 29-12-62	Rs.
MISCELLANEOUS												
8,00,000	3,97,903	1,70,000	5,86,425	A Firpo (Restaurateur)	10	85	1,53,521	3,834	3 1/2 7 1/2 ..	10	5/90 5/90 5/90	
93,75,000	4,66,28,334	219,45,381	9,97,266	Aluminium Corporation P.	3	132	21,39,850	1,20,931	10 12 12-12*	10	13/12 15/12 17/31	
20,00,000	42,19,616	16,50,094	52,45,373	Anderson Wright Ltd P.	12	382	9,56,934	80,514	10 11 11/50	10	11/50 11/50 11/50	
30,00,000	13,21,705	4,13,99,888	12,99,503	Angeic Bros	20	268	16,02,730	2,09,448	20 25 22 1/2	10	23/37 25/37 26/37	
30,00,000	19,07,791	28,03,816	36,63,364	Assam Match	12	274	18,71,969	1,49,964	18 18 20	10	28/75 28/75 28/75	
13,99,998	20,17,690	19,73,119	31,221	Assam Saw Mills & Timber	3	348	2,57,148	10,925	Nil Nil Nil	3	2/87 28/75 25/25	
1,18,00,000	48,69,246	88,61,435	34,21,171	Associated Battery	8	391	45,56,753	3,24,384	40 25 15	10	28/25 28/87 37/12	
20,00,000	43,70,177	43,14,239	45,78,834	Associated Hotels of India P.	3	204	8,62,280	1,22,431	Nil Nil 10	10	10/31 10/31 8/00	
80,01,400	41,69,783	1,00,44,367	89,25,652	Balmer Lawrie & Co.	12	390	41,27,153	5,49,959	25 25 25	100	257/00 257/00 252/00	
12,00,000	5,96,566	10,21,963	6,94,390	Bararee Coke	3	128	9,56,254	4,65,63	Nil Nil Nil-15*	10	24/50 24/50 16/00	
44,00,000		3,72,000	67,35,380	Birds Investments P.	9	180	6,84,379	50,926	11 9 10	10	12/50 12/50 12/50	
68,95,530	1,01,23,412	67,97,735	7,04,768	Britannia Biscuit P.	3	50	72,75,311	2,84,100	14 25 30-25*	10	45/12 45/12 62/00	
3,25,00,000	73,67,363	2,01,22,345	1,58,91,691	British India Corporation P.	12	33	1,06,65,119	3,91,983	Nil 4 7	5	9/56 9/62 11/28	
50,00,000	21,14,667	40,83,960	2,92,254	British Paints	12	392	13,04,762	19,948	10 12 15	10	19/81 20/25 27/75	
5,00,000	6,83,781	1,65,739	1,54,429	Calcutta Silk Manufacturing P.	3	213	2,63,717	5,201	Nil Nil Nil	10	7/15 7/15 7/12	
1,38,80,000		14,79,453	1,92,04,790	Clive Row Investment	12	2	14,62,760	2,49,271	10 8 7 1/2	10	8/25 8/25 8/40	
90,00,000	22,97,556	1,21,50,000	2,48,19,559	Duncan Brothers & Co Ltd P.	12	169	37,24,110	3,46,877	14 14 14	100	157/50 157/50 152/00	
4,50,00,000	6,31,32,676	4,12,74,162	8,32,011	Dunlop Rubber Co (India) P.	12	96	2,87,37,462	25,38,634	21 21 20	10	37/25 38/25 39/25	
51,26,000		61,19,702	1,64,42,198	Eastern Investments Ltd P.	12	21	17,23,955	2,67,765	14 14 14	100	129/00 129/00 141/00	
60,93,400	35,30,000	15,17,302	73,822	Electric Construction	10	388	14,92,995	8,374	5 10 10	10	13/50 13/50 14/06	
30,00,000	28,94,553	27,23,508	19,90,832	French Motor Car	3	51	15,65,118	2,10,371	12 20 20	20	35/12 36/12 34/50	
14,00,000	21,39,604	17,97,347	25,404	Generex Rope	12	19	6,52,807	46,213	17 17 20	100	236/00 236/00 231/00	
2,25,000		56,065	5,62,570	General Investments Trust P.	3	21	35,240	6,305	3 5 5-5*	75	43/00 43/00 43/00	
65,00,000	32,50,865	50,30,906	1,51,99,383	Gillanders Arbuthnot & Co Ltd P.	3	105	28,70,050	1,68,102	10 10 11-11*	10	14/00 14/06 13/81	
40,00,000	17,69,681	7,21,344	36,90,302	Gladstone Lyall & Co Ltd P.	12	209	2,43,696	8,524	Nil 4 7/5	10	33/25 33/25 31/00	
40,00,000	33,21,954	22,25,500	87,620	Godfrey Phillips (India) Ltd. P.	12	310	46,18,514	17,00,997	26 40 40	250	241/00 241/00 240/00	
30,00,000	43,74,366	17,66,560	1,60,432	Great Eastern Hotel	8	225	1,09,512	794	6 9 6	250	31/00 30/87 41/00	
4,68,75,000	3,08,48,439	..	2,33,36,909	Hindustan Aluminium P.	12	438	2,11,555	2,11,555	.. Nil ..	10	13/62 14/66 ..	
7,91,91,750	5,13,91,659	1,97,01,491	4,99,59,825	Hindustan Motors P.	3	22	3,13,19,271	1,26,139	6 9 12-12 1/2	10	17/19 17/12 20/31	
80,00,000	66,37,267	16,00,000	31,09,797	Hindustan Pilkington	10	28	28,38,718	1,31,125	12 10 10	10	19/50 19/50 19/50	
39,64,650	46,43,081	Nil	2,27,855	Hindusthan Pwylfords P.	6	211	-15,184	1,66,274	.. Nil Nil-Nil*	10	15/75 15/75 18/44	
35,20,000	23,35,527	16,00,000	24,48,098	Hoare Miller & Co Ltd.	12	294	3,91,968	36,500	6 6 6	10	6/62 6/62 6/25	
15,16,00,000	8,38,68,674	9,87,38,292	2,17,80,428	Imperial Tobacco	3	325	3,21,94,827	24,56,089	6 8 9-9*	10	10/87 10/87 12/87	
3,98,80,840	13,63,35,090	3,45,09,860	10,45,969	Indian Aluminium Co. Ltd. P.	12	293	2,09,54,000	62,31,753	12 15 15	10	31/37 33/81 37/62	
2,35,77,700	1,61,90,633	2,47,87,168	99,57,176	Indian Cable P.	3	34	1,37,75,998	50,15,117	15 22 22-22 1/2	10	34/50 34/50 35/69	
2,60,00,000	4,75,29,114	2,11,58,469	32,69,296	Indian Oxygen	9	366	1,07,55,284	18,06,872	15 15 15	10	31/00 30/87 41/00	
8,27,970	8,30,780	9,65,146	10,77,314	Indian Rubber Manufacturers P.	3	223	9,35,909	80,309	15 20 30	10	21/06 21/06 17/75	
20,00,000	3,37,220	25,48,665	21,98,914	Indian Wood Products	9	88	16,32,571	1,85,076	25 30 30	10	32/00 32/00 32/06	
74,89,150	72,05,408	..	2,48,602	Isaac Holdens	12	63	-8,28,769	-14,68,469	 Nil	10	15/69 15/69 18/75	
5,00,000	..	2,75,955	13,26,325	Investments and Finance P.	2	21	93,493	26,270	5 7 7 1/2-7 1/2*	100	55/00 55/00 55/00	
72,62,500	23,44,049	64,37,500	3,02,73,819	J. K. Synthetics	6	439	8,00,318	44,050	 3	10	12/25 12/25 ..	
5,87,500	2,28,843	Nil	5,88,284	James Wright P.	12	281	-1,19,242	-1,18,804	.. .. ..	60	2/75 2/75 2/75	
1,17,50,000				Jardine Henderson Ltd. P.	8	39	16,43,783	4,49,956	 7-6*	100	00/43 00/43 00/43	
2,00,00,000	59,52,034	74,40,360	5,22,38,926	Jay Shree Industries P.	12	22	37,33,223	18,455	14 14 12 1/2	10	73/25 72/00 81/00	
87,46,630	1,62,75,090	73,74,126	6,46,513	Kesoram Industries P.	5	22	1,00,74,268	43,454	2 5 12-12 1/2	10	16/50 16/50 18/44	
1,99,81,750	8,81,41,369	3,32,78,328	49,57,935	Macfarlane & Co.	8	133	-14,078	-4,849	.. .. ..	80	22/00 22/00 29/25	
6,34,00,000	3,17,363	6,02,958	3,21,617	Macneill & Barry Ltd. P.	12	334	35,11,053	3,38,735	.. .. ..	100	7/00 7/00 2/87	
40,00,000	88,29,556	92,10,447	2,71,03,736	Martin Burn Ltd P.	9	309	81,01,941	2,45,501	 8	100	2/50 2/50 2/12	
1,50,00,000	70,19,751	1,21,48,546	2,06,18,218	McLeod & Co. P.	12	282	14,08,964	2,00,558	27 27 27 1/2	10	93/50 93/50 93/00	
1,47,12,250				Meta Box Co. of India Ltd P.	3	167	1,13,74,875	29,83,294	.. .. ..	100	30/00 30/44 31/00	
40,00,000	18,23,673	80,84,814	2,67,07,892	National Insulated Cable P.	3	7	68,52,668	1,73,335	15 25 25-25*	10	215/00 215/00 215/00	
5,00,000	2,44,54,393	1,96,95,151	34,56,436	National Pipe & Tubes P.	9	7	26,46,005	67,385	15 20 20	10	53/50 53/50 56/37	
1,61,00,000	78,16,868	16,89,17,95	8,15,375	National Rolling & Steel Ropes	6	7	20,63,112	35,985	10 13 15-15*	10	25/12 25/37 37/25	
90,00,000	22,72,420	31,10,865	20,86,743	National Rubber P.	12	378	58,66,113	58,466	.. Nil 6 1/2	10	29/75 29/75 30/25	
30,00,000	37,29,364	39,77,485	31,24,718	National Tobacco P.	12	35	17,89,972	1,39,128	16 16 7	10	20/37 20/30 21/12	
90,00,000	69,57,402	15,06,140	3,89,821	New India Investment Corpn.	12	85	6,26,950	40,375	8 8 ..	75	11/81 11/75 14/19	
79,97,000	81,44,166	1,21,10,510	29,60,555								13/00 13/00 16/94	
23,31,600	1,014	13,02,891	9,90,509								90/00 90/00 44/50	

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts Closed	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	9-1-63	29-12-62	A year ago
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	1959	1960	1961	Rs.	Rs.	Rs.
MISCELLANEOUS—(Contd.)													
60,00,000	6,74,367	66,56,847	85,18,613	Octavius Steel P.	12	321	12,27,365	2,77,718	12 1/2	10	100	28/12	36/56
2,20,00,000	1,65,64,981	63,83,140	25,36,442	Philips India	12	364	66,19,862	1,43,434	12	12	10	26/19	23/87
2,86,200	31,000	5,82,800	2,80,533	Publicity Society	3	145	4,74,296	82,858	37 1/2	10	75-75 1/2	4	23/87
2,35,00,000	35,07,570	15,42,305	1,34,28,210	Rallis India P.	8	332	54,44,510	4,35,553	Nil	4	8 1/2	150/00	155/00
5,00,00,000	8,03,38,621	2,57,80,000	1,14,05,040	Rohas Industries P.	8	335	49,28,459	5,08,029	15	20	10-8 1/2	12/00	16/31
94,27,380	5,55,68,835	Nil	14,04,497	Sirilk P.	9	22	3,60,253	37,513	Nil	10	10	8/81	10/69
70,00,000	2,25,52,451	61,94,799	29,78,780	Sen Raleigh Industries P.	9	376	21,56,385	7,622	8	8	10	18/87	18/87
75,00,000	1,05,26,888	41,88,000	1,77,92,109	Shaw Wallace P.	12	278	47,78,759	8,97,299	15	15	15	19/87	22/56
3,00,000	3,33,174	23,169	90,501	Spencer's Hotel	12	111	17,487	1,739	14	2 1/2	2 1/2	0/94	1/50
2,80,00,000	5,97,69,163	2,49,69,275	24,48,825	Union Carbide	12	301	83,20,562	42,35,952	18	18	18	43/62	51/25
2,10,00,000	5,18,238	24,12,476	10,86,208	Walford Transport	12	195	13,99,207	3,87,025	15	30	10	2/25	2/50
8,10,00,000									20	20	20	3/37	3/62
INSURANCE COMPANIES													
13,50,000	6,47,527	54,93,120	1,31,72,690	Concord of India	12	174	6,70,637	78,475	20	20	20	11/50	11/12
24,00,000	65,903	82,46,571	1,27,34,490	Hercules	12	248	16,71,905	3,99,660	20	22 1/2	26 1/2	25/37	24/12
32,00,000	7,51,382	1,15,82,907	2,08,14,578	Ruby General	12	38	12,75,071	4,95,149	10	10	13 1/2	9/69	8/56
8,00,000		21,62,072	27,92,606	Standard General	12	38	11,89,838	12,241	..	..	..	8/00	5/00
5,75,000	25,999	73,52,563	99,05,323	Triton	12	39	7,07,183	1,95,533	45	45	50	131/00	134/00
FLOUR MILLS													
12,00,000	4,80,900	26,61,133	10,02,993	Bengal	12	24	7,30,069	1,68,614	45	40	25	34/25	38/62
5,60,000	8,51,040	2,47,038	2,17,808	Delhi P.	10	97	1,05,473	1,26,880	..	..	..	14/48	14/00
48,90,137	47,18,433	77,72,310	56,85,368	Ganesh P.	9	175	33,61,767	4,07,338	12 1/2	..	..	16/00	24/00
9,00,000	4,38,798	4,52,392	24,041	Hooghly	12	236	6,269	4,336	27 1/2	15	Nil	19/75	19/75
5,00,000	2,92,255	6,61,791	3,26,246	United	11	236	1,14,554	10,571	52 1/2	35	10	30/00	38/00
OIL COMPANIES													
£2,900,001	£2,383,581	£1,700,442	£507,503	Attock Oil	12	249	£1,073,511	£100,742	13 1/2	13 1/2	13 1/2	sh. 30/8	sh. 29/3
£92,419,080	£35,843,356	£12,750,000	£13,148,421	Burmah Oil P.	12	52	£18,446,093	£582,561	25	9-2 1/2	..	sh. 44/10 1/2	sh. 44/1 1/2
1,00,00,000	56,10,926	2,56,15,353	3,11,16,359	Indo-Burmah Petroleum P.	12	249	63,36,353	5,00,420	25	30	25	24/87	25/50
6,00,000	2,79,093	9,89,137	5,10,243	Tide Water Oil	10	2	4,10,168	92,708	22	30	35	26/00	20/25
PAPER MILLS													
45,00,000	1,00,03,801	62,77,149	4,73,511	Bengal P.	12	436	41,43,385	1,40,204	32	32	27 1/2	32/31	32/50
88,20,000	1,18,96,097	84,80,934	10,29,515	India Paper Pulp	3	2	23,47,414	46,493	10	15	13-12 1/2	19/00	17/65
1,57,83,683	6,50,00,000	3,92,78,014	59,38,470	Orient Paper P.	3	22	1,41,20,011	2,25,579	15	22 1/2	22 1/2	36/70	41/55
1,25,51,920	4,31,23,657	1,49,74,473	17,97,660	Shree Gopal Paper P.	12	140	58,83,929	31,55,867	17 6/7	17-6/7	17-6/7	23/25	24/25
2,18,55,240	4,62,89,369	72,10,000	6,79,140	Sirpur P.	6	22	33,33,899	99,729	6 1/2	6 1/2	6 1/2	12/18	12/62
50,00,000	3,54,48,618	851,143	4,35,589	Star Paper P.	9	36	703,201	3,97,323	3	Nil	..	10/00	10/00
10,00,000A									10	10	13-13 1/2	3/78	3/78
4,37,500PO									25	25	20-10 1/2	20/44	20/75 x.r.
55,00,000AO	4,96,82,144	3,30,31,629	21,85,452	Titaghar P.	3	106	—11,38,443	58,839	25	25	20-10 1/2	20/44	36/12
56,04,800BO									25	25	20-10 1/2	20/44	36/12
1,50,00,000O	4,95,97,051	85,00,000	1,73,752	West Coast P.	6	373	58,44,196	17,196	Nil	6	7 1/2	160/50	160/50
PRESSING COMPANY													
4,00,000	1,81,531	1,45,000	5,34,786	Camperdown	7	326	65,294	24,928	11	11	11	100/00	100/00
REAL PROPERTY STORAGE													
10,00,000A												A500	610/00
1,25,000B												B62 1/2	77/25
2,00,000C	14,81,415	69,980	8,18,177	Bengal Bonded Warehouse	4-10	73	1,00,777	4,504	8	11	8-8 1/2	122/00	122/00
25,000D												C100	14/75
7,42,150	11,68,346	4,23,135	33,823	Calcutta Safe Deposit	3	8	81,259	3,142	..	..	..	14/75	12/14
1,00,00,780O	19,85,068	9,01,599	13,43,272	Humayan Properties P.	9	432	3,81,779	1,33,593	12 1/2	6	..	100	7/25
2,00,000Dd									12 1/2	Nil	..	100	11/00
7,99,00,000	13,373	Nil	13,17,919	Midnapore Zemindary P.	4	2	—85,757	—21,89,035	Nil	Nil	Nil-Nil*	2/15	2/19
TRAMWAYS & STEAMER													
20,00,000	29,74,803	27,13,587	10,28,887	Bengal Assam Steamship P.	10	2	3,59,472	11,765	3	7 1/2	7 1/2	106/00	106/00
6,25,000	5,95,186	6,22,000	4,23,357	Calcutta Landing & Shipping	10	89	1,34,197	16,331	3 1/2	3 1/2	..	49/50	49/50
12,60,000	27,83,012	14,32,970	10,139	Calcutta Steam Navigation	6	398	—1,79,141	—71,119	10	10	Nil	8/87	12/37
£700,000	£2,937,715	£1,560,682	£315,682	Calcutta Tramways P.	12	83	1,05,509	£1,407	3 1/2	..	..	12/25	12/25
6,04,880	6,97,987	5,56,706	33,440	Fraser	3	139	1,35,086	—637	Nil	Nil	..	10/00	10/12
£655,580	£1,970,808	£432,856	£419,913	India General Nav. Railway P.	3	431	—280,928	—684,854	Nil	Nil	..	66/50	64/00
2,47,50,000	16,80,59,821	1,57,51,787	1,36,10,394	India Steamship P.	3	291	—41,42,006	—41,42,006	10	10	Nil-Nil*	6/34	6/25
14,08,220	13,34,804	74,870	7,951	Port Shipping	12	..	—62,391	—4,09,486	Nil	Nil	Nil	12/06	10/75

*1962



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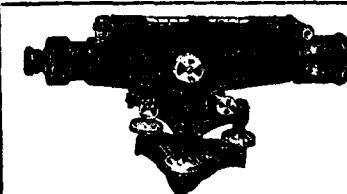
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LOOPHOLES IN THE GOLD CONTROL RULES

INTRIGUED and annoyed by the price of gold remaining high in spite of stern official warnings and the extremely disappointing response to the gold bonds scheme (subscriptions to which have been less than the gold contributions to the National Defence Fund), the Central Finance Minister, Mr. Morarji Desai, indicated last November that the Government was considering further steps to bring down the price of gold. The ultimate aim, it was said, was that India should fall in line with other countries where the private possession of gold in large quantities was not allowed. By announcing his new assault on the problem of gold on Wednesday last week, the Finance Minister might take credit for having redeemed his promise. But the major shift in policy from the mobilisation of gold hoards to the mere prevention of smuggling will be widely regretted. It is indeed surprising that his broadcast to the nation enunciating the new gold policy contained not a word about the mopping up of gold hoards for productive use. As pointed out by the Finance Minister, the main objectives of the Government's policy are to segregate smuggled gold, achieve a progressive reduction in demand and bring down the price to around international parity.

Briefly, the Gold Control Rules, which have been promulgated under the Defence of India Act, introduce six main measures. Firstly, all power-operated refineries and major bullion dealers will have to seek licences and conduct their business according to the prescribed procedure. Secondly, all individuals and institutions who hold gold in any form other than ornaments will have to file a formal declaration of their holdings within 30 days. Thirdly, it will be illegal for any individual or institution other than a licensed dealer to acquire additional quantities of non-ornament gold, except by inheritance or by special permit. Fourthly, all ornaments made in the country in future, whether from existing ornaments or from gold in other forms, will not have gold of a purity exceeding 14 carats. Fifthly, the manufacture of any article of gold other than ornaments will be prohibited unless authorised by special or general order. Sixthly, no person can make, advance or grant any loan to any other person on hypothecation, pledge, mortgage or charge of any gold other than ornament gold unless such gold has been included in the declaration. Contravention of the Gold Control Rules is a serious offence punishable with fine and imprisonment. Adjudication and confiscation under the rules cannot be questioned in any court of law. These rules are to be administered by the Gold Control Board, which has been entrusted with the further task of suggesting suitable measures to discourage the use of gold and advising the Government on all matters relating to the metal.

Although the new measures have generally been described

even for ornaments and the compulsion to use ornaments containing gold of a purity not exceeding 14 carats. The permit system will, no doubt, tend to restrain demand, but the use of 14-carat ornaments might only mean more ornaments for the same quantity of gold.

Because of the various restrictions that have been imposed on transacting business in gold in bullion form, the metal may lose some of its attraction as a store of value and not many people may wish to conceal their ill-gotten wealth in 14-carat ornaments. Even so, the demand for gold is unlikely to fall sufficiently to mitigate the impact of reduced supplies of smuggled gold, with the result that the price of gold in the form of ornaments might tend to move up rather than down, which in turn might encourage smuggling in one form or another. It is difficult to share the Finance Minister's optimism that the new gold policy will usher in yet another peaceful and constructive social revolution. The success of the gold policy in achieving even the limited objectives will depend on how honestly and efficiently the rules are enforced. Critics can easily point out how the Prohibition policy has given a big boost to illicit distillation in the country. The critical foreign exchange position and the emer-

DEMAND FOR BANK CREDIT

THE impressive growth of the banking system has been an outstanding feature of the Indian economy during the past few years. From 1952 to 1961, years which correspond roughly to the periods of the first and second five year plans, there has been a remarkable expansion in industrial and business activity under the impetus of development programmes. Industrial production has risen by 81 percent and the money supply with the public has increased by 57 percent. The banking system has responded to the increased monetisation of the economy by adopting a vigorous branch expansion programme. As a result, the spread of the banking habit and the growth of banking facilities have been greatly encouraged. The November issue of the *Reserve Bank of India Bulletin* contains elaborate statistics relating to the earnings and expenses of scheduled banks during 1952-61, and points to the spectacular progress the banks have made. The survey does not mention the serious difficulties which have occasionally arisen: for instance, the hangover of a number of bank failures during this period has not yet passed. But the broad conclusion nevertheless stands, that the banking system has developed greater resiliency as many deficiencies have been rectified through a combination of official measures and self-discipline.

The survey gives some idea of the vigorous branch expansion programmes adopted by the State Bank and also by other banks. The number of scheduled bank offices has risen from 2,757 at the end of 1951 to 4,490 at the end of 1961. There has been a remarkable rise in deposits, although the rate of growth slowed down in 1960-61 following the phased transfer of P.L. 480 and P.L. 665 funds from the State Bank to the Reserve Bank. In order to meet the growing demand for credit, the advances portfolio of banks has been greatly expanded. Not only have the number of borrowers' accounts multiplied; bank credit also shows a large increase. In consequence, there has been a substantial increase in banks' earnings. But although profits have risen considerably, they have not always increased in proportion to earnings since expenses have also risen.

The most important item of expenses relates to interest payments on deposits and borrowings. Although an increase in deposit interest payments was inevitable as deposits rose, the increase has been restrained by the restrictions on deposit interest rates under interbank agreements since October 1958. The second major item of banking costs—establishment expenses—has also increased steadily. The emoluments of the staff have been raised under tribunal awards. The increase in the number of offices, and the larger volume of business handled, have necessitated the employment of more people. In allocating the profits, banks have taken good care to strengthen their financial

agency call for a more determined effort for mobilising the vast gold hoards for productive purposes. The Finance Minister's broadcast on gold policy, no doubt, holds out the hope that the Government has not yet said the last word on the subject, but Mr. Desai needs the reminder that half-hearted measures announced on a piecemeal basis rarely add up to a sound policy.

The Government's decision banning forward dealings in silver, including non-transferable specific delivery contracts, with effect from 10th January will be welcomed by all except those who live on speculation. It was about two months ago that the Government banned forward dealings in gold, but surprisingly enough the ban did not cover silver, even though the case for forward trading in silver was much weaker than that for gold. Unlike gold, there is no smuggling of silver, with the result that the Indian market has always been starved of fresh supplies. Floating stocks of silver in the country have seldom been large enough to permit the smooth functioning of the market. The ban on speculation in silver is desirable but it does not follow, as many people are inclined to think, that the ban will lead to a decline in the price of silver. The market's immediate reaction has, in fact, been shown by the sharp rise in the value of spot silver.

position as far as possible. The allocations to reserves have risen, showing the keenness of banks to plough back more money into the business. But a substantial portion of the profits has been absorbed by taxation. The next main item of allocation has been the payment of dividends and bonuses to shareholders. Considering that there has meanwhile been an increase in the paid-up share capital of many banks, this item has shown only a modest rise in comparison with the increase in profits.

Banks' earnings are derived largely from advances, discounts and investments, but the income from advances and discounts has risen steadily, while that from investments has fallen somewhat sharply. Funds have been shifted from Government and other securities to loans and advances, as the latter are more remunerative. The decline in the investment income is also due to the phased transfer of P.L. 480 and P.L. 665 deposits from the State Bank to the Reserve Bank. There has been a gradual fall in the cash ratio of banks due to the liberalisation of remittance facilities offered by the Reserve Bank and because of the borrowing facilities given by the latter, although scheduled banks have had to pay a higher interest rate on

Table 1				
	End of 1951	End of 1961	Percentage increase	
1. No of offices ...	2,757	4,490	+ 62.9	
2. No of deposit accounts in India (000's) ...	3,234	6,524	+ 101.7	
3. Deposits (crores Rs) ...	918	2,049	+ 123.2	
4. No of borrowers' accounts in India (000's) ...	383	1,227	+ 220.4	
5. Loans and Advances and bills purchased & discounted (crores Rs) ...	619	1,321	+ 113.4	

Table 2				
Year	Total earnings (2)	Profits before Tax (3)	Rs. Crores Percentage of 3 to 2	
(1)				
1952	47.7	11.4	23.9	
1953	46.1	9.1	19.8	
1954	48.7	9.5	19.5	
1955	55.0	10.4	19.0	
1956	64.9	13.6	21.0	
1957	79.1	15.8	20.0	
1958	88.8	12.7	14.3	
1959	99.5	16.3	16.4	
1960	110.8	21.2	19.1	
1961	126.6	28.6	22.6	

borrowings from the Reserve Bank. The income derived from subsidiary services, such as opening letters of credit, collecting bills and issuing T.T.'s and D.D.'s has contributed to the total earnings of banks. The income from subsidiary services has increased in proportion to the credit given by banks. The accompanying tables show the growth of scheduled banks.

The trends of the past few years are particularly significant in view of the fact that they are still continuing. For the time being, banks are preoccupied with the problem of meeting the credit requirements of the current busy season. Advances and loans by scheduled banks have already touched the high level of Rs. 1,401.71 crores, and they constitute about 63.8 percent of the total deposits. The past year's trend shows that the former variation in advances between the busy season and the slack season has narrowed greatly as more and more advances have become industrial and perennial in character. The trend will be accentuated with the industrialisation of the economy. In any case, the credit demand during the next few months is likely to be at least as large as in the corresponding period of 1962, if not greater. Some financial circles expect it to increase by about Rs. 200 crores during the current busy season. Apart from the need to finance crop movements, the demand is likely to be boosted by two new factors. The first is that many industries have been asked to produce more for defence, so their credit needs might increase. The second is that some industries, such as sugar and cotton textiles, have been embarrassed by a sudden accumulation of stocks. In the circumstances, banks will have to provide more credit, especially for carrying stocks, if normal working is not to suffer.

Whether banks can meet the increased credit requirements from their own resources depends on the trend in deposits. It is discouraging that the latter have fallen from Rs. 2,227.2 crores at the end of October 1962 to Rs. 2,205.04 crores at the beginning of January 1963. The decline is partly due to the transfer of P.L. 480 and P.L. 665 deposits from the State Bank to the Reserve Bank. But, even so, banks will have to make vigorous efforts to increase their deposits. The task will be difficult since large sums are being mopped up by the Defence Bonds. The trend is expected to continue as many institutions find it more remunerative to invest their funds in defence issues since the yields are attractive. Banks will face keen competition in attracting small savings because the Post Office savings bank interest rate has been raised. This apart, in the present emergency, the general inclination of the people is to keep more cash.

There is little scope for banks obtaining more cash by selling Government securities. The investments of the scheduled banks in Government securities are about Rs. 642.21 crores, against Rs. 593.66 crores a year ago. By selling securities, banks will incur substantial losses due to the sharp decline in prices of Central and State Government loans. The index for Government and semi-government securities has declined from 100.8 to 99.6 (base year 1952-53 equals 100) over the past year. A further decline cannot be ruled out as institutional support has been lacking. In fact, banks have had to sell their securities either to the Reserve Bank or to the market by discounting prices for some time. They are generally not inclined to borrow from the Reserve Bank as the interest rate charged is prohibitive. But it is difficult to understand how they can meet the legitimate credit requirements of the economy without borrowing substantially from the Reserve Bank. In the circumstances, it is hoped that the Reserve Bank will adopt a more liberal policy in extending credit.

REFORMING TAXES IN BRITAIN AND U.S.A.

THE recent reductions of purchase taxes that are benefiting British consumers and restrictions on expense accounts that are worrying U.S. business men are comparatively minor elements in plans to reform taxes in both Britain and the United States. The British plan, including the re-arrangement of purchase taxes on consumer goods

takes account of the possibility that Britain might soon be a member of the European Economic Community. The U.S. plan, including the new rules concerning expense accounts, is devised partly to avoid what President Kennedy called "distortion of economic judgments". In both countries fiscal methods will be used this year to stimulate the respective economies. In Britain, the special category of "luxury" goods has been eliminated. Taxes on motor-cars (late last year) and on radio and television receivers, gramophones and gramophone records and cosmetics (at the beginning of this year) have been reduced to "ordinary" levels. In his Budget in April last year, Mr. Selwyn Lloyd consolidated purchase tax into four categories: 45 percent, 25 percent, 15 percent, 10 percent. Anticipating his Budget of April this year, Mr. Reginald Maudling, Mr. Lloyd's successor, has eliminated the top-rate category. Mr. Lloyd brought sugar- and chocolate-confectionery, ice cream and biscuits, into the range of taxed goods. Mr. Maudling is considering the possibility of including services, such as hair-dressing and various entertainments. (In this sense, the abolition a few years ago of the tax on admission to cinemas was a retrogressive move.)

Ideas on what is and what is not "taxable", and on what relative rates of tax are appropriate, change as society changes. The luxuries of the 1950s may be items of general consumption in the 1960s. And as people spend relatively less on goods and relatively more on services it is logical to extend the range of "taxable" items so that the total burden may be spread more evenly. Moreover, taxation is a more efficient economic regulator when taxes are widely spread. And it is a more efficient economic regulator when it is easily variable—hence the importance of Mr. Maudling's changes months before they would normally be introduced in a Budget. Simplicity is important, too, as a factor in flexibility. The system of purchase tax in Britain has been improved, and it is being used now as a gentle stimulant. But the U.K. authorities are not using only fiscal instruments. Immediately after the adjustment of purchase tax they reduced Bank rate.

One purpose of the adjustment was to narrow the range of tax so that it could be more easily converted to the European system if Britain joined the E.E.C. In that event, presumably, purchase tax would be replaced by the "added-value" tax, or by whatever form of turnover tax may finally be adopted by the Community. This is only one of a number of important changes in the British tax system that would be involved in Britain's "entry into Europe". Harmonising Britain's taxes with the Community's, as a speaker said at a recent conference in London on this subject, would be "not the work of one parliamentary session or of one Finance Bill but probably the work of a decade". Professor F. Neumark, chairman of the Community's Fiscal and Financial Committee, addressing that conference, suggested that duties such as those levied on transfers of stocks and shares should be abolished. He argued that such duties impeded the flow of capital and were, therefore, incompatible with the principle of a common market. They are certainly restricting foreign investors' interest in the London market, and if the British authorities intend to strengthen London's position as a financial centre, they should abolish these duties as soon as possible, regardless of Britain's relations with the E.E.C.

In the long discussion on the implications of joining the Community, British business men have been forced to discard the illusion that total taxation is exceptionally heavy in Britain and that harmonising Britain's taxes with the Community's would automatically lighten their burden. British companies pay profits tax (on their whole profit) and income tax (on the undistributed portion of their profit). In the Community, Britain would, presumably, unify her company taxes and harmonise the unified rate with the Community's; but an average of the present members' rates of company tax does not indicate that taxation of companies in Britain would thereby be reduced. The Treaty of Rome is vague on the subject of taxation, but the experts agree that, by implication, it requires a unified system, and a unified policy, of taxation in the Community. In Britain, this requirement is not fully understood. This is partly because expert British opinion is less willing than Continental opinion to recognise that, taxation is

an element in costs, and that, therefore, company taxes are ultimately paid mainly by consumers.

There are differences of opinion also on the subject of taxing wealth. The wealth of a dead person is taxed at much higher rates in Britain than on the Continent; and Professor Neumark has observed that the absolute and comparative rates in Britain would be a serious obstacle to the functioning of the Common Market. He has suggested that the rates be reduced and that a moderate annual tax on wealth be imposed to make up the

lost revenue. So one comes up against a question of principle, whether taxing the wealth of the living or taxing the wealth of the dead is the stronger deterrent to accumulating capital. More urgent questions, in Britain and the United States, concern the principle of unbalanced Budgets (a principle not widely accepted before the last war) and the degree of imbalance permissible in the present situation. But such questions should be related to the tax systems involved. A balanced Budget may prevent inflation; but a rational tax system is essential to promote growth.

Current News and Comment

Finances of Small Industries

The study of the finances of small industries in India during 1950-60 made by Dr. G. Balakrishnan, Senior Research Officer in the Department of Company Law Administration, serves to highlight the growing difficulties of small companies in getting long-term funds. (Small companies have been defined as those which have a paid-up share capital of less than Rs. 500,000 each). Their difficulties have become greater because they now have to increase their investments in fixed assets in order to meet the growing demand for their products. The demand is increasing because of the import cuts and defence needs. As it is advisable to finance fixed assets with long-term funds, the Government's move to put its financial guarantee scheme on a permanent basis has been welcomed. Under this scheme, the Government guarantees to reimburse a portion of the loss arising from loans given to small companies for periods of up to seven years. Dr. Balakrishnan points out that the fixed assets of these companies constituted 89 percent of their long-term liabilities in 1950 but the percentage rose to 100 at the end of 1960.

Judging from the performance of the companies, there is no reason for taking a complacent view. There has been a decline in the growth of their net assets during 1950-60, although their gross assets have increased modestly. Their profits too have improved only moderately. The ratio of gross profits to the total capital employed has risen from 7 percent in 1950 to 8 percent in 1960; the profits after tax on net worth have increased from 4 percent in 1950 to 7 percent in 1960. The dividends paid by them have increased in proportion to profits. In 1950, 48 percent of the profits after tax were distributed in the form of dividends, while in 1960 the percentage rose to 68. Retained profits have also risen. They constituted 17 percent of the profits after tax in 1950 but rose to 32 percent in 1960.

These companies have had to depend heavily on borrowing. Bank borrowings, which constituted only 4 percent of their total liabilities in 1950, rose to 10 percent in 1960 and their borrowings from the trade increased from 3 percent of their total liabilities to 19 percent. As a result, interest charges have gone up from 18 percent of their profits (before tax) in 1950 to 37 percent in 1960. In comparison with large companies having a paid-up share capital of more than Rs. 5 lakhs each, small companies have lagged behind in performance. Large companies have had a more favourable experience in relation to profits, growth of fixed assets, liquidity and reserves. In financing fixed assets, large companies have been less dependent on borrowings as they could raise funds from the public.

Machine Tool Projects in Trouble

During the last few months, the Government of India is reported to have revoked the industrial licences of eight firms for machine tool projects, either because they had failed to take effective steps for implementing the sanctioned schemes or because they had expressed their inability to implement their projects. The authorities seem rather perturbed over the loss of interest in the development of the machine tool industry because the setback has come at a time when the Govern-

ment is anxious to assign an important rôle to this industry in view of the national emergency. What could be the reasons for the loss of interest when the private sector had been agitating for a foothold in the machine tool industry, which was originally proposed to be reserved for the public sector? Mr. S. L. Kirloskar's presidential address to the recent annual general meeting of the Indian Machine Tool Manufacturers Association provides the answer.

The inordinate delay experienced by manufacturers in obtaining Government's approval to terms of foreign collaboration and sanction of import licences for capital goods, essential raw materials and components are mentioned as major obstacles to the progress of the machine tool industry. Mr. Kirloskar has also complained about the delay in securing financial assistance from the Industrial Finance Corporation and similar statutory bodies and in getting import licences under D.L.F. for c.k.d. machines and components. Acute shortage of foreign exchange, electric power and transport facilities also impede the industry's progress.

Mr. Kirloskar has urged the Government to evolve co-ordinated machinery for the elimination of delays and simplification of the procedure. He has suggested that the Government should extend the tax-holiday from five years to ten years and increase the maximum rate of profit from 6 percent to 12 percent in order to enable the industry to expand. Foreign collaboration should be encouraged by withdrawing the restrictions on royalty payments and other minor terms of the agreement. Mr. Kirloskar has pleaded for a top limit of 7½ percent for royalty. He emphasises the need for close liaison between the Indian Machine Tool Manufacturers Association and the Ministry of Defence Production so that defence requirements can be met expeditiously. Even after three months of the national emergency, the Association does not know what machine tools are needed for the production of war materials.

Corporation for Textile Mills

The 100-year-old Indian cotton mill industry, which provides employment to nearly 3.5 million workers, still continues with its outmoded machinery. Not many mills have been able to modernise their equipment. The cost of modernising the entire industry has been estimated by the Working Group for the Cotton Textile Industry at Rs. 800

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In addition, there are many other articles
and features, including surveys of develop-
ments during the year in jute, tea, the stock
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crores. Even the minimum requirement for
modernisation during the current plan period is
placed at Rs. 250 crores. The expansion scheme
which envisages the installation of 4 million spind-
les and 25,000 automatic looms by 1965-66 will cost
another Rs. 210 crores, making a total bill of Rs. 410
crores. With its equipment old and relatively in-
efficient and the wage bill and raw material costs
steadily mounting up, the industry is not only un-
able to satisfy changing consumer requirements at
reasonable prices, but it also falls sick whenever
there is a major change in the economic weather.
At present, the industry is faced with a glut.

The State Governments have, at times, taken
over mismanaged or closed mills as a measure of
unemployment relief. But the need for a central
organisation to tackle the problems of "sick" mills
has been increasingly felt for some time. The
Central Ministry of Commerce and Industry is
now actively considering a proposal for setting up
a Textile Industry Rehabilitation Corporation, with
a capital of Rs. 10 crores to establish new mills,
particularly in replacement of scrapped units, and
to take over the "sick" mills. The Corporation is
expected to work as an investigating body, to go
into the affairs of mills not managed on sound
lines. It will finance the rehabilitation and
modernisation programmes of mills taken over.
The Corporation will be allowed to pay dividends,
subject to prior approval by the Central Govern-
ment.

To prevent harassment of the corporation by
the creditors of mills taken over by it, certain
amendments to the Industries (Development and
Regulation) Act are proposed. The draft memo-
randum and articles of association of the proposed
corporation have been circulated among the mil-
lowners' associations for eliciting their reactions.
The shareholding of the corporation is proposed to
be restricted to the Central Government, State
Governments, State Finance Corporations, the
Indian Cotton Mills Federation and other regional
associations of textile mills. The financial assis-
tance that is given to the cotton textile industry by
the National Industrial Development Corporation
will be handled by the new corporation.

Idle Capacity in Engineering Units

Mr. T. R. Gupta, president of the Engineering
Association of India, has pointed out that about
50 percent of the installed capacity of the engi-
neering industries remains unutilised. According
to a rough-and-ready survey conducted by the As-
sociation, the idle capacity in 79 firms totalled
341,852 machine-hours a month (excluding casting,
galvanising, etcetera). As engineering goods are
basic for the defence effort, fuller use of existing
capacity should engage the Government's atten-
tion immediately. Recently, an official survey too
indicated that idle capacity was over 35 percent
in about 75 industries in the country. The Engi-
neering Association's study covers a smaller field,
but a strategically vital one.

Mr. Gupta has urged the defence departments
to use the idle capacity available with the differ-
ent firms as far as possible, instead of approach-
ing firms which are working to full capacity. Al-
though such a step may not be feasible in all
cases, he says, "by and large, the defence effort
should be so directed that the idle capacity is
utilised before firms are called upon to divert their
entire production resources to defence work". It
is also essential to keep up the normal production
of engineering stores to ward off shortages in the
market which may push prices up. Besides the
79 firms covered by the survey, almost all the
members of the Engineering Association are un-
derstood to have volunteered to accept defence
work. In some cases, balancing plant and equip-
ment may have to be obtained. The firms are
willing to undertake such additions to their fac-
tories, and also go in for the additional plant and
machinery that may be necessary to execute de-
fence orders.

The break-down of the idle machine-hours is
as follows: lathes and automatic machines
97,454; boring 11,816; milling 19,908; shaping
11,779; drilling 39,341; grinding 35,735; pressing
31,435; welding, etcetera, 39,143. The survey is
subject to certain limitations. Firstly, the type,

capacity and range of the machines involved have
not been ascertained; this will be necessary to
devise any concrete measures to use them. Second-
ly, the idle capacity has been computed on the
basis of the number of shifts actually worked by
the factories; this has not been uniform, as some
are working only one shift, some two, and others
three. Obviously, those working less than three
shifts can offer more capacity for production.

Cloth Exports to Russia

Reliable reports indicate that the State Trading
Corporation, which has already contracted to ex-
port three million metres of cotton textiles to
Russia, is now negotiating for the supply of an-
other two million metres and that the contract is
likely to be finalised soon. According to a note
circulated recently by the Department of Com-
mercial Intelligence and Statistics among the mil-
lowners' associations and officials in charge of the
textile industry, Russia is expected to take up 8
million or 10 million metres of Indian cotton tex-
tiles in the current year. This will be a substan-
tial improvement over the 1962 figure of 200,000
metres. Of course, a great deal will depend on
the quality and price of Indian goods. The Russian
demand is expected to be mostly for finer var-
ieties such as poplin, satin, printed calico and other
types of printed goods suitable for use as ladies'
dress material. There will also be some demand
for bleached sheetings.

From a bare 23.7 million metres in 1958, total
cloth imports into Russia rose to 143.3 million
metres in 1960. Imports were mainly from China
and Hungary and to some extent from Poland.
In 1961, imports of cotton textiles into Russia de-
clined to 60.9 million metres because of increased
internal production estimated around 4,900 million
square metres. Russia is also an exporter of tex-
tiles, exports having risen from 165.7 million
metres in 1958 to 197.1 million metres in 1961.
Russia's exports are mainly to Bulgaria, Indonesia
and Mongolia and to some extent to Afghanistan,
Malaya, Sudan, Iran, Iraq and Guinea. Exports
to Indonesia have recorded a sharp increase over
the past few years. Being a competitor to India
in the export markets, Russia is likely to be quite
selective about quality and strict about price while
importing cotton textiles from India. This is a
point which exporters of Indian cotton textiles
would do well to bear in mind.

THE HIGH COURT

TIME was when the people of this country
looked up to the High Court as a Palladium.
They felt that there they would obtain a
patient hearing in the first instance and justice
in the end. That feeling has now disappeared,
and one of distrust and suspicion has taken
its place. Rightly or wrongly the impression
prevails that Government has got the High
Court under its thumb and the frantic protesta-
tions of the Chief Justice that no attempt has
ever been made to coerce or influence him, are
looked on as in the nature of *qui se excuse
s'accuse*. This is very unfortunate. It is
unfortunate for the Government as well as the
people. If there is any understanding between
the Government and the High Court, it should
be the endeavour of the Judges to conceal it by
every means in their power; because a High
Court that does not possess the confidence of
the suitors might just as well be abolished. We
confess we view with grave suspicion the action
of Government in recent years of decorating
Chief Justices, etc., with K.C.I.E.s; there is an
uneasy suspicion that these are not given for
nothing, that they are exchanged for the inde-
pendence of the Bench, and it is a grave misfor-
tune that this should be. As for the Judges
themselves, with but one or two rare excep-
tions, their calibre has seriously deteriorated;
which appears before them, and we are inform-
ed that they endeavour to make up for their
want of knowledge, common sense and experi-
ence, by assuming a flippant and hasty demean-
our, and to get through business by rejecting
applications for rules and the like in an off-
hand, abrupt and offensive manner.

FROM

CAPITAL
22nd January, 1963

A Ditcher's Diary

I HAVE A NOTION—AS SOMERSET MAUGHAM IS FOND
of saying—that the main part of an inter-
national conference's time is spent in drafting the
communiqué to be issued at its end. Its content
is the least important consideration; and a very
good example is the statement released at the end
of the New Delhi huddle of the six non-aligned
countries presided over by Mrs. Sirimavo Bandara-
naik. The *communiqué* could hardly have said
less; and I am quite prepared to believe that it is
an honest one: the conference may have achieved
as little as the *communiqué* tells. Having criti-
cised the Government of India in the past when it
sought to intervene in matters that are none of its
business, I have a right to be similarly frank
about the latest crop of "honest brokers" between
India and China. Take them one by one. First,
Ceylon. It is very nice of Mrs. Bandaranaike to
try to help India or China or both. But the state
of affairs in her own country, where the Press is
strangled and the economy is running down daily,
could do with a little more of her attention. Judg-
ing by reports, the United Arab Republic was a
somewhat reluctant participant; so I shall leave
it alone. But it is seriously suggested that Mr.
Ofori-Atta, Ghana's Minister of Justice, does justice
to his own people by coming to New Delhi when
his President is being greeted with bombs almost
anywhere he goes? Indonesia's Dr. Subandrio is
free to travel to Peking. Can he freely travel in
his own country, where one-half of the islands does
not know what the other may be up to? Not very
dissimilar things could be said about Burma and
Cambodia. The world, I think, would be so much
better if everybody minded his own business. It
now seems fairly clear that talks between New
Delhi and Peking may be resumed before very
long; Mr. Nehru's last letter to Mr. Chou was ex-
ceptionally mild. This may well be justified by
facts not in the public's possession; I simply do
not know. But Colombo's contribution to India
and China getting together for talks can hardly
be rated very big. And for this six poor countries
have not only spent their own meagre foreign ex-
change but also forced India to spend a lot of hers
because Ministers, Secretaries and others have had
to travel widely to "explain" India's stand. This
is the debit side; on the credit side I see very
little for anyone.

TO PARODY OUR OLD FRIENDS GILBERT AND
Sullivan, "an editor's lot is not a happy one". At
least not always, and rarely when he finds himself
up against authority or, what is often worse, the
virtual impenetrability of his more fanatical
readers. I am prompted to this piece of philo-

sophy by the recent episode involving the British
weekly *Tribune* and the Chinese Government.
The humorous "letter" from Mr. Chou En-lai,
which *Tribune* published in one of its Christmas
numbers, contained so many obviously outrageous
statements that only a half-wit could possibly have
taken it seriously. But, to the undying shame
of the British Foreign Office, it "requested"
Tribune to publish a Chinese statement in reply.
Now I shall leave the reader to judge for himself
the propriety of the Foreign Office action; person-
ally I consider it inexcusable even if a diplomatic
incident was threatened. And I shall certainly
not dwell on the tiresome subject of the Chinese
lack of a sense of humour; to talk about a
"criminal act of forgery and calumny" under such
circumstances is plain stupidity. What I am
doing is inviting *Capital's* readers to put
themselves in the position of the editor of
Tribune whose harmless joke had so badly misfired
and rebounded on his country's head. Should he
do as in fact he did, that is print a nonsensical
rejoinder to an inconsequential joke, and so eat
humble pie at the dictates of a humourless and
farcaical officialdom? Or should he stand by his
joke, and tell the Chinese that if they did
not like what they read they knew what they
could do about it? There are no prizes for the
right answer. I know what I would have done.
But anybody else who tries to work it out for him-
self cannot fail to be impressed with how difficult
an editor's dilemma can sometimes be. After all,
international relations can be a serious matter
even if jokes are not.

READY TO TRY ALMOST ANY NEW IDEA ONCE I RE-
cently got rather scared of carrying a largish
amount of cash and, so, bought myself some rupee
travellers cheques issued by the State Bank of
India before setting out on my journey. A friend
said I had bought trouble. It was later left
to me to discover that my friend had exaggerated
but slightly. My first attempt to cash some of my
cheques at a bank—not the State Bank, but a well-
known one—was a moment of disenchantment.
The branch manager told me: "No, we do not
cash rupee travellers cheques". Period. There
was a certain finality in his voice; and I dared
not tell him that his bank was noted for consid-
erable overseas business and should be familiar with
travellers cheques. "Not rupee travellers cheques",
he repeated. I then proceeded to an international
travel agency. The clerk dealing with travellers
cheques said, "Why come to us? Go to the State
Bank. Why should we do the State Bank's work?"
Meanwhile my hotel manager had let it be known

that he preferred his bills paid in cash. At the
State Bank itself there was no dearth of courtesy.
But the gentleman dealing with me wanted to
know more about me and my antecedents than
seemed necessary for cashing travellers cheques.
In spite of my somewhat depressing and somewhat
exasperating experience—for one has more im-
portant things to do on hurried journeys than ex-
plaining the rudiments of banking to bank em-
ployees—I think the rupee travellers cheques are
a good idea. What then has gone wrong? I can
only hazard guesses. Perhaps the rupee travellers
cheque scheme has not been publicised well enough.
Perhaps there is too much form-filling involved
for the commission allowed. Fortunately the
State Bank has a branch almost everywhere; but
it costs money and time to get to one of them.
And it should not be necessary at all, for the whole
idea of travellers cheques is their ready acceptabil-
ity everywhere simply on verification of the origi-
nal and endorsing signatures. I shall advise
friends to buy rupee travellers cheques as soon as
there is evidence that the State Bank has ensured
easier encashment.

WHEN A WELL-KNOWN CALCUTTA FIGURE WAS
elevated, several years ago, to membership of the
Legion of Honour, I took the opportunity of com-
menting that this decoration (though beyond doubt
richly deserved in that particular case) seemed to
be becoming rather common. President de Gaulle,
it appears, has begun to see the point. The Legion's
membership, he has decreed, must be slashed from
its swollen 300,000 to 120,000. Present chevaliers
will not of course have to send back their little
red rosette, but there are going to be precious few
new awards until death has thinned the ranks of
the glorious company—which might not take too
long, for honour comes with age, as we all
know. Still, although chevalier means knight,
one must not expect members of the Legion ever
to become as rare as knights are in Britain.
Napoleon, who founded the order, had just the
opposite idea; he wanted a decoration that could
be dispensed fairly generously to encourage civic
merits that would not warrant really grandiose
titles. For more eminent talents and services,
there would be promotion to the higher ranks of
the Legion: a chevalier could become a comman-
der and so on. In short, a typical soldier's idea of
what should replace the monarchy's corrupt nobil-
ity of birth. Napoleon was only the first revolu-
tionary to realise that societies cannot manage
without recognition of notable services, and so the
old régime's hated aristocracy had to be replaced
by some other way of rewarding talent and loyalty.
Since then, we have seen the Russians, and for
that matter the Indians too, institute a system of
decorations after ridiculing the honours dispensed
by previous rulers. Only the Americans have re-
fused to do so, on any large scale, but I have
heard it argued that politics and business in the
United States would both be more honest than

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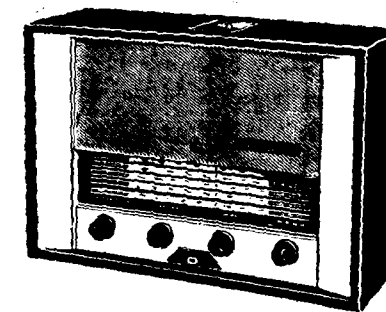
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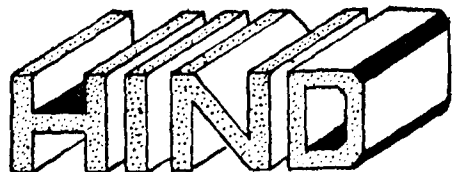
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they are if worth were officially recognised. The communist States, for all their egalitarianism, have a way of simply heaping decorations on the political favourites of the day, and I remember that *Pravda* once described Marshal Tito (Moscow and Belgrade were on bad terms at the time) as being "decorated like a Christmas Tree". Eminent Russians can get to be the same way, and it was on meeting one of these Soviet Christmas Trees in Delhi that Mr. C. R. Rajagopalachari innocently said, "I thought you did away with decorations and honours in Russia!" "We did for a time after the Revolution", replied the bemedalled commissar, "but then we realised that it had been a mistake". "What?", said Rajaji, "The Revolution?"

THE LATE DR. SYLVANUS OLYMPIO, PRESIDENT OF the Republic of Togo, always reminded me of our very own Mr. T. T. Krishnamachari. That both were once associated with the Unilever empire, of which the United Africa Company is a part, is obvious enough. There were other temperamental characteristics in common, for selling soap does things to you which leave a permanent imprint on your character. Dr. Olympio was the first African to hold so important an appointment in a large commercial firm; and, it was said, he ran the Government as he had run the Togo branch of the United Africa Company; that is to say, his approach was purely businesslike, not political. And no wonder he created political enemies—as T. T. K. enjoys doing. To function on the political plane and simultaneously to cherish non-political values—be they spiritual such as Mahatma Gandhi's, or commercial such as Dr. Olympio's—is to court danger. Even Dr. Olympio's bitterest enemies never suggested that he was corrupt, which can be said of few politicians anywhere and very much fewer in Africa. But he took decisions, as in the U. A. C., entirely on his own; and his colleagues felt ignored. More than that, he never could conceal his contempt for most of his countrymen. (Something more in common with T. T. K.?) People not obliged to follow the intricacies of west African politics may be tempted to think that Dr. Olympio could not very well be a popular leader if there were so many attempts on Dr. Nkrumah too; and it can honestly be said that there the similarity between the two Presidents ends. The fact is they did not love each other; each in fact thought that the attempts on their respective lives were all engineered by the other. Dr. Nkrumah is an ambitious man; the presence of an independent Togo next door irked him. In the name of unifying the Ewe tribe he had often toyed with the idea of overthrowing Dr. Olympio and just moving in. The idea is not dead; it may well be reviewed with the death of Dr. Olympio. But Dr. Nkrumah will be wise to remember that Nigeria may not see things that way.

AMERICAN BUSINESS FOLKLORE IS REPLETE WITH stories of young men starting as office boys and ending as managing directors. The ambition, enterprise and hard work which the stories portray were, in rather different circumstances, the outstanding qualities also of Sir Shri Ram, who died after a prolonged illness last Friday. Joining the Delhi Cloth and General Mills nearly sixty years ago as an ordinary apprentice, Sir Shri Ram became managing director in 1934 and chairman in 1951. Over the years, he laid the foundations of an industrial empire which was not merely confined to cotton textiles and sugar, but soon covered chemicals, pottery and light engineering units also. He won deep respect for combining business leadership with progressive ideas that were not common among the Indian industrial community at the time, but the influence of which was widely felt in later years. All companies have their ups and downs, and Sir Shri Ram's were no exception; but the dedication with which he built Jay Engineering into a model of what such enterprises should be, epitomised in many ways his success as an industrialist. A philanthropist at heart, he was kind to those who knew him, as well as to many who did not; and his services in the cause of education will be long remembered. Not often do men succeed in mixing enterprise and generosity to better purpose than Sir Shri Ram did.

THE DITCHER

Guide for Investors

A CALL FOR CAUTION UNTIL THE BUDGET

(BY A SPECIAL CORRESPONDENT)

VERY little business has been done in the stock market during the past week. Most of the transactions have been of a squaring-up nature and operators are not inclined to enter into fresh commitments. The political and economic uncertainties are many, so investors cannot confidently foresee what the future will bring. But, in its latest fortnightly report, Place, Siddons and Gough Private Ltd has shown itself to be unusually bold in expressing optimism. It states: "Balancing the plus and minus signs emerging during the past six months, our view is that investors have good reason to be hopeful about the future. Many profitable opportunities for investment will be arising in the months ahead." Investors will wonder whether the optimism is justified.

Place, Siddons and Gough points out that share prices have fallen sharply since the Chinese invasion was launched last October. As a result, the average yields on ordinary industrial shares have risen. But it is difficult to say whether the adjustment to the new yield ideas has been completed, although the brokers seem to imply that it might even have been overdone. Many investors feel that, with the recent increase in Bank rate symbolising the move towards a dearer money policy, a further increase in yields is necessary—which would mean that share prices would have to fall. The anxiety is supported by the fact that the latest reports of certain leading companies have been discouraging. Profits have been reduced because production costs and taxation have increased. In the circumstances, dividends have not always been easy to maintain.

It is fashionable nowadays to argue that profits will rise as industrial production is increased in support of the defence effort. It is true that a number of industries have received additional orders from the armed forces, but there is little indication that economic activity as a whole will improve. The drastic cuts in imports will affect many enterprises. The growth of import-substitution industries might well take a long time, especially if the capital market remains as dead as it is now. There seems to be little reason, therefore, for investors to start thinking about the growth prospects of shares.

The political situation remains confused. Cautious observers say that the mediation in the Sino-Indian dispute undertaken by the Colombo Powers has yielded little result so far. That being the case, investors have no reason to assume that the political uncertainties have been reduced. No definite progress seems to have been made in the Indo-Pakistani talks about Kashmir either. Against this background, most investors will probably judge that discretion is the better part of valour—at least until the stiff taxes threatened for the Central Budget at the end of next month are known in more detail.

Growth Prospects for Indian Oxygen

THE long-term growth prospects for the ordinary shares of Indian Oxygen Ltd remain favourable, as is pointed out by Sir John Brown in his chairman's statement, which has been circulated along with the report

and accounts of the Company for the year ended September 1962. (A full text of his statement is printed on a later page in this issue of *Capital*.) He nevertheless says that in view of the massive capital expenditure, shareholders cannot expect a spectacular increase in the trading profit during the next year or two. Considering the debt repayment obligations arising out of the increased capital expenditure, shareholders should not hope for a further increase in the dividend for a few years to come. The Company may have to accelerate some development projects in order to meet the rising requirements of its customers who have been engaged in defence production.

For 1961-62, a taxable ordinary dividend of 12 percent has been declared. It is covered more than thrice and offers a yield of 3.9 percent at the present price of Rs. 31 a share. A taxable ordinary dividend of 15 per-

cent was paid for 1960-61. But the present dividend has been declared on the share capital, which has meanwhile been increased by Rs. 1.04 crores through the issue of bonus shares by capitalising reserves. The dividends absorb Rs. 43.68 lakhs (against Rs. 39 lakhs). The present share capital is Rs. 3.64 crores, but the authorised capital has been doubled to Rs. 8 crores in order to provide for further issues of capital which will be required to finance future expansion. However, the Company has no immediate intention of issuing any further share capital.

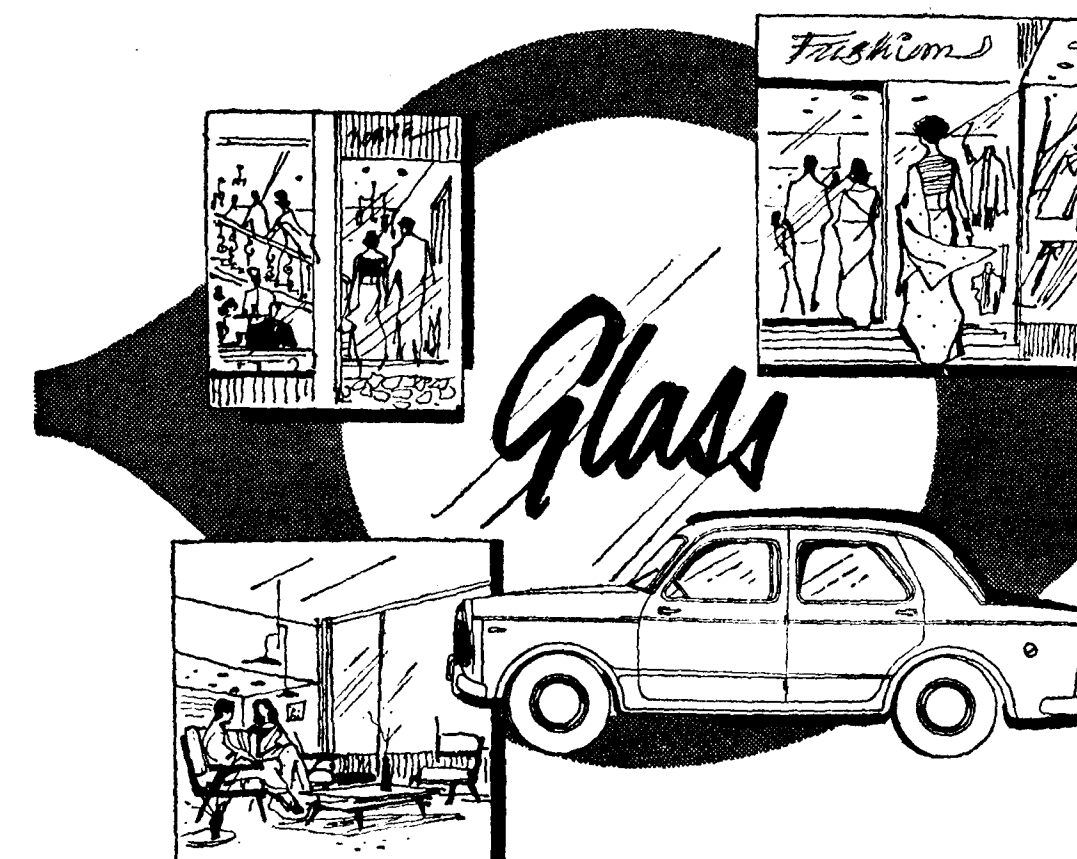
In order to diversify its activities further, Indian Oxygen proposes to undertake the manufacture and installation of plant and machinery for producing and using gases and other products. Further capital expenditure of Rs. 1.32 crores was incurred during 1961-62 in order to extend the capacity of the factories in Bombay

and Jamshedpur. The electrode factory in Khardah, near Calcutta, has been expanded. Additional equipment has been installed at the factory in Beliaghata, near Calcutta. The factory set up in Gauhati has started producing. Steps have been taken to build factories in Hyderabad and Ranchi.

Sir John thinks that the demand for industrial oxygen and dissolved acetylene will exceed the supply, especially in view of the present emergency. Hence, it is essential that the existing units be encouraged to produce to the utmost of their capacity. During 1961-62, sales were Rs. 8.87 crores, against Rs. 7.56 crores in 1960-61. Despite the power shortage and insufficient supplies of various raw materials, turnover increased appreciably. Much of the increase in production costs resulting from the higher prices of raw materials has been offset by the expanded scale of operations.

The profit has risen by Rs. 28 lakhs to Rs. 1.35 crores, after increasing depreciation from Rs. 44.96 lakhs to Rs. 49.84 lakhs. Taxation absorbs Rs. 74.67 lakhs (against Rs. 36.25 lakhs). Apart from the increase in corporation tax, a sum of Rs. 13 lakhs has had to be paid on account of the bonus share tax. Money has had to be provided for additional tax in relation to 1961. Development rebate reserve is allocated Rs. 6.50 lakhs (against Rs. 13 lakhs), fixed assets replacement

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reserve Rs. 1.10 lakhs (against Rs. 51,976) and general reserve Rs. 10 lakhs (against Rs. 25 lakhs). The carry-forward is Rs. 17.61 lakhs, against Rs. 18.07 lakhs brought in.

Sharp Fall in Alkali Chemical Profit

THERE is a predominance of sellers in the ordinary shares of the Alkali and Chemical Corporation around Rs. 39.12 due to a sharp decline in the profit of the Company for the year ended September 1962. The full effect of the 1961-62 results has not been felt in the market as no official business can be transacted except at the minimum price. The profit has fallen from Rs. 1.41 crores in 1960-61 to Rs. 71.72 lakhs, after providing for depreciation. The taxable ordinary dividend of 15 percent has been repeated. It is covered more than one-and-a-half times and offers a yield of 3.8 percent at the present price. Taxation absorbs Rs. 27.22 lakhs (against Rs. 52.50 lakhs) and development rebate reserve Rs. 1.10 lakhs (against Rs. 2.50 lakhs). Bringing in Rs. 1.16 lakhs and transferring Rs. 2.50 lakhs from deferred income tax liability and Rs. 2.82 lakhs from taxation no longer required, the available balance is Rs. 49.89 lakhs (against Rs. 90.18 lakhs). The usual preference dividends have been paid, and they absorb Rs. 2.02 lakhs. There is no transfer to general reserve and dividend equalisation reserve. They were allocated Rs. 14 lakhs and Rs. 26.50 lakhs, respectively, in 1960-61. The carryover is Rs. 1.37 lakhs. According to the balance-sheet for 1960-61, the ordinary share capital is Rs. 3.10 crores, divided into shares of Rs. 10 each. Reserves and surpluses total more than Rs. 1.99 crores.

United Commercial Bank Profit Up

THE United Commercial Bank Ltd has made a larger net profit of Rs. 73.33 lakhs for the year ended December 1962, compared with Rs. 72.61 lakhs for 1961. Bringing in Rs. 2.07 lakhs from the previous

year's account, the available balance is Rs. 75.40 lakhs. A taxable ordinary dividend of 12 percent has been repeated on the old shares and proportionate dividends have been paid on the new shares. They absorb Rs. 24.50 lakhs. The yield works out to 7.3 percent at the present price of Rs. 82.50 a share. The reserve fund is allocated Rs. 25 lakhs (against Rs. 30 lakhs), gratuity trust fund Rs. 4 lakhs (the same) and bonus to staff Rs. 16.50 lakhs (against Rs. 14 lakhs). The carry-forward is Rs. 3.25 lakhs.

Prospects for Belapur Sugar

THE shareholders of the Belapur Co. Ltd. returned disappointed from their annual general meeting last week. Considering the Company's discouraging performance during the year ended September 1962 and all that the directors stated in their report, few shareholders could have gone to the meeting with any bright ideas, but hope somehow persisted that the chairman, Mr. Neville N. Wadia, might have some reassuring words for them. Shareholders have suffered badly over the past few years. In 1959-60, the Company earned a gross profit of Rs. 85.60 lakhs and paid a gross dividend of 58 percent (Rs. 29 a share of Rs. 50). The profit declined to Rs. 8.80 lakhs in 1960-61 and the dividend was reduced to 50 percent. The results for 1961-62 have been still more disappointing with the profit down to Rs. 53.96 lakhs and the dividend pruned to 40 percent. The Rs. 50-paid share of the Company which touched a high of Rs. 335 in 1961, was sold down to Rs. 205 in November last, and the latest quotation is only a little higher at Rs. 214.

While the chairman assured shareholders that the management would continue to run the business as efficiently and economically as possible, he could not view the future with optimism. He was unable to assure shareholders that the dividend for the current year would be maintained at 40 percent. With the implementation of the Land Ceiling Act, the Company will lose the tax benefit on its agricultural profit which stood around Rs. 21 lakhs on average for

the past 12 years and at Rs. 18 lakhs last year. The chairman said that the Company would be required to pay about Rs. 15 lakhs for 1960-61 and Rs. 9 lakhs for 1961-62 by way of agricultural income tax of 50p a rupee which came into force from 1st April, 1962. The Maharashtra Government has also recently imposed an education cess of Rs. 25 an acre of cane grown.

Referring to compensation for agricultural land, Mr. Wadia said that the Company will be receiving Rs. 4.5 lakhs to Rs. 5 lakhs. The amount of compensation for machinery is still being negotiated. The compensation will be paid in the form of 3-percent bonds maturing after 20 years. The chairman informed shareholders that some progress had been made for putting the Company's subsidiary, Gangapur Sugar Mills, on an economic footing. Unfortunately, the sugarcane supply position for the factory this season is not satisfactory. The State Government has been approached in the matter. Meantime, the management is trying to get as much sugarcane as possible by offering to assist those cultivators who are prepared to revert to planting sugarcane instead of cotton.

Progress of Mysore Kirloskar

IN his statement at the annual general meeting of Mysore Kirloskar Ltd held in Harihar last week, Mr. N. D. Shivananjappa, chairman, referred to the progress made with the expansion schemes. (A fuller version of the statement is published on a later page). During 1961-62, new plant and machinery have been installed. Orders have been placed for importing further equipment and the installation work is expected to be completed during the next couple of years. As for the production of capstan and turret lathes, the progress has been rather slow as the necessary equipment could not be imported due to the foreign exchange shortage. The Company has taken steps to export its products to south-east Asian countries. To meet the requirements of the present emer-

gency, the directors are considering undertaking new lines of production such as grinding machines, moulding machines and automatics.

The chairman has mentioned the difficulties facing the factory. It has become difficult to obtain the right quality of hard coke and pig iron. The shortage of wagons has also been a restraining factor. In spite of an increase in sales during 1961-62, the profits have not gone up proportionately due to increased wages, higher taxation and rising production costs.

Bank of India Earns More

THE Bank of India Ltd has maintained the final dividend for 1962 at 12 percent, but since it is on the increased capital of Rs. 4.05 crores (against Rs. 3 crores), it absorbs Rs. 48.60 lakhs, against Rs. 36 lakhs in 1961. With the interim dividend of 8 percent (the same), the total distribution to shareholders amounts to Rs. 72.60 lakhs, against Rs. 60 lakhs in 1961. The preliminary report on the bank's working in 1962 shows only a small increase in the profit. After providing for taxation and making usual provisions, the net profit for 1962 is placed at Rs. 1.12 crores, against Rs. 1.10 crores in 1961. Including Rs. 29.16 lakhs (against Rs. 12.85 lakhs) brought forward, the disposable surplus amounts to Rs. 1.41 crores, against Rs. 1.23 crores. Both final and interim dividends absorb Rs. 72.60 lakhs and the allocation to the reserve fund has been raised from Rs. 15 lakhs to Rs. 22.50 lakhs, leaving a surplus of Rs. 45.60 lakhs to be carried forward which is subject to the payment of bonus to staff. The Rs. 50-paid share of the bank is quoted around Rs. 109 cum dividend, offering a gross return of a little over 10 percent.

Shree Changdeo Sugar Does Well

SHREE Changdeo Sugar Mills Ltd has reported its working results for the year ended September 1962. The dividend has been maintained

at 20 percent (Rs. 2.50 a share of Rs. 12.50), less tax. The Company's factory crushed 115,000 tonnes of sugarcane producing 134,000 bags of sugar at an average recovery of 11.7 percent. The corresponding figures for the previous season were 121,000 tonnes of sugarcane, 141,000 bags of sugar and 11.6-percent recovery. The sugar output is stated to be 352 bags more than the production quota fixed by the Government after taking into account the 10-percent cut on average production of the last two years. On its export quota of 17,149 bags in 1961-62, against 12,476 bags in 1960-61, the Company suffered a net loss of Rs. 3.32 lakhs, against Rs. 2.10 lakhs. The gross profit for 1961-62 at Rs. 27.11 lakhs shows only a slight decline from the previous year's figure of Rs. 27.45 lakhs. After providing Rs. 2.92 lakhs (against Rs. 2.78 lakhs) for depreciation and Rs. 12 lakhs (against Rs. 9.90 lakhs) for taxation, the net profit amounts to Rs. 10.71 lakhs, against Rs. 13.19 lakhs in the previous year. With Rs. 94,454 brought forward and adding Rs. 28,993 being the refund of income tax relating to 1949-50 and 1950-51, the disposable surplus amounts to Rs. 11.96 lakhs. The allocation to general reserve has been reduced from Rs. 5.26 lakhs to Rs. 3 lakhs. Development rebate reserve gets Rs. 7,000, against Rs. 8,000. The proposed dividend absorbs Rs. 7.50 lakhs (the same), leaving Rs. 1.39 lakhs to be carried forward.

The larger provision for income tax in 1961-62 is attributed to the fact that agricultural income tax became payable on the Company's agricultural profits with effect from 1st April, 1962. The directors say that although the enactment of the Land Ceiling Act by the Maharashtra Government may not appreciably affect the supply of sugarcane to the Company's factory, a number of problems, such as valuation of crops, lift irrigation, mechanical equipment for cultivation and drainage have to be tackled. Due to the cut in production imposed last year, the area under sugarcane has been reduced. High gur prices prevailing this year have further affected sugarcane supplies available to the factory. This may lead to a lower crush during the current season. The Rs. 12.50-paid share of Shree Changdeo Sugar is currently quoted around Rs. 27.75 cum dividend, offering a gross return of about 9.9 percent.

Mysore Sugar Earns Less

ALTHOUGH production and sales of Mysore Sugar Co. Ltd continued to be satisfactory, there was a marked decline in its profit for the year ended June 1962. The reduced profit was mainly due to the lower price realised on sugar sales subsequent to the removal of controls in September 1961 and also due to the loss of Rs. 12.41 lakhs incurred on 7,180 tonnes of the export quota. The implementation of the Central Wage Board's wage-scale recommendations led to a rise in working expenses, and a provision of Rs. 5.96 lakhs had to be made to meet this additional expenditure. The directors' report says that the payment of unusually heavy interest charges of Rs. 5.67 lakhs on large-scale borrowings necessitated by the accumulation of stocks, also adversely affected the profits.

The profit for the year, before providing for taxation and development rebate reserve, amounts to Rs. 14.14 lakhs, after setting aside Rs. 8.27 lakhs for depreciation. The profit includes Rs. 2.03 lakhs being the excise duty rebate by way of production incentive for the 1960-61 season. Out of the profit, provision for taxation gets Rs. 10 lakhs (against Rs. 11 lakhs). A sum of Rs. 22,677 (against Rs. 1.55 lakhs) is transferred to deve-

lopment rebate reserve. After making these provisions, the net profit amounts to Rs. 3.91 lakhs (against Rs. 7.52 lakhs). Adding to this Rs. 63,788, being the balance brought forward from the previous year, and Rs. 8 lakhs, being the excess provision for taxation up to June 1961, the total comes to Rs. 12.55 lakhs. Out of this, provision for fluctuation in the value of investments comes to Rs. 25,000 (against nil). Stores depreciation reserve gets Rs. 50,000 (the same) and rehabilitation reserve Rs. 4 lakhs (against nil). The directors have maintained the dividend at 30 percent, subject to deduction of tax. This will absorb Rs. 6.54 lakhs. The balance of Rs. 25,953 is carried forward.

The directors say in their report that the amended price-linking formula for the payment of deferred price for sugarcane, is expected to impose a heavy burden on the Company for the past four seasons commencing from 1958-59. The Company's Mandya sugar factory commenced crushing operations on 14th

July, 1961, and worked up to 27th April, 1962. During this period, 385,016 tonnes of sugarcane was crushed and 38,056 tonnes of sugar produced, with an average recovery of 9.77 percent. Alcohol production in the distillery amounted to 713,268 gallons. The entire quantity of molasses produced in the factory was consumed in the distillery.

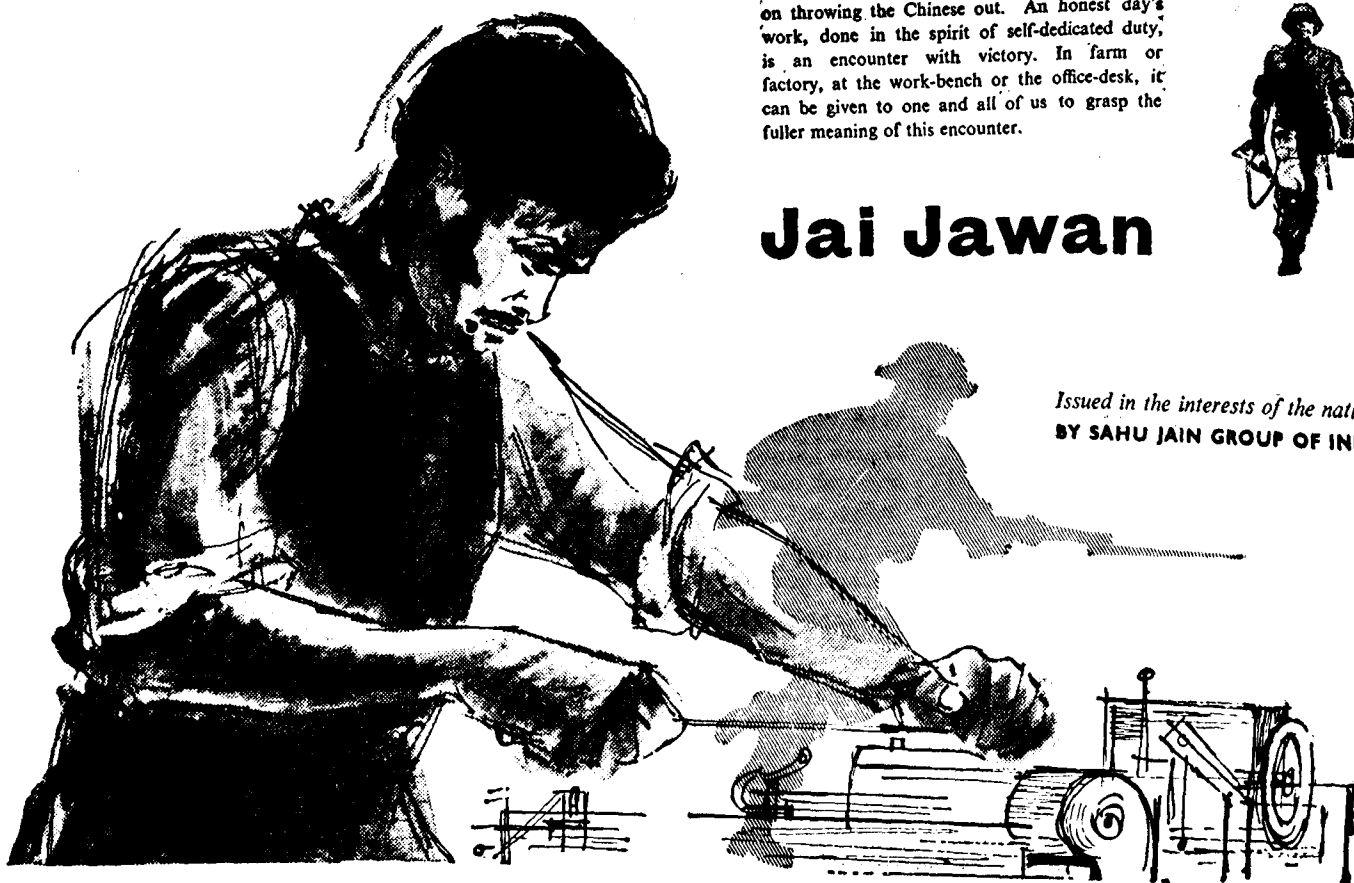
Indian Vegetable Products

THE working results of the Indian Vegetable Products Ltd for the year ended September 1962, show considerable improvement over the previous year's performance as a result of the increased demand and steadier raw material prices. The dividend has been maintained at 17 percent. Against an increase of 10 percent in sales from Rs. 3.33 crores to Rs. 3.67 crores, the gross profit has risen by about 32 percent from Rs. 11.11 lakhs to Rs. 14.63 lakhs. After providing Rs. 71,000 (against Rs. 72,000) for depreciation and Rs. 6.80 lakhs (against Rs. 4.55 lakhs)

for taxation, the net profit amounts to Rs. 5.68 lakhs, against Rs. 4.83 lakhs in 1960-61. With Rs. 66,028 being the excess provision and refund of sales tax for previous years written back, and including Rs. 2,393 brought forward, the disposable surplus amounts to Rs. 6.36 lakhs. Allocations include general reserve Rs. 1.77 lakhs (against Rs. 50,000), dividend equalisation fund Rs. 35,000 (against nil), and development rebate Rs. 80,000 (the same). No provision has been made for contingency reserve which absorbed Rs. 50,000 in the previous year.

The directors say that the Company has received a licence for manufacturing epoxy plasticisers. The initial plant and machinery worth Rs. 1.50 lakhs acquired for this purpose is being installed and the Company hopes to commence trial production shortly. Indian Vegetable Products has received the Government's sanction for issuing bonus shares in the ratio of one share for every seven held on 30th September by capitalising Rs. 3.02 lakhs from general reserve. The issue is being made in

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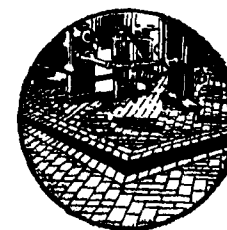
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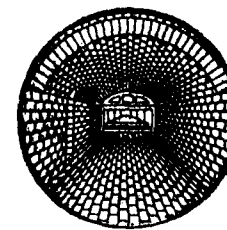
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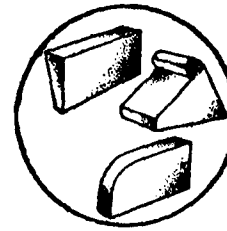
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order to bring the share capital (Rs. 21.17 lakhs) more in line with the capital employed in the business which amounts to Rs. 32.26 lakhs. The bonus shares will be entitled to dividend that may be declared in the current year. The Rs. 100-paid share of the Company is quoted around Rs. 200.

New Holding Company for Itakhooli Tea

PLANS to reduce the proportion of assets at stake in India explain proposals for a changed company structure put forward by the Itakhooli Tea Company. The directors propose to form a holding company, the shares of which will be exchanged for shares in the

existing Company on a one-for-one basis. Itakhooli Tea will then be a subsidiary of the newly-formed Itakhooli Holdings, and a quotation will be sought for the new company's capital of £200,000 divided into shares of £1. The tea Company will continue to work the Indian estate and retain assets incidental to operations. But some of the investments and cash owned by the tea Company will be transferred to the new parent.

Bonus Issue from Gourepore Jute

THE decision of the Gourepore Co. Ltd. to issue bonus shares by capitalising reserves has bullish im-

plications for jute shares in general. It implies not only that the industry has been enjoying a spell of prosperity but that the near-term trend is also encouraging. It is said that jute mills have been making profits of up to Rs. 500 a ton on hessian and around Rs. 200 a ton on sacking. Most of the mills are already well sold up to March 1963. Substantial sales have also been made by mills for the April-June quarter. On hopes of earning satisfactory profits for the current financial year, many jute companies have already paid good interim dividends.

In spite of such an encouraging prospect, and the issue of bonus shares, the ordinary shares of Gourepore Jute have been sluggish around Rs. 468 due to the general dullness of the stock market. When confidence returns, jute shares may be the first to respond. Investors in Gourepore shares, for the time being, are busy examining how the dividend outlook will be influenced by the issue of bonus shares. The one-for-one issue will double the ordinary share capital to Rs. 48 lakhs. The Company paid a taxable ordinary dividend of 20 percent for 1961-62, which absorbed only Rs. 4.80 lakhs; but during that year trading conditions were difficult. In 1962-63, the profits are expected to be much bigger. Hence the Company should not find it difficult to maintain the usual dividend on the increased share capital. Hopes have been reinforced by the fact that the mills have 962 hessian looms and only 432 sacking looms. On the basis of the past dividend of 20 percent, the yield works out to 4.3 percent at the present price.

The move to sub-divide the ordinary share of Rs. 100 into ten shares of Rs. 10 each is significant to the extent that it may help to widen the market for the scrip. It is also possible that the share ownership may become more widespread when the sub-division is completed.

Voltas Maintains Dividend

VOLTAS Ltd has maintained the dividend for the year ended August 1962 at 14 percent, less tax. The preliminary figures about the Company's working results, which have been released along with the dividend announcement, show a slight fall in the profit in spite of a modest increase in the turnover. Receipts of sales and services are up by about 5.5 percent from Rs. 25.73 crores to Rs. 27.16 crores. But the profit, after providing for depreciation, is down from Rs. 1.40 crores to Rs. 1.37 crores. The omission of the figure for depreciation is understandable, particularly when all the other details about appropriations have been mentioned in the preliminary results. After providing Rs. 71 lakhs (against Rs. 66.50 lakhs) for taxation, the net profit is shown at Rs. 66.48 lakhs, about 9 percent less than the previous year's Rs. 73.05 lakhs. With Rs. 3.79 lakhs brought forward and adding Rs. 255 written back form development rebate reserve, the disposable surplus amounts to Rs. 70.77 lakhs. The allocation to general reserve has been reduced from Rs. 25 lakhs to Rs. 20 lakhs and that to development rebate reserve from Rs. 1.81 lakhs to Rs. 1.65 lakhs. No provision has been made for development reserve and staff welfare reserve which received Rs. 5 lakhs and Rs. 1 lakh, respectively, in the previous year but Rs. 7 lakhs has been allocated to the newly created taxation reserve. The proposed dividend absorbs Rs. 35.70 lakhs, leaving Rs. 2.91 lakhs to be carried forward.

The directors state that the Company has fully licensed orders in hand and margins expected from

CAPITAL, 17th January, 1963.

Globe Motors to Expand

GLOBE Motors Ltd has reported satisfactory results for the year ended July 1962. The gross profit at Rs. 6.33 lakhs shows little change from the previous year's Rs. 6.22 lakhs, but the directors have decided to skip the dividend in order to conserve resources for the expansion schemes. In 1960-61, the Company paid a dividend of 15 percent, less tax. Allocations include depreciation Rs. 66,366 (against Rs. 53,203), development rebate Rs. 643 (against Rs. 14,400), taxation Rs. 1.72 lakhs (against Rs. 2.58 lakhs), reserves Rs. 3.60 lakhs (against Rs. 40,000) and taxation in relation to earlier years Rs. 32,168. The Company's industrial unit—Globe Steels—is reported to be ready for going into regular production shortly. The factory will initially produce silicon-manganese spring steel flats for use in railways and the automotive industry as well as various types of malleable iron castings.

The Company made a share offer to the public in May 1962. Now it proposes to offer rights shares of the value of Rs. 10 lakhs in the ratio of one share for every five held, after making the existing shares fully paid by making the final call of Rs. 25 a share. The additional funds are needed for investment in the Company's subsidiary—Luke Auto Ancillary (India) Private Ltd which has taken up the manufacture of clutches and clutch plates in collaboration with the West German firm of Lamellen und Kupplungsbau August Haussermann, Stuttgart. Production is expected to start by September 1963. The subsidiary Company will have a capital of Rs. 20 lakhs of which 51 percent will be contributed by Globe Motors and the balance by L.U.K. of Germany. The Company proposes to form another subsidiary in collaboration with Firma Luhn and Pulvermacher of Hagen-Haspe, West Germany, for manufacturing laminated and helical springs for using in motor-cars and railways. The subsidiary will be known as Globe Baldur Private Ltd. Fifty-one percent of its capital will be owned by Globe Motors and 49 percent by the foreign firm collaborating in the project.

Bank of Baroda Profit Falls

THE Bank of Baroda, which raised the interim dividend from 7 percent to 8 percent, has reduced the final dividend for 1962 from 10 percent to 8 percent. The total dividend for 1962, therefore, amounts to 16 percent, against 17 percent in 1961. According to the preliminary report, the net profit, subject to audit, after providing for tax, shows a decline from Rs. 67.13 lakhs to Rs. 63.19 lakhs. With Rs. 3.02 lakhs brought forward, the disposable surplus amounts to Rs. 66.21 lakhs, against Rs. 68.72 lakhs. Final and interim dividends absorb Rs. 27.30 lakhs against Rs. 25.50 lakhs. The final dividend, it should be noted, is on increased capital. The allocation to the reserve fund has been reduced from Rs. 20 lakhs to Rs. 12.75 lakhs. The carry-forward, subject to payment of bonus to staff, is Rs. 26.16 lakhs, compared with Rs. 23.22 lakhs at the end of 1961. The Rs. 50-paid share of the Bank of Baroda is currently quoted around Rs. 93 cum dividend, offering a gross yield of about 9.4 percent.

them will be substantially higher than in the previous year. This holds out the promise of better results in the current year. The Rs. 100-paid share of Voltas is currently quoted around Rs. 247, offering a gross return of a little over 6 percent on fresh investment.

CAPITAL, 17th January, 1963.

INDIAN OXYGEN LIMITED

CHAIRMAN, SIR J. D. K. BROWN'S STATEMENT

The following is the statement circulated by Sir John Douglas Keith Brown, Chairman, Indian Oxygen Limited to the Members of the Company with the Annual Report for the year 1962. The 28th Annual General Meeting of the Company is to be held in Calcutta on the 8th February, 1963.

This review deals with a period which ended before the proclamation of the present emergency. Nevertheless, I feel that it is appropriate that I should begin it with a reference to the situation created by the attack launched by Chinese Government Forces on Indian territory. While armed conflict between nations is rightly to be deplored by all thinking people at any time for the loss of life which it inevitably involves, and for the suffering which it entails for bereaved families and those who are rendered homeless, it is indeed tragic that at a time when such vast efforts to raise the admittedly low standards of living of the mass of the Indian people were being made by means of planned industrial development, a part of that effort—possibly a substantial part over a period of years—must now be diverted to increasing and modernising the country's defences.

For industry, the task to-day is to mobilise our total resources to ensure that, so far as it is humanly within our power, every demand of the Armed Forces is met without any avoidable delay; that where possible we should indeed anticipate these demands, and contrive by our ingenuity to overcome the shortages and the bottlenecks to production which are inevitable features of a situation such as that in which we now find ourselves. This involves the maximum degree of co-ordination; not merely between the various Ministries of Government, but within industry as a whole, and more particularly between Government and industry. Your Company is engaged in an industry which, in the context of defence production, is vital and I am sure I need hardly tell you that we have already assured the Government of India of our readiness to do whatever may be required of us to meet defence production demands.

Profits, Taxation and Dividend

The final outcome of the year's trading, after providing for depreciation and all taxation, is a profit of Rs. 60,82,869 as compared with the previous year's figure of Rs. 71,30,284. This may appear at first sight to be somewhat disappointing in a year in which gross income increased from Rs. 7.58 crores to Rs. 8.90 crores; but if the accounts are examined in detail it will be found that in fact the net profit, before charging taxation, increased from Rs. 1,07,55,284 to Rs. 1,35,49,869 despite the fact that the charge for depreciation alone increased by practically Rs. 5 lakhs as compared with the previous year. The fall in net profits after taxation is accounted for by the fact that in addition to the necessity of providing for taxation at a rate this year, we have an increased rate to provide for the shortfall in the previous year's taxation provision. This is an unavoidable adjustment in the case of a company such as ours, closing its accounts at 30th September, in any year in which the rate of tax on corporate profits is increased by the Finance Bill, which is not normally introduced until a date subsequent to the date of our Annual General Meeting. To aggravate the disparity in the taxation charge we have this year had to provide Rs. 13 lakhs, being the tax payable at 12½% on the bonus issue of share capital

made in September, 1962—a heavy price to pay for a very necessary adjustment to our capital structure. While there can be differing views regarding the equity of taxing bonus issues which have been made out of accumulated taxed profits which might otherwise have been distributed to shareholders as dividends, I am myself quite unable to see the justice of levying an additional tax on the capitalisation of premiums which have been paid in cash by shareholders on subscribing for additional shares in a company. Personally, I feel that it is only right and proper that companies should be encouraged to issue additional capital at a proper premium; but I am sure that the practice would be much more acceptable to the investing public and to company managements if it were not for this inequitable tax on capitalisation of premiums which have been subscribed by the shareholders themselves in cash, possibly out of their own taxed savings.

We continued to be faced during the year with rising costs in a number of directions. In terms of the recommendation of the Tariff Commission, the price of indigenously produced calcium carbide was increased from January, 1962 and the consequent further rise in the cost of production of dissolved acetylene compelled us to raise our selling prices from 15th February, 1962. Mild steel rods and core wire required for producing electrodes had to be largely imported at substantially higher prices, which forced us with reluctance to raise the selling prices of electrodes with effect from 1st November, 1961 to cover some part of the increased cost of production. Generally speaking, however, increasing costs in other directions were absorbed by the expanded scale of our operations, which is the direct result of the heavy capital expenditure incurred in recent years and it was this which largely contributed to what I and my colleagues regard as a very satisfactory increase in turnover and trading profits.

At the time when the proposal to capitalise Rs. 1.04 crores out of the Company's reserves was announced in April, 1962, it was made clear in a statement in the Press and to the Calcutta Stock Exchange that the proposed issue of bonus shares did not signify an intention to maintain the same rate of dividend on the increased capital, or indeed to increase at all the total amount distributed as dividends. In fact, in consideration of the increase in trading profits, your Directors have recommended a small increase in the distribution and you will see from the Profit and Loss Appropriation Account that the 12½% dividend proposed will absorb Rs. 43,68,000 as compared with the previous year's disbursement of Rs. 39,00,000 in respect of the 15% distribution for that year on the smaller capital.

Sales

Sales, which last year were at a level of Rs. 7.56 crores, rose this year to Rs. 8.87 crores; an increase of Rs. 1.31 crores or 17%, which I am sure you will agree is extremely satisfactory. These successful results have been achieved in spite of a number of difficulties. The Finance Bill which was introduced in the Lok Sabha on 23rd April, 1962 provided for the imposition of an excise duty on oxygen. This development created quite a few administrative problems which, however, have since been satisfactorily resolved. On account of the foreign exchange shortage, procurement of ade-

quate quantities of raw materials was never easy and shortages were particularly felt during the year in supplies of mild steel core wire used in electrode making and ammonium nitrate used in producing nitrous oxide. Continued power shortages at most of our operating centres again interfered with production and raised operating costs. It is a matter for satisfaction, however, that in spite of these difficulties the rising trend in our turnover over the past few years was successfully maintained. I may point out that in the last five years our turnover has shown a steady rate of increase of 16% to 17% per annum compound.

Substantial increases were achieved in sales of pipeline oxygen to the steelworks at Jamshedpur and Burnpur as well as in the sales of liquid oxygen explosives used largely in opencast mining, while sales of liquid and compressed oxygen also improved appreciably. Sales of dissolved acetylene again rose this year, as did our sales of electrodes and gas-user equipment, which were produced in greater quantities.

Share Capital and Finance

Just before the close of the year, the share capital was increased by Rs. 1.04 crores by the issue of 10,40,000 new ordinary shares as a capital bonus on capitalisation of Rs. 48 lakhs standing to the credit of share premium account and a sum of Rs. 56 lakhs forming part of our undivided profits standing to the credit of general reserve. As a result of this operation, the paid-up capital of the Company is now Rs. 3,64,00,000 and the opportunity of the general meeting which was held at the end of September was therefore taken to increase the authorised capital from Rs. 4 crores to Rs. 8 crores to provide for further issues of capital, which will inevitably be required to finance some part of the future development of our business, although I should make it clear that there is no immediate intention of issuing further capital.

Capital expenditure incurred during the year amounted to Rs. 1,32,35,506; this covered a number of projects all over the country, which are referred to in some detail hereunder. Most of our capital imports were arranged against foreign exchange entitlements already in our hands so that no new scheme for foreign exchange loan financing was involved, although you will have observed that our overdraft with our Bankers in India increased further during the year. We have reached a stage, however, where, in order to finance further large scale developments, which we believe to be urgently necessary, we shall have to seek further substantial loans in foreign currencies. Negotiation of such loans with the financial institutions and the procurement of the relevant import licences inevitably involves much delay, and in view of the relative urgency of implementing some of our development projects, we are particularly grateful to The British Oxygen Company Limited for having agreed in principle to make further advances by way of loan, up to a total of £500,000. I shall refer to this matter in more detail later in this statement.

Development and Expansion

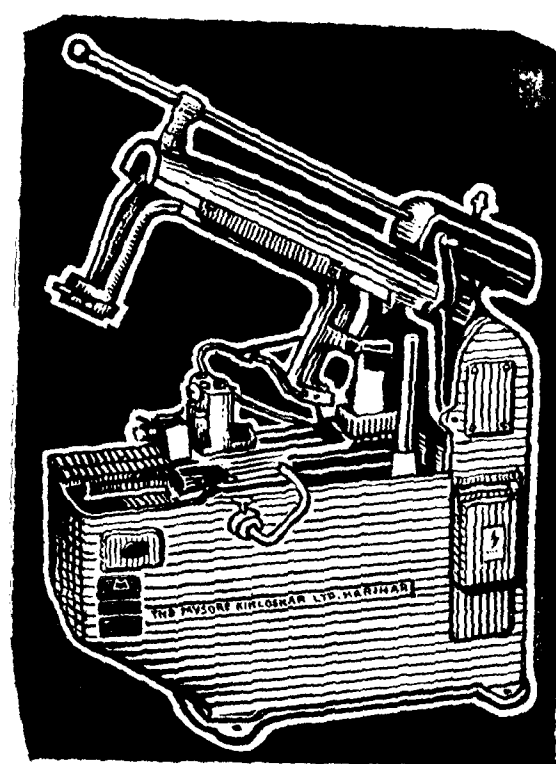
At a meeting of shareholders held on the 27th September last, it was agreed to incorporate in our Memorandum of Association certain additional clauses dealing with the objects of the Company and we are now seeking the consent of the High Court in Calcutta thereto. As was explained in the state-

ment which accompanied the notice convening the meeting referred to, it is proposed to undertake the manufacture and installation of, and to deal in, plant and machinery for producing and using gases and for manufacturing electrodes, gas using equipment, welding transformers, etc. Ours being a capital-intensive industry and most of our plant having previously been imported from abroad, you will appreciate that the implementation of this scheme will result in substantial savings of foreign exchange. Apart from manufacturing plants for our own use, we intend to undertake to install such plants and render technical assistance to others.

I had indicated last year that in step with increasing oxygen requirements in the Jamshedpur area, the Company had taken in hand a programme to install three additional 400M³ oxygen plants in our factory there. I am happy to report that all three plants have now been installed and have commenced commercial production.

The installation of a new dissolved acetylene producing plant at Gauhati was completed during the year and is now in commercial production. This supplements the oxygen producing facilities installed at our own site there last year and provides a local source of supply of Assam's requirements of oxygen and acetylene, which in the light of subsequent and recent events in that part of the country can only be described as a most timely development.

Considerable progress was made during the year with our development plans at the Bombay Factory. Civil work mainly centred round a new bay to accommodate the nitrous oxide plant and a new oxygen filling deck



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S. T. SADASIVAN

General Manager

with an attached despatch office. The second 400M² oxygen plant which was licensed for Bombay last year is now under erection and is expected to be on stream in February next year. The nitrous oxide plant was installed and has been in commercial production since October, constituting our second source of supply in the country of this important anaesthetic agent.

Land was purchased during the year at Hyderabad, and plans are now being laid for erecting a factory to manufacture oxygen and dissolved acetylene there.

An extension to the Electrode Factory building at Khardah, near Calcutta, was completed during the year and an additional electrode producing machine installed. The newly licensed wire mill has also just been erected and preliminary runs have already been made in drawing our own wire for electrode making. Additional machines were installed in the Equipment Factory at Beliaghata, which was reorganised along new lines some months ago.

Land has been purchased at Ranchi for building a modern factory to pro-

duce 'Loxite' cartridges, a component of liquid oxygen explosives. This activity has hitherto been carried on at Burnpur, where the available facilities have, however, now become outmoded.

Competition

In the same way that availability of electric power is indispensable to the development of the economy generally, so is an increasing supply of industrial gases essential if the output of the engineering industry is to expand. And just as in the case of electric power supply, the availability of industrial oxygen and dissolved acetylene particularly has to be planned and capacity installed well in advance of current requirements. In my statement last year, I discussed the need for perspective planning in the context of the Government of India's proclaimed industrial policy. Your Company has at all times endeavoured to keep its production facilities one step ahead of demand but in pursuing this policy it has been necessary from time to time to take account of industrial licences issued to potential competi-

tors during the past few years. Unfortunately, in a number of cases where licences have been issued, implementation of schemes for the setting up of oxygen and dissolved acetylene plants has been delayed through various factors, such as the shortage of foreign exchange or the difficulty in finalising terms for technical collaboration. This is particularly unfortunate in the context of the present emergency, which has already thrown up pressing or potential additional demands which, with the best will in the world, can hardly be met from existing productive capacity. The present situation emphasises the necessity in an industry of this kind to have in reserve a margin of capacity to meet unexpected demands. The actual position is that the plants installed in the country are generally working beyond normal capacity and the margin which preferably should exist between that capacity and peak demands is simply not there.

Our own assessment of the position over the next ten years, made before the present emergency gave rise to potential increased demands from indus-

tries concerned with the defence of the country, shows that there is room for newcomers, whose emergence as competitors we in fact welcome; but I would utter a warning against retarding the sound development of existing concerns pending the coming on stream of the newer units. Whatever the justification from the point of view of the building up of a socialistic pattern of society, which in the case of this particular industry seems very doubtful, such a policy has grave dangers so far as the development of strategic industries generally is concerned.

Management and Personnel

The six-year agreements with our various Labour Unions covering the bonus payable to the Company's employees other than officers terminated with the bonus payable in relation to the year ended 30th September, 1960. The bonus payable for the year ended 30th September, 1961 had to be determined during the year under review and I am happy to report that this was achieved amicably under an agreement reached with the Unions cover-

ing the quantum of bonus payable for the two years, 1961 and 1962. The amount agreed was higher at five-twelfths of the basic earnings during each year, regulated within certain minimum and maximum limits.

I had referred in my statement last year to the selection of four members of the staff for intensive management training. These trainees have since been appointed officers and the results achieved fully justify the experiment. Officers of the Company continued to be trained, both inside the Company and outside at the Administrative Staff College of India at Hyderabad and through several other organisations as well as at Charteridge Lodge, a residential Staff College of The British Oxygen Group situated near London.

I have once again to record our particular gratitude to our Managing Director, Mr. A. K. Sen, who has not spared himself in directing the Company's activities. To him, to his colleagues in the management and to all staff and workpeople at our installations throughout the country, I once again offer on your behalf our grateful thanks. Having worked closely with Mr. Sen for over three years now I would assure you that this expression of thanks is no mere formality but signifies our sincere appreciation for a job well done.

Mr. C. Hawkins, who joined the service of the Company in 1952 and who was appointed a Technical Director in 1956, is severing his connection with us at the end of this month and I welcome this opportunity of extending to him our best wishes for the future along with our thanks for his services during the past ten years.

We have learnt only very recently of the death in the United Kingdom at the end of last month of Mr. D. B. A. Cart, who was appointed a Director and General Manager of the Company in 1937, and who was Managing Director from the end of 1942 until his retirement at the beginning of 1951. Mr. Cart played a most important part in building up this Company during its formative years and he continued to take a great interest in its welfare after his retirement. It is only appropriate that we should recall at this time his contribution to the growth of the Company and also that we should extend to Mrs. Cart our sympathy in her bereavement.

Technical Collaboration

We have been privileged recently to receive a further visit from Mr. J. S. Hutchison, the Chairman of The British Oxygen Company Limited. In company with your Managing Director and myself, Mr. Hutchison visited Delhi at the height of the fighting on the northern frontiers last month. Mr. Hutchison lost no time in pledging the full support and technical backing of The British Oxygen Company Limited, not only to your Board but also to the Government of India through the Finance Minister, in meeting on a priority basis whatever demands might be placed on them. While this is most heartening, it is by no means all that Mr. Hutchison had to mean all that Mr. Hutchison had to offer us when he was here. Appreciating the delays which might be involved in arranging for the necessary foreign exchange to meet the cost of the imported components of certain urgently required developments, he was in a position to offer on behalf of the parent company to make advances in sterling to your Company up to a limit of £500,000 on terms to be approved by the Government of India. I need not tell you that this is a most valuable gesture which should greatly assist us in implementing without delay demands for additional productive capacity which, it seems to us, must be placed on us before long. I might add that in addition to this offer and while Mr. Hutchison was still with us, the Board of The British Oxygen Com-

pany Limited undertook to contribute the sum of £15,000 in sterling to the National Defence Fund. The British Oxygen Company Limited is basically a Commonwealth enterprise and I welcome this opportunity of expressing publicly on your behalf our heartfelt thanks to Mr. Hutchison and his colleagues for the speed and the extent of their response to India's needs at this critical juncture in her history. Incidentally, a measure which you will surely approve—your Board has authorised a contribution of Rs. 3 lakhs to the National Defence Fund out of the funds of the Company; while contributions on a notable scale have been made directly by employees, who have authorised deductions from their wages and salaries for this purpose.

Apart from their generous response at the height of the present emergency, our Technical Consultants have continued throughout the year to meet all demands made upon them for technical advice, for the training and provision of staff and in various other directions. With our projected entry into the plant manufacturing field we shall undoubtedly be making additional calls upon them while building up this side of our business. On your behalf, I extend to them our grateful thanks for their contribution in achieving the satisfactory results of the past year.

Prospects

Company Chairmen are notoriously vague in advising their shareholders in regard to future prospects. This, in my opinion, is a wise attitude born of caution and, in many cases, experience. The present emergency conditions prevailing in this country make it particularly difficult to venture an opinion on prospects for the current year. If I had been addressing you before the declaration of the emergency, I would have said that growth prospects continued to be favourable but that, being about to enter on another cycle of fairly massive capital expenditure, I should not expect to see the same spectacular increase in trading profits in the next year or two as we have seen in the accounts which are submitted with this statement; in other words, while long term growth prospects remain favourable, because of increasing debt repayment obligations arising out of continuing capital expenditure, shareholders could not expect a further increase in dividend for another few years. While it is too early yet to make any pronouncement as to the effect of the changed conditions which now obtain, our tentative conclusions are that it will probably be necessary to accelerate certain of our development projects in order to meet the demands of many of our customers who will be involved in the expansion of the country's defence industries. There are, however, so many imponderable connected with, for example, supplies of our own and our customers' raw materials, electric power and other items that I cannot usefully say more at this juncture. Your Company will, I assure you, do its utmost to meet whatever demands may be placed on it by the Defence Services directly or by industry generally and I am confident that with the country-wide organisation which has been built up and with the invaluable technical backing of The British Oxygen Company Limited, we shall not fail.

Personal

As this is the last occasion on which I expect to address shareholders as Chairman of the Board, I take this opportunity of extending to my fellow Directors my thanks for their unfailing support, not only in the past year but throughout the period during which I have been privileged to be associated with the Company.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

THE MYSORE KIRLOSKAR LIMITED

HARIHAR

CHAIRMAN REVIEWS PROSPECTS

Extracts from the Speech of the Chairman delivered on Saturday the 8th December, 1962, at Harihar at the time of the Twenty-first Annual General Meeting of the Company.

It is my proud privilege to welcome you to this Twenty-first Annual General Meeting of your Company. Unfortunately, we are meeting today after the sad and premature demise of Sri Rajaram Laxman Kirloskar on the 8th October, 1962, in Bombay.

Your Directors have duly placed on record their very warm and sincere appreciation of the meritorious services rendered by Sri Rajaram Laxman Kirloskar not only to the Company but also to the Machine Tool Industry in India as a whole.

Net Sales

From the Profit and Loss account of your Company you may have noticed that the net sales of the manufactured goods during the year amounted to Rs. 1.75 crores as against Rs. 1.57 crores in the previous year. Sale of stores and sundries during the year amounted to Rs. 7.36 lakhs as against Rs. 6.05 lakhs in the previous year. Though the sales during the year under report are higher than the previous year, the profits of the Company are not however commensurate with the same. It will be observed that compared to the previous year, the proportion of salaries and wages to total revenues has increased from 23 per cent to 25 per cent on account of the revision of wage structure as a result of the agreement with the Labour Union. The proportion of provision for taxes to total revenues has also increased from 7 per cent to 9 per cent as a result of the increase in the rate of Super-tax with effect from the assessment year 1962-63 in respect of the companies. The Development Rebate provided for 1961-62 is Rs. 1,48,500 which is much less than that of the previous year. This has resulted in a higher provision for taxation for 1961-62. Raw materials, Stores consumed, including Works-in-process and Transport charges account for 41 per cent of the total revenues whereas the proportion for the previous year was 42 per cent. The expenses on account of Fuel and Power consumed have increased from 2 per cent to 3 per cent. The proportion of Statutory Depreciation to total revenues remains unchanged at 6 per cent. Indirect Working expenses have reduced from 11 per cent to 10 per cent. The balance of profits which was 9 per cent for the year ended 30th June, 1961, has declined to 6 per cent for the year ended 30th June, 1962.

During the year under report, there has been an addition to the Plant and Machinery valued at Rs. 6.84 lakhs as against Rs. 18.14 lakhs in the previous year. Orders have been placed for the import of the Plant and Machinery required for the expansion schemes and the machinery is expected to be received during the course of the next two years. There have also been additions to the buildings valued at about Rs. 14 lakhs. These include the buildings for our Branch Factory at Hubli and Machine Shop No. 3 as well as the extension of Machine Shop No. 2 and the Packing and Painting Sheds.

Capstan and Turret Lathes

As you may have seen from the Directors' Report, the Company's pro-

gress in the manufacture of Capstan and Turret lathes could not be according to our plans on account of the delay in receiving the imported components. The speed of development of these lines in future would depend upon the import policy of the Government of India.

At the time of the last Annual General Meeting, I had pointed out the difficulties faced by the Company in procuring quality Hard Coke and Pig Iron. This year the situation became even more difficult. The position of Coke had gone from bad to worse and the supply position of Pig Iron was perhaps at its worst. The timely help received from the Mysore Iron and Steel Works, Bhadravati, however, helped us to maintain the continuity of production. The difficulties experienced in getting wagons have also increased because of the speed restrictions on the movement of trains.

I am happy to say that attempts are being made by your Company to export its goods to the South-East Asian countries and a proposal is under consideration to open an office at Kuala Lumpur for this purpose.

National Emergency

Today we are facing a national emergency as a result of the border disputes with China. We are already facing an undeclared war. Under the circumstances, the Machine Tools Industry has a special responsibility to shoulder. The Minister of Heavy Industries has rightly urged that every Machine Tool factory should work round the clock to increase production and also to take up new lines which are urgently needed to meet the Defence requirements.

Your Company has already responded to the call of the Nation in increasing production. Your Company is also actively considering taking up new lines of production like Grinding machines, Milling machines, Automatics, etc.

A certain amount of understanding and co-operation must exist between the workmen and the management to meet the demands on the industry. Now that a long-term agreement is recently concluded with the workmen, I hope, the workmen will appreciate the need of the hour and will not fail to continue to extend their unstinted co-operation in increasing production.

I am glad to inform you that your Board has agreed to donate a sum of Rs. 25,000 towards National Defence Fund.

N.B.: This does not purport to be a report of the Proceedings of the Annual General Meeting.

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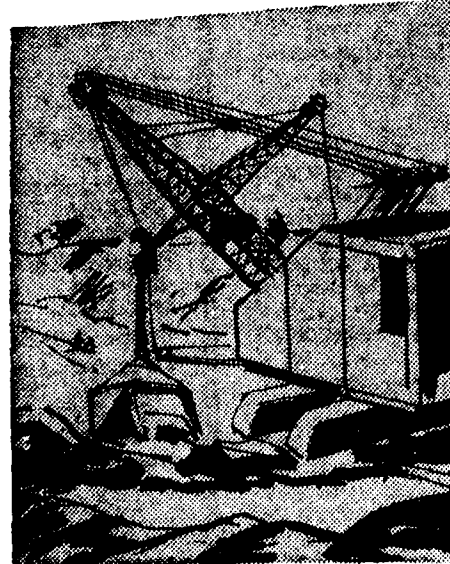
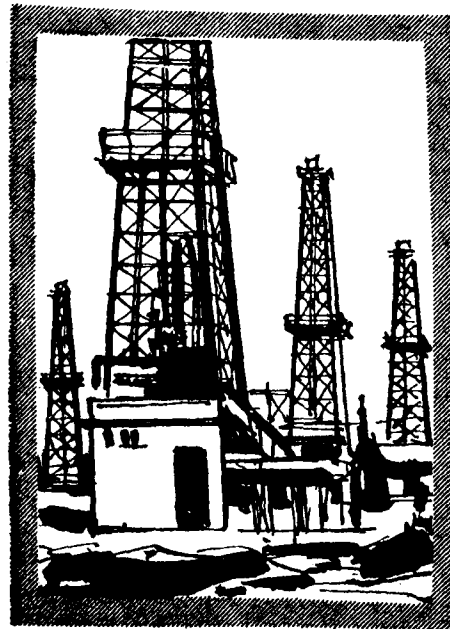
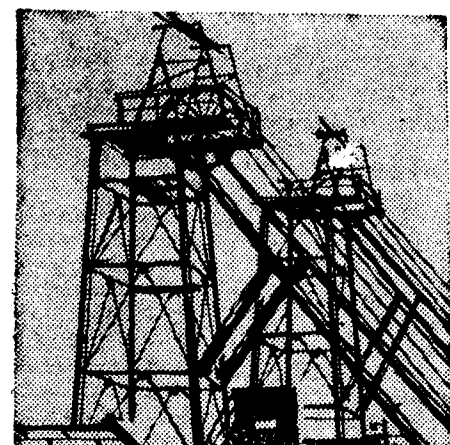
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INTWMB 6326

DEPRESSION CONTINUES IN CALCUTTA

Wednesday Evening.

THE Calcutta stock market has remained quiet during the past week. Buyers have been conspicuous by their absence, so share prices have fallen in proportion to the selling pressure. Many scrip have been offered below the minimum prices without attracting buyers. Indian Iron, for instance, have been sold freely in the kurb market below the minimum price. The proceedings of the last annual general meeting of the Company, held in Calcutta some time ago, have been quoted to support the impression that the dividend is unlikely to be increased in view of the expansion schemes and the relatively low retention price of steel.

Lyons Range has been disturbed by political and economic uncertainties. The meeting between the Prime Minister, Mr. Nehru, and the "honest brokers" from Colombo has had little effect. There is a great deal of concern over the Kashmir problem. The attention of investors and operators has been diverted to the forthcoming Central Budget which, it is feared, will impose new taxes to cover the rise in defence expenditure. The Central Finance Minister has already indicated that the defence expenditure may have to be doubled to about Rs. 750 crores. But the stock market hopes that, for raising more revenue, he will concentrate more on indirect taxation than on direct.

Lyons Range has been worried by the growing shortage of funds. Because of the sharp fall in the commodity markets, operators have become nervous. Holders are finding it difficult to avoid selling their shares as banks are trying to curtail overdrafts against shares. Reports that some banks have also decided to increase their interest rates on advances against shares have caused concern. In the circumstances, the move of the committee of stock exchange presidents to ask banks to increase the margin against shares, from 60 percent to 70 percent of share values, has been welcomed. If banks were to adopt the increased margin, selling pressure would be reduced. The move would also help to increase support for new issues, which have had a poor response during recent weeks. The increased margin may not involve giving more credit to the stock market in view of the sharp fall in share values during recent months.

The stock market thinks that the prospect of a further hardening in interest rates has bearish implications. As shares are now being judged by dividend yields rather than growth prospects, it is feared that investors will want bigger yields than before. Hence a downward adjustment in share prices cannot be ruled out. The hesitation of investors has been the greater since the latest company reports have been discouraging. In spite of an increase in turnover, profits have generally been squeezed by heavier taxation and rising production costs. Hence companies may not find it easy to maintain their dividends.

But for scattered support to Indian Standard Wagon, Braithwaite and Jessop, engineering shares have been sold freely. Britannia Engineering, Dalmia Iron and J. K. Steel have been transacted at lower levels. Coal shares have been neglected. A Press report that a World Bank team will soon be coming to this country to investigate the possibilities of expansion in the coal industry, has been ignored. Pench Valley and Amalgamated have improved fractionally. Cotton mill shares have been depressed and buyers have stayed out.

Although pressure has declined in jute shares, support has not been forthcoming in spite of the payment of some good interim dividends. The near-term outlook for the industry is considered encouraging. There is an abundant supply of fibre. Although overseas enquiries for jute goods have been few, they are expected to increase in the near future. Barnagore, Anglo-India, Megna, and Union have been bought. Gourepore have met with scattered support on prospects of a one-for-one bonus issue.

Prices of miscellaneous shares have fallen due to selling pressure. Anglo Brothers have been quoted lower despite the payment of a higher dividend. Hindustan Motors have reacted, as investors have been unable to ascertain whether the diversion of capacity to the manufacture of lorries will prove to be more profitable. Hindustan Aluminium have been quiet on prospects of a rights issue. Among managing agency shares, Jardine Henderson and Martin Burn have been bought. Among new shares, Hindustan Twyford, Isaac Holdens and Asiatic Oxygen have been steady.

Scattered support has been extended to Calcutta Electric due to the payment of an interim dividend. Investors also think that the "reasonable return" for electric companies will increase following the rise in Bank rate. Paper shares have fallen after an earlier improvement. Sirpur, Bengal and Seshasayee have been dealt in. Tea shares have been freely offered without attracting buyers. Investors have been worried by the shortfall in the north Indian crop during 1962.

Government securities have been quiet. The Reserve Bank has cut its buying and selling rates for some loans in line with the market trend. Institutional support has been lacking as some banks are reported to have sold securities to obtain more cash for financing credit requirements. The 3 percent Conversion loan 1986 has fallen to the official support level of Rs. 63. Prices of State Government loans have fallen further. Sellers have even been willing to discount prices on firm buying indications. High-yield preference shares and debentures have met with scattered support.

Bombay

SLUGGISH CONDITIONS IN DALAL STREET TAX FEARS AFFECT SENTIMENT

Wednesday Evening.

SLUGGISH conditions have prevailed in the Bombay stock market during the past week. Share prices have drifted downwards on any indication of selling, but buyers have preferred to stay out. Political uncertainties apart, operators have no inclination to enter into fresh commitments in view of the possibility of heavier taxation in the coming Central Budget. Investors have been

worried by the thought that interest rates may harden further.

Turnover has been confined to a few selected scrip, but there have been more sellers than buyers. In steel shares, sentiment has been subdued by fears that the steel companies will find it difficult to increase the dividends unless retention prices are increased. Tata Steel have been quoted at Rs. 120 and Indian Iron at 21.84. Engineering shares have generally been neglected. Tata Locomotive have declined to Rs. 279. Hindustan Motors and Premier Automobiles have been subdued among motor-vehicle shares.

Cotton mill shares too have been easier as the offtake of cloth has been below expectations. There is a great deal of uncertainty about the prices of cloth and yarn, which may be cut in the near future. Scattered business has been transacted in Century, Bombay Dyeing, Kohinoor, Khatau, Standard and Tata Mills at lower prices. Miscellaneous shares have been dull. B. B. Petrol have reacted after an earlier rise. It is rumoured that the Company may receive adequate compensation for damage caused during the second World War. Sugar shares have been sold freely due to fears that output may be smaller during the current year. In cement shares, there has been some interest in selected scrip such as Associated Cement Steamship company shares have been subdued as the Government may increase the participation of foreign capital in Indian shipping companies. Bombay Burmah have fallen on pressure. Rayon and chemical shares have been quiet. Voltas have met with scattered support on maintaining the ordinary dividend. There has been virtually no interest in bank and insurance shares. Scattered support has been extended to electric company shares on hopes that the "reasonable return" may be increased with the rise in Bank rate.

Madras

MINIMUM PRICES SCRAPPED

APPRECIABLE FALL IN TURNOVER

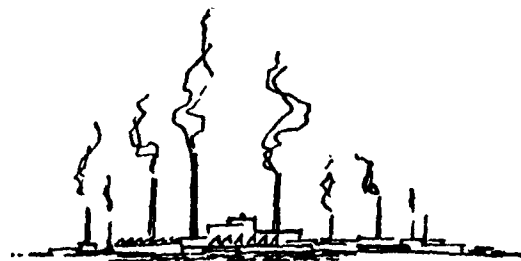
Tuesday Evening.

THERE has been an appreciable decline in turnover in the Madras stock market during the past week. Although minimum prices of all clearing and non-clearing shares have been scrapped, investors have not responded. Operators have been idle and are not inclined to extend their commitments in view of the poor advices from Dalal Street. Investors' hesitancy stems from fears that several industries may suffer due to the shortage of power and raw materials. The paucity of funds has been growing; it is feared that banks may restrict credit supplies to the stock market because of the restrictions on commercial banks' borrowings from the Reserve Bank.

Bank shares have been neglected, only stray business having been done in Indian Bank. Among electric company shares, South Madras and West Coast have met with scattered buying. Except for E.I.D. in the sugar



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M. J. MacLaren
General Manager.

AB-21

section, there has been a predominance of sellers. Planting shares have drifted downwards in the absence of support. Blue Mountain, Cochin Malabar and Consolidated Coffee have declined. Cotton mill shares have been subdued and stray business has been transacted in Travancore Rayon, Rayalaseema and Buckingham. Except for scattered buying in selected cement and chemical shares, miscellaneous shares have been neglected. Aluminium Industries have been transacted at Rs. 23.30, Ashok Leyland at Rs. 8.20, India Cement at Rs. 6.17 and Mysore Paper at Rs. 14.10.

Government securities have been quiet and buyers are difficult to locate. Prices of all dated loans have declined, and those of State Government loans have fallen further on selling pressure. Investors have been cautious they fear that a further

decline might take place because of the increase in Bank rate.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla—Rs. 29/62—29/62—29/62—29/62—(31/62).
Burrakur—Rs. 15/25—15/25—15/25—15/25—(17/69).
Dunlop Rubber—Rs. 36/87 37/00—36/12—36/19—(39/75).
Guest, Keen, Williams—Rs. 34/45—34/45—(41/37).

GOVERNMENT SECURITIES

3 % Loan (1986)—Rs. 63/00—63/00—62/75—63/00.
3 % " (1963-65)—Rs. 99/00—99/00—99/00—99/00.

CAPITAL, 17th January, 1963.

Hindustan Motors—Rs. 17/00—17/09—16/78—16/87—(21/06).
Indian Copper—Rs. 4/37—4/38—4/31—4/31—(4/72).
Indian Iron & Steel—Rs. 22/00—22/00—22/00—22/00—(25/04).
J. K. Cotton Spg. & Wvg.—Rs. 14/37—14/37—14/37—14/37—(20/50).
Kesoram Ind.—Rs. 22/00—22/00—22/00—22/00—(31/25).
Orient Paper—Rs. 36/50—36/50—36/50—36/50—(41/85).
Orissa Cement—Rs. 15/44—15/44—15/31—15/31—(16/50).
Rohtas Industries—Rs. 12/00—12/00—12/00—12/00—(16/37).
Shree Gopal—Rs. 23/31—23/31—23/25—23/25—(25/87).
3 % Loan (1986)—Rs. 63/00—63/00—62/75—63/00.
3 % " (1963-65)—Rs. 99/00—99/00—99/00—99/00.

CAPITAL, 17th January, 1963.

4½ % Orissa (1974)—Rs. 96/30—96/40—96/30—96/30.
BANK
United (Rs. 10 paid)—Rs. 7/81—7/87—7/81—7/87—(6/94).
TEXTILES
Basanti—Rs. 13/87—15/56—13/87—15/56—(7/75).
Bowreah (A' Pref.)—Rs. 114/00—114/00—114/00—114/00—(110/00).
Elgin—Rs. 20/12—20/12—20/12—20/12—(22/87).
COALS
Amalgamated—Rs. 24/00—25/06—24/00—25/06—(23/00).
Central India—Rs. 10/00—10/12—9/87—10/12—(12/31).
Equitable—Rs. 25/62—25/87—25/62—25/87—(28/87).
Pench Valley—Rs. 18/87—19/87—18/87—19/87—(16/12).
JUTES
Agarpara—Rs. 10/56—10/75—10/56—10/62—(10/44).
Baranagore—Rs. 188/00—188/00—188/00—188/00—(132/00).
Chandany—Rs. 140/00—140/50—140/00—140/50—(127/00).
Cheviot—Rs. 23/75—23/75—23/69—23/69—(15/56).
Dalhousie—Rs. 136/00—136/00—136/00—136/00—(105/00).
Empire—Rs. 17/37—17/37—16/94—17/19—(18/62).
Ganges—Rs. 13/62—13/69—13/62—13/69—(12/75).
Do. (Pref.)—Rs. 101/00—102/00—101/00—102/00—(100/50).
Kamarhaty—Rs. 172/00—173/00—172/00—173/00—(143/00).
Kankannarrah—Rs. 136/00—138/00—135/50—135/50—(81/50).
Kelvin (Pref.)—Rs. 91/00—91/50—91/00—91/50—(16/62).
Khardah—Rs. 18/50—18/50—18/50—18/50—(16/62).
Lansdowne (Pref.)—Rs. 90/00—91/00—90/00—91/00—(90/00).
Lawrence—Rs. 124/00—124/00—124/00—124/00—(175/00).
Megna—Rs. 13/62—13/75—13/62—13/75—(12/69).
New Central—Rs. 13/62—13/81—13/37—13/37—(16/59).
National—Rs. 25/50—25/50—25/50—25/50—(23/56).
Nuddea—Rs. 57/00—57/00—57/00—57/00—(64/50).
Northbrook—Rs. 31/50—31/50—31/50—31/50—(30/25).
Presidency—Rs. 5/06—5/19—5/06—5/19—(4/94).
Reliance—Rs. 6/75—6/87—6/75—6/87—(5/87).
Shree Ambica—Rs. 25/00—25/00—25/00—25/00—(22/69).
Do. (Pref.)—Rs. 82/55—82/55—82/55—82/55—(82/55).
CEMENTS
Assam Bengal (Defd.)—Rs. 0/62—0/69—0/62—0/69—(0/62).
Ashoka—Rs. 7/81—7/81—7/56—7/56—(8/50).
Bengal Pottery—Rs. 5/56—5/62—5/56—5/62—(7/25).
Dalmia (Bharat)—Rs. 13/25—13/44—13/25—13/44—(12/06).
Sone Valley—Rs. 4/31—4/44—4/31—4/34—(4/87).
CHEMICALS
Alkali & Chemical—Rs. 37/50—37/50—37/50—37/50—(44/37).
Kanoria—Rs. 4/00—4/00—4/00—4/00—(4/00).
ELECTRIC
Calcutta Electric—Rs. 14/41—14/62—14/31—14/62—(15/25).
ENGINEERINGS
Bhartia Elec. Steel—Rs. 13/75—14/19—13/75—14/19—(10/00).
Binani Metal—Rs. 10/94—11/00—10/62—10/62—(10/62).
Braithwaite—Rs. 35/75—36/00—35/75—36/00—(41/00).
Do. (Pref.)—Rs. 105/00—105/00—105/00—105/00—(105/00).
Calcutta Steel—Rs. 14/87—14/87—14/87—14/87—(14/87).
Indian Standard Wagon—Rs. 30/50—30/50—30/50—30/50—(30/50).
Jessop & Co.—Rs. 22/56—22/62—22/56—22/62—(20/00).
Kumardhubi—Rs. 7/50—7/50—7/50—7/50—(7/56).
Marshall's—Rs. 3/44—3/44—3/44—3/44—(3/62).
Raymon Eng.—Rs. 5/50—5/50—5/50—5/50—(5/50).
Textile Machinery (6½ % Pref.)—Rs. 99/50—99/50—99/50—99/50—(99/50).
MISCELLANEOUS
Angelo Brothers—Rs. 24/50—24/56—24/50—24/56—(22/75).

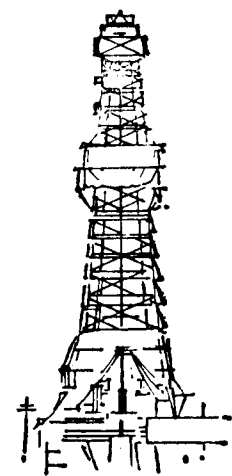
London Market

UNSETTLED TREND IN PRICES

LEADING EQUITIES DULL

London, 15th January.

THE London stock market was unsettled during the past week with few people committing themselves since the outlook was obscure. European Common Market developments were a considerable influence and President de Gaulle's spanner had a particularly unsettling effect. Jobbers immediately pushed prices lower. However, there was very little selling and the market soon became somewhat steadier. Sentiment was helped to some extent by the U.K. Chancellor of the Exchequer's forecast of unprecedented spending in 1963. Gilt-edged was in a dull mood and drifted lower under the lead of 3½-percent War Loans. Dollar stocks reflected Wall Street trends and after some fluctuation, moved up after the recent rise in response to the U.S. tax cut news. Leading equities mostly showed falls ranging to 2s with I.C.I. around that amount lower. Gold shares moved narrowly and mainly towards lower levels but small selective buying later brought better prices. Copper shares were favoured at times and tins gained some ground. Oils moved erratically but there was a good demand for both rubbers and teas, particularly for the latter.



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At the commencement of the project during the second plan, there was no indigenous production of either cables or the line transmission equipment required for the scheme, and it was envisaged that the necessary material would be imported. However, due to restrictions on the import of material (due to foreign exchange difficulties) from the early stages of the scheme, the progress as planned could not be achieved. Physical work on the project was commenced in May 1958, and up to the end of the second plan period, work was completed in the Delhi-Agra, Agra-Kanpur and Kanpur-Lucknow sections and cable laying in the Asansol-Saram section was nearly complete.

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ted. This represents work on 577 miles of the route, against the original target of 2,000 miles. Taking into account the various details of these works, such as equipment installation, and building work, the achievement of the physical target of the project at the end of the second plan is estimated at 26 percent.

During the third plan, it is proposed to complete the left-over portion of the project undertaken during the second plan, namely, work in the Sasaram-Kanpur and Sasaram-Patna, Agra-Bombay and Jodhpur-Beawar sections, totalling 1,410 miles. In addition, new coaxial projects are proposed on the followings routes: Bombay-Poona-Bangalore-Madras-Trichy-Coimbatore 1,140 miles; Delhi-Meerut-Muzaffarnagar - Saharanpur-Ambala-Jullundur 325 miles; and Bombay-Dhulia-Nagpur and Dhulia-Indore 670 miles. The routes mentioned above are proposed to be cabled using standard coaxial cables. In addition to this, it is proposed to lay small tube coaxial cables providing up to 300 channels on the following routes:

Miles	
Ahmedabad-Rajkot	... 140
Trichy-Madurai	... 100
Meerut-Hapur	... 40
Ambala-Chandigarh-Simla	... 100
Jullundur-Pathankot-Jammu-Srinagar	... 326
	706

The project, which was sanctioned during the second plan, will be completed as follows: Agra-Ahmedabad August 1963, and Ahmedabad-Bombay, Beawar-Jodhpur and Patna-Sasaram July 1964.

The new works proposed in the third plan will be commenced in the middle of 1963. From this period, the work will be carried out in the following order: (1) Bombay-Poona-Bangalore-Madras-Trichy; (2) Delhi-Meerut-Muzaffarnagar - Saharanpur-Ambala-Jullundur-Amritsar; (3) Bombay-Dhulia-Nagpur; and (4) Dhulia-Indore. As for the small tube coaxial installation, the work will commence from the middle of 1963. During the third plan, it is proposed to introduce subscriber dialling over the coaxial cable systems between important cities. The traffic statistics over the various routes have been collected and are being analysed. The detailed engineering work of the various sections will be taken up and completed in time for the execution of the works as shown above.

The 1963-64 programme includes the laying in of cables to connect Delhi to Meerut, Saharanpur, Ambala, Ludhiana and Jullundur; Bombay to Poona on the one side and to Surat, Broach, Ahmedabad and Himmatnagar on the other. During 1964-65, Poona will be connected to Bangalore and Madras to Tiruchirappally. During the third plan, it is proposed to introduce microwave telephone networks for the first time in the country. Over the last few years, considerable development in the technique of microwave design, manufacture and operation has taken place which, in turn, has affected favourably the reliability and economics of such links.

In the normal microwave systems, the range is limited to slightly beyond the line of sight and for long links, relay stations are required at intervals of about 30 miles to 40 miles depending on the conditions of the terrain. In this type of system, it is possible to obtain up to 900 telephone channels on a route. In another system of transmission of microwaves, the principle of tropospheric scatter is used and ranges higher than the line of sight are possible. In the present stage of development, this type of system can cover up to 200 to 300

miles and provide up to 120 telephone channels.

In the third plan, it is proposed to provide a network of the combination of line-of-sight microwave links and scatter links to connect Asansol-Darjeeling-Shillong-Tezpur, Shillong-Agartala and Shillong-Dibrugarh sections with various shorter links connected to these stations. In addition to this it is also proposed to take up field studies for the introduction of microwave links over 400 miles of routes in other parts of the country where terrain conditions would indicate their use. At present, microwave equipment is not manufactured indigenously, and there is a paramount need for starting their early manufacture within the country itself. Most of the equipment required for the proposed project will have to be imported.

The expansion programme of some of the important automatic telephone systems during the third plan period is as follows:

Delhi: During the first and second plans, the capacity was increased from 10,100 lines to 16,200 lines and from 16,200 lines to 31,700 lines, respectively. One new automatic exchange was opened during the first plan, namely, Tis Hazari, with a capacity of 4,000 lines, while two more automatic exchanges, namely, Karolbagh (2,500 lines) and Jorbagh (3,000 lines), were opened during the second plan. In the third plan, it is proposed to provide 44,200 lines, including Shahdara and Faridabad raising the capacity to 76,600 lines. The capacity at the end of the third plan will be more than twice the capacity at the beginning of third plan and seven times the capacity at the commencement of the first plan.

Calcutta: The capacity at the beginning of the first plan was 21,570 lines consisting of manual exchanges only. A scheme for automatization was sanctioned in 1949 at a cost of Rs. 13.4 crores, providing for 15 new exchanges of the direct type with a total initial capacity of 55,000 lines. Eight of these new exchanges were opened during the first plan, raising the system's capacity to 44,590 lines at the end of the plan. The automatization scheme was completed during the second plan and further extensions to exchanges were provided. The capacity of the system at the end of the second plan rose to 74,600 lines, nearly three-and-a-half times the capacity at the beginning of the first plan. During the third plan, it is proposed to increase the capacity by 30,900 lines, raising the total capacity at the end of the plan to 105,500 lines.

Bombay: At the beginning of the first plan, the capacity of the Bombay telephone system was 20,070 lines. It was raised to 35,325 lines at the end of the first plan. During the second plan, the capacity was increased to 74,500 lines. A large project for expansion was sanctioned in 1956 at a cost of Rs. 12.5 crores, including provision for the construction of 11 new automatic exchange buildings, replacement of 13,460 lines and installation of 38,000 additional lines. During the second plan period, construction was started on three of the new buildings.

During the third plan period, the major expansion scheme referred to will be mostly completed and further extensions to these exchanges provided. The capacity, which will be increased by 58,300 lines by 1966, will then be more than five times the capacity which existed at the beginning of the first plan.

Madras: At the beginning of the first plan, the capacity of the Madras system was 5,700 lines. This was raised to 8,300 lines by 1956. It was practically doubled (increased to 14,750 lines) during the second plan period. Action was also then initiated

on the major project of replacement and expansion of the Madras Central Exchange to 8,000 lines. During the third plan, it is proposed to install 28,900 new lines and recover 4,800 lines of old equipment. The capacity at the end of the third plan will be about 39,500 lines—nearly seven times the capacity at the beginning of the first plan.

Waiting List

The third plan has started with a registered waiting list of 200,000. The present potential demand and that expected to be created in the third plan is likely to be well over 500,000. An outlay of about Rs. 154 crores will be needed for the extension of the local telephone service alone, but it has been possible to earmark only Rs. 35 crores for this scheme from the plan allocation. This will enable the department to provide only 300,000 new telephones (about 60 percent above the second plan achievement of 183,000). So the position in relation to the waiting list will be worse at the end of the third plan than at its beginning.

The Telecommunications Committee, it is learned, has recommended a crossbar system for telephone exchanges. Tenders for 50 crossbar lines have been issued as well as for seeking collaboration for a Government factory.

STEEL PIPES

Projects Approved

Four steel pipe projects have been approved by the Government of India. They are the Assam Tube plant, the Bharat Tube plant in Punjab, the Madras Tube plant and the Kalinga Tube plant in Orissa, the last one manufacturing seamless tubes.

ALUMINIUM

The Koyna Project

Every effort is being made to finalise the implementation of the Koyna aluminium project, it is learned. The project is linked to guaranteed exports by suitably adjusting the pattern of production and exploring the feasibility of bauxite and alumina exports.

MACHINE TOOLS

Imports from East Germany

Efforts are being made to buy East German machine tools and to manufacture them under licence in India to meet defence requirements. Earthmoving equipment is also being borrowed from the river valley projects and from large private contractors. Some imports for river valley projects are being diverted to defence for the manufacture of earthmoving equipment.

GOLD

Control Rules Issued

The Gold Control Rules were recently issued as an amendment to the Defence of India Rules, 1962. The Rules are concerned with gold in any shape or form with a fineness of not less than nine carats. They are intended to regulate the business of power-operated refineries and large dealers and seek to ensure a watch over them. They also provide for control over gold holdings in a shape other than finished ornaments in the hands of all others and envisage a few other measures which impinge on certain sections of the public.

The Rules are to be administered by a Gold Control Board composed

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of a non-official chairman, and for the present, three members, two of whom are officials of the Central Ministry of Finance. In addition to implementing the Gold Control Rules, the Board will take steps to discourage the use of gold and bring about conditions tending to reduce the demand for gold. It will also advise the Government on all matters relating to gold.

The Defence of India Act empowers the Government to control "the possession, use or disposal of, or dealing in, coin, bullion, bank and currency notes, securities or foreign exchange." The Rules authorise Central excise officers the necessary powers of search, seizure, ordering the production of documents, obtaining and testing samples of gold, confiscation, adjudication, etcetera, with provision for a final appeal to the Central Government. As far as the appeal to patriotism is concerned, it did not have much effect as the price, in spite of official measures, could not be brought down to the international level.

FREIGHT RATES

Joint Steamer Companies

By a resolution of 6th May, 1961, the Government of India appointed a committee. Its tasks were:

(i) to examine the traffic handled by the India General Navigation and Railway Co. Ltd and the Rivers Steam Navigation Co. Ltd (called the Joint Steamer Companies) on the river routes from Calcutta to Assam between 1958 and 1960, the freight rates prevailing in 1960 and the anticipated traffic and operational results in the immediately following years on the basis of the freight rates in force prior to March 1961;

(ii) to recommend whether any increase in freight rates was justified and, if so, to what extent; and

(iii) to recommend further how the increase, if any, could be distributed among the various commodities other than foodgrains.

The committee which submitted its report to the Government of India on 17th June, 1961, recommended a 5-percent increase in the freight rates in force prior to 15th March, 1961 for all traffic other than tea from Cachar as well as foodgrains. The committee further suggested (i) that this increase might take effect from 1st July, 1961, and be operative till the close of 1962, and (ii) that further investigation might be undertaken early in 1963 to assess what rates would be appropriate under the altered conditions expected to prevail thereafter in the context of (a) the increase in the capacity of the railways in the North East Frontier Railway; (b) progress of the Joint Steamer Companies' programme for replacement of their old vessels; (c) improvements, if any, in the river conditions, and (d) the construction of a port in Pandu, etcetera.

These recommendations were accepted. Freight rates increased on this basis have been charged by the Joint Steamer Companies since 1st July, 1961. "Since it is now necessary to set up a committee for the purpose of reviewing these freight rates in the light of the developments since the middle of 1961, and since there are obvious advantages in getting the enquiry made by persons who are familiar with all aspects of the case, the Government of India has decided to reconstitute the committee again with the following: Mr. S. R. Kalyanaraman, formerly member of the Railway Rates Tribunal, chairman; Mr. K. Nagaswami, Senior Cost Accounts Officer, Central Ministry of Finance, and a representative of the Assam Government,

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members. Mr. D. A. Rama Warriar, Secretary of the Ganga Brahmaputra Water Transport Board is member-secretary".

The committee will study the traffic handled by the Joint Steamer Companies in 1961 and 1962, assess traffic patterns and the operational results they are likely to have in the next few years on the basis of the existing freight rates. It will recommend, in the light of these and other such factors as it considers relevant, whether any revision of rates is called for and, if so, to what extent. The committee will also recommend how the increase or decrease, if any, in the rates should be distributed among the different commodities. The committee has been requested to make every effort to complete its work and submit its report before 31st January, 1963.

QUALITY CONTROL

Study Groups Appointed

At its first meeting held here last week, the Export Inspection Advisory Council endorsed the draft of the Export (Quality Control and Inspection) Bill of 1963, which follows the international pattern of such legislation prevailing in most countries. The Council also drew up a working programme for the current year to cover some of the important commodities like vegetable oils, fish and sea foods, coir and coir products, ginger, pulses, turmeric and onions. Four study groups were constituted for manufactured articles—one each for chemicals, engineering products, jute and jute products and for selected handicrafts. The study groups will report back to the Council the programmes, procedures and specifications for different products for preshipment inspection and quality control in consultation with the industry and trade interests concerned.

Inaugurating the meeting, the Central Minister for International Trade, Mr. Manubhai Shah, said that the arguments against quality control could not be supported by a small off-repeated plea that only a small number of complaints were being received from foreign quarters and that there was no need for quality control. This, he said, is a fallacious approach. It cannot justify the existing absence of quality control and export inspection programmes for exportable commodities. Quality control and preshipment inspection is a positive aspect of trade and particularly of the export trade. It is most important to see that quality consciousness spreads throughout the country to every producer of agricultural commodities, every manufacturer of industrial goods and the trading community as a whole. The programme of quality control and preshipment inspection will help develop this consciousness and create an impression of India as a quality-conscious country throughout the world.

So far so good, but what about the poor consumer who is ungrudgingly paying for export promotion through high prices and in return is getting only adulterated goods, including life-saving drugs? Brave words and threats are often uttered by Central Ministers to check adulteration, but they have proved ineffective so far.

HOSIERY MILLS

Forming New Body

The Government of India has urged the hosiery industry to form an all-India organisation to help the planned development of the industry. It will give all necessary help and encouragement to the organisation. It does not, however, consider it necessary to set up a board for the industry on the lines of the All-India

Handloom Board as recommended by the Working Group for the Hosiery, Knitting and Embroidery Industries. The Working Group was set up in October 1961 to enquire into various problems of the hosiery, knitting and embroidery industries and suggest measures for their development and modernisation. Many of its recommendations have been accepted by the Government. They have approved the proposal for a limited expansion of the embroidery and hosiery industries by the installation of modern machinery with adequate export guarantees.

The Government has also accepted in principle, within the overall availability of foreign exchange for the woollen industry, the need to allow the import of necessary and suitable synthetic fibre or tops for blending with Indian wool and wool tops. This will make possible greater and better use of Indian wool and wool tops.

TEXTILES

Delegation to U.S.A.

A delegation has left for the U.S.A. to make representations against the American move to restrict imports of Indian cotton textiles. Led by Mr. Neville N. Wadia, chairman of the Cotton Textiles Export Promotion Council, the delegation consists

of representatives of the Indian Cotton Mills Federation and the Central Ministry of Commerce and Industry. During its stay in Washington, the delegation will meet representatives of the U.S. textile trade and the U.S. Government to explain to them the viewpoints of Indian exporters on this question.

The U.S. administration, it is learnt, recently expressed concern over the increased tempo of Indian textile exports to the U.S.A. It requested the Government of India to restrict the export of twills and satins to the level reached in the 12 months preceding the Geneva international agreement on cotton textiles.

According to Washington, current exports of Indian textiles to the U.S.A. are in excess of those during the base year.

POWERLOOMS

New Body Set Up

The Government of India has decided to set up a committee, with Mr. Asoka Mehta as chairman, to enquire into the problems of the powerloom industry. Terms of reference of the committee are the following:

(i) to examine the structure and growth of the powerloom industry

with special reference to the types, holdings, ownership, appliances, supply of raw material, types of fabrics produced, the processing of fabrics, marketing, financing and other related factors;

(ii) to examine the "remunerativeness" of the powerloom industry taking into account the costs of production and efficiency of working and the conditions of workers;

(iii) to consider the relative rôle to be played by the powerloom industry vis-à-vis that of the handloom and mill industries and to recommend production targets;

(iv) to account for the phenomenal growth of unauthorised powerlooms in the past and devise means to prevent future unauthorised expansion;

(v) to examine the desirability and scope for the conversion of handloom co-operatives into powerloom co-operatives; and

(vi) to make suggestions for the establishment of the powerloom industry on a stable footing within the field of operation which should be allotted to it.

The committee is to submit its report within six months.



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London

NEW INDUSTRIAL CHARTER FOR U.K. RECOMMENDED

(FROM OUR LONDON CORRESPONDENT)

A DESIGN for an industrial charter was recently sketched by Mr. Ronald Brech, head of the Unilever Economics and Statistics Department, in a lecture to the Institute of Bankers. The first item of the charter is concerned with the provision of an improved standard of general education and more especially of adequate facilities of higher education for industrial and business life. The second item is labour. In a dynamic economy, labour has to become more mobile. The most important thing to ensure this is the introduction of a national redundancy scheme, guaranteeing so many weeks' full pay (according to the length of service) to enable alternative employment to be found. (The number of weeks can be worked out statistically according to the time it takes to find another job.) The redundancy pay will also apply to the period of retraining. The scheme should be financed on the same basis as national insurance with both employee and employer contributing.

The next item in the charter deals with capital. "It should not be beyond the wit of man," Mr. Brech said, "to devise a corporation taxation system which, instead of acting as penalty to efficiency, offers direct incentives." But what is really needed is a new and imaginative approach to taxation using it not just as a means of raising revenue and redistributing income but also as a direct incentive to firms to become more efficient. Mr. Brech said that the Government must also have a policy to make dying industries die. This will involve setting up of a body whose responsibility will be to see that it does this as quickly as possible with the minimum social hardship. It will also be responsible for seeing that the redundancy scheme and resettlement or retraining programme are effectively carried out and for looking after shareholders' interests.

Another thing, Mr. Brech said, the Government must do is to make cer-

tain that the social (including education) and industrial infrastructure of the country is both adequate and efficient. "In Britain this should be easier to do since many of the organisations and industries involved are nationalised. Yet, precisely for that reason, the Government seems loth to take the necessary action."

Employment Bill

To what extent is the Government moving towards this end? Recently, it has taken two tentative steps towards achieving its 15-year old plan for a new pattern of industrial relations. One of these is the Contracts of Employment Bill, over which Mr. Hare, the U.K. Labour Minister, has worked most diligently. The Bill, by providing employees with written contracts of service and reasonable periods of notice, fits into the Government's wider plan to improve the workers' status and security. It is, thus, all of a piece with the latest Offices and Shops Bill, the White Paper on the training of apprentices and the discussions on further measures to improve redundancy, sick pay and pension arrangements. Needless to say, many firms provide far superior conditions of contractual service than does Mr. Hare's measure; and there is nothing in it which a reasonable employer ought not to provide. If Britain is behind other countries in this matter, it is perhaps because the trade unions—under full employment—have put freedom before security, higher wages before fringe benefits. The real significance of this measure is that it will affect contracts and collective agreements over practically the whole field of employment.

Many millions of workers will be affected by the conditions laid down in the Contracts of Employment Bill. Known as the "workers' charter", it requires, for the first time, minimum periods of notice ending employment to be given by employer and employee. The minimum notice will be two weeks after two years' employment, and four weeks after five years, and any lesser provision in existing contracts will be void. The provisions will particularly benefit those in the building industry, where only two hours' notice at the end of the week is required. Others particularly affected are weekly-paid staff, and ship-building and shop workers. The Bill applies to all fulltime employees except those already covered, such as dockers, seamen, fishermen and Crown servants.

Minimum Pay

Another important provision will guarantee employees a minimum rate

of pay during notice. This will be not less than the average rate over the last six months. Employers will also be obliged to give each employee a written statement of terms. This will cover pay, hours, holidays and holiday pay, sickness and sick pay, rights to notice and pension rights. While the Bill confers these benefits, it also lays down obligations. These will be particularly welcome to Conservative M.P.s and others who have been pressing for a curb on "wild-cat" strikes. The sanction is that workers who ignore their obligations will forfeit their rights under the Bill. After the rules come into force an employee with two years' service or more will break his continuous employment if he goes on strike without giving 14 days' notice of intention.

A worker who has less than two years' continuous employment, whose contract requires notice of two weeks or more, will also break the qualifying period unless he gives 14 days' strike notice. Seven days' strike notice must be given if a contract requires less than two weeks' notice.

Continuous employment is not affected by lock-outs. It is also not affected if a business is transferred as a going concern or through other changes. If the continuity is broken, an employee has to start afresh to qualify for the statutory rights. Absences due to holiday or lay-off count as periods of employment, as do absences through sickness up to six weeks, or longer if the contract provides. The Government hopes that trade union leaders will accept the justice and wisdom of the rules for dealing with industrial disputes.

Ministers do not expect employers to welcome the paper work involved in the requirement that employees should have written terms. They think it necessary, however, in the interests of good industrial relations. It will suffice in many cases to refer the employee to documents such as collective agreements. Once the rules operate, employers will have to comply within five weeks. Failure, or false information, could result in fines of up to £20. Continued non-compliance might mean a maximum fine of £100.

Provisions Criticised

Neither the employers, nor labour, are impressed with this particular legislation. The British Employers Confederation finds the Bill a thoroughly unsatisfactory measure. In its latest bulletin, it says: "It appears to be of little, if any, positive benefit to any employee." The Bill says the B.E.C. leaves a number of

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important points in considerable doubt. How is continuity of service to be defined? How are absence through sickness, short absences without leave or unofficial strikes to be regarded? Under the provisions of the Bill, all employees with more than two years' service will be entitled to a month's notice of dismissal. The Bill will cause a considerable increase in administrative work for employers, the B.E.C. argues, and it is by no means certain that it will do anything to curb wild-cat strikes. The bulletin concludes: "The Confederation has set up a special working party to examine the Bill in detail, but at first sight it seems a poor contribution by the Government to National Productivity Year." The T.U.C. also criticised the Bill and Mr. George Woodcock called it "a very, very poor effort for 1962." Thus the Government's belated "workers' charter" has pleased neither side of industry.

Offices and Shops Bill

Measures to protect the health, safety and welfare of more than 8 million people employed in 1 million offices, shops and railway premises, are described in the Offices and Shops Bill which represents the second move towards an industrial charter. It has been called a charter for the "white-collared" worker. The main provisions apply to premises owned or occupied by the Crown, but the armed forces are excluded. The measure will enable Ministerial regulations to be made for cleanliness, temperature, ventilation, lighting, sanitary conveniences, washing facilities, drinking water, clothes, accommodation, seats, and first aid. On safety, the fencing of exposed machinery will be required. Arrangements will be made for training and supervising young people working dangerous equipment.

To deal with overcrowding, the Bill provides that after five years from the date it becomes law, staff must have 40 square feet of space each. Where ceilings are less than 10 feet high, the minimum space is to be 400 cubic feet. A minimum temperature of 60° Fahrenheit is stipulated. There are also clauses dealing with fire precautions, covering necessary means of escape, alarms, fire prevention and fighting. The classes of building most likely to be affected are: 400,000 offices with more than 4 million employees; 650,000 shops with more than 3 million staff; and 30,000 railway premises with more than 400,000 employees. There are several exemptions, which include the following: premises not used solely or principally as offices, such as hospital wards where sisters perform clerical work; private residential hotels and boarding houses; private club restaurants; hostels for railway staff; railway hotels; outworkers in their own homes; and premises used fewer than 21 hours a week.

The effect is to exclude small shops run by owners with paid help at week-ends, or premises staffed by close relatives of the employer. Included are offices in hospitals, clubs or schools, store-rooms, dry cleaning shops, public houses, cafes, restaurants and hotel dining rooms, staff canteens, railway stations, marshalling yard buildings, and signal boxes. The Minister of Labour is given power to exempt any class from overcrowding, temperature, sanitary or wash facility provisions. Inspection—based on a register of premises provided by employers—will be by local authorities.

The Government is still a long way short of Mr. Brech's blueprint, but at least it is moving tentatively along the right lines towards its long-cherished plans for the workers' charter. As a further step, Mr. Hare proposes to take up the question of redundancy with his National Advisory Council this month.

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RAISING PRODUCTIVITY ON THE FARMS

(BY A SPECIAL CORRESPONDENT)

AFTER more than a decade of planned development, India is still searching for an effective agricultural policy. Investment in agriculture has increased over the years, but the results have been far from encouraging. Consequently, major export industries, like jute and cotton textiles, have often run short of their basic raw materials. The target of self-sufficiency in food, set during the first plan, remains as elusive as ever, although the need for it has grown in urgency with the population increasing at the rate of nearly 10 million a year. As farming has gradually been extended to almost all areas that could be brought under the plough, the future will be bleak unless productivity can be raised substantially and speedily.

Official Neglect

Many commentators have pointed out that the agricultural shortfall is a result of official neglect, stemming from the planners' preoccupation with heavy industry. This was certainly true at the beginning of the second plan, when a sense of complacency was induced by a succession of good harvests in the closing years of the first plan. The harvest of 1958-59 brought a sharp setback, and made it clear that good fortune was not to be taken for granted. Since then, India's planning strategy has acknowledged the primacy of agriculture and this finds reflection in the proportion of resources devoted to agriculture and related sectors in the third plan. But money alone cannot induce an increase in agricultural production. The increase depends no less on social changes, especially reforms in the system of land tenures.

In initiating such changes, however, there seems to be no broad agreement on the direction in which rural society should be headed. As Mr. Tarlok Singh, a member of the Planning Commission, recently pointed out in his presidential address to the All-India Agricultural Economics Conference in Ahmedabad, land reform requires four sets of measures—abolition of intermediary tenures, tenancy reform, ceilings on agricultural holdings and conferment of ownership rights on tenant cultivators. While the underlying ideas governing land reform legislation were settled by the Central Government after long debates in the ruling Party's highest policy-making bodies like the A.I.C.C., the strength of local pressures has led to wide variations in the implementation of these measures. In the main, intermediary tenures, which accounted for about 45 percent of the total cultivated area, have been extinguished, and this part of the process of reform has been nearly completed. Tenancy reforms have made comparable progress, resulting, as Mr. Tarlok Singh said, in "considerable de facto redistribution of the land". Unfortunately, however, the elimination of the Zamindar has left a vacuum in some areas which other institutional arrangements have not so far filled. The impact of the reforms on development has, therefore, been weakened, jeopardising production and efficiency.

Proposals for imposing ceilings on land holdings have only slowly found their way into the statute books of the various States, and often after acrimonious wrangling with-

in the ruling party itself. The laws, as adopted, have left loopholes for evasive transfers. Problems have also arisen where owners have resumed land for "personal cultivation", defeating the object of giving cultivators the security of tenure without which the incentive to adopt long-range measures of improvement would be missing. How these residual problems of tenure are to be overcome is anybody's guess, but the full benefit of the changes already

accomplished remain substantially unrealised because matching organisational reforms to mould village society in a new pattern have fallen behind.

Community Development

Mr. Tarlok Singh faced this problem squarely in making his assessment of agricultural policy. He admitted that the principal agency of rural change—the community development organisation—does not

adequately fulfil its function, being deficient in both the quality and number of extension personnel. At the end of the second plan, there were 40,000 of them in position, after brief periods of training in extension techniques. The burden of administrative and organisational tasks devolving on the village level workers was, however, so large that they could not reasonably be expected to take responsibility for agricultural progress as well. It is now not a question of merely persuading the cultivator to use fertilisers or better seeds, but more often of advising him on specific problems arising from the adoption of improved agricultural practices. This calls for greater skill and knowledge than the village-level worker has. There is also the larger task of organising the whole community to act in a co-operative spirit for such things as

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The average Indian farm holding is too small and uneconomic to make it feasible to employ surplus labour, often available in the village itself, on an individual basis. But the community acting together may find it possible to do so for such necessary chores as soil conservation, afforestation and dry farming. With a larger and better-organised labour input, changes could undoubtedly be brought about which would raise the

efficiency of farming, and at the same time alleviate rural unemployment. Outlining these possibilities, Mr. Tarlok Singh urged that the community development movement should create leadership of higher calibre than is now provided by the village-level worker. Conceding that the new men could not be found overnight, he advocated concentrating on the promising areas where physical factors like rainfall and soil fertility were particularly favourable.

Price Policy

While nominally acknowledging the rôle of price policy as a lever of change in the countryside, Mr. Tarlok Singh appeared to underestimate its importance. This was surprising because the figures he himself cited showed that the high prices realised for jute and cotton—to cite only two examples—have materially contributed to the progress achieved since independence. It is common experience that a season in which a particular crop fetches a high price is usually followed by a bumper harvest not only because of diversion of land from other uses but also on account of better techniques of cultivation. The farmer judges the latter to be worth while

at the price he received in the preceding season, but the expectation is often belied through the operation of the laws of supply and demand. It is widely accepted, therefore, that an element of price stability through buffer stock and other price support operations has to form an integral part of agricultural policy. A major step in this direction has recently been taken with the announcement of support prices ahead of the sowing season.

The new policy of price support cannot, however, be allowed to shield inefficiency in agricultural practices. Nor should it be assumed that the prices fixed, experimentally as they must be at the present stage, can only be revised upwards. Mr. S. K. Patil has acted with a commendable sense of realism which combines solicitude for the agriculturist with an appreciation of the larger market forces that impinge upon commodity prices. He has, for instance, linked cane prices with the sucrose content in spite of the powerful opposition of the Bihar and U.P. Governments. Similarly, he has expressed the view that the price of raw jute cannot be fixed arbitrarily since it must in the final analysis depend upon the state of the world markets for jute goods. It is pos-

sible, therefore, to hope that the Food and Agriculture Ministry will administer its new policy in a manner which judiciously balances the interests of growers and consumers, resolving the conflicts that sometimes develop by reference to larger national interests.

Long-term Benefits

Ultimately, the optimum price level is the one which maximises long-term benefits. It has to include, therefore, a clear incentive for improving both the quality and the quantity of the crop, the increase in the latter coming preferably from higher yields rather than a larger acreage. The high level of costs in Indian agriculture is, as Mr. Tarlok Singh admitted, a drag on the development of the economy as a whole. Unnecessary softness towards the inefficient agriculturist may win political rewards, but it is highly damaging to the country's economic future. Conversely, any policy which fails to reward the farmer for extra effort or additional investment on producing a better and larger crop will be equally harmful. To maintain this delicate balance is admittedly not an easy task, especially in the midst of conflicting political pressures, but that is no reason for failing to make a serious effort.

Books

ECONOMIC SURVEY OF ANDHRA AND ASSAM

Techno-economic Survey of Andhra Pradesh. (Published by the National Council of Applied Economic Research, New Delhi. Price Rs. 20, pages 333.)

Andhra Pradesh is the fifth largest and the fourth most populous State in the Indian Union. But it shows all the characteristics of an underdeveloped economy. It has a weak agricultural sector and inadequate industrial base, without any appreciable development of the tertiary sector. The population of 36 million is increasing at the net rate of 1.3 percent a year. The net result of this economic structure is the low per capita income which is estimated at Rs. 232 for 1955-56, against Rs. 261 for the whole of India. The State occupies eighth place in the per capita total revenue collected (Rs. 17.42) and sixth place in the per capita total revenue from State taxes (Rs. 9.08). The per capita grants from the Centre in 1957-58 works out to Rs. 2.29. These figures indicate that taxes collected by the State are above the all-India average and that the degree of its dependence on the Centre is below average. Between 1955 and 1961, the total revenue increased by 126 percent. In 1958-59, development expenditure was 58 percent of the total expenditure on revenue account. Education absorbed 20 percent of the total expenditure.

The N.C.A.E.R. report calls for an investment of Rs. 1,733 crores during the third and fourth plans, the share of the State Government being Rs. 1,035 crores. As a result, the State income is expected to rise to Rs. 1,595 crores in 1971 and the per capita income to Rs. 380. The report recommends the establishment of sugar factories with a total crushing capacity of 20,000 tons, spinning mills with a capacity of 63 million lbs of yarn a year, 30 solvent extraction plants, six pulp and paper mills, two cement plants, etcetera.

Techno-economic Survey of Assam. (Published by the National Council of Applied Economic Research, New Delhi. Price Rs. 20, pages 277.)

The State of Assam, girdled around by foreign territories, stands unique in its geographic isolation from the rest of India. There is the natural division of the State into the plains and the hill areas, and these factors have a distinct bearing on the scope and process of economic development. Although nature is bountiful to Assam, her industries are undeveloped and much of her wealth lies untapped. Since 1950, the State's per capita income fluctuated sharply due to variability in the agricultural output as well as frequent floods. Since 1955-56, there has been a declining trend of per capita income in Assam because of the high growth rate of population. Besides, high transport costs are a serious deterrent to Assam's export trade.

But the State is better placed financially than many others. The per capita income from State taxes in 1957-58 stood at Rs. 12.53, the second highest in India, and the per capita total revenue at Rs. 28.12, the highest in India, and first in relation to per capita grants from the Centre. The State's revenue increased by 197 percent in seven years. In 1957-58, development expenditure formed 70 percent of the total expenditure. The N.C.A.E.R. report makes several suggestions to rehabilitate the economy of Assam. It calls for an investment of Rs. 554.2 crores during 1961-71.

Although some of the conclusions and projections of the N.C.A.E.R. may not be accepted, the report is full of factual data with many useful tables and charts.

SMALL INDUSTRIES

A Guide to Small-scale Industries. By P. M. Bhandari. (Published by Ramesh Industrial Agencies, Naya-pura, Kota, Rajasthan. Price Rs. 6, pages 359.)

There are many books on small-scale industry in India, but they do not usually come up to expectations. But this one is a welcome exception. A successful attempt has been made here to piece together all available data on small-scale industries, especially information which enables entrepreneurs to obtain concessions and facilities according to the prescribed procedures. The chapters on credit facilities, hire-purchase of machinery, industrial estates, export promotion, standardisation and marketing, industrial research and training, procurement of indigenous and imported raw materials are elaborate. Specimens of a number of forms have been annexed and useful hints given to entrepreneurs desiring to start new small-scale industries. There are, in fact, 62 annexures and the coverage is comprehensive and up-to-date. But the book should have been printed on a better quality of paper with a better get-up.

AN ANNUAL NUMBER

Far Eastern Economic Review, 1963 Yearbook. (Edited and published by Dick Wilson for the Far Eastern Economic Review Ltd, 411-414A, Marine House, Hongkong. Pages 248.)

The *Far Eastern Economic Review* has an established reputation as a dependable and well-edited journal. Its latest yearbook, following tradition, contains a wealth of information on such Asian countries as Japan, Burma, China, Ceylon, India, Nepal, Hongkong, Malaya and Indonesia. The sections on India, China and Pakistan are exhaustive and contain references even to the latest developments. The background to India's border troubles with communist China has been discussed from a broad perspective and the reasons why the latter should be keen on extending its empire have been analysed in considerable detail. But the striking feature of the analysis is the impartiality maintained throughout. This is not easy, especially when an analyst—because of political predilections—may succumb to bias and prejudice. The claims of both India and China have been discussed in their historical perspective, and readers have apparently been left to draw their own conclusions. Nor is any bias noticeable in the discussion on Burma or Pakistan, where the political situation encouraged *coups d'état* and the eventual curtailment of civil liberties. But it is only when a reader goes through the discussion on economic prospects for the Asian countries that he comes to realise how intelligently and tactfully facts and figures have been analysed to create a firm overall impression in the reader's mind about a country's economic situation. The economic sections contain surveys of industry,

agriculture, power, transport, trade, etcetera, with many tables and charts.

PORT TRAFFIC SURVEYS

Traffic Survey of Karwar, Honavar and Coondapur Ports. (Published by the National Council of Applied Economic Research, New Delhi. Price Rs. 16.50, pages 276.)

With the growth of iron ore exports and the starting of new industrial units in the coastal region of Mysore, such as paper and ferro-manganese, solvent extraction plants and the power project in the Sharavathy valley, the demands for port services and facilities are rising in Karwar, Honavar and Coondapur. This trend is likely to continue with the setting up of an aluminium plant in the Hubli-Karwar area, the exploitation of coastal deposits of iron ore in the Apsara-Konda area and the development of such industries as fertiliser and dissolving pulp in the region. The survey which was undertaken at the request of the Mysore Government, reports on the industrial and agricultural potential of the hinterland between the coastal districts of north and south Kanara and the inland districts of Bellary and Raichur. It indicates the nature and extent of their impact on the potential demand for port services. The establishment of a more adequate road network and better transport links and certain improvements of port facilities are recommended in order that Karwar may be equipped to handle a traffic of about 572,000 tons. A new factor has entered into the picture since the survey was completed. Marmagao with its natural harbour and port facilities has become part of the Indian port system and the whole traffic position in Karwar may have to be reviewed again. Many tables, appendices and maps enhance the usefulness of the report.

STUDY ON MARKETS

Organised Markets. By Krishna Kumar Ghia and others. (Published by Vora and Company Publishers Private Ltd, 3 Round Building, Kalbadevi Road, Bombay 2. Price Rs. 10, pages 215.)

The book has been written for the benefit of commerce students in different universities in India. It contains three essays, the first two on money markets and stock exchanges, the authors of which are anonymous. The last essay on bullion trading in India is written by Mr. Ghia. The book serves as a good introduction to enable students to gain the basic elementary knowledge and to proceed for advanced studies.

The essay on money markets covers the structure of bill and discount markets in London and New York and the state of both organised and unorganised money markets in India. The author discusses in some detail the drawbacks of the Indian market which have hindered the growth of an organised bill market as in London, the most deterrent factor being the conspicuous absence of acceptance houses and the reluctance of commercial banks to do acceptance work. Recognising the importance of a growing bill market, the Reserve Bank introduced the bill market scheme in 1952 which provides the mechanism for the extension of short-term credits to commercial banks to enable them to meet the *bonafide* requirements of trade during the busy season. The author correctly points out that the scheme provides for advances by way of short-term credits and not rediscounting facilities as offered by the Bank of England. The main weakness of the essay is the virtual absence of a discussion on the

Central Bank's quantitative and selective control on credit supply whose importance can hardly be ignored.

The essay on stock exchanges starts with rather elementary observations on their functions and services, the difference between a produce exchange and a stock exchange, speculation and gambling and presents the usual classification of various types of shares and securities. Provisions of the Securities Contract (Regulations) Act, 1956, which were enforced to counteract malpractices in stock exchanges and to strengthen public confidence, have been discussed at length and brief references made to the working of the London and New York Stock Exchanges.

Mr. Ghia's essay on bullion trading makes interesting reading. It covers all aspects of bullion trading, including the organisation of the Bombay Bullion Association Ltd and contains valuable information.

INSURANCE DIRECTORY

Indian Insurance Directory, 1962. Compiled and edited by V.N.C. Narichania. (Published by V.N.C. Narichania and Company, 22, Sir Phirozshah Mehta Road, Fort, Bombay 1. Price Rs. 7.50 and for cloth binding Rs. 8.50, pages 319.)

During the pre-nationalisation days, insurance directories were in abundance. After the nationalisation of the life insurance business, most of these ceased publication since they did not serve any useful purpose. The present publication is a happy reappearance of a useful directory after the lapse of several years, and as the compiler claims, it is the only reference book on Indian insurance. The directory necessarily relates to general insurance with details about both Indian and foreign companies. It contains useful information on their balance-sheets and revenue accounts for the five years between 1956 and 1960. These apart, there is a lot of information of a general nature which is useful for the general insurance underwriter and others in the industry such as population statistics, information on the provisions of the Insurance Act and Rules, estate duty and health tax. The directory also contains information on fire hazards, shipping news, etcetera. But a publication of this nature, the compilation of which must have been spread over a number of years, becomes out of date in certain aspects due to changes in company structure and management and can only be corrected by last-minute changes in the material. Although the publisher's note is dated October 1962, many changes in company management made much earlier have not been incorporated.

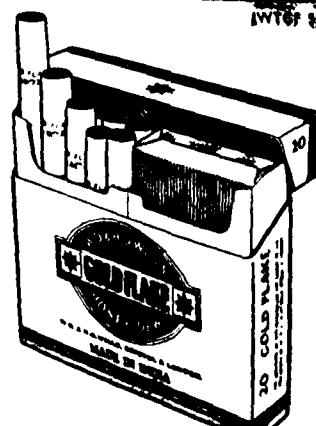
GROWTH OF A FIRM

Century in Malabar. Edited by W. K. M. Langley. (Review copy received from Peirce Leslie and Co Ltd, Calicut, Kerala. Pages 150.)

The book describes the genesis and growth of Peirce Leslie and Co Ltd over a period of 100 years, commencing from 1862. The first four chapters of the book deal with personalities who were in the firm—Peirce, Leslie, Gilkison, Macra-Badenoch, Christie and others. The chapters are written in a racy style. The later chapters deal with the firm's progress through the decades. The book is also a descriptive account of the economic history of the region. In an excellent preface, Mr. C. Rajagopalachari stresses the need for authentic works history of foreign companies in India.



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OVERSEAS BUSINESS POOR SO PESSIMISM SPREADS

FOR several weeks, the Calcutta jute goods market has been dominated by speculators. But, of late, it has become increasingly apparent that they might be reaching the limit of their ability to influence prices. The lack of overseas enquiries has had its effect. Pessimism has grown and nervous holders have begun to unload. Erratic price fluctuations have been the order of the day, as heavy selling pressure has been followed by covering at the lower levels. Thus it has not been possible to ascertain the basic trend at a particular time. This state of affairs is hardly conducive to business, and it is significant that few of the enquiries received from overseas have matured into orders.

The situation is viewed with a certain amount of anxiety by the mills. All of them are now very long in jute, and unless sales are made at reasonable prices in the near future, the mills are liable to show losses against these purchases. The days of simultaneous business in raw jute and finished goods are gone, at least for the time being. Only on a very few occasions has such business been possible recently, and when the opportunity has arisen, it has invariably been for a delivery for which manufacturers have had nothing left to sell. Overseas buyers these days are very reluctant to put out feelers or make any enquiries, because they know that as soon as there is the slightest hint of business, speculators jump into the market and rates are pushed up.

Shortage of Wagons

Although the shortage of transport for raw jute is not causing any hardship to mills due to their extremely long jute position, in many cases sellers are suffering badly. The fact that mills are giving extensions of due date freely does not help, as in the majority of cases the jute is lying ready waiting for the allotment of wagons. Thus considerable amounts of money are blocked, and sellers are handicapped in purchasing fresh jute to fulfil their commitments, apart from the congestion caused in godowns and assorting sheds.

While the need to provide transport for the movement of essential supplies during the emergency is accepted without criticism, actually there has been a lot of confusion over the allotment of wagons for jute. One railway upcountry stops booking, and explains that the decision has been taken at the request of the authorities in Calcutta, which the authorities in Calcutta deny. Applications for wagons to mills are refused, while they are available for booking jute to Cossipore. And so on.

The railways frequently complain about the slow turn-round of wagons. It is unlikely that any valid complaint could be made against the mills, as priority is always given to unloading arrivals by rail. On the other hand, the slow movement of wagons is the cause of much delay. Cases have been reported of wagons loaded at stations 50 or 60 miles from Calcutta taking two weeks or more to reach mills in the Calcutta area. Part of the delay appears to be due to the lack of shunting power, which causes the hold-up of whole trains while the main-line goods engines do local shunting. A

train with, say, 60 wagons is held up for hours, while half-a-dozen wagons are shunted into mill sidings. The same thing happens again a few miles down the line, and so on until all the wagons have been placed. Thus, it is not surprising that the movement is slow and that not enough wagons are available for the transport of jute. It seems that better organisation at the destinations would facilitate the movement and turn-round of wagons to the advantage of the railways themselves and of the jute industry.

S. T. C. Purchases

The activities of the State Trading Corporation have had a steady influence on raw jute prices, particularly in the Daissee and Tossa sections. Sellers are now asking up to Re. 1 premium over the minimum price for these fibres, but white jute and mesta are still available below the minimum rates. During the past week, most mills have completed their purchases against the buffer stock allocation of 250,000 maunds. They have also taken up their quotas issued by the Jute Commissioner. Much of the jute bought recently has been for February shipment, but sellers are not keen to sell forward.

The incidence of godown fires has again increased in the Calcutta mill areas. The most devastating jute fire ever seen in Calcutta has occurred at a mill in the northern area. A very large quantity of fibre stored inside a disused mill was involved. It is understood that part of the building collapsed, causing considerable damage and hampering fire-fighting and salvage operations. Until the time of going to press, 12 days after it started, the fire was still smouldering in many places. The question arises: are jute fires unavoidable? Many more occur in mill compounds than in, say, Cossipore or upcountry storing centres. In Dundee, where probably as much jute is sometimes stored as in Calcutta—present conditions excepted—a jute fire is rare. Many theories have been advanced about the cause of the fires, but no satisfactory answer has been given. With mills carrying such large stocks, the question has now become one of major importance.

THE JUTE MARKETS

Manufactured Goods: Once again, it was a dull week in the Calcutta jute goods market. On the whole, conditions were governed by speculative activity which caused irregular fluctuations. At the opening last Thursday, some small enquiries caused more excitement than their size justified. B Twills jumped by over Re. 1 to Rs. 115.35 for January shipment, which was Rs. 1.35 above the July-September position, while 40in. 10oz. advanced by 60nP to Rs. 51.35 for the near position and Rs. 49.20 for July-September. On Friday, sacking rose by a further 65nP ahead and hessian by 40nP, but profit-taking at the higher levels soon brought prices back again. For the rest of the period, prices saw-sawed, with heavy goods gaining and losing about Re. 1 and hessians following suit. By Tuesday morning, ready B Twills were down to Rs. 114.70, while 40in. 10oz. dropped to Rs. 50.85. There was very little

overseas interest at this stage, and speculative activity predominated.

Opening quotations on Wednesday morning were as follows:

	Jan.	Feb.	Mar.	Apr.-June	July-Sept.
40in. 7oz.	38.35	37.65	37.35	37.00	36.75
40in. 8oz.	41.00	40.50	40.00	39.75	39.85
40in. 10oz.	56.25	50.00	49.50	49.00	48.50
B Twills	114.00	114.10	114.00	113.65	113.15
Cornsacks	117.25	117.25	117.00	116.50	115.65
Heavy					
Cees	111.50	113.00	113.25	113.25	113.15
A Twills	141.50	140.00	139.00	138.50	138.00
Liverpools	127.50	128.00	128.00	127.50	127.00

Raw Jute: The fibre market tended to become steadier, but the only grades that showed a marked improvement were Tossa and Daissee. In these sections, sellers were very reserved and were only offering small lots at prices between 50nP and Re. 1 a maund above the minimum rates. A fair amount of business was concluded against buffer stock and mill quotas, much of it being for forward delivery, but sellers were not keen to go too far forward. The white jute and mesta market was virtually unchanged, with prices continuing to rule below the minimum. High-grade jute remained very scarce, and up to Rs. 50 a maund was paid for special lots. The shortage of godown space in mills was very acute, and large quantities of jute were being stored in the open. Wagon arrivals in Cossipore dropped again, and last week only 430 wagons were received. Imports on an all-India basis were estimated to be about 70,000 maunds daily.

Opening quotations on Wednesday morning were as follows:

	Landed at Mills			T.S.D.		
	Current Prices	Minimum	Prices	Current Prices	Minimum	Prices
	Rs. A Qtl. Bot	Rs. A Md. Bot	Rs. A Qtl. Bot	Rs. A Qtl. Bot	Rs. A Md. Bot	Rs. A Qtl. Bot
Assam-Agartala Jute	75.02	28.00	80.38	30.00		
Northern Jute	75.02	28.00	79.04	29.50		
Western-Desal Jute	71.00	26.50	73.68	27.10		
Selected Daissee	87.07	32.50	85.73	32.00		
Assam-Agartala Tossa	83.05	31.00	83.05	31.00		
Mesta:						
Assam-Northern	69.66	26.00	72.34	27.00		
Local Daissee	71.00	26.50	72.34	27.00		
Desal	72.34	27.00	73.68	27.50		
Bihar Dist.	64.30	24.00	66.98	25.00		
Pakistani N. C.	99.00	a bale	Jan.-February			

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

The Indian Jute Mills Association reports the total production of jute goods for December as follows:

Description	Quantity
1. Gunny Bags	
(a) Hessian	5,522 metric tons (5,435 tons)
2,038.83 thousand metres (2,229 lakh yds.)	
1,84.5 lakh nos.	
(b) Sacking	44,181 metric tons (43,483 tons)
9,568.71 thousand metres (10,46.5 lakh yds.)	
4,63.0 lakh nos.	
2. Gunny Cloth	
(a) Hessian	40,718 metric tons (40,075 tons)
13,96.83 thousand metres (15,27.6 lakh yds.)	

(b) Sacking	1,687 metric tons (1,660 tons)
39.15 thousand metres (42.8 lakh yds.)	
3. Other Manufactures	
12,062 metric tons (11,871 tons)	
4. Total Production	
(All kinds)	1,04,170 metric tons (1,02,524 tons)

		Summary		
		(000 metric tons and 00,000 yds.)		
		Dec. '62	Nov. '62	Dec. '61
Hessian		16,00.66	15,25.82	12,77.75
		(17.51)	(16.69)	(13.97)
Sacking		9,56.02	9,93.39	10,53.01
		(10.89)	(10.86)	(11.52)
		(000 metric tons and tons)		
		Dec. '62	Nov. '62	Dec. '61
Hessian		(15.5)	45.1	37.8
		(45.5)	(44.5)	(37.2)
Sacking		45.9	46.1	49.6
		(45.1)	(45.4)	(48.3)
Others		12.1	10.2	10.2
		(11.9)	(10.1)	(10.6)
		104.2	101.4	97.6
Grand Total		(102.5)	(99.8)	(96.0)
Hours worked		2,8.0	208.0	208.0

N.B.—These Statistics are based on replies received and represent all members of the Association and Gagalbhai with estimates for two non-member mills. The figures in brackets are in British units.

THE U.K. JUTE MARKETS FIBRE PRICES FALL

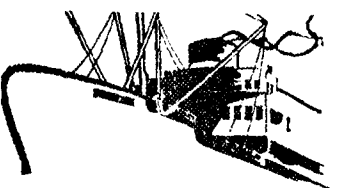
(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market in Pakistan was quiet during the past week, and most sellers quoted lower prices. In spite of the easier trend, spinners in Dundee showed less buying interest and business was confined to the occasional parcel. Dundee spinners have already met the major portion of their requirements from the present crop. At the same time, a fair quantity of jute is available on the spot. There is also a substantial quantity of jute afloat to Dundee which is still unsold to spinners. This is making the market weak. Sellers are obviously anxious to dispose of these supplies, and they are discounting the market to a considerable extent for all grades. In the case of Mill Lightnings, offers are being made afloat at £114 whereas the lowest shipment price is £119. The fall in prices is expected to continue until all the secured parcels are taken up by spinners.

There is now much more pressure from sellers for business with the generally quoted rates at £119 for Mill Lightnings, at £95 for Mill Hearts and at £81 for Grade Hearts, c.i.f. U.K., for January-February shipment. Grade Tossa-2/3 is available at £133 and Grade Tossa-4 at £113 10s with output Tossa-2/3 at £99 10s and output Tossa-4 at £89 10s, for January-February shipment. Cuttings are also quieter with S.N.C. noted at £54 and N.C. at £48. There has been an easier trend in the raw jute market since the beginning of the current year. At present, there is nothing to indicate that this will be halted. Although raw jute consumption is running at a high level throughout the world, there should be sufficient fibre to meet all demands. A few offers of Siam jute are being made, but the prices asked for are high and not attractive to spinners. Grade A is quoted at £89 10s and Grade B at £82 10s, delivered mill Dundee, for February-March shipment.

Although the stocks of jute goods held by the Indian mills at the end of December were at a lower level, they made little difference to prices. Quotations are at 76s 9d for 40in. 10oz. and at 59s for 7-1/2oz. 100 yards f.o.b. Calcutta, for January shipment. At 76s and 58s 3d February, at 75s 6d and 57s 6d, March and at 74s 6d and 56s 3d April-June. B Twills are at 174s 9d, 174s 6d, 174s 3d

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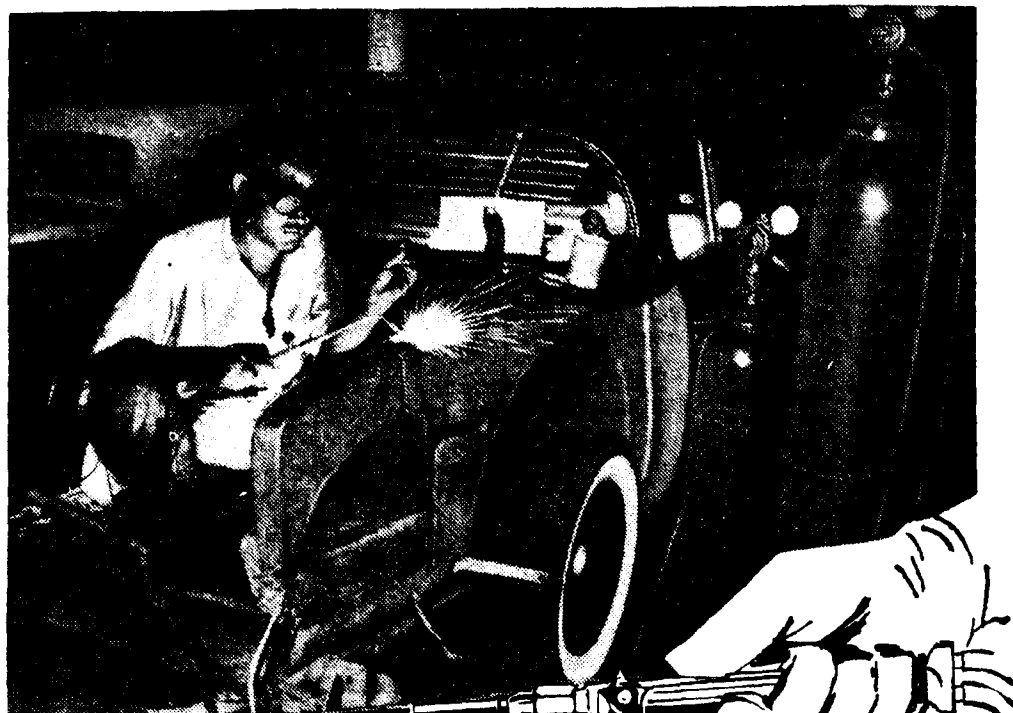
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CAPITAL, 17th January, 1963.

and 174s for the respective shipment periods.

Dundee spinners and manufacturers are busy. Orders are now being received for delivery over the second quarter of the year. Mills and factories are utilising the full labour force available and the position is expected to continue over the first half of the current year.

The Restrictive Practices Court is now investigating seven agreements in the British jute industry, to decide whether they are in the public interest. The hearing is taking place in Edinburgh before Lord Cameron. It is expected to continue for three or four weeks.

THE PAKISTANI JUTE MARKETS E.P.C. FIGURES SET NEW RECORD

(FROM OUR Dacca CORRESPONDENT)

TOTAL E.P.C. registrations for December constitute what is certainly a record for this time of the season, namely, 802,330 bales. During the second half of December, Belgium was the largest buyer with

79,065 bales. The United Kingdom bought 78,635 bales. Egypt purchased 61,880 bales and France 36,990 bales. Germany bought 29,905 and Russia and China 28,000 bales and 8,800 bales, respectively, making their total purchases during the month 78,240 bales. America again bought 25,175 bales and Portugal bought 20,080 bales. India only bought 200 bales. Total purchases from 1st July to 31st December, 1962, amounted to 2,719,100 bales, against 2,642,900 bales up to December 1961. Not only have purchases this season already exceeded the last season's in spite of a smaller crop, but the difference is even larger when one considers the June registrations. Under the circumstances, it is difficult to visualise anything but an upward trend in prices.

E.P.C. registrations rose sharply in spite of the fact that 900,000 bales, largely of this season's crop, were registered in June and are not, therefore, counted in the above figures. Although buyers may well feel that they wish to buy more to build up stocks, the fact remains that they are too well bought and cannot raise the prices in the overseas market for some time. But heavy sales, coupled with the small crop, are undoubtedly a bullish factor in the local market. In certain areas, middlemen, who

collect payment for their jute from balers, are facing financial difficulties because, apart from their own personal needs, they need money to return to the village to purchase more jute.

A strike in Chandpur, which has now been settled, followed by a strike in Chalna and in Narayanganj and threats of the same elsewhere have created unsettled conditions in East Pakistan. This has apparently affected the market. In Narayanganj, balers decided not to give in to the demands of labour. It was, in fact, reported that if some balers come to a private agreement with the unions, they will be expelled from the P.J.A. In spite of these disturbances, there is a certain amount of activity in the cuttings market. Fair business has been reported at the minimum prices, namely, Rs. 75 a bale, but it is mainly for the forward position. There is a discount of some £2 a ton in the ready position. Some balers feel that a heavy bear position has to be covered. Meanwhile, overseas buyers are not finding it difficult to find sellers of cuttings below the minimum price. This implies that the bear position, if any, is purely theoretical.

The overseas market continues unchanged, although there is some interest in the forward position. Sellers seem to be very keen on selling.

HIDES AND SKINS STEADY

The market was steady. Stocks were higher than in the previous week.

Bazaar Sales

(Between 8th January and 14th January, 1963)

Cowhides: Wet salted (Slaughtered) 21,500 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28.

Goatskins: Wet salted (Daissee, Kustia) 190,000 pcs. on the basis of Rs. 400 to Rs. 415 and Rs. 470 to Rs. 480; Wet salted (he-killed) on the basis of Rs. 5 and (she-killed) on the basis of Rs. 4.75 a piece; Assam-Murshidabad-Pakistan 17,300 pcs. on the basis of Rs. 340 to Rs. 360 and Rs. 400 to Rs. 480; Purneah-Kissenganj 10,000 pcs. on the basis of Rs. 380 to Rs. 395; Patna-Muzaffarpore 11,300 pcs. on the basis of Rs. 370 to Rs. 380 and Rs. 395 to Rs. 405.

Bazaar Stocks

(14th January, 1963)

Cowhides: Wet salted 107,800 pcs.

Goatskins: Wet salted (Daissee, Kustia, Killed) 48,000 pcs.; Assam-Dinajpur 76,000 pcs.; Muzaffarpore-Patna - Pakur-Purneah - Kissenganj 140,000 pcs.

SHELLAC STEADY

During the week ended 15th January, the market was steady. The range of quotations was as follows:

	Rs.
Pure Buttonlac	110 value
Lemon One Shellac	114 value, 112 buyers, 116 sellers
Lemon Two Shellac	104 value, 100 buyers, 104 sellers
Standard One Shellac	94 value, 88 buyers, 94 sellers
Pure TN Shellac	80, 78 value
Golden Kusmi Seedlac	110 value
Kusmi One Seedlac	90 value, 88 buyers, 94 sellers
Golden Bysack	80 value
Manbhumi Fine Bysack	64, 62 value
Fine Bysack	56, 54 value
Genuine Bysack	48, 46 value
Grade One Class B Seedlac	70 value, 66 buyers, 70 sellers
Grade Two Class B Seedlac	56 value, 50 buyers, 54 sellers

CAPITAL, 17th January, 1963.

Commodity Markets

TEA TAXES NEED TO BE CUT PRODUCTION COSTS RISE

(BY A SPECIAL CORRESPONDENT)

ONE of the distressing facts of the past two years' trading in tea has been that the rise in production has often been accompanied by a fall in profits. If output is to be increased, manufacturers have to be permitted to earn reasonable profits so that they can finance their expansion programmes and declare a fair dividend to shareholders. Future taxation must, therefore, be judiciously adjusted. The imposition of more taxes will intensify the operation of the law of diminishing returns, which already appears to be in operation. Most company reports recently published show not only an increase in output but also much higher production costs, so there has been no relative improvement in profits. Taking profits after tax as a percentage of net worth, the rate was 6 percent in 1952-53. It improved to 9 percent by 1955-56, but two years later was again around 7 percent. After mounting to 9½ percent in 1960-61, it again fell to about 7 percent in 1961-62. This shows too small a rise over a decade, especially in view of the relative increase in the gross national product.

Problem of Finance

The problem of finance still seems to worry planters. This must be solved because of the importance of tea exports to India's balance of trade. In the first two plans, tea exports alone earned over Rs. 1,175 crores for the country. The industry also contributed to Central and State taxes and gave employment to a million people. It is hoped that the call for further concessions on export taxes will receive the Government's favourable consideration.

Meanwhile, the industry is distressed by the Government's attitude in relation to fertilisers. It has already been noted that Pakistani output in 1963 may again be on the low side because of the shortage of fertilisers. To meet the growing demand as well as to recapture the trade already lost to Ceylon, both crop and quality have to be improved. The tea industry figures among the large users of chemical fertilisers. It should, therefore, secure its requirement at concessional rates. An agriculturist in Assam can procure ammonium sulphate at Rs. 360 a metric ton, but tea companies have to pay Rs. 384.60 a metric ton. Something should be done to end this anomaly if only because the cost of growing tea has to be reduced.

New Instant Brew

Ceylon, as usual, seems to be in the lead with an instant brew. It is to be marketed under the name of "Ceyta". Some months ago, there were reports of work on these lines in India. But local producers are apparently keeping these developments secret.

North Indian Crop

The north-Indian crop up to the end of 1962 amounted to 578,109,305 lbs. This was below the previous year's yield to the extent of 25,043,344 lbs—a smaller reduction than was expected in some quarters and still above the average output for the 1959-61 seasons. Selling centres in Calcutta, Cochin, Colombo and London show that quality teas are finding ready buyers but there is some irregularity in the case of low grades in all these markets.

COMPANY AND PUBLIC NOTICES

SHAW WALLACE & COMPANY LIMITED

NOTICE is hereby given that an Extraordinary General Meeting of the Members of the abovenamed Company will be held at the Registered Office of the Company, 4, Bankshall Street, Calcutta on the 13th day of February, 1963 at 3 p.m. to consider and, if thought fit, to pass with or without modification the following Resolution:

As an Ordinary Resolution:

"That approval be and is hereby accorded to the undernoted investments.

- 25 Equity Shares of Rs. 100/- each in Matheson Bosanquet & Co. Ltd. at a cost of Rs. 14,403.75 nP.
- 247 Equity Shares of Rs. 10/- each in Wallwood Plantations & Agency Ltd. at a cost of Rs. 3,539.51 nP and
- 1666 Equity Shares in Cruickshank & Co. Ltd. at a cost of Rs. 15,493.80 nP.

The Share Transfer Register of the Company will be closed from the 6th February to 13th February, 1963, both days inclusive.

By Order of the Board,
S. M. SMITH,
Managing Director.

Calcutta, the 14th
January, 1963.

- Note (i) A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote on a poll instead of himself and the Proxy need not be a Member of the Company.
- (ii) In connection with the business to be transacted, an Explanatory Statement under Section 173 of the Companies Act, 1956 is being sent to all shareholders.

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED

(Incorporated in England)

NOTICE is hereby given that the Board of Directors of this Company have declared payment of an Interim Dividend on the Company's Ordinary Stock at the rate of £3½ per cent net (tax applicable at 7s. 9d. in the £) for the year ending 31st March, 1963. Payment will be made on 15th February, 1963, to those stockholders whose names are registered in the Company's Stock Register on 29th January, 1963.

Applications for transfers received in this Office before 12 O'clock noon on Tuesday, the 29th January, 1963, will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above Dividend.

By Order of the Board,
H. C. BOWKER,
Agent.

VICTORIA HOUSE,
Calcutta, 11th January, 1963.

For a nominal charge, "Capital's Statistical Department can provide you with a certificate of share prices.

CHITAVALSAB JUTE MILLS COMPANY, LIMITED

NOTICE

ANNUAL GENERAL MEETING

NOTICE is hereby given that the Share Transfer Books of the Company will be closed from 22nd January, 1963 to 31st January, 1963, both days inclusive.

By Order of the Board,
McLEOD & CO. LTD.,
C. HOCKLEY,
Director,
Managing Agents.

3, Netaji Subhas Road,
Calcutta.
10th January, 1963.

NELLIMARLA JUTE MILLS COMPANY, LIMITED

NOTICE

ANNUAL GENERAL MEETING

NOTICE is hereby given that the Share Transfer Books of the Company will be closed from 22nd January, 1963 to 31st January, 1963, both days inclusive.

By Order of the Board,
McLEOD & CO. LTD.,
C. HOCKLEY,
Director,
Secretaries & Treasurers.

3, Netaji Subhas Road,
Calcutta.
10th January, 1963.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Shaw Wallace & Co. Ltd.	13-2-63	3 p.m.
Dalmia Iron & Steel Ltd.	21-2-63	3 p.m.

DIVIDENDS DECLARED OR PROPOSED

ED.—Associated Hotels of India Ltd—10 p.c. (o), subject to tax; Mysore Sugar Co. Ltd—30 p.c., subject to tax; Gwalior Sugar Co. Ltd—Nil (o); Indian Oxygen Ltd—12 p.c. (o), subject to tax; Calcutta Electric Supply Corporation Ltd—3½ p.c. net (o) (Int.).

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Asst. Manager, Mr. Ammann.

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Wednesday, 16th January, 1963.

GOVERNMENTS LOANS

Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations
Ra.				Ra.

GOVERNMENT OF INDIA

2,48,91,12,000	3	1946	1986 or later	63/00
8,93,33,000	3	1896-97	At the option of the Government of India after a months notice	62/50
1,16,17,46,000	3	1938	1963-65	99/00
1,10,11,78,000	3	1943	1966-68	96/15
30,00,10,000	3	1950	1964	98/90
14,77,48,000	2½	1946	1976	83/50
1,15,05,83,000	3	1948	1970-75	85/00
1,58,17,94,000	3½	1954	1964	99/25
1,53,67,92,000	3½	1955	1965	99/25
58,05,92,000	3½	1958	1963	99/90
88,63,53,000	3½	1956	1974	97/00
56,99,30,000	3½	1957	1967	99/20
49,17,27,000	4	1957	1972	99/15
49,51,44,000	4	1958	1973	99/05
1,97,26,27,000	3½	1956	1967	98/15
70,00,00,000	3½	1958	1968	98/00
1,90,85,37,000	3½	1959	1969	97/00
81,08,39,000	4	1959	1979	98/30
82,65,41,000	3½	1960	1966	99/10
89,04,98,000	4	1960	1980	98/30
63,66,25,000	4	1961	1981	98/20

3,40,34,300	4	1952	1964	98/85
5,10,79,800	4	1953	1963	98/85
6,57,22,800	4½	1957	1969	98/80
6,58,20,700	4½	1958	1970	98/80
4,35,25,000	4½	1958	1971	98/70

MADHYA PRADESH

2,03,28,800	3	1948	1964	98/00
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MADRAS

5,24,81,200	4	1952	1964	99/80
10,33,70,600	4	1953	1963	99/80
5,53,37,300	4½	1958	1970	96/50

UTTAR PRADESH

1,55,31,200	3	1936	1961-66	94/00
5,89,13,900	4	1932	1964	99/80
5,58,25,400	4	1953	1963	99/80
7,65,58,900	4½	1958	1970	96/50

WEST BENGAL

2,00,00,000	4	1952	1964	99/85
3,90,23,300	4	1953	1963	99/85
7,58,72,200	4	1955	1967	97/50
7,11,46,100	4	1956	1968	97/50
5,10,49,700	4½	1958	1970	98/50
7,69,69,400	4	1959	1971	97/50
7,00,00,000	4	1960	1969	97/50
73,07,21,000	4½	1961	1972	98/00

MYSORE

2,95,85,200	4	1953	1953-63	100/10
3,83,47,200	4	1953	1963	99/90

PORT TRUST LOANS

Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations
Ra.				Ra.

CALCUTTA

90,24,300	4	1914	1974	98/25
76,90,100	4	1915	1975	98/25
68,02,300	3	1921	2nd 1981	82/00
1,50,00,000	5	1921	2nd 1981	144/00N
£892,600	5	1923	1953-83	£61
£901,000	5	1924	1954-84	£61
1,24,00,000	4½	1957	1987	99/50
50,00,000	4½	1958	1988	99/00
1,50,00,000	4½	1961	1971	98/75
80,00,000	4	1931	1991	93/00
60,00,000	3½	1935	1965	99/00
50,00,000	3	1946	1976	83/50
50,00,000	3	1945	1-2-2005	72/00
50,00,000	3	1945	1-2-1975	83/75
25,00,000	3	1938	1963-68	93/00
50,00,000	3	1946	2006	72/00
50,00,000	2½	1947	1977	78/50
50,00,000	3	1948	1978	83/00
50,00,000	3	1950	1980	81/00
50,00,000	4	1953	1963	100/00
50,00,000	4	1953	1963	97/50
90,00,000	4	1955	1965	97/25
1,00,00,000	4	1956	1966	97/25
1,00,00,000	4	1959	1969	99/50

BOMBAY

3,40,34,300	4	1952	1964	98/85
5,10,79,800	4	1953	1963	98/85
6,57,22,800	4½	1957	1969	98/80
6,58,20,700	4½	1958	1970	98/80
4,35,25,000	4½	1958	1971	98/70

MADRAS

5,24,81,200	4	1952	1964	99/80
10,33,70,600	4	1953	1963	99/80
5,53,37,300	4½	1958	1970	96/50

UTTAR PRADESH

1,55,31,200	3	1936	1961-66	94/00
5,89,13,900	4	1932	1964	99/80
5,58,25,400	4	1953	1963	99/80
7,65,58,900	4½	1958	1970	96/50

WEST BENGAL

2,00,00,000	4	1952	1964	99/85
3,90,23,300	4	1953	1963	99/85
7,58,72,200	4	1955	1967	97/50
7,11,46,100	4	1956	1968	97/50
5,10,49,700	4½	1958	1970	98/50
7,69,69,400	4	1959	1971	97/50
7,00,00,000	4	1960	1969	97/50
73,07,21,000	4½	1961	1972	98/00

MYSORE

2,95,85,200	4	1953	1953-63	100/10
3,83,47,200	4	1953	1963	99/90

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months' notice—

(a) Option to extend the redemption period for further 10 years.

(b) at any time after.

(c) on or after 1-1-61.

(d) option to redeem at 2½% Prem. after 1-1-59 and before 1-5-69.

Option to repay on 6 months' notice—

(e) at any time after 30-6-61 at 10½%.

(f) at 10½% between 1-1-60 & 31-12-61.

(g) at 102½% after 30-6-59 but before 30-6-61.

(h) at any time after 30-6-65 at 10½%.

Option to repay on 3 months' notice—

(i) at any time at 3% Premium.

(j) at ½% Prem. after 1-3-64 but before 1-3-67 and 1% Prem. on or after 1-3-67.

(k) at any time at par.

(l) at any time after 31-3-62 at the rate of 1% Premium.

(m) redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.

(n) at any time on two months' notice—

(o) to be redeemed at a premium of 10% Rs. 70,000 to be redeemed annually by drawing on 3 months' notice with option to redeem at par after 6 years from date of issue on 6 months' notice. Option not exercised repayment to be made after full term.

Option to repay

(p) at par after September 1960.

(q) at par on or after 1-12-59.

(r) with option to redeem at 10½% after 10 years or at 100½% after 12 years.

(s) Rs. 1 the Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100½% between 1-6-57 to 1-6-60 and at 10½% afterwards.

(t) with option to redeem at 10½% after 10 years or at 100½% after 12 years.

(u) with option to redeem all or any of the Debts at 10½% at any time after 31-3-64 and at 100½% at any time after 31-3-66.

(v) Rs. 80,000 are being redeemed annually repayment of Debentures commencing serially from No. 1 to No. 80 on 31-12-48.

(w) Redeemable at any time at 5 per cent premium (a) on 6 months' notice by the Company or (b) in the event of the security becoming enforceable or at par if the Corporation of Calcutta or Howrah purchase the undertaking on 1st January 1945 or every seventh year thereafter.

(x) At par all or any of the Debts on 31st December, 1960 or on any subsequent interest date.

(y) Redeemable (a) at 102½% on 1st October, 1974 or in the event of voluntary liquidation of the undertaking being purchased or (b) at 105% at any time after 31st March 1953 on 6 months' notice from the Co. (c) also redeemable out of a sinking fund (commencing in 1933) by drawing at 102½% or purchase at or under 102½%.

(z) Also redeemable out of a cumulative sinking fund of 1½% per annum commencing in 1943 by purchase at any price less than par or by annual drawing at par.

IMPROVEMENT TRUST LOANS

Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations
Ra.				Ra.

CALCUTTA

36,50,000	4	1904	1964	99/25
35,00,000	4	1905	1965	96/00
15,00,000	4	1906	1967	96/00
44,00,000	4	1907	1968	96/00
75,00,000	4	1908	1968	96/00
20,00,000	3	1938	1963	98/25
80,00,000	4	1909	1970	100/00
56,00,000	4	1910	1971	98/50
75,00,000	4	1911	1972	101/00
56,00,000	4	1909	1969	97/50
15,00,000	4	1907	1967	97/50
30,00,000	4	1908	1968	98/50
60,00,000	4	1903	1963	98/25
50,00,000	4	1904	1964	98/25
20,00,000	4	1906	1966	97/50
15,00,000	4	1907	1967	97/50
30,00,000	4	1908	1968	98/50
25,00,000	4	1912	1972	95/00
13,00,000	4	1913	1973	95/00
50,00,000	4	1914	1974	95/00
25,00,000	4	1916	1976	95/00
66,00,000	6	1920	1945-80	119/50
25,00,000	4	1927	1961-70	99/75
10,00,000	3	1936	1966	89/00

BOMBAY

36,00,000	4	1953	1963	100/00
50,00,000	4	1953	1963	97/50
90,00,000	4	1955	1965	97/25
1,00,00,000	4	1956	1966	97/25
1,00,00,000	4	1959	1969	99/50

MADRAS

5,24,81,200	4	1952	1964	99/80
10,33,70,600	4	1953	1963	99/80
5,53,37,300	4½	1958	1970	96/50

UTTAR PRADESH

1,55,31,200	3	1936	1961-66	94/00
5,89,13,900	4	1932	1964	99/80
5,58,25,400	4	1953	1963	99/80
7,65,58,900	4½	1958	1970	96/50

WEST BENGAL

2,00,00,000	4	1952	1964	99/85
3,90,23,300	4	1953	1963	99/85
7,58,72,200	4	1955	1967	97/50
7,11,46,100	4	1956	1968	97/50
5,10,49,700	4½	1958	1970	98/50
7,69,69,400	4	1959	1971	97/50
7,00,00,000	4	1960	1969	97/50
73,07,21,000	4½	1961	1972	98/00

MYSORE

2,95,85,200	4	1953	1953-63	100/10
3,83,47,200	4	1953	1963	99/90

CAPITAL, 17th January, 1963.

##

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Ra.			Ra.	Ra.	1959 1960 1961	Ra.	16-1-63 9-1-63 A year ago
25,50,000	58,52,284	43,77,890	3,90,484	Amalgamated	3 236	16,40,057	39,096	15 10 12½-15*	10	25/06 23/12 23/00
1,20,00,000	3,15,46,304	2,44,30,490	36,03,888	Bengal P.	10 2	86,68,875	10,42,254	25 25 21	100	335/00 335/00 360/00
4,49,350	4,37,982	1,30,142	91,797	Bengal Bhatdee	12 368	4,33,977	4,471	.. ..	10	3/48 3/48 3/49
2,25,000	3,06,216	5,45,835	5,19,015	Bengal Nagpur	12 ..	1,55,638	16,129	Nil 10 26	10	22/00 22/00 20/19
15,97,000	23,27,321	4,87,308	63,982	Bhaigora	9 152	2,62,417	21,275	.. ..	10	5/00 5/00 4/75
40,00,000	67,23,620	2,75,000	21,19,681	Bharat Collieries P.	6 335	11,80,816	2,120	.. ..	10	3/53 3/53 3/66
7,15,000	14,96,845	11,02,872	64,329	Bhulanbarree	12 362	-3,06,406	-4,92,536	.. ..	10	12/00 12/00 4/06
16,00,000	38,87,275	16,18,636	7,185	Bokaro & Ramgur	6-12 315	1,21,936	-79,196	.. ..	10	11/19 11/19 14/06
7,50,000	19,13,792	22,77,003	12,32,439	Borosa P.	12 106	5,26,414	33,647	10 15 15	10	23/87 23/87 23/65
90,92,480	2,32,19,267	1,46,53,383	33,70,740	Burrakur P.	6 21	37,97,832	90,769	13 13 13-13*	10	15/25 16/56 17/69
49,97,000	50,93,751	6,86,129	6,35,532	Central India	3 166	16,11,089	3,58,023	6 8 10-10*	10	10/12 10/12 12/31
8,00,000	18,69,439	12,97,490	98,040	Central Kurkend P.	12 ..	6,357	214	.. ..	10	8/00 8/00 7/00
6,00,000	..	1,55,159	6,05,872	Churulia	12 106	63,755	7,043	3 3 3	4	3/06 3/06 3/06
16,00,000	25,01,205	Nil	19,429	Chemo Main	12 444	-6,45,261	-5,39,034	Nil Nil Nil	10	5/94 5/94 6/94
2,40,000	4,868,390	£561,905	£13,858	East Indian	4 128	£288,462	£6,234	15-20½*	21	50/00 50/00 32/75
29,63,700	1,42,23,054	1,18,76,888	27,65,725	Equitable P.	12 19	10,14,185	33,594	7½ 15 10	10	25/87 25/87 28/87
10,00,000	6,74,708	2,07,486	3,32,973	Ghustek & Muslia	3 307	12,979	24,844	.. ..	10	15/00 15/00 14/00
6,50,000	4,21,847	Nil	12,025	Guzzdar Kajora	12 20	10,670	-14,705	.. ..	10	2/05 2/05 2/75
8,00,000	5,43,022	..	16,702	Huziradih	12 393	-10,172	-3,65,025	Nil ..	10	8/12 8/12 14/37
15,00,000	23,47,952	27,81,955	39,74,704	Karanpura Development	12 21	3,95,071	1,40,029	6 5 5	100	12/25 12/25 17/12
5,00,000	..	..	..	..	15 15 15	..	..	..	10F	..
20,00,000	34,15,535	9,86,018	3,72,692	Karanpura Collieries P.	2 21	8,92,065	32,810	5 7½ 10-10*	10	18/00 18/00 19/04
14,88,460	20,68,761	16,01,825	8,75,580	Katras Jheriah	1 2	8,29,962	1,11,842	65 95 40-25*	10	48/75 48/75 49/00
1,38,400	6,75,000	95,000	11,80,294	Khar Kajora P.	6-12 337	49,776	1,918	.. ..	10	18/70 18/70 18/70
5,65,750	5,95,833	Nil	9,780	Mundulpur	3 372	-1,60,535	-16,47,497	.. ..	10	2/69 2/69 2/62
7,48,240	3,46,525	2,50,000	7,62,941	Nazira	12 347	1,28,839	94,963	10 ..	10	5/75 5/75 6/50
31,97,210	61,58,848	34,47,233	3,39,307	New Beerbhoom P.	10 2	9,75,812	93,645	15 16 10	10	20/62 20/62 22/75
9,90,340	9,04,373	5,21,710	75,374	New Manbhoom	3 202	4,12,216	43,822	5 7½ 9-12*	10	13/75 13/75 13/62
1,15,000	7,05,719	4,31,409	40,364	North West	12 441	1,44,042	15,045	15 20 20	10	19/75 19/75 22/19
1,57,500	..	..	..	..	7½ 7½ 7½	..	..	..	10	18/00 18/00 20/25
7,50,000	1,33,788	13,22,645	22,85,007	Ondal P.	12 108	1,91,515	45,060	7 6 7½	10	13/00 13/00 14/40
8,34,000	23,59,066	1,52,212	4,78,984	Parasee P.	12 207	1,79,344	589	6 1/5 1½	10	16/00 16/00 17/88
15,75,000	32,93,192	24,59,125	4,11,055	Pench Valley	3 236	5,41,674	54,253	10 10 10-10*	10	19/87 18/50 16/12
2,50,000	5,62,405	7,500	11,530	Pure Sitalpur	6-12 5	2,003	18,581	.. ..	10	8/00 8/00 8/00
33,58,900	50,26,723	40,85,000	1,26,141	Raneegunge	3 370	11,54,576	35,781	10 15 17-17*	10	15/00 15/00 15/12
13,50,000	25,32,135	20,80,190	16,89,318	Rewa	12 236	13,18,197	41,523	10 20 20	10	29/12 29/12 30/00
37,50,000	74,38,430	38,61,070	1,69,086	Samla	12 48	12,37,914	26,993	Nil 10 ..	10	10/03 10/03 9/37
2,50,000	4,47,534	74,281	10,748	Seabrook	1 353	-19,279	-4,27,396	Nil Nil Nil	2½	1/94 1/94 0/78
2,80,000	10,74,006	12,23,716	10,17,267	Seabrook P.	12 2	5,13,147	67,383	42 6/7 42 6/7	7	45/00 45/00 45/75
8,00,000	6,203	4,54,648	13,04,570	Sendra	12 106	78,390	1,540	3 5 5½	10	5/75 5/75 6/44
17,50,000	26,80,253	9,25,630	40,202	South Karanpura	8 21	-1,74,305	-1,54,174	3 2½ Nil	10	7/00 7/00 8/81
8,00,000	1,30,001	15,48,989	26,78,285	Standard	12 106	1,94,925	38,908	15 15 10	10	16/00 16/00 13/81
2,50,000	4,36,300	3,23,000	36,680	Union	12 ..	1,37,973	1,77,952	.. ..	10	10/37 10/37 10/00
49,98,000	63,57,150	6,09,055	2,09,620	Western Bengal	3 166	11,72,192	1,19,162	4 6 7½-9*	10	9/50 9/50 9/56
7,00,000	26,06,335	Nil	47,091	West Jamuria	12 444	-6,51,403	-6,23,711	Nil Nil Nil	10	9/37 9/37 9/37

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COTTON MILLS

Paid-up Capital Ordinary	Number on Spindle Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Ag. Agta. Securities sold	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations available until
Ra.		Ra.	Ra.	Ra.				Ra.	Ra.	1959 1960 1961	Ra.	16-1-63 9-1-63 A year ago Ra.
15,00,000	14,108	356	14,06,683	3,15,002	12,59,541	Basanti P.	12 49	26,012	41,532	.. ..	10	15/56 14/00 7/75
7,11,280	36,000	932	17,17,120	2,20,389	30,842	Banga Luxmi	3 27	3,66,177	47,818	.. ..	40	28/00 28/00 28/00
27,00,000	31,476	624	17,77,373	93,872	93,872	Bengal Nagpur P.	12 223	-8,24,150	-6,86,163	Nil Nil	10	3/25 3/25 3/25
50,00,000	..	..	1,10,03,881	39,06,800	9,82,146	Bharat Commerce	12 394	55,78,866	1,45,829	Nil 6 15	10	25/87 25/87 27/75
39,95,950	38,784	992	60,94,300	1,21,02,782	53,37,204	Birla Cotton	3 22	39,77,025	1,67,525	Nil 10 20-20*	10	28/87 28/87 28/00
24,00,000	43,136	841	94,15,536	31,39,700	2,59,240	Bowreab P.	12 138	30,41,946	2,15,857	Nil 10 20	10	24/00 24/00 38/25
30,00,000	22,000	510	23,07,805	48,99,554	5,33,310	Cawnpore Textiles	12 25	20,76,448	47,303	Nil 7-1/5 10	5	7/06 7/06 8/69
3,78,33,535	1,97,348	3,307	6,72,37,739	6,96,27,768	77,61,228	Delhi Cloth & Genl. P.	6 238	3,08,40,769	4,03,436	10 12 13-13*	25	45/00 45/00 61/12
38,00,000	43,049	518	55,25,204	46,09,112	2,35,557	Dunbar	12 138	40,11,298	2,29,807	10 20 20	10	28/37 28/37 34/12
63,00,000	54,000	1,200	72,11,946	1,75,75,771	91,53,931	Elgin P.	9 389	73,50,384	80,801	11½ 11½ 17½	10	20/12 19/94 22/87
1,25,00,000	..	..	3,48,97,571	56,34,321	85,50,730	J. K. Cotton (Rayon) P.	12 158	19,28,764	1,22,795	9 12½ ..	10	14/37 14/50 20/50
49,18,000	6,272	202	51,44,000	24,71,500	4,76,536	Jay Shree	12 22	28,42,100	87,268	8 10 10	10	16/25 16/25 14/94
30,00,000	38,000	1,825	47,44,548	52,19,301	92,65,055	Muir P.	12 208	18,77,941	-7,77,290	.. ..	100	100/00 100/00 101/00
35,11,583	78,848	1,367	47,49,840	3,96,960	1,09,256	New Victoria P.	12 237	12,73,361	-63,55,495	Nil Nil	2½	1/37 1/37 1/81
48,00,200	..	..	1,08,10,352	78,144	2,34,188	Orissa Textiles P.	3 399	12,34,741	-22,17,524	.. Nil Nil	10	9/00 9/00 10/13
19,47,750	23,196	795	16,56,550	78,491	1,61,387	Rampooria Cotton	6 4	5,999	53,853	Nil Nil	10	12/00 12/00 11/00
5,00,000	..	..	..	..	..	..	..	..	..	..	..	..
17,50,000	..	..	..	..	..	..	..	..	..	..	..	..
1,57,50,000	1,14,836	2,077	4,48,79,351	2,63,83,071	2,15,81,189	Swadeshi (Kanpur) P.	12 333	76,20,241	5,044	4 5.51 ..	100	11/50 11/50 8/62

* 1962

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Acres under Tea	Output and Average Price per Kg./lb. realised for crop				Estimate	NAMES	Accounts closed	Net Profit including taxation	Dividends per cent	Paid-up per share	Latest Market Quotations as available until					
Ra.	Ra.	Ra.		1960	1961	1962					Ra.	1959	1960	1961	Ra.	16-1-63	9-1-63	A year ago	
DOOARS																			
27,00,000	55,60,730	32,07,760	1,023†	1,408,000	5.11	1,551,500	4.51	1,525,000	Banarhat P.	12	2	11,55,236	32½	22½	21	100	255/00	255/00	275/00
12,00,000	23,85,571	21,47,404	436†	721,583	5.20	724,264	4.69	682,400	Baradighi	12	128	6,62,191	25	30	25	10	23/87	23/87	27/00
9,00,000	17,32,113	18,96,100	1,112	558,147	4.94	593,617	4.42	580,604	Bhatkawa	12	386	2,94,647	10	15	15	10	17/37	17/37	19/12
9,00,000	21,64,171	19,54,000	555	543,381	5.32	666,763	4.37	600,000	Birpara P.	12	63	4,10,050	22½	17½	12½	100	151/00	151/00	149/00
6,00,000	11,78,375	9,70,500	243†	305,122	5.01	299,250	4.17	295,000	Carroon	12	63	1,08,467	15	20	5	100	145/00	145/00	145/00
9,00,000	21,98,098	14,50,681	197†	171,106	5.00	219,480	4.05	203,200	Choonabhatti P.	12	2	2,23,622	30	32½	20	100	162/00	162/00	267/00
3,00,000	5,34,585	5,17,500	265	138,440	4.20	162,265	3.73	160,000	Ellenbarrie	12	63	79,168	5	5	5	100	184/00	184/00	176/00
1,20,000	3,31,260	3,17,245	180	218,696	3.96	224,026	..	..	Ethelbari	12	397	1,15,877	Nil	60	30	100	138/½	136/01	136/00
4,90,000	8,16,062	7,06,556	900	523,656	5.03	533,082	4.88	..	Gaikhata	12	354	50,788	Nil	5	5	10	13/12	13/12	9/19
7,50,000	10,03,911	7,97,827	1,034†	2,787,460	5.73	28,49,021	5.54	3,012,569	Gopalpur	12	88	3,52,027	12½	25	20	10	21/50	21/50	24/06
14,00,000	27,43,996	19,20,969	418†	1,122,800*	2.11	1,094,000*	1.71	..	Hantapara P.	12	387	-1,19,268	9/24	12	2	25	20/00	20/00	19/62
36,00,000	49,19,787	40,85,000	1,034†	1,401,804	4.39	1,433,022	4.07	1,390,000	Hasimara P.	12	63	5,19,302	12½	15	5	100	102/00	102/00	118/00
32,00,000	64,79,513	76,71,749	2,314†	2,874,460	5.73	28,49,021	5.54	3,012,569	Hulidibari	3	74	29,24,415	12½	17	18½	10	14/00	14/00	31/00
8,25,000	20,48,832	22,92,078	611†	215,100	4.91	190,300	4.48	..	Jailpur	12	74	3,32,189	22½	22½	19/27½	10	14/00	14/00	28/75
7,00,000	14,79,456	13,13,133	246†	539,462	5.09	563,337	4.23	520,000	Kyitbari	12	2	-1,53,219	5	10	Nil	10	11/06	11/06	15/25
9,00,000	18,44,995	20,36,500	277†	244,220	3.96	247,991	..	..	Manabarrie	12	354	-67,780	17½	25	15	10	7/37	17/37	20/19
2,00,000	10,41,117	5,27,720	1,129	542,139	5.10	603,619	4.07	490,000	Nagaisuree	12	63	1,66,532	17½	25	15	100	59/50	59/50	56/37
9,60,000	17,91,254	22,58,500	471†	812,200	5.28	784,700	4.31	750,000	New Dooars P.	12	62	4,53,104	32½	35	20	100	169/56	169/56	177/00
14,00,000	28,28,992	21,33,698	284†	291,297	4.14	307,645	3.89	308,400	Oodlabari	12	363	1,58,909	10	12½	7½	100	258/00	258/00	286/00
6,40,000	8,40,172	6,77,528	481†	121,988	4.90	100,575	4.29	116,100	Phaskowa	12	63	-78,071	Nil	Nil	Nil	100	14/25	14/25	15/56
2,50,000	4,03,726	311,000	330	112,988	4.90	100,575	4.29	362,900	Rajabhat	12	165	67,304	Nil	Nil	Nil	10	127/00	127/00	127/00
6,00,000	9,02,274	5,77,334	764	357,499	4.82	363,864	4.36	362,900	Rajabhat	12	165	23,392	10	15	15	100	12/12	12/12	12/00
7,65,000	16,33,948	16,37,050	1,635	457,276	4.96	503,638	4.32	534,100	Ranicherra	12	128	4,75,664	90	25	20	10	16/75	16/75	18/00
14,92,800	34,73,433	28,87,329	713†	854,413	5.21	921,964	4.79	1,008,645	Rydaak	12	128	4,75,664	90	25	20	10	27/31	27/31	26/87
3,46,000	9,56,428	9,68,534	278†	300,700	4.79	400,500	4.10	..	Sarugaon	12	44	3,60,822	40	40	40	10	36/25	36/25	36/00
TERAI																			
4,50,000	13,66,318	1,61,700	627	2,17,325	4.93	..	..	..	Atal	12	101	1,50,753	10	5	..	10	6/75	6/75	8/00
5,00,000	2,61,415	6,10,382	223	2,40,454	3.33	..	..	..	Beigachi	12	345	2,98,178	20	20	..	10	20/50	20/50	21/50
13,44,000	17,81,100	25,47,000	433†	6,99,341	4.85	794,331	4.37	6,70,000	Gungaram	12	63	531,984	15	20	12½	100	158/00	158/00	156/30
5,00,000	10,87,901	10,59,500	214†	2,61,270	4.84	288,960	4.29	2,54,000	Hanscu	12	63	2,10,546	17½	20	15	10	20/00	20/00	16/37
3,00,000	5,94,258	8,71,307	472†	2,53,883	4.72	275,784	4.10	275,784	New Chumta	2	74	13,355	15	15	12/67½	10	34/¾	34/¾	33/50
4,50,000	5,14,939	5,61,400	472†	3,99,412	5.05	..	..	..	New Terai	12	139	3,14,780	15	22½	..	10	36/00	36/00	31/62
5,85,000	7,31,628	10,29,030	407†	4,00,643	5.04	..	..	..	Panargoomiah	12	139	2,69,729	25	20	..	10	31/12	31/12	27/19
1,00,000	2,27,050	2,24,244	119	94,461	4.39	..	..	..	Putinbaree	12	63	43,136	26	14	..	10	45/00	45/00	45/00
2,20,000	8,34,600	10,76,160	549	9,121*	2.02	..	..	..	Tirrihannah P.	12	165	2,85,088	30	40	..	10	49/60	49/00	49/00
CHITTAGONG																			
1,25,000	83,465	4,22,450	206†	1,19,459	5.03	..	..	..	Kodala	12	139	23,045	Nil	Nil	..	10	9/25	9/25	9/25
2,40,000	1,37,058	2,42,992	397†	1,30,649	5.12	..	..	..	Kornafull	12	139	12,742	Nil	Nil	..	10	13/06	13/06	11/25
2,00,000	1,51,825	3,95,000	216†	1,24,798	5.02	..	..	..	Oodaleah	12	139	1,26,004	Nil	Nil	..	10	9/00	9/00	8/00
SYLHET																			
3,00,000	11,41,512	8,41,647	617	1,64,340	5.14	276,309	4.48	2,90,300	Chundeecherra	12	63	339,312	Nil	Nil	Nil	10	23/00	23/00	24/00
6,00,000	7,86,836	13,11,051	554	1,64,602	5.66	2,33,890	4.97	1,94,890	Daurincherra	12	358	4,42,596	15	22½	22½	10	7/31	7/31	7/06
2,46,050	3,50,022	Nil	479	88,302	5.00	1,26,336	4.28	1,34,264	Kaliti	12	236	-24,933	Nil	Nil	Nil	10	10/00	10/00	9/25
5,58,930	8,72,697	14,67,800	1,030	9,16,480*	2.40	11,42,720*	1.99	10,40,000	New Samanbagh P.	12	63	344,758	Nil	25	Nil	10	18/37	18/37	18/25
36,00,000	48,80,181	75,27,644	4,128	11,23,657	5.40	19,52,002	5.00	18,51,000	Patrakola	12	236	-42,44,455	40	32½	40	100	148/00	148/00	138/00
3,20,000	3,93,671	1,46,290	724	2,65,920*	2.22	..	..	..	Rainagar	12	63	1,79,428	Nil	..	..	10	9/56	9/56	9/56
..	..	..	549	9,121*	2.02	..	..	..	Teliapara	12	63	625,281	17½	22½	32½	100	99/00	99/00	112/00

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	NAMES	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	16-1-63	9-1-63	A year ago	
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	1959	1960	1961	Rs.	Rs.	Rs.	
CHEMICAL INDUSTRIES														
62,00,000	5,26,30,138	1,97,50,277	5,45,473	Alkali & Chemical Corp. of (I)	9 121	1,41,28,376	1,16,274	91	12	15	10	37/50	39/12	44/37
2,48,00,000A	18,48,040	15,681	5,938	Bathgate & Co. Ltd. P.	12 442	-2,50,346	-8,53,539	Nil	Nil	..	5	0/84	0/84	0/81
15,00,000C	76,41,341	68,84,695	21,11,440	Bengal Chemical & Pharm. P.	3 245	18,06,053	1,30,717	7	7	10	100	101/00	101/00	104/00
11,08,900A	36,34,102	22,82,885	19,49,050	Calcutta Chemical P.	6 377	12,04,892	6,978	18	18	18-18*	10	19/31	19/31	17/62
22,54,700B	9,90,22	Nil	41,554	Frank Ross P.	2 129	72,146	2,560	..	..	..	6	3/25	3/25	3/25
15,00,000	11,71,081	16,07,271	9,33,133	Smith Stanstreet P.	6 191	11,60,256	92,801	25	25	25-25*	5	15/50	15/50	16/25
ELECTRIC LIGHTING POWERS														
19,99,600	1,15,72,761	51,20,887	27,74,213	Agra Electric Supply	3 32	4,56,810	52,889	10	11	11-11*	100	120/00	120/00	125/00
8,00,000	29,33,899	15,51,802	8,09,008	Bareilly Electric Supply	8 32	2,00,031	25,627	10	11	11-11*	10	11/75	11/75	12/25
17,00,000	1,03,03,450	52,26,411	19,58,483	Benares Electric Supply	8 32	4,34,454	47,298	10	11	11-11*	10	12/44	12/44	12/25
5,91,360	15,65,473	807,902	2,70,659	Bhagalpur Electric Supply	3 202	1,36,558	41,730	5	8	10-8*	8	6/08	6/08	6/03
£4,262,646	£21,040,641	£10,815,240	£173,696	Calcutta Electric Supply	8 80	£1,599,019	£100,524	7	7	7-7*	21	14/62	14/37	15/25
6,60,040	22,18,493	7,17,141	32,694	Cuttack Electric Supply	3 202	151,465	63,899	61	71	10-10*	10	12/62	12/62	8/69
43,20,000	66,67,445	29,73,416	41,87,140	Dishergarh Power Supply P.	3 2	14,42,862	4,27,783	71	10	10-10*	100	88/00	88/00	93/00
ENGINEERING & METAL														
6,00,000	6,61,483	63,428	1,48,213	Arthur Butler (Muzafferpore) P	12 300	2,93,398	-1,52,122	..	..	..	10	14/50	14/50	14/06
50,00,000	37,72,597	31,83,221	1,07,272	Bhartia Electric Steel	12 31	12,85,503	46,993	15	10	..	10	14/19	13/87	10/00
1,00,00,000	1,03,33,191	61,14,305	10,96,741	Braithwaite India	12 289	68,11,414	5,914	221	25	25	10	34/06	35/00	41/00
12,00,000	36,61,140	40,28,897	7,66,530	Bridge & Roof	12 24	18,96,873	1,82,241	30	30	30	10	52/25	52/25	52/25
19,88,670	33,56,748	1,08,796	1,86,939	Britannia Building & Iron P.	12 192	1,80,146	-611,196	8	Nil	Nil-Nil*	10	3/65	3/65	3/56
50,00,000	97,94,575	47,45,363	1,14,934	Britannia Engineering P.	12 165	11,48,142	1,11,267	10	10	10	10	10/69	10/69	12/31
15,00,000	12,12,276	14,63,600	14,598	British India Electric Cons	12 24	12,02,402	94,447	25	45	20	10	33/12	33/12	36/87
84,00,000	3,32,64,591	2,76,84,425	40,25,787	Burn P. (Engineering)	4 32	1,39,62,242	1,08,751	281	281	281-281*	100	600/00	600/00	520/00
1,00,00,000	59,08,200	12,29,727	6,51,964	Calcutta Steel	3 437	24,04,247	3,87,903	5	15	15	10	14/87	14/87	..
80,00,000	93,29,770	16,00,000	2,57,259	Dalmia Iron	9 434	22,60,631	1,64,773	..	10	10	10	11/87	11/87	..
4,00,00,000	6,44,65,911	6,78,06,738	2,02,29,683	Guest, Keen, Williams	12 227	1,04,26,264	..	24	18	14	10	34/45	34/45	41/37
12,50,000	19,90,579	23,65,948	47,073	Hooghly Docking	12 32	-20,18,457	..	12	Nil	Nil	50	102/00	102/00	105/00
82,44,08,980	63,85,01,942	27,24,83,378	2,11,93,832	Indian Iron & Steel P.	6 32	9,18,78,416	24,72,163	10	15	16-16*	10	22/00	22/00	25/04
3,85,000C	11,52,812	14,001	1,82,994	Indian Malleable Casting	8 223	-4,15,836	-4,03,294	71	Nil	..	10	6/00	6/00	6/90
1,54,000Dd	49,44,759	95,69,160	43,31,087	Indian Standard Wagon P.	8 32	67,96,336	78,603	281	281	281-281*	10	30/50	31/50	..
96,79,740C	3,27,37,933	2,72,79,486	1,63,11,480	Indian Steel & Wire Products	3 122	39,84,802	2,31,048	161	23	24-23*	100	49/00	49/00	44/12
12,00,070	8,18,350	1,41,916	2,530	Industrial Containers	12 24	6,15,154	45,149	..	Nil	10	10	22/00	22/00	..
1,51,83,863	2,75,25,083	1,27,78,828	11,63,784	Jay Engineering	3 443	66,79,346	9,036	12	17 3/20	17 3/20-15*	10	24/25	24/25	..
40,00,000	59,72,635	35,35,700	10,49,960	J. K. Steel P.	6 132	20,45,860	86,647	121	20	20-10*	10	16/50	16/50	19/56
2,04,00,000	2,86,54,899	1,98,14,815	76,75,724	Jessop & Co. P.	10 290	1,16,61,943	91,571	8,58	8,58	8,58	10	22/62	23/12	20/00
27,64,800	54,66,353	48,98,269	1,31,289	Kumardhubi Engineering P.	11 21	7,79,896	13,579	10	10	111	8	7/50	7/50	7/56
10,50,000	4,02,051	19,21,798	4,45,599	Marshall Sons (India)	6 170	3,25,891	-5,63,688	10	Nil	Nil	2	3/44	3/25	3/62
49,36,000	61,94,985	13,58,398	3,83,036	National Iron and Steel	8 192	2,56,716	-4,42,917	61	Nil	Nil-Nil*	10	4/75	4/75	5/37
6,00,000	10,13,254	18,86,375	1,40,370	Saran Engineering	8 25	6,90,089	11,18,59	71	81	10-121*	4	11/12	11/12	8/94
14,00,070	8,20,458	8,56,154	25,99,99	Steel Containers	12 24	12,24,473	77,799	..	30	20	10	19/75	19/75	..
1,50,00,000	2,73,21,766	61,37,433	13,28,341	Textile Machinery	12 22	62,01,525	62,642	20	10	10	10	20/00	20/00	20/30
SUGAR BREWERIES ETC.														
14,00,000	17,29,860	10,85,148	39,573	Batrampur Sugar	6 371	1,10,785	15,763	8	8	8-4*	21	2/34	2/34	2/53
29,23,537	25,29,299	11,36,827	10,02,814	Beldand Sugar	9 234	5,72,506	3,552	181	181	10	71	9/62	9/62	11/19
32,00,000	5,64,327	13,51,513	18,14,343	Bharat Sugar P.	6 316	1,94,561	2,330	..	..	..	10	14/00	14/00	16/50
32,00,000	45,72,835	43,34,048	27,81,820	Jayew (Sugar) P.	6 59	3,71,567	3,71,540	Nil	Nil	Nil-Nil*	10	13/37	12/44	13/25
30,00,000	62,18,328	75,62,480	7,45,201	Jawnpore Sugar P.	10 25	27,572	-3,70,213	Nil	Nil	Nil	10	12/37	12/37	12/75
18,00,000	26,05,357	52,45,390	8,17,913	Champanah Sugar	6 25	8,17,913	18,674	15	15	12	10	15/87	15/87	18/87
28,00,000	26,75,847	31,68,160	92,323	Durbhanga	8 395	-1,36,348	12,948	20	4	Nil	10	9/00	9/00	10/50
27,56,353	1,31,99,222	1,76,30,095	24,30,790	Dyer Meakin (Breweries)	8 116	1,00,50,837	12,604	16	25	30	5	29/62	29/62	42/50
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	6 140	95,437	62,208	..	..	..	10	5/25	5/25	5/75
9,00,000	19,47,931	23,02,870	2,05,743	Purbapur Sugar P.	10 600	2,86,458	4,006	Nil	..	..	10	11/50	11/50	11/81
18,50,820	38,07,078	54,06,359	2,977	Ramnugger Cane & Sugar P	8 1	22,97,804	61,005	213/7	30	35	10	30/37	30/37	29/50
65,00,000	49,62,874	33,85,845	14,95,232	Raza Gulano	10 92	4,88,145	34,567	121	121	10	10	10/15	10/15	10/31
6,00,000	6,07,238	7,72,778	3,77,847	Ryan Sugar P.	6 25	1,24,492	13,204	..	..	..	10	6/06	6/06	9/12
11,99,000	22,10,181	18,54,087	2,09,196	Samastipur Central Sugar	6 25	-2,24,407	-2,20,853	..	..	..	10	9/62	9/62	10/12
39,99,000	67,93,905	25,93,624	21,94,126	Shree Krishna Gyanodaya Sugar P	6 330	16,75,658	34,776	15	15	..	10	9/06	9/06	10/44
7,94,500	13,54,858	11,65,175	11,16,369	Shree Sitaram Sugar	6 140	1,90,057	7,891	..	..	..	10	7/12	7/12	7/12
9,99,950	17,83,543	67,398	2,82,356	Sitalpore Sugar	6 94	-6,97,343	-6,89,998	Nil	4	Nil-Nil*	10	6/12	6/12	6/62
18,00,000	18,38,740	1,81,852	3,86,438	United Provinces	9 341	1,66,053	53,565	15	15	..	10	10/62	10/62	15/50
8,00,000	90,57,769	67,09,675	9,18,326	Upper Ganges Sugar P.	6 316	37,10,125	25,765	721	721	721-721*	10	70/00	70/00	77/00

MISCELLANEOUS COMPANIES—Contd.

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

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary Rs.	Net Block Account Rs.	Reserve & other Funds Premiums & Portfolios Shares If any Rs.	Cash & Securities Rs.	NAMES	Accounts Closed 12/31/62	Net Profits including taxation Rs.	Carry forward Rs.	Dividends per cent 1959 1960 1961	Paid-up per Share Rs.	Latest Market Quotations as available until 10-1-63 9-1-63 A year ago Rs.
MISCELLANEOUS (Contd.)										
60,00,000	6,74,367	66,56,845	83,18,613	Octavius Steel P.	12 321	12,27,365	2,77,718	12 10	100	28/12 28/12 36/50
2,20,00,000	1,65,64,981	63,83,140	23,36,442	Phillips India	12 364	66,19,862	1,43,404	12 12	10	28/12 28/12 36/50
2,86,200	31,000	5,62,800	2,80,533	Publicity Society	3 145	4,74,296	32,858	12 10	75-75*	26/19 26/19 23/87
2,25,00,000	35,07,570	15,42,305	1,34,28,216	Rallis India P.	6 332	54,44,510	4,35,553	Nil 4	63	150/00 150/00 155/50
5,00,00,000	8,03,38,621	2,57,80,000	1,14,05,040	Robtas Industries P.	6 333	49,28,450	5,08,029	15 20	10-8*	12/00 12/00 18/37
94,27,380	5,55,68,835	Nil	14,04,497	Sirsilk P.	9 22	3,60,253	37,513	Nil	10	8/75 8/81 10/81
70,00,000	2,25,52,451	61,94,790	29,78,786	Sen Raleigh Industries P.	9 376	21,56,385	7,622	8 8	10	18/87 18/87 22/56
75,00,000	1,05,26,889	41,88,000	1,77,92,109	Shaw Wallace P.	12 278	47,78,759	8,97,299	15 15	15	19/87 19/87 22/12
3,00,000	3,33,174	23,169	90,501	Spencer's Hotel	12 111	17,483	1,739	14 21	21	0/94 0/94 1/50
2,80,00,000	5,97,89,163	2,48,69,275	24,48,825	Union Carbide	12 301	83,20,569	42,35,939	18 18	18	43/00 43/62 51/31
2,10,200PO	5,18,263	24,12,476	10,86,203	Walford Transport	12 193	13,99,207	3,87,027	15 20	20	2/25 2/25 2/50
8,40,800O								20	20	3/37 3/37 3/50
INSURANCE COMPANIES										
13,50,000	6,47,527	54,93,120	1,31,72,690	Concord of India	12 174	6,70,637	78,475	20 20	20	11/50 11/50 10/87
24,00,000	65,903	82,46,577	1,27,34,450	Hercules	12 248	18,71,905	3,93,860	20 22	261	25/37 25/37 24/12
32,00,000	7,51,382	1,15,82,507	2,08,14,578	Ruby General	12 38	12,75,071	4,95,149	10 10	131	9/69 9/69 8/44
8,00,000		21,62,072	27,92,606	Standard General	12 ..	51,893	12,241	.. ..	10	8/00 8/00 5/00
5,75,000	25,990	73,52,563	99,05,303	Triton	12 39	7,07,189	1,95,539	45 45	50	131/00 131/00 134/00
FLOUR MILLS										
12,00,000	4,80,900	26,61,133	10,62,993	Bengal	12 24	7,30,069	1,68,614	45 40	25	34/25 34/25 38/62
5,60,000	6,51,040	2,47,038	2,17,808	Delhi P.	10 97	1,05,473	1,26,880	.. ..	10	14/00 14/00 14/00
49,90,137	47,18,433	77,72,310	56,85,368	Ganesh P.	9 175	33,61,767	4,07,338	12 12	121	16/00 16/00 24/00
9,00,000	4,38,798	4,52,302	24,041	Hooghly	12 236	6,269	—4,326	27 15	Nil	19/75 19/75 19/75
5,00,000	2,92,255	6,61,791	3,26,246	United	11 236	1,14,554	10,571	52 35	10	30/00 30/00 38/00
OIL COMPANIES										
£2,900,001	£2,383,591	£1,700,442	£507,508	Attock Oil	12 249	£1,073,511	£100,742	13 13	13	sh. 30/3 sh. 30/8 sh. 26/5
£82,419,080	£35,843,356	£12,750,000	£13,148,421	Burmah Oil P.	12 52	£18,446,093	£282,601	.. 9-2/5	..	sh. 45/9 sh. 44/10 sh. 31/3
1,00,00,000	58,10,926	2,56,15,353	3,11,18,359	Indo-Burmah Petroleum P.	12 249	5,00,220	5,00,220	25 30	25	24/87 24/87 27/50
6,00,000	2,79,005	9,89,137	6,10,241	Tide Water Oil	10 2	4,10,168	92,708	22 30	35	26/00 26/00 20/25
PAPER MILLS										
45,00,000	1,00,03,801	62,77,149	4,73,511	Bengal P.	12 436	41,43,085	1,40,204	32 32	27 10	32/44 32/31 ..
88,20,000	1,18,96,097	84,80,924	10,29,515	India Paper Pulp	3 2	23,47,414	49,493	10 15	13-12*	18/87 19/00 17/50
1,57,83,688	6,50,00,000	3,92,78,014	59,38,470	Orient Paper P.	8 22	1,41,20,011	2,25,579	15 22	22 10	36/50 36/70 41/85
1,25,51,920	4,31,23,657	1,49,74,473	71,97,660	Shree Gopal Paper P.	12 140	58,93,929	31,55,867	17 8/7 17-6/7	17-6/7	23/25 23/25 25/87
2,18,55,240	4,62,89,369	72,10,000	6,79,140	Sirpur P.	6 22	33,33,859	99,729	8 6	8 10	12/00 12/18 16/09
50,00,000	3,54,48,618	851,143	4,35,589	Star Paper P.	9 38	703,201	3,97,323	3 Nil	..	10/00 10/00 11/12
10,00,000A								10 10	13-13*	21PO 3/78 3/78 3/81
4,37,500PO								25 25	20-10*	10AO 20/40 20/44 35/75
68,00,000AO	4,96,82,144	3,30,31,629	21,85,452	Titaghar P.	3 106	—11,38,443	58,939	25 25	20-10*	10BO 20/40 20/44 35/75
56,04,800BO								Nil 6	7 100	160/50 160/50 193/00
1,50,00,000O	4,95,97,051	85,00,000	1,73,752	West Coast P.	6 373	58,44,198	17,196	.. ..	..	
PRESSING COMPANY										
4,30,000	1,81,531	1,45,000	5,34,786	Camperdown	7 326	66,294	24,928	11 11	11	100 100/00 100/00 101/00
REAL PROPERTY STORAGE										
10,00,000A										
1,25,000B										
2,00,000C	14,81,415	69,980	8,16,177	Bengal Bonded Warehouse	4-10 73	1,00,777	4,504	8 11	8-8*	A500 610/00 610/00 590/00
25,000D										B62 77/25 77/25 68/89
7,42,150	11,68,346	4,23,135	33,823	Calcutta Safe Deposit	3 6	81,259	3,142	.. ..	..	C100 122/00 122/00 67/00
1,00,00,780O	19,85,065	9,01,590	13,43,272	Humayan Properties P.	9 432	3,61,779	1,33,593	8 6	..	D12 14/75 14/75 12/14
2,00,000Dd								12 12	..	E00 7/25 7/25 7/25
7,99,00,000	13,373	Nil	13,17,919	Midnapore Zemindary P.	4 8	—85,757	—21,89,035	Nil Nil	Nil-Nil*	100 11/00 11/00 11/00
TRAMWAYS & STEAMER										
20,00,000	29,74,805	27,13,587	10,28,887	Bengal Assam Steamship P.	10 2	3,59,472	11,765	3 7	7 100	106/00 106/00 118/50
6,25,000	5,95,186	6,22,000	4,23,357	Calcutta Landing & Shipping	10 89	1,34,197	16,331	3 3	..	49/50 49/50 13/00
12,80,000	27,83,012	14,32,970	10,139	Calcutta Steam Navigation	6 393	—1,79,141	—71,119	10 10	Nil	8/87 8/87 12/37
2,70,000	£2,93,715	£1,580,682	£235,682	Calcutta Tramways P.	12 98	£108,509	£1,407	3 3	..	12/25 12/25 11/50
6,04,880	6,97,987	5,65,706	33,440	Fraser	3 139	1,35,098	—637	.. ..	..	10/00 10/00 10/00
£655,580	£1,970,808	£432,656	£419,913	India General Nav. Railway P.	3 431	—£20,928	—£24,854	Nil Nil	..	68/50 68/50 64/25
2,47,50,000	16,80,59,821	1,57,51,789	1,36,10,394	India Steamship P.	3 291	—41,42,005	—41,42,006	10 10	..	6/31 6/31 7/28
14,00,220	13,34,804	74,870	7,931	Port Shipping	12 ..	—62,391	—4,09,480	Nil Nil	Nil-Nil*	12/06 12/06 10/37

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ECONOMIC POLICY: BACK TO THE GOOD OLD DAYS

A STRANGE aura of unreality seemed to pervade the meeting of the standing committee of the National Development Council held in New Delhi last Friday. More than three months have passed since the Chinese launched their large-scale attack in N.E.F.A. and Ladakh. During this period, even more massive than the Chinese attack has been the torrent of words exhorting the people of this country to speed up their "defence mobilisation" and prepare for the switchover to "a war economy." Now, the top economic policy-making body has met, but no one has any clear idea of what the mobilisation and the switch-over imply. The National Development Council has meekly endorsed the generalisations concocted by the Government and the Planning Commission—generalisations which assert that the third plan must continue largely intact. Having warned the country repeatedly some time ago that a huge diversion of economic resources to defence purposes would be necessary, Mr. Nehru has now spoken in terms suggesting that India's defence build-up has been going on since time immemorial. "Some odd industries might have to be postponed, but nearly 85 percent of the developmental plans are part of the defence programme, and the remaining 15 percent are either indirectly connected with it or part of it." In other words, the economic motto for the future is to consist of strong exhortations to the people: produce more, consume less, save more, waste less, work more, talk less. But, as far as the Government and its planners are concerned, the prescription is "business as usual."

All this does not add up to a rational economic policy for a nation which is constantly being reminded that its territorial integrity is threatened. It represents only slogan-mongering of a type fashionable among political parties in the lush days of peace. The Government's dilemma, on the face of it, is understandable. On the one hand, it believes that the Chinese threat is a long-term one, which Mr. Nehru once thought meant five years but has now decided means an even longer period. On the other hand, the hope is growing that the threat will not erupt into fresh border warfare in the immediate future; thanks partly to the to-ing and fro-ing of the brokers from Colombo, a reluctant India might soon wend her tortuous way from chit-chats and preliminary talks, to non-preliminary talks and actual negotiations. The assumption seems to be that, if the best of India's political and military hopes are realised, no drastic re-ordering of third plan priorities will be necessary. Such are the tenuous premises on which the Planning Commission, the Government and the National Development Council appear to have been working.

The facts, however, point otherwise, and they do not cater to the country's convenience. The Finance Minister, Mr. Morarji Desai, has offered the estimate that, whether or not the fighting is resumed, the annual expenditure on defence will have to be doubled. The statement has been taken to imply that it will have to be raised by Rs. 375 crores or so to around Rs. 750 crores in the coming year. Not even by a herculean stretch of the imagination can it be pretended that the extra

Rs. 375 crores will somehow crystallise out of thin air. A small fraction of it could come from the National Defence Fund, and another small fraction from the defence savings schemes launched three months ago. The Government has no doubt decided that there is scope for heavier taxation; and perhaps also for other forms of public borrowing and for deficit financing. But there is nothing to suggest that all these sources combined, together with the once-famous "surpluses of public enterprises", will suddenly yield the huge sum the Government has announced as its defence requirements. Mr. Nehru has bravely suggested that the tax burden should be increased "till it hurts" ("it should hurt", "it will hurt", "it has hurt", "it must hurt"—so ran the profound variations in one report of his speech at the N.D.C. meeting). But even he must know that there are certain limits to taxation, as well as to borrowing and deficit financing, if the more essential projects for economic development are not to be wrecked. Those limits will decide the extent to which the third plan will have to be pruned—if the Government really intends to raise defence outlays as sharply as it says it will.

It is arguable that the pruning is not really necessary since the Government in any case would not know what to do with the extra Rs. 375 crores, assuming that it could get the money. The details of the defence build-up have to be based on an assessment of the politico-military probabilities, and New Delhi is entitled to one's sincerest sympathies if its assessment of the probabilities remains about as clear and stable as the waters of the Hooghly river. The whole purpose of the N.D.C. meeting, however, was to decide the economic adjustments that would be necessary for the purpose of strengthening the defence effort. Days before the meeting, inspired reports emanated from New Delhi emphasising the point that the adjustments in the plan for 1963-64 would be of far-reaching significance, since they would set the pattern for economic and military mobilisation even for the subsequent years. But now there emerges a formula which broadly prescribes the mixture as before. The Centre will give the States Rs. 50 crores less than it had originally intended. But the States will somehow raise approximately Rs. 60 crores or Rs. 70 crores more, fortified by the knowledge that the next general elections are a safe four years away. Greater importance will be given to agriculture, power, transport, mining and industries catering to essential defence and civilian requirements. But, apart from a few minor industries, everything else will be important too. Thus will the Government's economic policy move to a new version of Orwellian fantasia: "All economic aims are equal, but some are more or less equally equal to others."

There are, to be sure, other aspects also to the process which is nowadays rather flatteringly being described as "economic mobilisation for defence." Non-plan expenditure is not being cut, because those responsible for cutting it are too busy speechifying about the need to stop extravagance. Long lists are being compiled of indus-

tries considered capable of meeting military needs; in compiling the lists, special attention is being given to small-scale units whose technical competence and attention to quality is assumed to be famous enough to thrill those responsible for maintaining equipment standards in the army. There was a possibility once that the money allocated to the Education Ministry might be greatly reduced; but, in the nick of time, the discovery has been made that education is jolly important for defence, so funds must be provided for a continuing horde of unemployable B.A.s and M.A.s, along with a few more technically skilled hands. There was also a possibility once that the Ministry of Co-operation and Community Development would be given much less money to put down the drain; the possibility has now been largely avoided as the Ministry has pulled out of its hat some brand new schemes for promoting the defence effort by plastering the country with consumer co-operatives and "village defence labour banks." It seems the grand strategy for economic mobilisation now remains incomplete in only one aspect: the absence of windmills to harness energy from a tornado of speeches.

In the empire-building and horse-trading that is going on under pressure from individual minis-

BEING OILY ABOUT OIL

IN three months, the Central Ministry of Mines and Fuel has shifted its stand as many times to justify its reluctance to permit the Bombay refineries to expand their annual capacity from the present level of 6.25 million tons to about 10 million tons. The Ministry's first plea was that it should be allowed time to examine the proposals in all their various aspects; it urged the advocates of expansion not to "stampede" it into a decision. The stand was later altered, when the "heavy" and recurring foreign exchange liabilities arising from the repatriation of profits were offered as the reason for not allowing further expansion. Critics were quick to point out that the Ministry's sudden concern about the repatriation of profits ran counter to the Government's policy of inviting foreign capital to participate in economic development; and as long as foreign capital was invested in India, it was agreed that its owners were entitled to receive legitimate returns, especially since the liability on account of profit remittances had almost always been substantially less than the import-saving made possible by the investment. The Ministry's stand, therefore, has now changed again. The latest plea is that the economic marketing zone of the Bombay refineries will require no more than 6 million tons of oil by 1965-66; and there is no point, therefore, in allowing them to go up to 10 million tons. If anything so irrational is permitted, the Ministry adds, it would throw an intolerable strain on the railways. Asking critics to grasp "the basic fact" that transportation affects the economics of the petroleum industry deeply, Mr. K. D. Malaviya, Central Minister for Mines and Fuel, took the somewhat unusual step last week of sending a 1,500-word communication to the *Times* of India to educate it on the intricacies of the oil industry.

Instead of attempting such a remarkably shifty defence of his basically ideological approach to the whole question, it would have been much simpler if Mr. Malaviya had just said that expansion, whatever its merits, would not be permitted until all possibilities of creating new public-sector capacity had been exhausted. Fortunately, the Minister has not so far been able to persuade the other arbiters of the country's economic policies to take such an extreme position. While the case for developing public-sector refining is recognised as resting chiefly on the freedom of the State-owned units to use crude imported from any country, the Cabinet sub-committee has clearly been reluctant to reject the expansion proposals. It has doubtless taken into account the advice tendered to the Indian Government to reduce the pressure on its own resources by using foreign private capital, which is more readily available for oil than for any other industry, to the maximum extent possible. While giving this advice, the World Bank pointed out that the Government already possessed sufficient powers to ensure that the private oil companies took India's interests fully into account

tries and States, the need for a clear-cut plan is beginning to be forgotten. The Planning Commission and the Finance Ministry are reported to have prepared widely different estimates of the plan expenditure each of them considers possible during the coming year. The former does not have any direct responsibility for raising resources, so it takes the easy way out by supporting all sorts of schemes for which the money may ultimately never be found. The Finance Ministry, charged with the task of actually raising the money, is understandably more cautious, and probably also more realistic. There might have been a faint chance once that these two august organisations could, after discussion, evolve a definite order of priorities. But the possibility is now waning with the Prime Minister having announced that nearly everything is important—health, social services, education, scholarships and what-have-you. There is little hope, therefore, that the economic policy proposed for the period of the emergency will emerge with any clarity before the Central Budget is presented, if even then. By shirking its responsibilities with the help of vague generalisations, the National Development Council has shown itself to be lacking in the "sense of urgency" which the rest of the country is constantly being urged to maintain.

in determining their operating policies. Any hesitation on this score was, therefore, unwarranted, although the Bank sympathised with the basic idea underlying the Government's move to introduce greater competition in oil refining and distribution.

In the light of this recommendation, it is reasonable to urge that the private sector should be allowed, and even encouraged, to carry as much of the load as can be shifted to it. There will still remain a large residual responsibility for the public sector to shoulder, large enough to keep all the State organisations—the Oil and Natural Gas Commission, Oil India Ltd, Indian Refineries Ltd and the Indian Oil Company—fully occupied. The demand for oil is rising rapidly, and the estimates for 1965-66 have had to be revised upwards three times already. The draft outline of the third plan was formulated on the basis of a total annual demand of 9.9 million tons. Subsequently, the Oil Advisory Committee suggested 11.7 million tons as a more realistic figure, which it has now dropped in favour of the much higher estimate of 17.1 million tons, subject to further examination of the demand for furnace oil (now being investigated by a sub-committee). The present assumption is that demand will rise to 31 million tons by 1970 and to 54 million tons by 1975. Even if the country does not wish to concern itself just now with requirements so far ahead, it is clear that a vigorous rate of growth will be necessary. By 1966, 9 million tons of new refinery capacity will have to be created and commissioned, otherwise the shortage will have to be met by importing refined products. To import 1 million tons of products will cost Rs. 5 crores more than to bring in an equivalent quantity of crude. Looking further ahead, 2 million tons of new refining capacity will be needed in each year of the fourth plan.

Plainly, therefore, there is enough to keep the public sector busy even if the Bombay refineries are allowed to add 4 million tons to their capacity, of which 3 million tons would be completed by 1966, and another 1 million tons by 1969. They have already offered to scrap the existing refinery agreements and operate under ordinary industrial licences. As far as repatriation liabilities are concerned, the two companies have substantially met Mr. Malaviya's objections by offering equity participation to Indian shareholders gradually over several years so that capital repatriation on a large scale does not throw an unmanageable strain on India's balance of payments in any one year. They are also reported to have indicated their willingness to accept an agreed rate of return on capital, but profit margins have in any case been reduced by the cuts in oil prices enforced in several instalments over the past few years.

The only point on which the oil companies have declined to accept Mr. Malaviya's ideas is in their disinclination to use crude oil from communist countries. This is a matter with larger interna-

tional implications, where the policy adopted by the oil companies often reflects the decisions of their home Governments. Evidence supporting such a view is provided by the U.S. move to persuade Japan not to export steel tubes for the pipelines which Russia is laying to intensify its competition in the oil markets of western Europe. Since oil is of strategic importance, the issues involved in the East-West tussle are often political and military, on which the governments concerned obviously have very strong views. They are unlikely to change their views even though they may sympathise with India's need to obtain some part of her oil requirements on a rupee payment basis. But political questions apart, there are technical considerations also which seem to rule out Russian crude. One of the companies has constructed an interesting table showing the yield of various oil products—heavy and middle distillates and the light fractions—from crudes of different origin. Given the present design of its Bombay refinery Iranian crude is the one which yields a product mix closest to Indian market requirements. The company argues, therefore, that replacement with Russian crude will upset the balance and affect the throughput of the refinery.

In an obvious bid to close the issue, Mr. Malaviya announced early in the new year his plans for the expansion of the public-sector refineries to fill the gap between the present capacity of 8 million tons (7.25 million tons in the three private refineries and 750,000 tons at Nummati) and the 1966 demand of 17 million tons. The 1 million ton refinery which is being built with Russian aid in Barauni is to be expanded straight away to 3 million tons, and the same will be done with the other 2 million ton refinery which is to come up in Koyali, Gujarat. Another 1.5 million ton public-sector refinery is to be built at a still unspecified site in the South, to take the total State-owned capacity up to 9.75 million tons, including 1.25 million tons from Nummati after expansion.

Many have questioned the wisdom of embarking upon such enormous expansion even before the initial capacity has been stabilised (as in Nummati) or the construction completed (as in Barauni). In the case of Koyali, where the project report has yet to be approved, the decision to expand will mean starting all over again. But such doubt have failed to shake the Ministry's confidence. I talks of 2 million tons materialising from Barauni by September 1964 and the next 1 million tons 1 months thereafter; it promises the completion of Koyali by July-August 1965 and of its further expansion before the end of the third plan. On the south Indian refinery, it is positive that work of the (still to be chosen) site will start within 3 days of the signing of the agreement and will be completed in 2½ years. Keeping in mind the country's pressing needs, everyone will join in wishing the Ministry's various ventures all success. But anxiety will remain that, apart from being to fanciful, Mr. Malaviya has allowed himself a elbow-room at all to take care of likely setback: A more practical approach would have been to sanction any extra capacity that the expansion of the private refineries could provide.

SMALL INCREASE IN EXPORTS

SINCE India's foreign exchange reserves are extremely low, and huge quantities of imports are required to support development programme and the defence effort, the problems of export promotion have acquired fresh urgency. The Reserve Bank's foreign exchange reserves at down to Rs. 97 crores, and the import bill for April-November 1962 has exceeded the export earnings by about Rs. 232 crores. The third plan visualises that exports should fetch at least Rs. 3,700 crores over the five-year period. It assumes an average earning of Rs. 740 crores a year, with exports rising from Rs. 660 crores in the first year of the plan to Rs. 820 crores in the final year. But the trends hitherto are far from reassuring. Exports during April-November 1962 have risen to Rs. 451 crores, from Rs. 438 crore during the corresponding period of 1961. But it is probable that the modest improvement of Rs. 13 crores has been brought about mainly by the increased earnings from jute goods, and to a lesser

extent from tea. This suggests that, at least in the case of most other commodities, the export promotion measures introduced so far have been a failure. Exports to India's traditional markets in Asia and Africa during April-September 1962 have declined to Rs. 61 crores, from Rs. 72 crores in the corresponding period of 1961. This fall is attributed to the keen competition from Japan and China in south-east Asia, and from Pakistan and Ceylon in Africa. The restrictive import policy adopted by most of these countries due to their foreign exchange difficulties has been another handicap. India's exports to the European Common Market countries and the United States have also declined, the fall in each case being about Rs. 5 crores.

Against this background, it is disappointing that the Board of Trade, at its recent meeting in Madras, has addressed itself only to the superficial aspects of export promotion. It has recommended a detailed study of the economic assistance received by the Afro-Asian countries from various international agencies, so that the possibilities of promoting India's exports under the aid programmes may be explored. It has suggested the opening of offices by export promotion councils in the Afro-Asian countries to facilitate closer liaison with importers. Other suggestions are: (1) granting permission to export houses to open offices in foreign countries and offering a somewhat liberal allocation of foreign exchange for the purpose; and (2) extension by the Reserve Bank of its programme of establishing research and economic units to important centres in those countries. The Government has already set up five territorial directorates of foreign trade, with a director-general at the head to co-ordinate export efforts. But the benefits flowing from these measures will, at best, be marginal in nature, because they do not go to the root of the problem.

The basic handicap of Indian goods is that they are too expensive. They cannot compete in world

markets because production costs in India are too high. The uneconomic size of factories, high raw material and working costs, under-utilisation of installed capacity—these are some of the factors which push up the cost of production. In his speech at the inaugural meeting of the Regional Export Promotion Committee for Engineering, Chemical and Plastic Goods, Mr. Manubhai Shah stated that efforts should be made to reduce costs. While such gratuitous advice is always liberally offered, it would be better if the fiscal and labour policies of the Government supported it. As matters stand, a large element of costs is often beyond the control of the manufacturers, and it affects the marketability of their products.

No less important than price is quality. Indian products are not known abroad for their excellence. The Board of Trade has taken note of the benefits of quality control and pre-shipment inspection in the case of 19 export items, and has suggested their extension to engineering and chemical products, jute goods, cashewnuts, vegetable oils, de-oiled cakes and fish and fish products during 1963. This may be appropriate, but quality-consciousness has to be built into the production system. The impressive progress Japan has made in the export markets during the past few years is due in no small measure to the quality control methods she has adopted. More than 50 percent of her exports are inspected for quality before shipment and most of her products carry a quality control mark. If Indian goods are to make headway in world markets, a phased programme of quality control and pre-shipment inspection will have to be undertaken. It is good that the Government is moving in this direction. A Quality Control Inspection Bill is proposed, which will make the export of sub-standard goods a penal offence. Under this measure, the inspection of exportable goods is likely to be made the responsibility of the export promotion councils.

Current News and Comment

Two Weeks of Gold Control

The excitement which produced the mad rush for buying pure gold ornaments after the promulgation of the Gold Control Rules has subsided considerably. Women have not responded to the appeal made by the chairman of the Gold Control Board to desist from buying ornaments. The Finance Minister, Mr. Morarji Desai, had already made many such appeals before without any success. The buying has subsided mainly because the stocks of popular ornaments, such as "mangai sutras", bangles and necklaces, have been nearly exhausted. Some say that jewellers have removed the stocks from their shops in the hope of realising better prices in the not-too-distant future when pure gold ornaments may be very difficult to get. The brisk business in ornaments, according to a spokesman of the Gold Control Board, was expected; but it had been permitted "in the larger public interest" to minimise the inconvenience to the people. An interesting recent development is the emergence of two different rates for gold—official and unofficial—as in the case of watches which are being smuggled in large quantities. Unaccountable gold (which is another name for smuggled gold) is quoted around Rs. 95 for 10 grams, while the open market rate is around Rs. 110. Transactions, however, are still limited because of the disruption of trade after the enforcement of the Gold Control Rules. Prospects of reduced smuggling have pushed up the value of the Indian rupee in the unofficial exchange market from Rs. 18 to Rs. 16 for £1 sterling.

While the rush for buying ornaments has subsided, the confusion, which stems partly from the interpretation of the Gold Control Rules, still persists in the bullion trade. Speculators have fled the market, leaving bullion brokers alone to explore new avenues for their survival. Bullion dealers, jewellers, goldsmiths and the *jari* industry are all confronted with a new and difficult situation. Bombay last week was the venue of what could be appropriately described as an All-India

Bullion and Allied Traders Conference (such a conference was scheduled to meet on 3rd December, for discussing quite different problems) in the sense that representatives of as many as 45 gold and jewellery associations and allied trades and vocations from all over the country flocked to Bombay to confer with the Gold Control Board which held its first two-day session on 18th and 19th January. Not a few came to seek clarifications on the points raised by the Rules; some pleaded for an extension of the time limit for the sale of ornaments and others came to seek a modification of the gold policy itself by trying to convince the Board that 14-carat gold ornaments would spell ruin to the trade and encourage illegal traffic in the manufacture and sale of ornaments of higher purity. While the Board gave a sympathetic and patient hearing to the trade representatives, it left them in no doubt that the gold policy will be implemented with the "least harassment, but with firmness."

Addressing a Press conference last Saturday, the chairman of the Gold Control Board, Mr. G. B. Kotak, said that the Board had simply been engaged in collecting information and acquainting itself with the trade's problems. It has not yet taken any decisions on the various issues raised by the trade. The discussions at the conference indicated that the Board considers the 30 days allowed for the disposal of existing ornaments to be very reasonable, although it might not be unwilling to accord special treatment to deserving cases. But Mr. Kotak made it clear that the Board is after all only an advisory body where policy decisions are involved. Industrial users of gold will not be allowed to suffer for want of supplies, which, however, will have to be obtained from the free market. Data about the gold needed for industrial uses are being collected and partial relief has already been given by the Government. Mr. Kotak emphasised the need for the utmost co-operation in putting an end to smuggling and bringing down the price of gold. But many doubt whether the measures now taken by the Government will bring

about a substantial reduction in the demand for gold, without which its price is bound to rise, particularly if smuggling is checked.

Cloth Export Trends

Exports of mill-made cotton textiles from India during January to September 1962 totalled 338.54 million metres, against 405.07 million metres in the corresponding period of 1961. The U. K. continued to be India's chief customer, accounting for about 26.8 percent of the total offtake, followed by the Sudan (10 percent), Australia (5.8 percent), Kenya and Zanzibar (5.2 percent), Canada (4.4 percent) and the U.S.A. (4.3 percent). Of the total exports, 56.5 percent was in grey unbleached form and 18.8 percent was white bleached cloth. The corresponding figures for 1961 were 58 percent and 19.1 percent. Exports of "printed" and "woven coloured" varieties showed a modest increase in absolute terms. This is significant in the face of substantial decline in the total volume of exports. About 95 percent of the cloth purchased by the U.K. and the U.S.A. was in grey unbleached form. Of the 36 countries accounting for about 92 percent of the total offtake, only eight countries, namely, the U.S.A., Canada, Australia, Ceylon, British West Indies, Norway, Sweden and Denmark, took more cloth in January-September 1962 than in the corresponding period of 1961.

The increase was particularly marked in the case of the U.S.A. which lifted 14.5 million metres, against only 3.6 million metres in the previous year. Exports to Canada rose from 12.2 million metres to 15.1 million metres. Notable declines were registered in the case of Kenya and Zanzibar (from 27.1 million metres to 17.6 million metres), Nigeria (10.2 million metres to 1.6 million metres), Sudan (39.4 million metres to 33.3 million metres), Tanganyika (15.9 million metres to 13.2 million metres), Morocco (1.9 million metres to nil), Burma (8.3 million metres to 4.4 million metres), Singapore (10.2 million metres to 7.1 million metres), Thailand (2.5 million metres to 900,000 metres), West Germany (2.1 million metres to 900,000 million metres), Belgium (3.3 million metres to 1.8 million metres), and Netherlands (3.4 million metres to 500,000 metres). Mention might also be made here of the most disturbing feature of cotton textile exports following the introduction of the compulsory export scheme. This is the heavy decline in prices realised from the sale of mill-made cloth. In November 1962, India exported 49.7 million metres of mill-made cloth valued at Rs. 38,300,000 which gives an average price of 77nP a metre, compared with 91.1nP a metre in November 1961 when the export of 39.4 million metres fetched Rs. 35,900,000. Handloom fabrics, however, have been realising substantially higher prices, the average price for November being Rs. 2.45 a metre, against Rs. 1.95 a metre a year ago. Exports of handloom fabrics in November last amounted to 2.2 million metres valued at Rs. 5,400,000, compared with 2 million metres valued at Rs. 3,900,000 in November 1961.

Oilseeds Prices Fall

Oilseeds prices have suffered a heavy decline over the past few weeks. Groundnut futures (April contract), which were quoted around Rs. 220 for 250 kilograms by about the middle of December, were marked down to Rs. 197 on 17 January. The maturing January contract was quoted nominally about Rs. 8 lower. During the same period, castorseed March have come down from Rs. 167.50

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to Rs. 154, cottonseed April from Rs. 98 to Rs. 87 for 250 kilograms and linseed March from Rs. 38.12 to Rs. 32.75 for 50 kilograms. All the oilseeds are now quoted lower than the lowest levels recorded by them in 1962 which were Rs. 200.50 for groundnut, Rs. 155 for castor, Rs. 90.50 for cottonseed and Rs. 35.75 for linseed. The pronounced weakness in oilseeds is not due to the abundance of supplies; it is due primarily to a marked change in the general market psychology. No doubt, the supply position is better than in the previous season, but even the most generous trade estimates do not place the total production of five major oilseeds at more than 6,950,000 tons, compared with 6,825,000 tons in 1961-62, which were made up of 4,682,000 tons of groundnut, 1,285,000 tons of rapeseed and mustardseed, 391,000 tons of linseed, 366,000 tons of sesamum and 101,000 tons of castorseed. Production of all oilseeds, excepting groundnut, is expected to be slightly better this season. Of course, the third plan target of 9,820,000 tons is almost impossible to achieve, although it is thought to be the minimum that the country will need to satisfy its internal requirements at reasonable prices and also have a moderate surplus for export.

While the supply position is only slightly better, there has come about a marked change in the market psychology mainly because of the continued political uncertainty, growing monetary stringency and firm Government attitude towards holding the price line. Bulls appear to have turned bears. Growers seem anxious to market their produce and merchants are in no mood to build large stocks. Marketable supplies have, therefore, increased appreciably. The ban on futures trading in bullion and stock markets and a few other markets has turned speculators' attention to oilseeds and cotton markets where speculation has assumed large proportions. The relative movements in groundnut, groundnut oil and extractions suggest that bear speculators have perhaps been overdoing things. Groundnut futures have fallen more steeply than oil and groundnut extractions have continued to hold remarkably steady. Groundnut prices have been marked down in spite of the encouraging export business in groundnut H.P.S. oil and extractions. Most shippers expect exports of groundnut extractions and groundnut H.P.S. to set new records in 1963. The outlook for oil also is considered far better than in 1962. The mood of the market being what it is, it is difficult to say how long the current downward trend in prices will continue, but since the decline is due more to a change in market psychology than to improved supply position, the market could take a turn at any time.

Emergency Insurance Criticised

Trade and industry have expressed some misgivings about the nature and usefulness of the Emergency Goods and Factories Insurance Acts, 1962. During the Chinese aggression, trading interests in Assam had asked for emergency risk insurance facilities similar to those in force during the second World War. In accordance with this demand and in the light of conditions then obtaining, the Bills were enacted by Parliament for insuring property against damage by enemy action during the period of the emergency. The Indian Acts, it should be noted, provide for cover, not against war risks but only emergency risks since India is not officially at war with China. The Acts, namely, the Emergency Factories Insurance Act and the Goods Insurance Act, will remain in force during the period of the emergency proclaimed in October, 1962 or for such periods as may be, notified in the official Gazette.

Following the withdrawal of the Chinese and the recent political discussions initiated by the Afro-Asian countries for a settlement, certain sections of trade and industry are beginning to doubt whether emergency risks do exist, and if so, in what form. Emergency risks have been defined in the Acts as action taken by an enemy or action taken in combating an enemy or in repelling an attack by an enemy, etcetera. A close study shows that the risks arise primarily from action taken by an enemy or action taken in combating an enemy, including precautionary or preparatory measures involving risks to property. The risks also include what is commonly known as the "scorched earth policy." Because of the cease-fire,

some believe that the danger and risk of enemy action have receded. Under the circumstances, trade and industry doubt the need for and usefulness of the Emergency Risks Insurance Acts now in force. Since premium rates are heavy, they are a burden on trade and industry. There is scope for reconsidering the applicability of the Acts. It has also been suggested in some quarters that in the absence of apparent enemy action, the premiums amount to additional taxation.

The Government of India's policy to make Oriental the sole agent for the issue of policies has also been criticised. A vast amount of insurance business will have to be transacted before 31st January, 1963. It has been pointed out to the Government that to obtain the necessary services from a single company will inevitably lead to complications. It would have been better to decentralise the issue of policies instead of entrusting it to one single company. There has been an almost unanimous demand from insurers for the decentralisation of emergency risks insurance, so that the other general insurance companies can also be made agents for the issue of policies. This demand has, however, met with strong resistance from the Government. The fact that official patronage has gone to a public-sector insurance company, invests the Government's move with more than ordinary significance.

Scrap Export Outlook

Exports of ferrous scrap in 1962 fell to a mere 140,000 tons, against 375,000 tons in 1961 and 325,000 tons in 1960. The sharp decline of about 62 per cent provides an odd contrast to the country's drive for boosting foreign exchange earnings. And surprising as it might appear, unlike most other commodities, the disappointing performance is not due to the lack of an exportable surplus. The supply of scrap far exceeds domestic consumption. Ferrous scrap utilisation in 1962—exports plus internal consumption—has been placed at only 285,000 tons, against an estimated scrap arising of 1.5 million tons. The trade attributes the steep fall in exports to the Government's unimaginative export restrictions and inadequate incentives, although lower overseas prices and slackness in demand also contributed.

The trade believes that given the necessary incentives, the drop in export prices would not prove a serious obstacle. During 1962, while the average foreign price of the exportable varieties of scrap was around £10 a ton, against £16 in 1961, the average domestic price was also substantially lower at Rs. 65, against Rs. 110 a ton. The trade argues that there is no reason why free exports of scrap should not be permitted in view of the fact that the annual surplus exceeds the domestic consumption by about ten times. The trade contends that in the light of the steep decline in exports, at least some liberalisation should have been introduced, permitting shipment of No. 1 bundles and some quantity of heavy melting scrap as that would have aided the marketability of the inferior grades. The import of finished steel against exports of scrap is the only incentive for scrap export, but the lack of liberal terms has stood in the way of barter exports reaching the required level in 1962. The trade and industry had a dull time in 1962 and the outlook for 1963 is not considered bright. On the one hand, domestic demand for scrap is not likely to exceed 150,000 tons. On the other, the prospects for exports are in no way encouraging. Foreign prices remain depressed and export restrictions here continue to cripple activity. There are no substantial export incentives either.

Progress of Colombo Plan

The eleventh annual report of the Colombo Plan Consultative Committee has focussed attention on the progress of economic development in the countries of south and south-east Asia. The external assistance given to countries of this region from 1950, when the Colombo Plan was initiated, to mid-1962 has amounted to about \$12,000 million. In 1961-62 the assistance totalled \$1,815 million. The contributions came mostly from the six member countries outside the region—Australia, Britain,

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Canada, Japan, New Zealand and the United States.

A noteworthy feature of Colombo Plan aid during 1961-62 is the continued increase in resources provided for development. It has been estimated that in 1960-61, the Governments of the 15 countries of the region have spent the equivalent of \$4,400 million on development, and in 1961-62 the equivalent of \$5,400 million. Development expenditure of \$6,700 million is proposed for 1962-63. In most countries a substantial proportion of the development expenditure was devoted to education and health programmes. Among Asian members, India has been the largest donor of technical aid to other member-countries, the number of technical scholarships and training opportunities offered by her totalling about 2,000 up to mid-1962.

If there is one thing which the annual report underlines heavily, it is the danger of indiscriminate expansion of population in the region. The very rapid rise in population has made the task of economic development more difficult. Considerable economic progress has no doubt been made, but it has been progress on a treadmill. Consequently, "there is fully as much scope in the future as there was in the past decade for member-countries to help one another forward in the field of economic development." To make any serious impact on poverty in south and south-east Asia, family planning measures should get first place. The large volume of technical and economic aid channelled into the region will be of little avail if population control is not adopted as a matter of State policy in these countries.

Discussing the tasks ahead, the report says the Colombo Plan was recently extended up to 1966 because its value had been proved, and the question of further extension will be considered at the 1964 meeting of the Consultative Committee. "The Colombo Plan can help each member-nation to help itself through education, through the exchange of information and experience, through the power of constructive example and by assisting it to know and understand more about the entire area". It can also provide the basis for new patterns in regional co-operation.

FOREIGN CAPITAL

WE understand that Lord Curzon was in a particularly happy vein at the lunch given to him at Jherriah last week, and that his hosts were cheered by his courtesy and affability. In the course of conversation with a Calcutta Commercial man, His Excellency expressed his surprise that capital did not more freely come to India for investment in undertakings which appeared to pay a safe seven or eight per cent, and he enquired of the gentleman in question if he could give him a reason for this. The reply was that so long as people at home did not thoroughly believe in the stability of the 16 penny rupee, there would always be an impediment to the free influx of capital into India. There is a good deal of weight in the answer. Capitalists at home are by no means satisfied of the ability of the Government of India to maintain the rupee at 1s. 4d. and when they observe that the Government themselves hesitate to guarantee the payment of interest on their loans at this fixed exchange, their doubt of the ultimate value of the rupee becomes intensified. But there are other reasons why money does not flow into India, apart from this want of confidence in the gold value of the rupee. People at home are constantly receiving reports of the famine and poverty in India; and on occasions they have been asked for financial help to which they have liberally responded. It is difficult to believe that a country which is in such a poverty stricken state can afford a safe field for capitalists to embark their money in. This is another reason. Then again, it may be asked what help has the Government of India afforded to the industries which are already in our midst. The laws that have so far been enacted have been of a repressive not of an encouraging kind. The Tea industry, when things were at their worst, was selected for adverse legislation, which caused considerable excitement and feeling among those whom it affected. The Cotton mills which are doing almost as badly have had an excise duty imposed on their manufactures. Can Lord Curzon point to any other country where legislation has been carried out with the apparent aim and object of stifling its nascent industries? In any other country such a procedure would lead to a revolution.

FROM

CAPITAL
29th January, 1903

CAPITAL, 24th January, 1963.

A Ditcher's Diary

THE WORD "CLARIFICATION" HAS OF LATE BEEN VERY much in use; and I am not surprised that much confusion prevails in consequence. First the Chinese cease-fire proposals had to be "clarified". Then Mr. Nehru's sundry statements on civil defence. Finally, the Colombo proposals. At the moment of my writing, Parliament is discussing—or perhaps considering—the proposals about 900 miles away; and if I took all the speculative reports literally about which way Parliament might decide—although it has not been asked to decide, contrary to an earlier decision—I can come to only two firm conclusions. One, Parliament will reject the proposals. Two, Parliament will accept them. The trouble is that the two conclusions are mutually exclusive and Parliament cannot do both. Or, can't it? I won't be surprised if Parliament does precisely that; come to think of it, India has done just that with the Chinese cease-fire. Why, then, not with the Colombo proposals? There is one snag; and I shall put it as clearly as I can: India has not all that freedom of inaction. (I am rather pleased with the epigram.) With Parliament in session, the political content of India's eventual decision is bound to be considerable. Neither Parliament nor the country should, however, forget that military considerations must be decisive; and on these factors neither Parliament nor the country can be told everything. Parliament and the people may well feel that with the border question left so long as a private preserve of Messrs Nehru and Menon, the country has reached its present predicament and now the people and their elected representatives must take a hand. I do not agree. I thought it was a mistake initially to think of referring the Colombo proposals to Parliament. The most charitable interpretation of that could be that India was buying time or that steam let off in Parliament would impress the Chinese. I rather think that the Government suffered a temporary loss of nerve and surrendered its primary right to take decisions. Parliament's sovereign right to dismiss the Government if it has gone wrong, of course, remains. Going back to "clarification", it is never necessary to "clarify" anything if in the first instance you thought clearly and spoke carefully. Many didn't, either; hence the spate of clarifications that mystify.

THE SUDDEN DEATH OF HUGH GAITSKELL AT THE relatively young age of 56 deprives British politics of a leader of outstanding calibre, one who might well have been at the helm of Britain's

next Government. For the Labour Party, his passing at this juncture is a major calamity; theoreticians and demagogues abound, but of statesmen it has no surfeit. It is indeed one of the strange quirks of history that just at a time when Labour was making a new impact on the electorate—its recent victories in by-elections and local elections have been almost startling—it should stand bereft of Mr. Gaitskell's stewardship. I did not count myself among the warmest supporters of the Labour leader's political beliefs; but his wisdom, persuasive powers and strength of mind could not fail to evoke the admiration of those who followed his career, especially in its later years. Mr. Gaitskell combined political shrewdness with deep scholarship and a certain balance of judgment; he did more than anyone else to bring the wild men of the Labour Left closer to the paths of reason and sanity. It is arguable that on some of the major issues of the time, such as Britain's joining the European Common Market, he displayed remarkable agility in jumping on and off fences. But politics is the art of the possible; and the serious disarray in the ranks of Labour after the last general election required of the leadership a certain nimbleness of foot as well as of mind. To what extent these qualities served their purpose in Mr. Gaitskell's case, we all know; he worked untiringly to put together the jigsaw of Labour's political thinking into a shape that would be more easily recognisable. He fought the old shibboleths of nationalisation with a courage many of his colleagues could not muster; it could even be said that he gave British socialism a new meaning which it desperately needed with the advent of the welfare State. In him, Britain has lost a great leader; India, an old friend.

A COLLEAGUE RECENTLY RETURNED FROM NEW Delhi; and, thinking of nothing in particular and expecting no very informative reply, I asked what it was like in the capital. He twitched his lips, removed the Sherlock Holmes pipe from his mouth and said: "Well, the capital of a country at peace, with few problems to worry about". My first reaction was to reach for the telephone—for I am not E. M. Forster—and hand my friend over to the police, for this, surely, was the most blatant disregard of the Defence of India Rules. I told him so; and his withers were unwrung; he said, "Forget it, chum; I am not spreading alarm and don't you see?" Not long afterwards, I saw. The State Chief Ministers had met in New Delhi

to discuss Prohibition and decided to meet again to discuss Prohibition. The public relations committee of the National Defence Council had met in New Delhi and decided that, at the end of each day's programmes, All India Radio would play the National Anthem. In Calcutta, the Minister of Health had died; may his soul rest in peace. But was it absolutely essential to declare a two-day State mourning, which means doing less work in Government offices, when many *jawns* had died for which we were all being exhorted to work harder? Is it seriously suggested that the decision to play the National Anthem could not have been taken by a programme assistant? On Prohibition, there has been so much talk and cross-talk that I am beginning to wonder whether drink or the Chinese threat is the greater danger. I am well aware that in democracies every war has its phoney phase, a time during which everyone talks of doing something and no one knows what. But Mrs. Vijayalakshmi Pandit and Mrs. Indira Gandhi, among others, have already started deploring a noticeable slackening of effort; and I think they are right. There is a great deal to be said for not working up a war hysteria—although, in its foolish way, A.I.R. is trying hard—but that is a very different thing from behaving as though everything is the same again.

TALKING OF PROHIBITION, I CANNOT SAY THAT I am greatly surprised about the discussions in New Delhi having dissolved in a new variety of mumbo-jumbo. It seems nobody at the conference had the courage to admit that the policy as such has been a total failure, although some Chief Ministers claimed that the general election being far away, and the need for resources more urgent than ever before, there was at least a case for "rationalising" Prohibition. By agreeing to postpone the discussions on the issue to a future, unspecified occasion, the Chief Ministers have, in my view, been guilty of extraordinary timidity. Busybodies like Mr. Shriram Narayan are entitled to their estimates that Prohibition has not affected Government revenues much; it has meant a loss of "only" about Rs. 50 crores a year. But it surprises one that sums of this order can be dismissed so light-heartedly. Mr. Morarji Desai cannot have forgotten that the last two Central Budgets he presented were aimed at raising almost that much extra each year, so the argument could be reversed to imply that if we abolished Prohibition, we could do without Mr. Desai's whims as well as his Budgets. The taxes imposed by all the State Governments taken together, if I remember, have been even less. The specious claim has been made by Madras and Gujarat that, since they went "dry", the revenue from sales and entertainment taxes has improved. But are there many States where the revenue from these levies has not improved? I am prepared to concede that if people spend less on alco-



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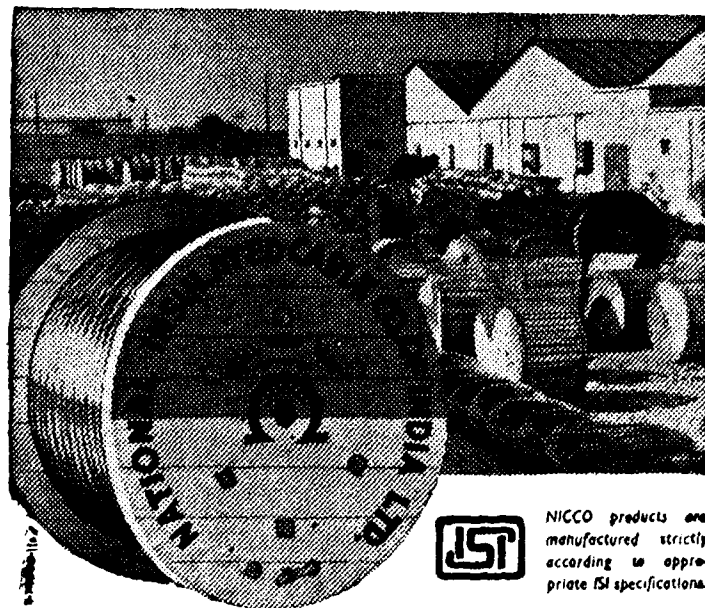
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holie drinks because of Prohibition, they will tend to spend more on other things, which includes anything from shirts (taxed) to prostitution (untaxed). But the point is, do people really spend less? The general impression is that they buy slightly less liquor at much higher prices, so they often actually spend more. The extra goes to bootleggers, whose usefulness at election time nobody will under-estimate. Does not the case for Prohibition, then, really rest on the ground that it is useful primarily as a fiscal weapon in the armoury of certain political Parties?

WHAT DO GENERAL DE GAULLE AND DR. ADENAUER think they are doing with Europe? It is no part of my business to reply to the former's elegant yet crushing rebuff to Britain. Britain is well able to look after herself; and in the art of administering urbane insults Mr. Macmillan is not a poor second by any means. What worries me is that two very old men have talked themselves into believing that fashioning Europe according to their illusions of grandeur is child's play. Nobody would mind if France and West Germany came closer; they have been at each other's throat long enough. What makes a Paris-Bonn axis a potentially dangerous affair is that General de Gaulle and Chancellor Adenauer think so much in terms of military power. Already there is more co-operation in military training and research between France and Germany than the world knows; and with France continuing with her nuclear effort this co-operation acquires a new and menacing edge. If President de Gaulle is not stopped in time, what is there to prevent him from sharing France's nuclear knowledge and weapons with Germany? An overwhelmingly strong power on the Continent has too often in history plunged that part of the world, and not that part alone, into war; and when two combine with similar visions before them, the threat is not smaller. After Cuba, many think, war has ceased to be a practical proposition. China does not think so; nor may General de Gaulle and Dr. Adenauer. The latter probably thinks that, with the U.S.A. and the Soviet Union locked in a nuclear embrace, in which neither can move beyond a certain point, now is the time for western Europe to acquire sufficient military might to talk to the Russians and the Americans as an equal. This is not a pipe-dream; it could come about, constituting a real danger, although it is fashionable to dismiss it as British insular thinking. But, as I said, General de Gaulle and Dr. Adenauer are getting on; the latter will soon get off too. And that will be the end of their vision of Great Europe. Alas, not before both France and Germany have wasted millions and millions of francs and marks on their own Blue Streaks and Skybolts! These national status symbols—steel mills and international airlines for the under-developed and nuclear weapons for the non-hungry—are becoming rather expensive for both.

A MERCHANT LAY DYING. HE HAD BEEN AN extraordinary father, generous to a fault, denying himself almost everything for the benefit of his sons. The sons, three of them, stood at his bedside quietly discussing the forthcoming funeral arrangements.

"Father has always spoiled us," said the eldest. "Now it's up to us to do what little we can to repay his kindness by giving him a wonderful send-off."

"Indeed," said the next son, "Father has been splendid but he is also a man of simple tastes. I think a medium-class funeral would please him better."

"Simple tastes!" echoed the third. "He lived like a monk. In fact, I am certain that anything other than a very austere funeral would only embarrass him..."

At this point the father, who still held on to a few last shreds of consciousness, held up a hand of protest:

"Come, come, my sons. You really mustn't put yourself to all this trouble on my account—I'll walk!"

THE DITCHER

CAPITAL, 24th January, 1963

Guide for Investors

PLANTATION SHARES RISE ON BUDGET HOPES

(BY A CORRESPONDENT IN MADRAS)

THE post-Pongal trading in Madras has commenced with greater freedom for equity shares, as the minimum prices which were fixed in November last, were lifted with effect from 15th January, 1963. The immediate reaction to this measure has been a downward adjustment in the prices of the more active shares. While there is some absorption at lower levels, the market has failed to indicate that prices have stabilised. On the contrary, the general tone of equity shares suggests the presence of instability and scope for a further downward adjustment. Operators, meanwhile, are watching the price movements, before making commitments even in good investment scrip.

In view of the uncertain price behaviour, the firm trend in selected plantation shares is significant. Coffee and tea shares are in a better form, and there is some investment buying. In contrast to the generally bearish expectations about the forthcoming Central Budget, the plantation investor is inclined to be optimistic. Being a large earner of foreign exchange, the plantation industry, it is expected, will be stimulated by concessions rather than retarded by fresh burdens affecting production and export.

Coffee shares on the Madras Stock Exchange are showing sustained steadiness. The post-Pongal week has witnessed a further rise in some of these shares. Such shares as Oucherlony, no doubt, suffer from the lack of floating stock. Nevertheless, interest in this scrip as in some other plantation shares has revived. The improvement in Consolidated Coffee is attributed to slow acquisition by genuine investors, in view of better crops and improved prospects. The world demand for coffee is rising. This has naturally led to the expectation of better demand for Indian coffee in the world market. In the context of an estimate of 53,035 tonnes for 1962-63, the use of the full export quota is likely to lead to a shortage in the internal market. Evidently, the outlook for some of the plantation crops, particularly coffee, is not considered as gloomy as in the past. But, in view of the defence-cum-development Budget for 1963-64, which is bound to initiate certain bold measures, an assessment of the prospects for individual industries should be properly related to the overall economic situation.

National-Standard Duncan Share Offer

NATIONAL-STANDARD Duncan Ltd has been promoted by the joint collaboration of the National Standard Company of the U.S.A. and Duncan Brothers and Co. Ltd of Calcutta. The new Company proposes to build a factory near Bombay for producing bead wire. Land for the factory has been acquired. The National Standard Company of the U.S.A. has a worldwide reputation for the manufacture of bead wire. The new Company is expected to do well since the American Company will be its technical collaborator. The latter will also participate in the share capital of the Indian Company. Prospects for National-Standard Duncan are considered en-

couraging, since the development of the motor-car industry will result in an increased demand for bead wire which is now entirely imported. National-Standard Duncan will enjoy the usual tax benefits which are allowed to new industrial undertakings.

The Company is offering 49,992 ordinary shares of Rs. 100 each for subscription at par. Out of this, National Standard of the U.S.A. will subscribe for 25,000 shares and Duncan Brothers will acquire 12,742 shares. The remaining 12,250 shares are being offered for public subscription. The list opens next Monday. (Fuller details of the offer are printed on a later page in this issue of Capital). The cost of the project has been estimated at Rs. 1 crore. The foreign exchange has been arranged partly by the share subscription of the National Standard of the U.S.A. and partly by a loan from the Industrial Credit and Invest-

ment Corporation of India. The latter loan is being negotiated. Applications must be made for a minimum of ten shares or multiples of ten. A sum of Rs. 50 a share must be paid on application. In view of the good prospects for the Company, the issue is expected to meet with a warm response.

Ashok Leyland Repeats Dividend

ASHOK Leyland Ltd has produced satisfactory results for the year ended September 1962 in spite of many difficulties. The taxable ordinary dividend of 8 percent has been repeated. Addressing the annual general meeting of the Company in Ennore (Madras) last week, Sir A. Ramaswami Mudaliar, chairman, outlined the progress of the expansion schemes (the full text of the speech

is printed on a later page in this issue of Capital). The Company has undertaken to produce 6,000 Comets and 12,000 heavy duty engines a year. The chairman takes an optimistic view of the prospects. Apart from defence requirements, the demand for heavy vehicles is expected to increase since the transport of heavy loads and mineral ores by road will rise. There will also be an increase in the demand for industrial engines. During 1963, the Company hopes to produce 3,600 Comets and an equal number of engines.

Referring to the difficulties of motor-vehicle producers, Sir Ramaswami says that not only have the allocations of foreign exchange been inadequate, but they have also not been given in time. The Company has, therefore, been making vigorous efforts to increase the manufacture of indigenous components as quickly as possible. Steps have also been taken to locate Indian sources of supply for ancillary materials which are not normally produced by automobile manufacturers. The Company will start producing some ancillaries in its own factory. Ennore Foundries Ltd, in which Ashok Leyland owns 25 percent of the share capital, has made satisfactory progress. Most of Ashok Leyland's requirements of iron and aluminium castings are met by this Company. The foundry is now able to meet not only the re-

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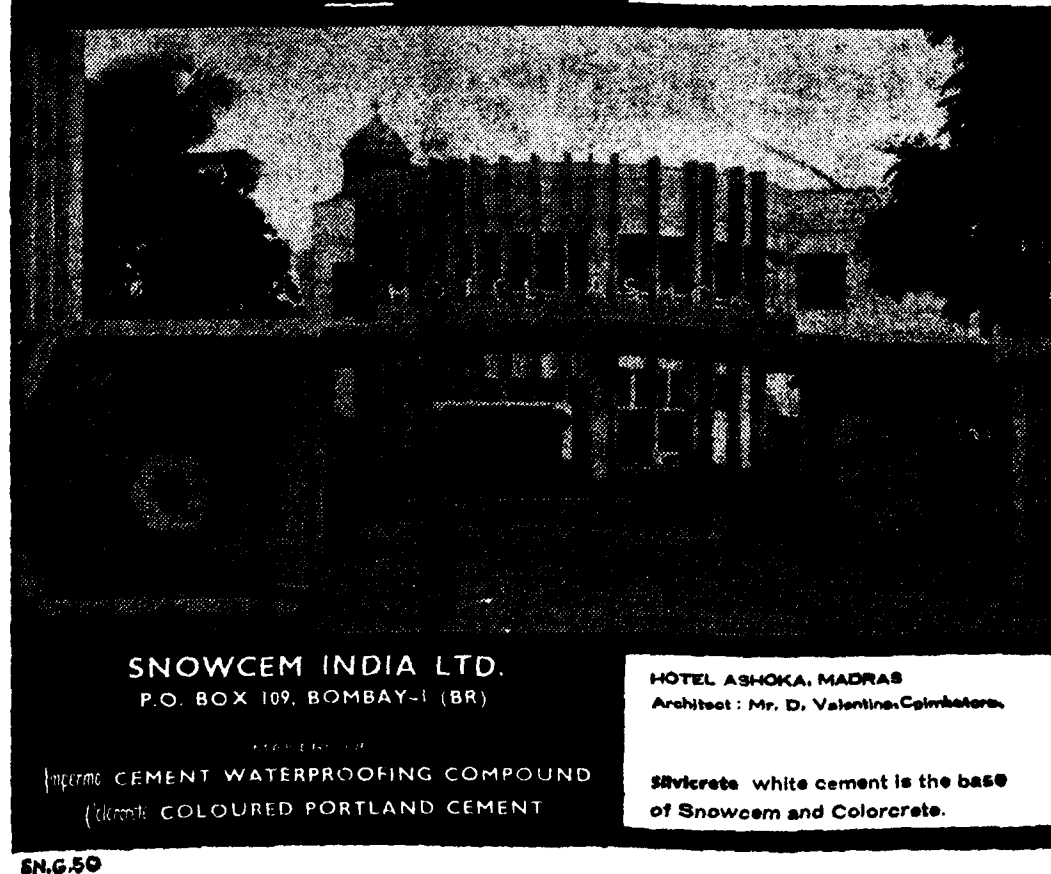
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quirements of Ashok Leyland but also of other manufacturers.

Associated Battery Shows Better Results

THE Associated Battery Makers (Eastern) Ltd has produced satisfactory results for the year ended August 1962. The prospects during the current year have been assessed with cautious optimism. Although the Company has been doing well, the impact of the increased taxation and higher prices of raw materials should be noted. The Company has been asked to make special batteries during the present emergency; the effects of such production need to be carefully assessed. Sales improved from Rs. 2.18 crores in 1960-61 to Rs. 2.28 crores in 1961-62. The demand for storage batteries and components continues strong. The Company has received substantial orders for equipment from vehicle manufacturers and various types of internal combustion power equipment have met with good demand. The demand for industrial batteries for handling materials in factories, docks and other establishments, has increased.

Substantial orders from the Indian railways have been received. Stationary batteries for telecommunications, power stations, railway electrification, railway signalling, telephone exchanges and emergency lighting have been in good demand. Efforts are being made to increase the export of the Company's products. The modernisation programme of the factory has progressed, including the installation of improved plant. Various economies have been effected both in the manufacture and in the use of raw materials. The directors hope that the benefits of these measures will be increasingly felt in the future. The Company has started producing polystyrene battery containers for various requirements. The directors have refer-

red to the difficulties in obtaining raw materials. It is to be hoped that in view of the important services the Company has been rendering to transport and communications, steps will be taken to ensure adequate supply of raw materials to it.

The profit has improved from Rs. 45.57 lakhs to Rs. 50.78 lakhs, after increasing depreciation from Rs. 7.47 lakhs to Rs. 10.05 lakhs. A taxable ordinary dividend of 15 percent has been repeated, which is covered more than two-and-a-half times and offers a yield of 5.3 percent at the present price of Rs. 28.25 a share of Rs. 10 each. Taxation absorbs Rs. 29.10 lakhs (against Rs. 21.58 lakhs), fixed assets replacement Rs. 3.55 lakhs (against Rs. 3.99 lakhs), development rebate Rs. 1.36 lakhs (against Rs. 69,967) and capital reserve Rs. 1.64 lakhs. The carry-forward is Rs. 7.18 lakhs, against Rs. 8.24 lakhs brought in. The share capital is Rs. 1.18 crores divided into ordinary shares of Rs. 10 each. Reserves and surpluses are more than Rs. 1 crore.

Bhopal Sugar Cuts Dividend

THE Bhopal Sugar Industries Ltd has effected a drastic cut in the dividend for the year ended September 1962, from 15 percent to only 3 percent. Even the reduced dividend is being paid by drawing on the reserves. The preliminary results show a heavy decline in the gross profit from Rs. 7.42 lakhs to Rs. 3.50 lakhs. No provision has been made for taxation, against Rs. 1.25 lakhs in the previous year. The allocation to depreciation has been reduced from Rs. 2.71 lakhs to Rs. 2.48 lakhs and that for development rebate from Rs. 89,000 to Rs. 63,000. The directors have transferred Rs. 1 lakh from reserves to provide for the proposed dividend. The ordinary dividend absorbs Rs. 52,000, against Rs. 2,62 lakhs. The preference dividend takes Rs. 79,125, leaving Rs. 3,226 to be

carried forward, against Rs. 1,725 brought in. The Rs. 10-paid share of Bhopal Sugar is currently quoted around Rs. 20.

Central Bank Pays the Same

THE directors of the Central Bank of India Ltd have maintained the final dividend for 1962 at Rs. 2.60 a share, less tax. This brings the total distribution for the year to Rs. 5 a share, less tax—the same as in 1961. The preliminary figures, which are subject to audit, show a modest setback in the profit, after providing for taxation, from Rs. 1.83 crores to Rs. 1.80 crores. Considering that the bank has had to absorb an additional burden of about Rs. 68 lakhs on establishment charges alone and it had to provide Rs. 11 lakhs for the deposit insurance scheme, its working results for 1962 should be considered satisfactory.

Deposits are said to have recorded an increase of about Rs. 14 crores to Rs. 233 crores and new branches opened during the year amounted to 19, bringing the total to 360. The rate of interest on savings bank deposits was raised during the year by 1 percent to 3 percent. With Rs. 23.37 lakhs brought forward from the previous year, the disposable surplus amounts to Rs. 2.03 crores, against Rs. 2.01 crores. The allocation to the reserve fund has been reduced from Rs. 45 lakhs to Rs. 38.71 lakhs but provision for bonus to staff has been raised from Rs. 60 lakhs to Rs. 65 lakhs and the staff gratuity fund also gets more—Rs. 10.44 lakhs, against Rs. 10 lakhs. The interim dividend absorbed Rs. 30.24 lakhs and the final dividend accounts for Rs. 32.76 lakhs, leaving Rs. 26.17 lakhs to be carried forward. The Rs. 25-paid share of the bank is currently quoted around Rs. 58 cum-dividend, offering a gross return of about 9 percent on fresh investment.

C. D. F. C. Loan for Indian Cable

THE Commonwealth Development Finance Co. Ltd and the Industrial Credit and Investment Corporation of India Ltd will subscribe £262,500 each to the Indian Cable Company Ltd, of Jamshedpur, in which British Insulated Callender's Cables Ltd is the largest shareholder. These sums will be used to meet the foreign exchange requirements of Indian Cable's modernisation and expansion programme.

Punjab National Bank Repeats

THE directors of the Punjab National Bank Ltd have recommended a final gross dividend of Re. 1 a share for 1962, which together with the interim distribution of Re. 1 a share makes a total of Rs. 2 a share—the same as in 1961. Although the dividend has been maintained, it involves a larger distribution of Rs. 40 lakhs, against Rs. 28.75 lakhs because the 750,000 new shares issued in September 1961 at a premium of Re. 1 a share are entitled to the full year's dividend whereas in 1961 they participated in the dividend for only three months. Subject to audit, the net profit, after providing for taxation and transferring Rs. 15.64 lakhs (against Rs. 12.28 lakhs) to the gratuity fund, amounts to Rs. 1.14 crores, compared with Rs. 1.18 crores in 1961.

Considering that the profit has been arrived at after absorbing a heavy burden of establishment charges because of the latest Bank

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Award, increased interest rates or savings accounts, about Rs. 8 lakhs on deposit insurance and Rs. 3.38 lakhs more for gratuity to staff, the bank's performance in 1962 seems quite satisfactory. Including the carryforward of Rs. 10.38 lakhs (against Rs. 4.23 lakhs), the disposable surplus amounts to Rs. 1.24 crores, against Rs. 1.23 crores in 1961. The allocation to the reserve fund has been reduced from Rs. 45 lakhs to Rs. 25 lakhs. After providing for the dividend, Rs. 55.17 lakhs is being carried forward, subject to the payment of bonus to staff. The Rs. 10-paid share of the Punjab National Bank is currently quoted around Rs. 19.52 (nominal) cum-dividend, offering a gross return of about 10.8 percent.

Kothari Sugars and Chemicals Starts Production

KOTHARI Sugars and Chemicals Ltd commenced production on 17th January, 1963, with a daily capacity for crushing 1,000 tons to 1,250 tons of sugarcane. According to the original schedule, the erection of the factory was to be completed by early 1962. Due to some delay in the receipt of machinery and components, it was not possible to commence production before January 1963. About 80 percent of the factory's machinery was manufactured in India. The factory is situated in Kattur, in Trichinopoly district.

Sugarcane supply is usually expected from January to May, and if the factory is able to crush 100,000 tons of cane during this period, as anticipated, it will certainly be considered an achievement. It is, however, reported that the factory is finding it difficult to persuade cane growers to turn away from jaggery due to the attractive price available for the latter. Besides, jaggery is completely exempt from excise duty. One favourable factor which is stressed concerning the timing of production by the factory is the absence of any glut in sugar. The factory expects to maintain a crushing period of 200 days in the next season. This will require a total area of 6,500 acres under sugarcane cultivation.

Prospects for Associated Cement

THE shareholders of the Associated Cement Companies were unable to get any clear indication from their chairman, Mr. Dharamsey M. Khatau, at the annual meeting last Friday, about the Company's future prospects. But the chairman could hardly be blamed for that, for apart from the uncertainty about the additional taxation in the forthcoming Central Budget, the Company's future is intimately linked with the Government's decision on a further rise in retention prices. A.C.C. will no doubt get the benefit of the higher retention prices granted with effect from 1st November, 1961, for a full year, but this will be more than offset by the increase in costs. Mr. Khatau said that while the progress made in the previous year was being maintained, there would be no increase either in the capacity or in the production of cement during the current year. The chairman was unable to say how much the Company would have to pay by way of the war risks insurance premium because of some uncertainty about the basis on which it is to be worked out. The premium will be very much higher if the replacement value of fixed assets is taken as the basis than if it is calculated on the basis of the depreciated value of the fixed assets. Mr. Khatau refuted the allegation that

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A.C.C.'s costs were higher than those of many other units. In fact, the Company's cost of production was the lowest except that of Dalmia Cement (Bharat) Ltd.

Replying to shareholders' plea for a bonus issue, the chairman stated that the question would be considered only when the board felt that the shareholders could be assured of a reasonable dividend on the increased capital. The chairman regretted that the Company had to give up negotiations for the sale of its assets in Pakistan because of the difference of opinion between the American negotiators and the Pakistan Government. A.C.C. is now trying to negotiate with other foreign firms. Mr. Khatau assured the shareholders that the Company's assets in Pakistan were being kept in good condition and the working was satisfactory. In reply to another query, the chairman said that the question of giving shares of A.C.C.-Vickers Babcock to the shareholders would be considered only when raising further capital. A.C.C.-Vickers Babcock is working satisfactorily but it will not be in a position to pay any dividend for another two years. Mr. Khatau said that the Company's income tax assessment had been completed up to 1959. The Life Insurance Corporation is holding 12 percent of the Company's equity capital.

Maiden Dividend from Oil India

OIL India Ltd has declared a maiden interim dividend of 3 percent for 1962, after payment of taxes. The Company earned a net profit of Rs. 1.15 crores in 1961, after providing for depreciation, taxation and statutory development rebate reserve. It is a rupee Company and has a share capital of Rs. 28 crores held in equal proportions by the Government of India and the Burmah Oil Company. It is now engaged in the search for oil, development of its existing oilfields and the final completion of the 720-mile-long pipeline to transport crude oil to the Gauhati and Barauni refineries.

Oil India has drilled 141 wells, of which 106 have been successful commercial producers of oil and gas. Nineteen wells have to be tested further, and two wells, one in Nahorkatiya and another in Moran, are now being drilled; the latter is nearing completion. Total expenses incurred on drilling operations are about Rs. 17 crores. Oil reserves have been estimated at 46 million tons and natural gas reserves at 756,000 million cubic feet. A crude conditioning plant is being installed in order to make the crude oil suitable for pumping through the pipeline. It is expected to be completed shortly. The Company's crude oil is to be sold first to the Gauhati and Barauni refineries and to the A.O.C. refinery in Digboi. Any surplus left is required to be sold to the Government. In 1962, the Gauhati refinery took about 220,000 tons of crude oil from Oil India and the A.O.C. Digboi refinery about 300,000 tons.

Oil India has been constructing a pipeline with all related facilities in two stages from Nahorkatiya to Gauhati in Assam and then to Barauni in Bihar. The construction of the pipeline has been undertaken on a no-profit-no-loss basis. Extending to 250 miles from Nahorkatiya to Gauhati, the pipeline was commissioned early in April 1962. The second stage, extending to 470 miles from Gauhati to Barauni, is expected to be completed within a couple of months. This pipeline is one of the second longest in Asia and one of the most modern in the world.

The cost of the pipeline is estimated at Rs. 50 crores.

The total cost of the entire project of Oil India is estimated at more than Rs. 75 crores. The Company recently floated debenture stock of Rs. 30 crores in order to finance the construction of the pipeline. The foreign exchange cost is being met by a sterling loan of £3 million offered by the U.K. Government to the Government of India and by overdraft facilities of £10 million provided by the Bank of Scotland. The sterling loan overdraft will be converted into a long-term loan in due course.

Associated Hotels Profit Down

THE latest accounts of the Associated Hotels of India Ltd cover a period of 15 months up to June 1962, since the Company has decided to close its accounts at the end of June instead of 31st March every year following its proposed scheme of amalgamation with

Chowringhee Properties Ltd. The amalgamation scheme has been approved by the shareholders and it is now awaiting the final order of the Calcutta High Court. During the period, the Company earned a profit of Rs. 7.62 lakhs, compared with Rs. 8.62 lakhs in 1960-61, after providing Rs. 2.72 lakhs (against Rs. 1.77 lakhs) for depreciation. The decline in the profit has been mainly due to the increased payment to staff and rising power costs and municipal taxes. The usual preference dividends have been paid up to March 1962, and a taxable ordinary dividend of 10 percent has been maintained, absorbing Rs. 2 lakhs. It offers a yield of 9.7 percent at the present price of Rs. 10.31 a share of Rs. 10 each. Development rebate reserve is allocated Rs. 16,271 (against Rs. 16,718) and taxation Rs. 2.85 lakhs (against Rs. 6.57 lakhs). Rates and taxes for previous years absorb Rs. 10,010 and the debenture redemption sinking fund Rs. 80,000. The carry-over amounts to Rs. 1.67 lakhs against Rs. 1.22 lakhs brought in. The directors say that the conveyance of the Pakistan assets has not yet

been finalised, since the formal sanction from the authorities is awaited.

Rights Issue by Mukand Iron

MUKAND Iron and Steel Works Ltd proposes to issue rights shares in the ratio of one new ordinary share for every one ordinary or deferred share held at present. The rights shares of Rs. 10 each will be offered at a premium of Re. 1 a share. The paid-up capital of the Company is made up of Rs. 90.64 lakhs in equity shares and Rs. 1.75 lakhs in deferred shares. The rights issue will bring in additional funds amounting to Rs. 1.01 crores, including the share premium money. Additional funds are being raised to finance the Company's expansion programme which is estimated to cost Rs. 3.70 crores, including Rs. 1.60 crores in foreign exchange. Apart from the expansion of its rolling mill in Kalwe, Mukand Iron proposes to set up a 20-tonne furnace and wire rod mill as well as a continuous casting machine for making billets there. The Rs. 10-paid

The Price Line

The price line must be held. This is as much the responsibility of the State as of every citizen. Idle money, in the form of cash in hand, is the devil in the price spiral.

Money put in a bank remains active in the service of production and distribution of goods and facilitates keeping the price line under control.

Use less cash; make your money transactions through your bank account. You will thus make a direct contribution to the effort in holding the prices under check.



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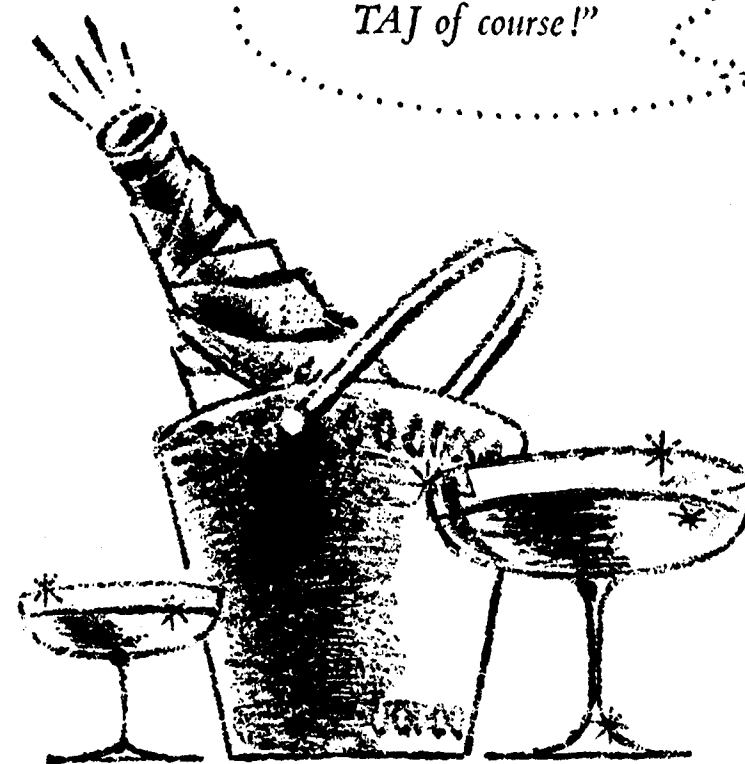
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Give generously to National Defence

share of Mukand Iron is currently quoted around Rs. 20.80.

Davangere Cotton to Raise Capital

DAVANGERE Cotton Mills Ltd proposes to raise Rs. 36.75 lakhs by issuing equity and preference shares to cover a part of the cost of its expansion programme. The latter is estimated to cost Rs. 1.50 crores. The balance is to be raised by I.F.C. loans, bank borrowings and by utilising the Company's existing resources. Davangere Cotton, which has at present 40,864 spindles and 300 looms, has been permitted to install 500 automatic looms on the condition that 75 percent of its production will be exported. Recently, the Company had also been given a licence to install 12,000 spindles, 218 plain looms and 82 automatic looms in its new unit in Gadag which is expected to go into production shortly. Of the two issues proposed by the Company, equity shares worth Rs. 15 lakhs, which are being issued at a premium of 25 percent, will be offered as rights shares to the existing shareholders. Of the other issue of Rs. 16 lakhs in 9.5 percent, taxable, redeemable cumulative preference shares of Rs. 100 each, the directors and their

friends have agreed to take up Rs. 6 lakhs, and they are likely to subscribe for another Rs. 2 lakhs. The balance will be offered for public subscription shortly. The Company has a 23-year unbroken record of dividend payment. For the past three years, the dividend has been maintained at 12 percent.

Firth Sterling Steel: A New Venture

A NEW Company known as Firth Sterling Steel Company of India Ltd has been formed in collaboration with the well-known U.S. firm of Firth Sterling Inc. of Pittsburgh, to undertake the manufacture of high speed and high alloy constructional steels. The factory will be located at the Government industrial estate, near Thana, where power, water and other facilities will be readily available. The capacity of the plant will be 300 tons of high speed steel and 300 tons of high alloy construction steel a year on a single shift basis. The Company has received an industrial licence, but the Government's sanction for the issue of capital is awaited. As the Planning Commission has given a high priority to the industry, there is unlikely to be much delay or difficulty in importing

machinery or raw materials for the early implementation of the project.

The project is estimated to cost Rs. 76 lakhs. Of this, Rs. 43 lakhs will be spent on plant and machinery, including erection work. The cost is proposed to be met as follows: the initial equity capital issue Rs. 40 lakhs, a loan from the Industrial Finance Corporation Rs. 25 lakhs and bank borrowings Rs. 11 lakhs. The Company's authorised capital will be Rs. 1 crore, made up of 500,000 equity shares of Rs. 10 each and 500,000 unclassified shares of Rs. 10 each. Out of the equity capital of Rs. 50 lakhs which the Company proposes to issue in the beginning, shares of the value of Rs. 13 lakhs are to be offered to the American firm which is collaborating in the venture. Of these, 30,000 shares are to be issued for consideration other than cash and the balance of 100,000 shares will be reserved for them for three years with an option to subscribe in cash in terms of the technical assistance agreement. The promoters, directors and their friends have agreed to take up shares worth Rs. 17 lakhs. The balance of the issue amounting to Rs. 20 lakhs is likely to be offered for public subscription shortly. The entire public issue is proposed to be underwritten. The Company has a phased manufacturing programme. This will ensure that the plant will commence produc-

tion at an early date. The board of directors includes Mr. M. D. Bhat, chairman, Maharashtra Electricity Board, Mr. Kenneth D. Mann, Mr. S. B. Bilimoria, Mr. I. M. Pai, Mr. D. N. Patkar and Mr. V. G. Rajadhye. PAX Corporation will be the managing agents, subject to the Government's approval.

Kallinugger and Khoreel Tea

THE profit of the Kallinugger and Khoreel Tea Company Ltd has declined from Rs. 34,716 in 1960 to Rs. 6,432 during the year ended December 1961, after providing Rs. 8,903 (against Rs. 9,810) for depreciation. The taxable ordinary dividend has been cut from 6 percent to 2 percent, absorbing Rs. 9,000. The yield works out to 6.9 percent at the present price of Rs. 87 a share. Taxation is allocated Rs. 14,306 (against Rs. 4,500.) The average sale price of tea declined from Rs. 4.30 in 1960 to Rs. 3.37 a kilogram. The entire tea was sold in the domestic market.

New Capital Issues

SEVEN companies are the latest to be given consent to issue capital aggregating Rs. 4.34 crores. Two companies are issuing bonus shares and four equities. One company has been allowed to capitalise money out of its reserves. One is a new company. The consent in all cases is valid for 12 months. The following are the details:

The Godavari Sugar Mills Ltd, Bombay, is raising capital of Rs. 40,00,000 divided into 40,000 equity shares of Rs. 100 each, to be issued as fully-paid bonus shares by capitalising general reserves to a like extent in the ratio of two such shares for every three equity shares held.

Thacker and Co. Ltd, Bombay, will issue capital of Rs. 62,500 divided into 1,250 equity shares of Rs. 50 each, to be issued as bonus shares by capitalising reserves to a like extent, to the existing shareholders in the proportion of one such share for every four held.

The Bombay Burma Trading Corporation Ltd, Bombay, has been given consent to capitalise Rs. 133.75 lakhs out of its reserves.

Kerala Heavy Electricals Ltd, a new Company, is proposed to be established in the State of Kerala, for manufacturing power transformers and other electrical equipment in collaboration with Hitachi Ltd, Tokyo. It is to issue capital of Rs. 1.10 crores divided into 1,10,000 equity shares of Rs. 10 each, for cash at par, of which Rs. 28.6 lakhs will be offered to Hitachi Ltd partly against the import of plant and machinery and partly in cash.

The Orissa Fisheries Development Corporation Ltd, Cuttack, is issuing capital of Rs. 1,00,00,000 divided into 100,000 equity shares of Rs. 100 each to be subscribed entirely by the Government of Orissa.

Sovereign Spinning and Weaving Mills Ltd, Madras, will issue equity capital of Rs. 25 lakhs for cash at par. The proceeds will be used for the establishment of a cotton spinning mill with an installed capacity of 12,000 spindles.

India Pistons-Repeco Private Ltd, Madras, will issue equity capital of Rs. 25 lakhs for cash at par to be subscribed privately up to 51 percent by India Pistons Ltd, Madras, or their nominees and 49 percent by Repeco Ltd, Melbourne, Australia. The proceeds of the issue will be utilised for manufacturing fly wheel ring gears.

Announcement Regarding the Issue of Equity Shares

This is an announcement and not a Prospectus

APPLICATIONS ARE INVITED ON THE BASIS OF THE PROSPECTUS, COPIES WHEREOF ARE AVAILABLE FROM THE COMPANY'S BANKERS & BROKERS.

NATIONAL-STANDARD DUNCAN LTD.

(INCORPORATED UNDER THE COMPANIES ACT, 1956)

Registered Office: 31, Netaji Subhas Road, CALCUTTA-1.

Authorised Capital

Rs. 2,00,00,000/- divided into 2,00,000 Equity Shares of Rs. 100/- each Rs. 2,00,00,000

Issued Share Capital

8 Equity Shares of Rs. 100/- each, payment having been made in cash Rs. 800

Present Issue

49,992 Equity Shares of Rs. 100/- each Rs. 49,99,200

Out of the Present Issue

1. National Standard Company, Niles, Michigan, U.S.A., one of the Promoters, have agreed to subscribe for and will be allotted 25,000 Equity Shares of Rs. 100/- each Rs. 25,00,000
2. Duncan Brothers & Company Limited, the other Promoters, have agreed to subscribe for 12,742 Equity Shares of Rs. 100/- each Rs. 12,74,200

Now offered at par for Public Subscription

12,250 Equity Shares of Rs. 100/- each Rs. 12,25,000
Rs. 49,99,200

Rs. 50/- per share is payable on application and the balance payable on call or calls to be made not earlier than three months after allotment.

DIRECTORS

1. **MR. K. P. GOENKA.**
31, Netaji Subhas Road, Calcutta-1.
Chairman,
Duncan Brothers & Co., Ltd.

2. **MR. T. H. PEARCE,**
National Standard Co.,
Niles, Michigan, U.S.A.
President,
National Standard Company,
U.S.A.

MR. R. J. E. WHITWORTH.
(Alternate for Mr. T. H. Pearce)
Harrisons & Crosfield Ltd.,
6, Church Lane, Calcutta-1.
Manager,
Harrisons & Crosfield Ltd.,
Calcutta.

3. **MR. BABUBHAI M. CHINAI.** M.P.
Great Western Building,
130/132, Apollo Street, Fort,
Bombay-1.
Director,
Baroda Rayon Corporation Ltd.,
Bombay.

4. **MR. B. P. PODDAR, M.L.A.**
36, Chowringhee, Calcutta.
Director,
Calcutta Tramways Co., Ltd.,
Shaw Wallace & Co., Ltd.,
Calcutta.

5. **MR. G. HUSSEY, Jr.**
National Standard Co.,
Niles, Michigan, U.S.A.
Secretary,
National Standard Company,
U.S.A.

MR. G. E. HOARE.
(Alternate for Mr. G. Hussey, Jr.)
31, Netaji Subhas Road, Calcutta-1.
Director,
Duncan Brothers & Co., Ltd.

6. **MR. J. A. B. THOMSON,**
National Standard Co., Ltd.,
Kidderminster, Worcestershire,
U. K.
Director,
National Standard Co., Ltd., U. K.

MR. N. C. LANCE.
(Alternate for
Mr. J. A. B. Thomson)
31, Netaji Subhas Road, Calcutta-1.
Director,
Duncan Brothers & Co., Ltd.

7. **MR. R. P. GOENKA.**
31, Netaji Subhas Road, Calcutta-1.
Member,
Duncan Brothers & Co., Ltd.
Director, Anglo-India Jute Mills
Co., Ltd.

SECRETARIES & TREASURERS (PROPOSED)

Duncan Brothers & Co., Ltd.,
31, Netaji Subhas Road, Calcutta-1.

AUDITORS

Messrs. Price, Waterhouse, Peat & Co.,
Calcutta-1.

LOCATION OF THE FACTORY

The plant will be located near the City of Bombay and a suitable plot of land has been secured.

PROPOSED ACTIVITIES

The Company was incorporated on 20th August, 1962 with the objects mentioned in the Memorandum of Association of the Company and in particular to undertake the manufacture or production of bead wire for tyres, other types of specialised wires and the sale thereof.

The formation of the Company is the result of collaboration between National Standard Company, U.S.A., which is the world's largest bead wire manufacturer and the well known Agency House, Duncan Brothers & Company Limited, Calcutta. At present bead wire is being obtained from National Standard Co., Ltd., U.K., involving considerable expenditure of foreign exchange by India.

The manufacture of bead wire is a highly specialised process since the product has to withstand long and arduous periods of usage at high pressures and temperatures.

With the development of the automobile tyre industry in India the cost of importing bead wire will increase substantially and the long term prospects of the Company can be considered good.

DATES OF OPENING & CLOSING OF THE SUBSCRIPTION LIST

The subscription list will open at the commencement of banking hours on 28th January, 1963 and will close at the close of banking hours on 1st February, 1963.

FROM WHOM APPLICATION FORMS ALONG WITH COPIES OF PROSPECTUS CAN BE OBTAINED

Application forms along with copies of the prospectus can be had from the Company's undermentioned Bankers and Brokers:

BANKERS

1. The Bank of Baroda Ltd., India Exchange Place, Calcutta-1, and its main offices at AHMEDABAD, BOMBAY, HYDERABAD, MADRAS, INDORE and NEW DELHI.
2. First National City Bank, 9, Brabourne Road, Calcutta-1, and its main offices at BOMBAY and MADRAS.

BROKERS

1. Messrs. Bagla & Co., 8, Lyons Range, Calcutta 1.
2. Messrs. G. M. Pyne, 14, India Exchange Place, Calcutta-1.
3. Messrs. Bativala & Karani, Dalal Street, Bombay-1.

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Calcutta. Telephone : 23-7811
Taj Mahal Hotel, Bombay
Ashoka Hotel, New Delhi

JAL Hostess
Hideko Terasaki



ASHOK LEYLAND LIMITED

SIR A. R. MUDALIAR'S ADDRESS

Speech delivered by Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon.), Chairman, Ashok Leyland Limited, to the Shareholders at the Fourteenth Annual General Meeting of the Company held on 16th January, 1963 at Ennore, Madras.

GENTLEMEN,

I have great pleasure in extending to you a cordial welcome to the fourteenth annual general meeting of your Company.

The Directors' report, audited balance sheet and profit and loss account for the year ended 30th September 1962, have been circulated to you and, with your permission, I shall take them as read.

As the balance sheet and profit and loss account have disclosed, it has not been an unsatisfactory year from the financial point of view, in spite of difficulties regarding foreign exchange allotments for materials which have to be imported. Sales for the year exceeded Rs. 13 crores compared with Rs. 11.5 crores approximately in the previous twelve months from 1st October 1960 to 30th September 1961.

Programme Phased

In my speech last year, I referred to the phased programme of expansion which we have undertaken to produce 6,000 Comets and in addition 1,200 Heavy Duty engines per annum. Accordingly during the year under review, buildings of a total cost of Rs. 31 lakhs have been completed and plant and machinery of a value of Rs. 104.5 lakhs have been installed. Additional plant and machinery of a value of Rs. 21.5 lakhs are either in transit from suppliers or awaiting installation. These figures

represent roughly a total increase of Rs. 135 lakhs in the gross block capital during the year on account of buildings, plant and machinery. You will have noticed that, after making appropriate provision for depreciation, taxation and other charges and for the normal dividend of 8 per cent subject to tax, there is very little surplus which can be transferred to general reserve. We have therefore been expanding our production and for the purpose investing money in plant, machinery and buildings almost exclusively from equity capital. There has been little scope for surplus earnings which normally are utilised to a considerable extent in financing expansion programmes.

When I state, as I did last year, that the selling price of our Comet Chassis has remained constant since 1955 and that any additions made to the 1955 prices represent the additional duties levied by the Government from time to time, it will be realised that we have been obliged to absorb all the rising costs of materials, power and labour in the selling price. No other automobile unit has, I hope, been placed in such a difficult position. I trust that Government will take into consideration the handicaps we have thus been subjected to and give the necessary relief in agreeing to a fair increase in price, corresponding to rising costs—a relief for which we made a request last year.

There is another problem which we are facing and probably it is one which faces all automobile manufacturers in India. Until the latter part of 1961, on the assumption that the foreign exchange allotted would remain reasonably constant, it was the policy of the Company steadily to increase the indigenous content of its products and, utilising the same amount of foreign exchange, decrease the value of imported material per chassis thereby increasing their annual output.

Foreign Exchange Allotment

During the first half of 1962, however, not only was the foreign exchange allotment reduced appreciably but, on more than one occasion, the issue of import licence even for the reduced foreign exchange allotment was seriously delayed. While I do appreciate the problems of Government in this regard, I would like to emphasize that the raw materials or components required by automobiles of particular types are not readily available in the open markets abroad. They have to be specially produced in the automobile factories or by ancillary manufacturers. The effect of these two factors—decrease in foreign exchange and delayed issue of licences—was experienced when, in October last, your Factory had to close down its assembly section for a considerable period for want of the imported components. It was inevitable, though regrettable, that nearly 500 employees had to be laid off for two weeks.

This is not intended to be a catalogue of grievances that I have mentioned but my object is to present to the authorities the actual position which automobile companies generally are facing today. The demand for our products is continually on the increase but we are unable to meet it. We are gradually entering the export market, so much needed for earning foreign exchange. Industries are constantly urged to increase production and productivity councils are giving valuable advice. And yet factors beyond our control are compelling us to reduce the working week to five days. The sense of frustration

among enthusiastic workers is not the least of our anxieties. Fully aware of the emergency period through which we are passing, we and indeed all connected with the industry are desirous to be of the utmost help during this period. I would earnestly plead that this industry specially needs the removal of the handicaps to which I have referred.

Your company was formed with the object of producing a heavy duty vehicle, for which at the inception the demand was necessarily limited on account of the restrictions on gross vehicle weights placed by the Highways authorities. Over the years, the demand has increased and a number of expansions have been undertaken involving large capital expenditure. There is every indication that the restrictions imposed by Highways authorities in some States will progressively disappear so that there will be a greater demand for the Comet vehicles and it may become practicable to produce heavier vehicles and thereby increase the Company's turnover. The present emergency is likely to accelerate this demand either directly or indirectly. Apart from any needs of the Defence services, transport of heavy loads and of mineral ores by road will increase. There will also be an increasing demand for industrial engines and, as you are aware, the expansion programme which is nearing completion provides not only for the production of the Comet chassis but also, in addition, the industrial version of the Comet engine. The plan further envisages the production of 1,200 engines per annum of the 600/680 type which have a considerably greater power than the Comet. These heavier engines will be largely utilised for industrial applications.

Careful Planning

During the year 1963, we hope to produce at least 3,600 Comets instead of the 5,000 that was our target and with a little help in the form of foreign exchange, to produce both the heavy duty vehicle and the corresponding engines to which I have referred. This will mean careful planning and great attention to increase the factory's efficiency while completing the expansion programme which is now in progress. I have every assurance from our resourceful staff that, in spite of all handicaps, progress will be maintained. It has been the policy of the company to give the greatest priority to means for increasing the indigenous content of the chassis and planning to this end has been in progress for some time, so that its benefits may be secured in the immediate future. More vigorous steps are therefore being taken to locate Indian sources of supply for all ancillary materials which are not normally produced by automobile manufacturers; and, in some cases, if absolutely necessary, we propose to undertake the manufacture of such ancillaries in your factory. Additional items, the deletion of which from the Import schedule was not contemplated till 1964, will now be brought into the 1963 production in your factory. Our British collaborators, sharing completely our views on the subject, have shown a remarkably co-operative spirit to achieve this end. They have arranged for a Planning Controller from Leyland Motors to complete these plans in consultation with your company's executives. I would like therefore to assure you that, rather than becoming despondent or helpless in any unexpectedly difficult conditions, the organization will accept these conditions as a challenge to overcome them so that the success, which has so far been achieved, will continue.

Since I last addressed you, Ennore Foundries Limited, in which your Com-

CAPITAL, 24th January, 1963.

pany has 25% of the capital, has made further progress and the import by your Company of iron and aluminium castings has been completely discontinued, all such demands now being met by Ennore Foundries Limited. This has made a considerable contribution to the reduction of the foreign exchange required per chassis. After some initial "teething" troubles, the quality of the castings has become quite satisfactory, with a very low level of scrap in the machine-shop. The Foundries' capacity has reached a stage at which it is possible not only to meet the full demand of your company but also to supply castings to other manufacturers, thus both directly and indirectly saving foreign exchange.

Chinese Aggression

I have reserved to the last a statement on the situation that has suddenly confronted the country by the unprovoked and unjustified aggression of our land by China. I am convinced that this aggression is not merely the result of a dispute over our borders. It poses a threat to democracy and the democratic way of life in our country; but it also consequently poses a threat to neighbouring democracies which have recently become self-governing independent States. In the emergency that has arisen, your Company is determined to play its part worthily and well. The donation of a lakh of rupees, which your Company has made to the Prime Minister's Defence Relief Fund, is a bare expression of that determination in a tangible form. The very programme of production that I have outlined above will indicate our resolution to do whatever is necessary in the present emergency; and the collaboration of our British colleagues in the planning and expansion of their complete identity of views with ourselves on the subject.

Leyland Motors continue to give us every assistance and we are greatly indebted to Sir Henry Spurrier and his colleagues for the valuable work they have done on our behalf in undertaking all the planning for our expansion project.

Since I last addressed you, we have had a visit from Mr. West, Chairman of West Yorkshire Foundries and a Director of Leyland Motors, Mr. Grimshaw, Leyland's Engineering Consultant, and Mr. Tattersall, their Chief Engineer. We are looking forward to another visit in the near future from Sir Henry Spurrier, Chairman of the Leyland group, who will be accompanied by Mr. West. These visits have been of incalculable assistance to us in organizing and regulating our productive capacity. I am sure you will wish to convey to the Leyland Directors and particularly to Sir Henry Spurrier our thanks for all their assistance.

Our relations with our employees have remained cordial throughout the year and the results which were obtained, in spite of many difficulties, were in no small measure due to the co-operation which the officers, staff and work-people of your company have extended to your Directors. The agreement with the Employees' Union, which was executed sometime back, expired at the end of 1961 but remained current while a new agreement was being negotiated. This new agreement was executed recently, effective from 1st July, 1962 till 31st December, 1964. I trust it will ensure a continuation of the happy relations between the management of your Company and its employees. I have already referred to the enthusiasm which our officers and workers have shown in the progress of our Company but I would like specially to refer to one of my colleagues on the Board, as I did last year, whose contribution again has been outstanding. I refer to the Managing Director, Mr. Collins, who has been a tower of strength to his colleagues in the workshop and to his colleagues on the Board.

NOTE:—This does not purport to be a record of the proceedings of the Annual General Meeting.

CAPITAL, 24th January, 1963.

The Stock Markets

CALCUTTA CUTS RESTRICTIONS, PRICES FALL

Tuesday Evening.

THE Calcutta stock market has relaxed the restrictions on trading considerably during the past week. Except in the case of six clearing shares, the minimum prices have been scrapped. For Indian Iron, Guest, Keen, Williams, Kesoram Industries and Rohtas, the minimum prices have been cut. The minimum prices for Shree Gopal Paper and Orissa Cement will continue as before. The compulsory carry-over in Indian Iron, Kesoram Industries and Rohtas will also continue. Limited forward trading has been permitted. Fresh purchases can be made only from members who already have a net purchase position of Rs. 3 lakhs in clearing shares, the without having paid any margin; the purchases in Indian Iron and Hindustan Motors cannot be more than Rs. 75,000 each. Purchases of other clearing shares cannot be for more than Rs. 25,000 each. Sales can be made against these purchases. Jobbing has been prohibited.

The move appears logical considering that the Bombay and Madras stock markets have already introduced similar relaxations. As a result of freer trading in clearing shares, it is expected that the load of floating stocks will be relieved. The removal of minimum prices is justified as the former minima had become unrealistic in the changed circumstances. Due to the rise in interest rates following a dearer money policy, investors have come to expect bigger dividend yields. Hence a decline in share values has been long overdue.

In response to the new measures, share prices have drifted downwards, although the turnover has increased. It looks as if many holders have been hard-pressed for funds and that they have taken the opportunity to lighten their commitments. The pressure has been the greater as many banks have asked their clients to cut their overdrafts against shares or deposit larger margins against the overdrafts. Whether the present time is appropriate for banks to press for larger margins against share overdrafts, has been questioned in stock market circles. Considering that the political and economic background continues to be unfavourable, any pressure to sell shares weakens sentiment. The Reserve Bank is believed to have asked banks to cut share overdrafts in order to have more funds for lending to trade and industry. It has been pointed out that the total credit lent by banks to the stock market is small in relation to stock market advances. Besides, unless the stock market remains buoyant, the flow of capital into industry will be hampered. In fact, it is necessary to consider seriously whether the margin against share advances should not be raised from the present level of 60 per cent to 70 per cent of share values, as recommended by the committee of stock exchange presidents.

Lyons Range has been worried by the deliberations of the standing committee of the National Development Council which took place in New Delhi last week. It is almost certain that heavier taxation will be imposed in the next Central Budget. Hence the outlook for corporate profits has become less encouraging. As profits have also been squeezed by rising production costs, investors

doubt whether companies will be able to pay good dividends.

The settlement on Tuesday passed quietly. Indian Iron have been offered freely below the minimum price. Investors fear that the Company will not increase the dividend in the near future as funds will have to be ploughed back to finance the expansion schemes which are being undertaken. In the engineering section, stray buying has taken place in Indian Standard Wagon, Guest, Keen, Williams and Jessop.

Coal shares have been neglected and turnover has been small. Amalgamated and Pench Valley have weakened. Cotton mill shares have been subdued on a predominance of sellers. Investors have been worried by the prospect of a further decline in the prices of cloth and yarn. Dunbar have fallen. There has been virtually no support for bank shares.

The selling pressure has declined in jute shares, but buyers remain cautious. The absence of foreign enquiries for jute goods has caused concern. The turnover has been confined mostly to Barnagore, Guapore, Megna, Anglo-India, Union, Kamar-hatty and Birla. Except for Dunlop Rubber, which have been fairly steady, prices of miscellaneous shares have declined in the absence of support. Electric companies have met with scattered buying on hopes of an increase in the "reasonable return" for power undertakings, following the increase in Bank rate. Paper shares have lacked interest. Business has been done in Bengal, Sirpur and Seshasayee. Sugar shares have been difficult to sell even by discounting prices. In tea shares, there has been a predominance of sellers. Buyers are reluctant to increase their commitments considering the uncertainty about dividends and the new crop.

Scattered support has been extended to selected preference shares and debentures in view of attractive yields.

Government securities have been quiet. Buyers have been conspicuous by their absence. The 3 percent Conversion loan 1966 is nominally quoted at the official support level of Rs. 63. Prices of State Government loans have declined further in the absence of buyers. Except for some scattered institutional buying, it has been difficult to negotiate these loans.

Bombay

FURTHER RELAXATIONS ANNOUNCED PRICES REACT BEARISHLY

Tuesday Evening.

THE Bombay stock market has started the new account in a quiet mood. There has been a bearish reaction to the relaxation of restrictions on trading. The authorities have scrapped the compulsory carryover for all forward shares except 12-Century, Indu ordinary, except 12-Indore Malwa, Kohinoor, Indian Iron, Tata Steel, Scindia, Bombay Burmah (old), Hindustan Motors, National Rayon and Associated Cement. For these scrips, the

HINDUSTHAN
GENERAL INSURANCE
SOCIETY LIMITED

FOR SERVICE & SECURITY

Chairman:

Dr. N. N. LAW, M.A. Ph.D.

Managing Director:

Mr. P. N. TALUKDAR, M.A. (Cantab.)

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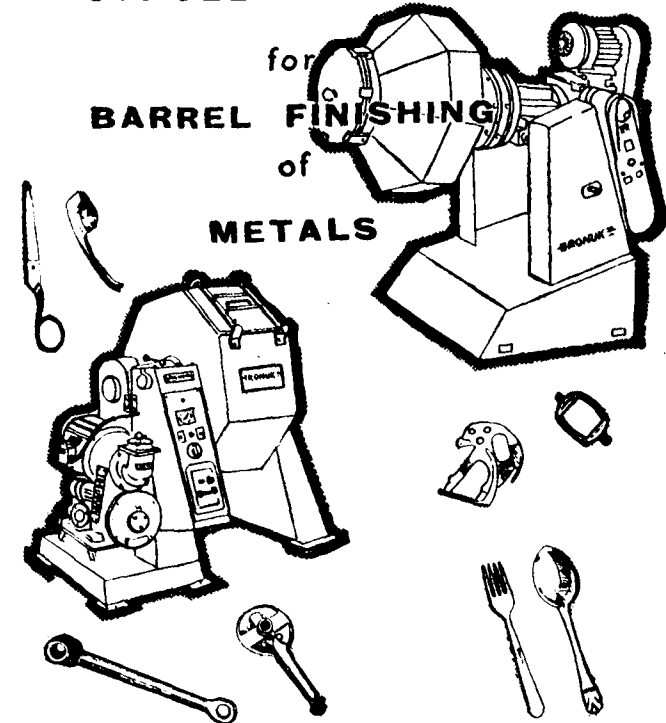
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Prices of cotton mill shares have declined on a predominance of sellers. Turnover has been confined to Century, Kohinoor, Tata Mills, Svadeshi, Gokak and India United ordinary. In the miscellaneous sec-

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lion, Bombay Burmah have been steady as the Company has been permitted by the Controller of Capital Issues to issue bonus shares by capitalising reserves. Sugar shares have been subbued on fears of a decline in production during the current season. Cement shares have been sold freely. Mining shares have been difficult to sell even by discounting prices. Steamship and chemical shares have been neglected. Rayon shares have been quiet, and National Rayon have attracted virtually no support. Cash shares have been neglected and turnover has been far too thin. Among banks, business has been done in Bank of India and Central Bank. In electric company shares, scattered support has been extended to Ahmedabad Electric and Bombay Suburban.

Madras

INVESTORS REMAIN CAUTIOUS PRICES DRIFT DOWNWARDS

Tuesday Evening.
THE Madras stock market has been quiet during the past week. The turnover has shrunk considerably and the price trend has been mixed. Except for selected planting shares, prices have generally drifted downwards. Investors have been cautious considering the possibility of heavier taxation in the coming Central Budget. With the removal of various restrictions on trading and the scrapping of minimum prices, it is hoped that greater stability will now return to the market.

Despite good dividends, bank shares have been neglected. State Bank of Travancore has paid a taxable dividend of 5 percent, the Indian Bank a taxable dividend of 15 percent and the State Bank of Mysore a taxable dividend of 10 percent. In electric company shares, scattered interest has been taken in Vellore around Rs. 13.60.

Sugar shares have been freely offered without attracting support. E.I.D. have, nevertheless, been steady on declaring a final taxable ordinary dividend of 14-2/7 percent, making 21-3/7 percent for the year. Among planting shares, Consolidated Coffee and Coffee Lands have been steady on the view that the long-term prospects are good. Consolidated Coffee has declared a taxable ordinary dividend of 15 percent and Coffee Lands a taxable ordinary dividend of 9 percent. Ouchterlony have been taken at Rs. 4.12 and Blue Mountain at Rs. 2.37. Periakaramalai have come to hand at Rs. 3.03. Cotton mill shares have been subbued on a predominance of sellers. South India Viscose and Travancore Rayon have weakened further. Scattered support has been extended to Buckingham around Rs. 281.

Prices of miscellaneous shares have fallen all round. Ashok Leyland have been transacted at Rs. 8.10 on paying a taxable ordinary dividend of 8 percent. Tube Suppliers have been offered freely on news of skipping the dividend. Travancore Chemical Manufacturers have been about steady on paying an interim taxable ordinary dividend of 10 percent. Mysore Electrical Industries have obtained the sanction of the Government to issue 9,000 ordinary shares of Rs. 100 each at par.

Government securities have been depressed. Prices of State Government loans have declined further in the absence of buyers. Good preference shares having high yields have been bought.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARER SECURITIES

Birla Jute—Rs. 29/06—29/06—28/81—28/87—(39/12)
Dunlop Rubber—Rs. 36/31—36/31—36/12—36/12—(39/94)
Hindustan Motors—Rs. 16/69—16/70—16/31—16/59—(20/50)
Howrah Jute—Rs. 18/37—18/37—18/25—18/25—(20/25)
Indian Copper—Rs. 4/28—4/21—4/25—4/21—(4/71)
Indian Cable—Rs. 34/25—34/25—34/12—34/19—(35/44)
Indian Aluminium—Rs. 30/00—30/00—30/00—30/00—(37/37)
Indian Iron—Rs. 21/50—21/50—21/50—21/50—(24/58)
Jaipur Udyog—Rs. 11/00—11/00—11/00—11/00—(11/94)
J. K. Cotton Spg. & Wvg.—Rs. 13/62—13/62—13/62—13/62—(20/28)
Orissa Cement—Rs. 15/25—15/25—15/25—15/25—(17/22)
Rohtas Industries—Rs. 12/00—12/00—12/00—12/00—(16/00)
Shree Gopal Paper—Rs. 23/25—23/25—23/25—23/25—(25/62)
Textile Machinery—Rs. 19/55—19/60—19/55—19/55—(20/15)

GOVERNMENT SECURITIES

3 1/2 % Govt. Paper—Rs. 62/20—62/20—62/20—62/20—(62/20)
3 1/2 % Loan (1963-65)—Rs. 98/95—98/95—98/95—98/95—(98/95)
3 1/2 % " (1966-68)—Rs. 63/00—63/00—63/00—63/00—(63/00)
3 1/2 % " (1966-68)—Rs. 96/15—96/15—96/07—96/07—(96/07)
3 1/2 % " (1970-75)—Rs. 85/00—85/00—85/00—85/00—(85/00)
3 1/2 % " (1964)—Rs. 99/10—99/10—99/10—99/10—(99/10)
3 1/2 % " (1969)—Rs. 97/00—97/00—97/00—97/00—(97/00)
3 1/2 % " (1968)—Rs. 99/20—99/20—99/20—99/20—(99/20)
4 % " (1981)—Rs. 98/20—98/20—98/20—98/20—(98/20)
4 % " (1972)—Rs. 99/10—99/10—99/10—99/10—(99/10)
4 % Behar (1963)—Rs. 99/10—99/10—99/10—99/10—(99/10)
4 % " (1967)—Rs. 97/00—97/00—97/00—97/00—(97/00)
4 % U.P. (1963)—Rs. 99/10—99/10—99/10—99/10—(99/10)

4 % " (1967)—Rs. 96/00—96/00—96/00—96/00—(96/00)
4 % " (1971)—Rs. 93/50—93/50—93/50—93/50—(93/50)
4 1/2 % Orissa (1971)—Rs. 93/50—93/50—93/50—93/50—(93/50)
4 1/2 % Kerala (1974)—Rs. 96/25—96/25—96/25—96/25—(96/25)
4 1/2 % Orissa (1974)—Rs. 96/20—96/20—96/20—96/20—(96/20)
4 1/2 % Loan (1985)—Rs. 100/00—100/00—100/00—100/00—(100/00)

BANK

United Bank of India (Rs. 10 paid)—Rs. 7/62—7/62—7/62—7/62—(7/60)

COTTONS

Basanti—Rs. 14/50—14/62—14/25—14/25—(7/75)
Bharat Commerce—Rs. 24/50—24/50—24/50—24/50—(26/50)
Dumbat—Rs. 27/37—27/50—27/37—27/50—(33/37)
Swadeshi (P.O.)—Rs. 6/56—6/56—6/56—6/56—(8/56)
Gairaj Pannalal—Rs. 110/00—110/00—110/00—110/00—(14/62)
Jay Shree—Rs. 14/62—14/62—14/62—14/62—(14/75)
New Victoria—Rs. 1/37—1/37—1/37—1/37—(1/78)

COALS

Amalgamated—Rs. 25/00—25/06—24/56—24/75—(23/00)
Burrakur (1st Pref.)—Rs. 94/00—94/00—93/00—93/00—(94/50)
Western Bengal—Rs. 8/81—8/84—8/81—8/84—(8/37)

JUTES

Agarpara—Rs. 10/69—10/69—10/37—10/50—(10/50)
Anglo-India (Pref.)—Rs. 91/00—91/00—91/00—91/00—(92/00)
Dalhousie—Rs. 133/00—133/00—133/00—133/00—(105/00)
Fort William—Rs. 26/12—26/12—26/12—26/12—(23/62)
Ganges—Rs. 13/62—13/69—13/25—13/25—(12/56)
Hukumchand (Pref.)—Rs. 91/50—92/00—91/50—92/00—(89/00)
Kanknatrah—Rs. 133/00—133/00—133/00—133/00—(78/00)
Kinnison (Pref.)—Rs. 85/50—86/00—85/50—86/00—(89/00)
Megna—Rs. 13/12—13/37—13/12—13/37—(11/81)
New Central—Rs. 13/37—13/37—13/06—13/06—(18/37)
Reliance—Rs. 6/69—6/75—6/69—6/75—(5/72)
Soorah (Pref.)—Rs. 95/00—96/00—95/00—96/00—(95/00)
Union—Rs. 171/00—171/00—171/00—171/00—(170/00)
Waverley—Rs. 6/25—6/25—6/00—6/00—(3/90)

MINING

Karanpura Development—Rs. 12/58—12/58—11/75—11/75—(17/12)

CEMENTS

Dalmia (Bharat)—Rs. 13/06—13/06—13/06—13/06—(12/06)
Sone Valley—Rs. 4/19—4/31—4/00—4/00—(4/89)

CHEMICALS

Aikali & Chemical—Rs. 37/00—37/19—37/00—37/19—(43/00)
Kanoria—Rs. 4/00—4/00—4/00—4/00—(4/00)

ELECTRICS

Calcutta—Rs. 14/50—14/56—14/44—14/56—(15/25)
U.P.—Rs. 119/00—120/00—119/00—120/00—(115/00)

ENGINEERINGS

Bharat Ball Bearing—Rs. 14/19—14/19—14/19—14/19—(14/19)
Binani Metal—Rs. 10/50—10/50—10/31—10/37—(11/25)
Braithwaite & Co.—Rs. 36/19—36/25—36/12—36/25—(41/00)

CAPITAL, 24th January, 1963.

Britannia Eng.—Rs. 10/25—10/25—10/25—10/25—(13/12)
Burn & Co.—Rs. 550/00—550/00—550/00—550/00—(520/00)
Jesson & Co.—Rs. 22/50—22/75—22/44—22/69—(22/06)
J. K. Steel—Rs. 15/62—15/62—15/62—15/62—(19/75)
Kumardhubi—Rs. 7/19—7/28—7/12—7/12—(7/37)
Marshall's—Rs. 3/31—3/31—3/25—3/25—(3/62)

MISCELLANEOUS

Aluminium Corp.—Rs. 15/12—15/12—14/00—14/06—(17/34)
Asiatic Oxygen—Rs. 9/31—9/41—9/12—9/25—(22/75)
Angelo Brothers—Rs. 24/81—24/81—24/81—24/81—(22/75)
Albion Plywood—Rs. 9/25—9/25—9/25—9/25—(9/25)
Calcutta Tramways—Rs. 11/31—11/31—11/31—11/31—(11/19)
Clive Row Investment—Rs. 8/25—8/25—8/25—8/25—(8/37)
Electric Construction—Rs. 13/31—13/31—13/25—13/25—(13/00)
Hindustan Aluminium—Rs. 13/50—13/56—13/37—13/44—(14/94)
Hindustan Development—Rs. 5/06—5/06—4/25—4/44—(6/56)
Imperial Tobacco—Rs. 10/50—10/50—10/44—10/44—(12/59)
Indian Tack & Nail—Rs. 14/37—14/37—14/37—14/37—(14/37)
Jay Shree Industries—Rs. 16/12—16/12—16/12—16/12—(18/87)
J. K. Synthetics—Rs. 11/44—11/50—11/44—11/50—(14/94)
Kalampong Ropeway—Rs. 0/50—0/50—0/50—0/50—(5/00)
Metal Distributors—Rs. 4/94—4/94—4/94—4/94—(5/00)
Madhya Pradesh Industries—Rs. 8/69—8/75—8/69—8/75—(8/75)
Martin Burn—Rs. 29/69—29/75—29/69—29/75—(31/62)
National Rubber Mfg.—Rs. 11/87—11/87—11/87—11/87—(12/31)
National Insulated Cable—Rs. 25/00—25/00—25/00—25/00—(36/87)
Rohtas Industries ("B" Pref.)—Rs. 53/00—53/00—52/00—52/50—(54/00)
Union Carbide—Rs. 43/25—43/25—43/25—43/25—(50/50)
Sirsilk—Rs. 8/75—8/75—8/75—8/75—(10/50)
Walford Transport—Rs. 3/31—3/37—3/31—3/31—(3/62)

PAPERS

India Paper Pulp—Rs. 18/94—18/94—18/94—18/94—(17/50)
Sicpur—Rs. 11/94 S.T.—12/06—10/75—10/87—(16/69)
Straw Products—Rs. 9/19—9/25—9/06—9/12—(9/19)

OIL

Indo-Burma—Rs. 24/00—24/00—24/00—24/00—(27/50)

REAL PROPERTY

Humayun Properties (Pref.)—Rs. 6/69—6/69—6/62—6/62—(6/75)

SHIPPINGS

Calcutta Steam Nav.—Rs. 9/50—9/82—9/50—9/62—(12/37)
India General Nav.—Rs. 66/50—66/50—66/50—66/50—(65/00)
India Steamship—Rs. 6/19—6/28—6/00—6/00—(7/12)

SUGARS

Bharat—Rs. 13/00—13/00—13/00—13/00—(16/50)
Curew & Co.—Rs. 13/25—13/25—13/00—13/12—(13/06)
Darbhanga—Rs. 8/81—8/81—8/81—8/81—(10/50)
Dyer Meakin Brew.—Rs. 29/00—29/00—29/00—29/00—(42/50)

TEAS

Bhalkowa—Rs. 17/37—17/37—17/37—17/37—(19/12)
Dhelaikal—Rs. 20/00—20/00—20/00—20/00—(21/06)
Methoni—Rs. 18/56—18/56—18/50—18/50—(18/81)
Tezpur—Rs. 15/56—15/56—15/56—15/56—(16/87)

London

UNSETTLED TREND CONTINUES GILT-EDGED FALL

London, 23rd January.
UNCERTAIN conditions continued in the London stock markets throughout the past week, and

CAPITAL, 24th January, 1963.

prices in almost all sections were lower. The Common Market negotiations, following President de Gaulle's anti-Britain statement at his Press conference, were the dominating factors. Not a great deal of selling developed, and buyers were unwilling to commit themselves. Gilt-edged securities were the worst

affected and Continental selling led to sharp falls. The new Australian stock suffered from the fall in gilt-edged securities. No less than 82 percent was left with the underwriters and the stock established a discount when dealings started. Dollar stocks moved up in response

to Wall Street and a substantial rise in the dollar premium. Banking, insurance and property shares lost ground but hire-purchase shares resisted the trend following the good results announced by Bowmaker. Industrial equities fell back on a

broad front and recorded extensive losses on the week. Gold shares responded to selective buying and were firmer on the week. Coppers also improved and other mining shares were well maintained. Oils moved erratically. Rubbers lost their recent firm trend but teas continued to meet with modest demand.

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RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		11-1-63	4-1-63	19-1-63
Liabilities—				
Notes in Banking Dept. ...	...	10,35,97	16,97,71	18,99,35
Notes in Circulation ...	...	21,83,79.47	21,54,04.93	19,85,58.95
Total Notes Issued ...	...	21,94,67.44	21,71,02.64	20,04,48.30
Assets—				
A Gold Coin and Bullion ...	...	1,17,76.10	1,17,76.10	1,17,76.63
Foreign Securities ...	...	88,08.43	88,08.43	1,26,86.07
Total of A ...	...	2,05,84.53	2,05,84.53	2,44,62.70
B Rupee Coin ...	...	1,20,39.51	1,21,74.51	1,21,06.66
Rupee Securities ...	...	18,08,43.60	18,43,43.80	16,38,79.54
Total ...	...	21,94,67.44	21,71,02.64	20,04,48.30

BANKING DEPARTMENT		Week Ended		
(In 000's of Rupees)		11-1-63	4-1-63	19-1-63
Liabilities—				
Capital Paid-up ...	...	5,00.00	5,00.00	5,00.00
Reserve Fund ...	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund ...	...	61,00.00	61,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund ...	...	7,00.00	7,00.00	6,00.00
Deposits—				
(a) 1 Central Govt. ...	...	32,45.21	53,79.13	52,15.47
2 State Govts. ...	...	25,09.33	15,78.99	23,90.47
(b) Banks—				
(i) Scheduled Banks ...	...	73,36.56	75,25.95	82,46.36
(ii) State Co-operative Banks ...	...	1,70.88	2,19.94	...
(iii) Other Banks ...	...	5.89	6.43	...
(c) Others ...	...	1,62,02.81	1,63,09.89	1,54,26.28
Bills Payable ...	...	31,99.11	32,67.83	32,20.44
Other Liabilities ...	...	49,51.21	47,39.13	49,80.07
Total ...	...	5,48,81.10	5,43,27.29	5,35,80.19
Assets—				
Notes ...	...	10,38.97	16,97.71	18,99.35
Rupee Coin ...	...	1.43	2.49	98
Small Coin ...	...	2.92	2.60	3.59
National Agricultural Credit (Long Term Operations) Fund ...	...	...	...	...
(a) Loans and Advances to—				
(i) State Govts. ...	...	23,81.36	23,94.79	...
(ii) State Co-operative banks ...	...	11,29.72	11,35.94	...
(iii) Central Land Mortgage Banks ...	...	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures ...	...	2,84.81	...	...
National Agricultural Credit (Stabilisation) Fund ...	...	...	...	...
Loans and Advances to State Co-operative Banks ...	...	...	2,84.88	...
Bills Purchased and Discounted—				
(a) Internal ...	...	...	...	...
(b) External ...	...	...	...	...
(c) Govt. treasury Bills ...	...	...	...	...
Balances Held abroad ...	...	66,36.31	72,09.28	34,58.48
Loans and Advances to Govt. ...	...	9,32.10	8,79.15	11,40.09
Loans and Advances to—				
(i) Scheduled Banks ...	...	15,04.36	12,45.22	52,92.15
(ii) State Co-operative Banks ...	...	25,04.30	19,44.35	1,47,61.89
(iii) Others ...	...	1,39,84.09	1,37,42.85	...
Investments ...	...	1,39.57	1,42.57	...
Other Assets ...	...	2,12,91.21	2,03,48.96	2,43,58.46
Total ...	...	5,48,81.10	5,43,27.29	5,35,80.19

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
(In 000's of Rupees)		11-1-63	4-1-63	12-1-62
(i) Demand Liabilities—				
(a) Demand Deposits ...	...	49,54.20	51,72.81	48,20.47
(1) From Banks ...	...	8,69,15.26	8,17,61.99	7,28,52.28
(2) From others ...	...	29,39.66	23,81.83	25,62.31
(b) Borrowing from Banks ...	...	53,96.57	53,19.73	53,85.64
(c) Others ...	...	...	...	...
(ii) Time Liabilities—				
(a) Time Deposits ...	...	19,15.19	22,04.49	17,76.46
(1) From Banks ...	...	12,11,37.87	12,08,41.84	10,99,22.27
(2) From others ...	...	16,37.29	16,78.23	16,25.26
(b) Borrowing from Banks ...	...	11,39.20	11,43.49	11,43.49
(c) Others ...	...	...	...	...
(iii) Borrowing from State Bank—				
(a) Demand Liabilities ...	...	5,01.78	4,97.18	5,31.61
(b) Time Liabilities ...	...	12,56.64	10,73.04	6,97.00
(i) From Banks ...	...	25,01.55	18,55.75	16,40.40
(ii) Cash ...	...	49,12.97	52,06.20	46,51.80
(iii) Balances with the Reserve Bank ...	...	78,29.69	76,50.55	71,56.08
(iv) Balances with other Banks in current account ...	...	19,35.59	21,00.54	16,45.80
(v) Money at call and short notice ...	...	50,58.02	54,92.18	49,73.47
(vi) Investments in Central and State Govt. Securities ...	...	6,35,51.02	6,42,21.84	5,83,06.38
(x) (a) Loans, Cash credits and Overdrafts ...	...	12,40,77.99	12,27,74.93	11,05,20.53
(b) Due from Banks ...	...	9,85.40	10,06.08	7,60.05
(c) Inland Bills purchased and discounted ...	...	1,60,41.51	1,61,20.66	1,51,14.60
(d) Foreign Bills purchased and discounted ...	...	52,47.97	53,19.44	45,62.93
(xiii) Total of X, XI and XII ...	...	14,63,52.87	14,52,21.11	13,09,58.11

Money

THE CALCUTTA MONEY MARKET

FAIR INCREASE IN ADVANCES

Tuesday, 22nd January.

THERE has been a fair increase in the general level of advances in the Calcutta money market during the past week. The credit requirements of the jute and sugar mills have risen noticeably, while those of the cotton mills are also slightly higher. Advances for foodgrains and seeds remain unchanged, but the requirements of the iron, steel and engineering units have decreased a little. In the interbank market, conditions have been tight, with the call rate quoting 5 percent to 5½ percent.

The exchange market has been moderately active. There has been a freer flow of gunny bills, but the number of tea bills remains rather poor. The demand for remittance has been moderate. Sterling has lost ground against all the major currencies except the Dutch guilder and the Danish kroner.

IN THE CALCUTTA BULLION MARKET, there was no trading in gold during the past week. Dealers were busy making inventories of gold. The price of silver shot up to Rs. 255 for ready due to speculative support. The price was quoted at 125.2 cents in the U.S.A. and at 107½ in the U.K.

DURING THE WEEK ENDED 18TH January, 1963, Government of India Treasury bills for Rs. 171,93,75,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 22nd January. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.410 percent and above were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.355 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 28th January.

IT IS STATED THAT 91-DAY INTER-MEDIATE Treasury bills will be sold from 23rd January to 25th January at Rs. 99.426 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills, sold from 16th January to 19th January, amounted to Rs. 35,00,000.

THE RETURN OF THE STATE BANK OF India for the week ended 11th January, 1963, shows a drop of Rs. 6.07 crores to Rs. 550.27 crores in total deposits. Investments in Government securities are down by Rs. 3.70 crores to Rs. 239.88 crores while other authorised investments are up by Rs. 5 lakhs to Rs. 10.54 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have increased by Rs. 4.98 crores to Rs. 281.80 crores. Cash and balances are, in consequence, shown at Rs. 21.99 crores or Rs. 2.61 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended

11th January, 1963, shows Demand and Time liabilities at Rs. 942.06 crores (Rs. 29.40 crores) and Rs. 1,258.30 crores (Rs. 16.37 crores), compared with Rs. 946.36 crores (Rs. 23.82 crores) and Rs. 1,258.68 crores (Rs. 16.73 crores), respectively, in the previous week. Cash has declined by Rs. 2.93 crores to Rs. 49.13 crores, while balances with the Reserve Bank have increased by Rs. 1.79 crores to Rs. 78.30 crores. There is a drop of Rs. 6.71 crores to Rs. 635.51 crores in investments. Advances and bills discounted at Rs. 1,463.53 crores show an increase of Rs. 11.31 crores. The ratios to total liabilities of cash and balances and of advances and discounts are, in consequence, shown at 5.8 percent and 66.5 percent, against 5.8 percent and 65.9 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 25-1-63.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
25-1-63	28-4-63	2,00.00	...
18-1-63	21-4-63	2,00.00	Rs. 2.355%
4-1-63	7-4-63	2,00.00	Rs. 2.355%
11-1-63	14-4-63	2,00.00	Rs. 2.355%
21-12-62	24-3-63	2,00.00	Rs. 2.355%
14-12-62	17-3-63	2,00.00	Rs. 2.355%
7-12-62	10-3-63	2,00.00	Rs. 2.355%
30-11-62	3-3-63	2,00.00	Rs. 2.345%
23-11-62	24-2-63	2,00.00	Rs. 2.359%
16-11-62	17-2-63	2,00.00	Rs. 2.360%
9-11-62	10-2-63	2,00.00	Rs. 2.360%
2-11-62	3-2-63	2,00.00	Rs. 2.350%
28-10-62	27-1-63	2,00.00	Rs. 2.33%
(Monthly Maturities 000's omitted)			
January 1963		2,00.00	
February 1963		8,00.00	
March 1963		8,00.00	
April 1963		8,00.00	
Total		26,00.00	

CLEARING HOUSE RETURNS

Week ended	Calcutta Rs. (Lakhs)	Bombay Rs. (Lakhs)
18-1-63	81.84	92.28
11-1-63	94.15	113.52
4-1-63	87.24	95.08
29-12-62	94.01	96.17

FOREIGN INVESTMENT CHECKLIST

For the increasing number of American executives considering overseas investment, American Express is offering a special foreign investment checklist. The checklist outlines a variety of problems which firms should look into before setting up operations in a foreign country. It suggests a number of questions which might be asked on matters such as monetary systems, export-import controls, marketing considerations, labour relations, real estate, law, taxes and government. The special checklist can be obtained by writing to the Manager, the American Express Company, Inc., 21 Old Court House Street, Calcutta.

New Delhi

N.D.C. DECIDES TO RAISE CENTRAL PLAN OUTLAY

(FROM OUR NEW DELHI CORRESPONDENT)

THE standing committee of the National Development Council endorsed the Planning Commission's proposal for an outlay of Rs. 1,744 crores during 1963-64. The breakdown is Rs. 944 crores for the Centre, Rs. 750 crores for the States and Rs. 50 crores for the Union territories. The Centre's outlay will, therefore, amount to Rs. 1,000 crores. The States' normal resources are placed at Rs. 257.3 crores. This includes additional taxation amounting to Rs. 35.7 crores during 1963-64 and Central assistance of Rs. 400 crores. This will leave a gap in the resources of Bihar, Jammu and Kashmir and Rajasthan amounting to Rs. 8.2 crores. In order to reach the target of Rs. 750 crores, an additional Rs. 57.8 crores will be needed. To sum up, the States' normal resources, including withdrawals from reserves totalling Rs. 26.7 crores and additional taxation amounting to Rs. 35.7 crores, are placed at Rs. 284 Rs. 35.7 crores, are placed at Rs. 400 crores, Central assistance at Rs. 400 crores, and the gap in resources at Rs. 8.2 crores. The additional resources required are Rs. 57.8 crores, to finance a total outlay of Rs. 750 crores.

The Central outlay has been increased from Rs. 712 crores in 1962-63 to Rs. 950 crores in 1963-64, or by Rs. 238 crores. The following are the details:

Head of development	(In Rs. crores) 1962-63 (anti-estimated)	1963-64 (estimated)
Agricultural programmes	12.43	17.07
Co-operation	0.91	9.45
Community development	0.43	0.54
Panchayats	0.56	0.06
Irrigation	2.73	6.83
Power	9.02	18.83
Industries and minerals	277.26	369.40
Village and small industries	23.68	20.73
Rural industries	—	1.60
Railways	232.00	267.00
Roads	31.25	42.50
Tourism	0.28	0.35
Ports and harbours	7.85	13.56
Shipping	5.87	5.80
Posts and telegraphs	12.90	28.00
Civil aviation	7.31	4.05
Broadcasting	2.01	2.00
Other transport	1.92	2.49
Other communications	1.85	1.38
General education and cultural programme	13.72	13.57
Technical education	9.07	10.66
Scientific and technological research	12.74	10.87
Health	8.94	10.97
Housing	3.94	2.71
Welfare of backward classes	5.39	5.00
Social welfare	3.57	2.30
Labour and labour welfare	4.85	10.12
Rehabilitation	9.40	6.78
Public co-operation, local works and rural works	6.77	10.88
Social services	78.48	89.96
Statistics and research	0.31	0.48
Information and publicity	0.32	0.50
Others	2.62	4.59
Miscellaneous	3.25	5.57

The following outlays are to be financed from the internal resources of public enterprises:

	(In Rs. crores)
Steel	20.00
N.C.D.C.	4.25
Singareni collieries	3.50
Oil (sale of petroleum)	4.35
Hindustan Cables	0.40
Hindustan Machine Tools	1.00
Fertiliser Corporation	3.40

In order to assess the total burden on the Central Exchequer, account has to be taken of non-development expenditure and of the outlay on projects which have spilled over from the second plan. Even without the additional expenditure on defence, the demand on the resources of both the Centre and the States may not be less than Rs. 3,500 crores. Emergency requirements may be about Rs. 500 crores, if not more. In other words, India has to find something like Rs. 4,000 crores during 1963-64.

Mass Upsurge

The Prime Minister, Mr. Nehru, said in his opening speech that there were limits to what a nation could bear. "That, of course, is so but the limit ultimately depends upon the emergency." After referring to the mass upsurge following the Chinese aggression, Mr. Nehru said that the people should feel that they are meeting the emergency themselves through their own efforts. As for social services, the Prime Minister said that at least a part of them was equally important. There was very little choice left, except to go on with the plan.

Meanwhile, everyone, however unimportant for the war effort, has geared himself to the emergency. The following are some examples:

"A scheme for the organisation of a village volunteer force in every village has been drawn up by the Central Ministry of Community Development and Co-operation. Each panchayat will organise a village volunteer force with a three-fold programme, namely, production, mass education and village defence. The Ministry has also initiated steps for organising a large number of consumer co-operative stores. A scheme for setting up 200 wholesale and 4,000 primary consumer co-operatives in urban areas is being implemented. Another scheme for the supply of consumer articles in the rural areas through service co-operatives and marketing societies has also been sanctioned."

"Many of the programmes of the Ministry of Health are closely inter-linked with the defence effort of the country and also relate to the maintenance of the health of all sections of the population. High priority is being given to the national malaria eradication programme, the small-pox eradication programme, the control of tuberculosis and measures necessary for the control of cholera."

"The National Council of Educational Research and Training has prepared a scheme for secondary schools called the 'school defence corps pro-

gramme'. The Council is also bringing out a series of publications for use in secondary schools and by teachers in relation to defence needs and efforts. A co-ordinated emergency programme of national discipline and physical education has been launched with the object of covering a crore of students at the middle, high and higher secondary stages."

Referring to the reoriented programme of panchayati raj, the Prime Minister said that the volunteer force scheme was very important as it affected the vast majority of the population. If this programme succeeded to the extent of 50 percent, it would be a "near miracle."

Reviewing the speeches made at the N.D.C. meeting, critics say that there was an unprecedented mass upsurge after the Chinese aggression. But it has spent itself, and it is futile to believe that it will be revived by speech-making. The upsurge has fizzled out primarily because there has been no corresponding effort by the Central Government to convince the masses that it has practised what it preached, namely, hard work and austerity. The Prime Minister has declined to reduce the size of his Council of Ministers, the total strength of which is 53. Unlike the Executive Councilors of the British régime who had only one Personal Assistant each, even Deputy Ministers have a retinue of half a dozen. They often like to see India with their wives at the taxpayer's expense.

Indifference to Economy

The Prime Minister has been participating in civic receptions, which are being arranged almost once a week. A detachment of film stars will join the Republic Day parade. With this indifference to economy and austerity, the man-in-the-street cannot be blamed if he contrasts it with his own contribution to the defence effort.

The standing committee's decision to increase the plan outlay is unrealistic. It can be given only two interpretations, namely, that either peace has come to enable the Government to resume the development programme, or that the Government is out for large-scale inflation. But there is a third possibility, that when the full picture of the defence budget is available, the plan outlay will be cut according to the availability of resources.

RUSSIA

Talks on Trade Pact

A Russian trade mission will shortly arrive here to discuss a long-term trade agreement. The existing trade agreement is due to expire by the end of this year. The Central Minister for International Trade, Mr. Manubhai Shah, may go to Russia to sign the agreement, probably in June.

EXPORTS

Small Increase Achieved

Total exports from India during April-November 1962, amounted to

Rs. 451 crores, or Rs. 13 crores more than in the corresponding period of 1961. Exports during November 1962 were Rs. 65 crores, against Rs. 58 crores in the same month of the previous year. The largest decline in exports during April-September 1962, compared with the corresponding period of 1961, took place in relation to the Asian and African countries—from Rs. 72 crores to Rs. 61 crores. Many Asian countries have imposed severe import restrictions due to their balance-of-payments difficulties. Exports to Japan had fallen from Rs. 22 crores to Rs. 15 crores, mainly on account of the decline in iron and steel scrap exports from Rs. 4 crores to less than Rs. 1 crore. Exports of raw cotton, cotton waste, pig iron and manganese ore to Japan have also fallen by about Rs. 1 crore each.

Exports to the European Common Market countries were also lower by about Rs. 5 crores from Rs. 27 crores to Rs. 22 crores. Exports to West Germany fell from about Rs. 12 crores to Rs. 7 crores, mainly on account of lesser exports of coffee and tanned leather. Exports to the U.S.A. were also lower by Rs. 5 crores to Rs. 53 crores, the fall being mainly accounted for by ferro-manganese which declined from Rs. 4 crores to about Rs. 50 lakhs. Exports of coffee, raw cotton and raw wool to the U.S.A. were also lower during the period. Increase in exports during April-September 1962, compared with April-September 1961, was recorded in the case of east European countries and Canada.

CEYLON

Indian Exports Falling

An agreement has been concluded between India and Ceylon, under which India will supply railway and telephone equipment and other capital goods to the latter amounting to Rs. 5 crores under deferred payments. Export of dried fish is now proposed to be co-ordinated and supervised by the Marine Products Exports Promotion Council which will also be associated with the fixing of prices of dried fish by the Co-operative Wholesale Establishment of Ceylon. Provision has been made for a quarterly review of

protecting the local industry. The restrictions have been broadly of three types:

(i) **Quantitative restrictions:** (a) Licences for the import of the following items have not been issued which has meant a virtual ban on their import: diamonds, soap, tyres and tubes for bicycles, garments, hosiery, handkerchiefs, haberdashery, biscuits, fresh apples and grapes, pearls, precious stones, jewellery, fans, footwear, toys, cinematographic and photographic apparatus, instruments and appliances, bed sheets, pillow cases, motor-vehicles, shoe laces, betel leaves and french polish.

(b) For the following, restricted imports have been allowed: confectionery, jams, jellies, marmalades, preserved fruits, sauces, fruit cordials, chinaware, glassware, photographic plates and films, undeveloped cinematographic films, musical instruments, refrigerators, account books, exercise books, chassis of motor lorries, buses, vans and lorries, powder, fountain pens, crown corks, camphor, electric lamps, bulbs, aluminium holloware, wire nails, wood screws, etcetera.

(c) Import restriction or ban also operates in relation to caustic soda, roofing tiles, sarongs, cotton piece-goods over Rs. 2 a yard (c.i.f.) and sarees over Rs. 12 a yard.

(ii) **Increase in import duties:** Import duties have been increased on a number of items, namely, beedies, envelopes, plastic manufactures and certain items of stationery, leather goods, spare parts, accessories of motor-vehicles, banians and singlets made of cotton and artificial silk, cotton camboys and sarees, assembled wireless sets and joss sticks.

(iii) **Price restrictions:** Ceylon has been fixing the maximum price of dried fish at a level which has been uneconomic for exports. The c.i.f. price of imported cement has also been fixed at Rs. 85 a ton which is not commensurate with the cost of production.

The above restrictions have had an adverse effect on the indigenous cottage industry. There have been various representations from organisations representing the handloom, beedi and joss sticks industries stating that the artisans in the south were facing acute unemployment and under-employment, because of these measures.

EGYPT

Trade Pact Signed

An Indo-Egyptian trade agreement was signed in Cairo recently. It envisages an increase in total trade. India will buy rice, cotton and 100,000 tons of rock phosphates, c.i.f. basis. Egypt, in addition to tea, has agreed to import from India fans, diesel engines, sewing machines, cigarette paper, dry batteries, dried fruits, tobacco and shellac.

FOREIGN COLLABORATION

Schemes Sanctioned

Britain continues to lead in assisting Indian industries in the private sector. There were 54 cases involving foreign collaboration approved by the Government of India during the quarter ended December 1962. Among these, 14 were British, 12 American, six West German, four

Swiss, two each of Dutch, Belgian and Canadian and one each of Norwegian, Danish, French and Italian.

CALCUTTA PORT

Dredger Ordered

A giant dredger costing Rs. 2.5 crores is to be acquired by the Calcutta Port Commissioners for improving the estuarine approaches of the river Hooghly. With a hopper capacity of 5,000 tons of spoil, the dredger will be the biggest in use in the country. Orders have been placed with I.H.C.—the internationally famous Dutch firm—and it is expected to be delivered in two years' time. The dredger is being financed from World Bank loans.

The Calcutta Port Commissioners have a fleet of suction dredgers, but it has been found that they are not quite suitable for dredging the estuary. With the decision to develop Haldia as a satellite port in the estuary capable of taking deep-drafted vessels, it has become necessary to improve the estuarine approaches. Apart from preventing the bars from silting, this will also help in making larger depths available to ships. Estuary dredgers have to be built to special specifications to cope with weather conditions and the swells and waves.

There are 15 bars in the navigable channel of the Hooghly. The port maintains six suction dredgers, primarily for dredging the 11 bars in the upper reaches. The number of dredgers available for continuous duty is limited to four and these have been found to be inadequate for

dredging in the river. The new acquisition will meet this need.

POWER

Central Pool

The Government of India is creating a central pool of electricity generating sets which can be moved to places where power is needed in an emergency. It is proposed to have generating sets with a total capacity of about 100,000 kilowatts of power in the pool. The decision to create pool has been taken because power generation has not kept pace with India's industrialisation and economic development resulting in power shortages in several parts of the country.

CHILE

Trade Pact Extended

Letters extending the Indo-Chilean trade agreement were exchanged here. The Indo-Chilean trade agreement signed in March 1960 expired on 31st December, 1962. The letters exchanged extend the agreement till the end of March this year.

GUR

Forward Trading Banned

The Government of India has decided with immediate effect to ban forward trading in gur throughout the country and to close all outstanding contracts at the rates prevailing as at the close of business on 18th January, 1963.

London

U.K. TRYING TO JOIN E.C.M. DESPITE FRENCH OPPOSITION

(FROM OUR LONDON CORRESPONDENT)

BRITAIN'S chief negotiator in Brussels, Mr. Edward Heath, in accordance with instructions from Mr. Macmillan, is pressing on with the Brussels negotiations for the U.K.'s entry into the European Common Market regardless of the formidable verbal barrier which President de Gaulle has erected against that eventuality. Mr. Macmillan's attitude can be summed up in a sentence: "Whatever President de Gaulle has chosen to say, all that matters is what emerges at the negotiating table." As far as Britain is concerned, the two rounds of Ministerial meetings in Brussels this month will go on as planned and another next month is possible. Only then, towards the end of February, will the Government have to decide whether the final terms available do or do not preclude Britain's entry.

It is repeatedly emphasised in Whitehall that Britain is negotiating with the European Economic Community as a whole, not with France alone. It would be idle to deny that the Government has been stung by the painful clarity of President de Gaulle's verdict, and especially by its timing. What is exercising the Government's mind is whether President de Gaulle's attitude will be fully reflected at the negotiating table in Brussels and, if so, the extent to which the other five Powers will conform with it.

Immediate Reactions

The Ministers of West Germany, Italy, Belgium and Holland made strongly-worded statements to the Press against President de Gaulle. A Benelux spokesman said: "We are pressing on, and if necessary will complete the negotiations with Britain in spite of the French refusal to co-operate. There are ways of bringing pressure, and something is already being done. All Europe cannot be held up by one man." Their immediate reactions indicated that they deplored and resented France's evident determination to keep Britain out. In view of this, it could be argued that President de Gaulle's statement was not after all so very skilfully timed. If it became clear at Brussels that the five other partners are ranged against France, the French will at some stage have to decide where the balance of national advantage lies. It is open to them to exclude Britain by their own vote, as agreement on the entry of another country has to be unanimous. Against that, however, they have to weigh the harm that might result to France's relations with her fellow-members if she frustrated unilaterally their known desires.

But there were certain assertions in President de Gaulle's Press conference which clearly irked British officials by their injustice. It was not true to say that the outcome of the negotiations depended wholly on Britain. International negotiations, by their very nature, depended as to their outcome on the contributions which all parties made to them. Contrary to the President's allegations, Britain had already fully accepted the principle of common tariffs. Nor was she seeking a privileged position for her agriculture. She was seeking common policies acceptable to herself and the "Six."

The British Government is asking for no changes in the text of the Rome Treaty—only such adaptations as will become necessary on the adherence of a new member. As to the President's remarks about Britain's E.F.T.A. partners and the expansion of the European Community, it was pointed out that the Rome Treaty provided for membership by any European State. It was never envisaged that the Community would be restricted to the six founder-members. As for Britain's special links outside Europe, the President himself has always been at pains to emphasise the worldwide nature of France's responsibilities and connections. France, as well as Britain, is a member of S.E.A.T.O. and, again like Britain, has special connections and defence agreements with her former overseas possessions.

Important Moves

Meantime, two important moves forward in the Brussels talks dispelled some of the gloom caused by President de Gaulle's outburst. Both are aimed at securing reasonable terms for British farmers. The first was a compromise plan to end the deadlock over deficiency payments to British farmers. The second was a Dutch proposal that the transitional period of one year for Britain to raise the price of wheat to the European Market price should be increased to four years. M. Spaak, the Belgian Foreign Minister, suggested that Britain should be more helpful in settling a deadline for ending deficiency payments. The "Six" could then be more helpful in solving Britain's problems for dealing with the effects on the British farmer and consumer of adjustment to Market rules. Mr. Heath complimented M. Spaak on simplifying the problem. He agreed that Britain might accept a 1970 deadline for ending deficiency payments on the key farm products. Until now Britain has insisted on payments for farmers continuing until 1972 for pig meat, and until 1974 for eggs. The French later joined in constructive discussion of the idea.

Dr. Luns, the Dutch Foreign Minister, proposed that the transitional period of one year which the French insist should be given to Britain to raise her wheat prices from £20 a ton to the Market price of £32 a ton, should be increased to four years. Most of France's partners supported this. But the French Minister of Agriculture, M. Pisani, accused "the other five" of deliberately stepping backwards and giving way to Britain. It became clear from discussions between Mr. Heath and Ministers of the "Six" and among the "Six" themselves, that a process of isolating the French delegation as a result of Gen. de Gaulle's tactics is now gaining momentum, but the deciding factor here will be the attitude of Dr. Adenauer. If he sides with General de Gaulle, there could well be a complete breakdown of the negotiations. On tariffs affecting items of importance to the Commonwealth, it was decided that Mr. Heath would indicate to the "Six" those of major importance to Britain. In return, the "Six" will be asked to indicate those which are important to them. This, it is hoped, will lead to bargaining and a clearing-up of

one of the last big problems delaying British entry.

Mr. Heath's request that Britain should have the same share of votes and of control of Market institutions as the major powers was approved. The "Six" also agreed on the price level for dairy products. This opens the way for discussing New Zealand's special problems.

Cotton Industry Prospects

The prospects for the British cotton industry if the U.K. joins the European Common Market are anything but rosy. This conclusion is reached by Mr. J. A. Blackburn, economist to the English Sewing Cotton Company, in an article in the *Three Banks Review*. On the basis of available information, Mr. Blackburn says that the U.K. cotton industry, compared with those of the E.E.C. countries, production a worker is mostly lower—a great deal lower in some instances—and mills are considerably less well equipped. Machine utilisation is much poorer, and commercial organisation weaker. This inferiority is confirmed, he says, by Britain's poor performance in export markets.

It is difficult to find fault with the statistics Mr. Blackburn uses or with his interpretation of them, especially as much that he says has already been stated or implied in one form or another by various textile traders and organisations. The Bristol firms at the top end of the scale, he says, should be able to hold their own in competition with E.E.C. countries, but he expresses the belief that the best firms on the Continent are superior to the best ones in Britain. As an example, he says that output an operative hour in one of the best spinning mills in Lancashire is only equal to the average of a sample of 400 mills on the Continent, and only half the rate being achieved by the Continent's best. It seems clear, accordingly, that Lancashire could not avoid losing some ground to the cotton industries of the "Six" if it operated within the European Common Market.

Like other observers and commentators, Mr. Blackburn urges the need for reform of the industry's structure and organisation by establishing larger units operating on vertical lines. An industry operating on horizontal lines, he suggests, would have no place in Europe, pointing out that there is only a small market for intermediate products such as yarn and grey cloth, so that Lancashire's horizontal spinners and weavers will have only restricted outlets in Europe. "The separation of manufacturing and merchandising in Britain," he continues, "has been exploited to the full by overseas suppliers in the past and will continue to be so in the Community. With their intimate knowledge of cloth customers, the British merchandising section will be turned into a body of agents for Europe, and this must not be allowed to happen." Quick action is needed—and Mr. Blackburn does not think it should take a long time—to organise for the sale of finished fabrics in Europe by firms largely conducting the manufacturing and marketing processes themselves. This reorganisation could be carried out during the four or six years of the transitional stage between Britain's first joining the

Community and the completion of the various tariff changes.

There will be no extension of the 1st February deadline under which many British firms, in common with others, will have to register their European trading agreements with the European Common Market Commission. Great confusion had been caused by the report that the E.E.C. Commission was going to ask the Ministerial Council for permission to extend the deadline to 1st January, 1964. A communiqué issued by the Commission later said that the idea had been dropped because the procedure laid down in the Treaty of Rome for arranging a postponement could not be completed by 1st February, 1963.

The Commission added that firms which wanted to obtain exemption for their agreements must notify it before 1st February "if they want to avoid unfavourable legal consequences." For certain types of sole agency contracts and patent licence agreements, firms may make use of a new simplified procedure. But enquiries suggest that this simpler form of registration can be used only for a limited class of agreement.

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Jute

HIGH PRICES AND THE THREAT FROM SUBSTITUTES

FOR some years, the anxiety of the Indian jute industry about substitutes has centred mainly on the competition from paper, bulk handling and cotton bags in North America. Over the past few years, the use of substitutes for packaging has steadily increased, while the consumption of burlap has fallen, except in 1962. The actual figures show that U.S. burlap consumption dropped from 897 million yards in 1959 to 857 million yards in 1960 and 781 million yards in 1961. But it has risen to 877 million yards in 1962.

It is significant that in 1961, when burlap consumption was at its lowest, prices were at their highest. In the early months of 1961, 40in. 10oz. hessian hovered around Rs. 70 a 100 yards, and this was reflected in the U.S. monthly consumption for April-July that year, which recorded new low levels. As prices dropped in late 1961 and early 1962, U.S. burlap consumption rose, and the complete figures for 1962 indicate that the total consumption of 877 million yards is the best for three years, being surpassed in the last ten years only by the record 1959 total, and in 1956, when consumption was 1 million yards higher.

New Mills

Strenuous efforts have been made by hessian manufacturers to meet the competition from substitutes. But, in addition, the Indian industry has had to face competition on the sacking side from factories which have been built over the past ten years in other countries. In 1952, manufacturing plants were established in Cuba; they are now turning out sugar bags from kenaf or mesta, a plant which is widely grown in tropical and sub-tropical countries. In the Philippines also, the first factory went into production in 1952, and now there is a flourishing industry. Some of the executives are Dundee or ex-Calcutta men, and although their initial machinery was second-hand, purchased in Dundee or on the Continent, many of their latest units contain up-to-date machinery. Australia has its bag factories; kenaf and jute are grown in New Guinea and in the Northern Territory of Australia. South Africa and the Congo manufacture their own bags from local fibres and jute grown from imported seeds. Even Burma, formerly one of India's best markets for heavy sacking, has established factories and is growing its own fibre; so is France, but there it has not turned out to be an economical crop.

All these developments encroach on Calcutta's trade. The Indian industry, therefore, has to turn its attention to developing existing markets for heavy sacking and seeking new ones. The Government of India seems to be unwilling to allow exports to South Africa, which could take a large quantity of sacking. Much of Pakistan's production finds its way there instead. It might be useful to send missions to study conditions in the African continent and in other markets, which, though smaller, are nevertheless important for the industry. Their significance is not due only to their being big consumers of sacking; the manufacture of sacking has an important bearing on the manufacture of hessian, the former being the outlet for raw material rejected from the manufacture of the latter. The cost of hessian is, therefore, closely re-

lated to the problem of disposing of sacking.

Gunny Market Quieter

There has been little interest in the Calcutta jute and jute goods markets over the past week. Gunny prices have continued their fluctuations, but on a reduced scale, and overseas customers still show little or no interest at the current rates. Arrivals of raw jute in the main receiving centres in India have shown a slight improvement and mofussil prices have eased. But sellers continue to complain that there is no parity between upcountry rates and those quoted in Calcutta. The demand for high-grade jute, particularly Tossa and Daissee, remains strong, and in Sheoraphuli prices have risen by Rs. 4 a maund for the superior grades. Even ordinary grades of Tossa at all agencies are now being quoted at Re. 1 or Rs. 1.50 above the minimum level. Mesta varieties, however, are still weak, and so is white jute; in these categories, prices remain below the minima.

It is encouraging to see an improvement in the availability of railway wagons from some areas, but it is regrettable that this has been achieved at the expense of other stations. Bookings have been opened to a number of mills where restrictions had been in force earlier, but bookings to other mills have been closed. It seems, therefore, that the supply of wagons for jute is still inadequate, and at the end of each delivery period contracts for the supply of jute to the mills have to be extended because wagons are not available. It is fortunate that the industry is in a position to grant extensions; in fact, many mills welcome the requests as they would have no godown space for the consignments if they were delivered. However, this has not always been the case, and in spite of a surfeit of jute, cases still arise of mills waiting for particular consignments to ease the qualitative unbalance of their stocks.

Rail Freight Charges

Another matter which the railways need to investigate is the correct calculation of freight charges. In a number of cases—some say in the majority of cases—the charges are incorrect. Rectifying the mistakes and making the necessary adjustments take many man-hours, besides costing the railways many lakhs of rupees. Worse still, the debits for under-charging are often not made until the time for making claims for refunds is about to expire, or has expired, with the result that the jute merchant who is responsible for the freight loses his money.

Frequently, parcels arrive a few bales short, mainly due to transhipment. Claims on this count are only entertained against "short certificates" issued by the goods clerk at the delivery station and here again the claims must be submitted within six months. Cases have arisen where the goods clerk refuses to issue the certificate within the stipulated time, and then the railways take shelter behind the provisions of the Railway Act and refuse to pay. Many more difficulties are suffered by the jute trade at the hands of the railways, but enough has been said to show that there is an urgent need for

overhauling the railway administration.

THE JUTE MARKETS

Manufactured Goods: The lack of enquiries from abroad gave bazaar speculators much scope, and prices again fluctuated widely from time to time. But the general trend was downwards. Small business was done in standard constructions and in a few specialties, but it had no influence on the market. The occasional rises were the result of local covering. There was no serious selling pressure from mills, but all mills were holding jute against which they had no sales and they would have welcomed the opportunity of balancing the position. Last Thursday was a holiday in the Calcutta market. When it opened on Friday, prices were slightly steadier, and ready B Twills stood at Rs. 114.35, with forward shipment at Rs. 113.65. Ready 4" in. 10oz. hessian advanced

to Rs. 50.85, which represented a premium of Rs. 1.85 over the forward position. By Saturday, the gains in sacking had been more than wiped out but hessian showed very little change. Over the week-end, however, a drastic change took place. B Twills collapsed to Rs. 112.30 and 40in. 10oz. hessians to Rs. 50.20, so the undertone was weak in the absence of business.

On Tuesday, opening quotations were as follows:

	Jan.	Feb.	Mar.	Apr.	May	June	Sept.
40in. 7oz.	36.50	38.15	37.60	37.15	36.50		
40in. 8oz.	41.25	41.00	40.35	39.85	39.00		
40in. 10oz.	50.20	50.20	49.70	49.15	48.60		
B Twills	112.00	112.75	112.60	112.50	112.00		
Corn sacks	115.25	115.75	115.50	115.25	114.50		
Heavy Ceess							
(Pain)	110.50	112.25	112.25	112.25	112.00		
A Twills	140.00	139.00	138.50	138.00	137.00		
Liverpools	126.00	126.75	126.50	126.50	126.00		

Raw Jute: Mills continued to purchase jute daily against their quotas but there was little change in the quoted rates. The Daissee and Tossa section was very steady, with indications above the minimum price. But all other varieties were weak, with rates sometimes well below the minimum. The demand for Daissee and Tossa was far greater than the supply. With the season well advanced, most of the good quality fibre

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had already been exhausted, and premiums of up to Rs. 1.50 were paid for the lower grades of Tossa. Imports on an all-India basis showed a slight improvement and totalled about 80,000 maunds daily. Upcountry prices in general were above the parity of Calcutta quotations, so sellers were not so keen for business. Arrivals in Cossipore last week totalled 575 wagons.

Opening quotations on Tuesday morning were as follows:

	Current Prices		T.S.O. Minimum Prices	
	Rs.	Rs.	Rs.	Rs.
	A Qtr.	A Mt.	A Qtr.	A Mt.
Assam-Agartala	73.68	27.50	80.38	20.00
Jute	73.68	27.50	79.04	29.50
Northern Jute				
Western-Desal				
Jute	69.66	26.00	73.63	27.50
Selected Daisser	67.07	32.50	65.73	32.00
Assam-Agartala				
Tossa	83.05	31.00	83.05	31.00

Me-la :

Assam-Northern	69.66	26.00	72.34	27.00
Local Daissee	69.66	26.00	72.34	27.00
Desal	71.00	26.50	73.68	27.50
Bihar Dist.	62.96	23.50	66.98	25.00
Pakistan N. C.	90.00	a bale	Jan.-February	

THE U.K. JUTE MARKETS

DEMAND FOR FIBRE FALLS

(FROM OUR DUNDEE CORRESPONDENT)

THERE was little change in the Pakistani raw jute market during the past week. The market there is still quiet with little buying interest shown. Offers of medium and lower grades are being freely made and, in many instances, these are available at under minimum export prices. Dundee spinners are remaining out of the market as far as shipment jute is concerned, but there

has been some movement in spot parcels. A considerable quantity of spot and afloat jute is at present being offered in the U.K. As holders of these parcels are anxious for business, they are discounting the generally quoted rates in many instances.

Spinners are holding large raw material stocks. It is only when a parcel of good quality fibre is offered at a very low price that business takes place. It is not possible for sellers to discount the bottom grades to any extent as prices have been at minimum levels during the season. However, it is possible to find sellers of better qualities willing to accept low prices to allow them to dispose of their holdings. Shipment offers are being made at £119 for Mill Lightnings, at £94 for Mill Hearts and at £81 for Grade Hearts, c.i.f. U.K., for January-February shipment. Grade Tossa-2/3 is available at £133 and Grade Tossa-4 at £113. Output Tossa-2/3 ranges from £99 and Output Tossa-4 from £89 10s, January-February. Very few sellers are now demanding a premium for forward shipment. Cuttings are also quiet with S.N.C. quoted at £54 and N.C. at £47 15s.

The Calcutta goods market became easier again last week with only a small interest shown by buyers in the U.K. Quotations were at 76s 3d for 40in. 10oz, and at 58s 3d for 7½oz. a 100 yards, f.o.b. Calcutta, for January shipment, at 75s 9d and 57s 9d February, at 75s 3d and 57s 3d March and at 74s 3d and 56s 3d April-June. B Twills were at 174s 9d, 17s 6d, 174s 3d and 174s for the respective shipment periods.

THE PAKISTANI JUTE MARKETS

FIBRE REMAINS DULL

(FROM OUR Dacca CORRESPONDENT)

BOTH overseas and local markets have been extremely dull with little business reported. Yet the E.P.C. registrations for the first week of January totalled 77,252 bales, of which 10,054 bales were cuttings. Destination quantities are not yet available, but it is known that out of this lot, India bought nothing. During December and January, considerable business was done in cuttings at discount prices. In fact, since the beginning of the season, out of 2,792,362 bales registered, 578,374 bales were cuttings. This is in excess of 20 per cent of sales so far. This is a higher percentage than the sales of the last season. If E.P.C. registrations continue in the same proportion, it can only mean that cuttings will be more in demand.

The pucca bale market remains more or less inactive except for limited business in cuttings. In long jute, quotations now vary more with the origin of fibre than ever before. This is an acknowledgment of the wide difference in quality from area to area. This is particularly true in white jute. But in the Daulatpur area, even Export Lightnings are unsatisfactory. To a lesser degree, this is also true for the northern area. The difference is not so apparent in Tossa except that the hard district Tossa is far superior to that from any other district.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption in December 1962 was 2 million yards more than during December 1961, but was 3 million yards less than November 1962. Last month's bag cut-up was 57.6 million yards and

CAPITAL, 24th January, 1963.

piecegoods deliveries 16.2 million yards, compared with 54.8 million and 17.3 million yards, respectively, in December 1961. U.S. spot stocks and afloats continued to increase due to heavy buying at the time of the Cuban crisis, and to efforts to increase spot stocks before the dock strike started. At 277 million yards, 117 million yards were spots and 160 million yards afloats. Spots increased by 7 million yards and afloats by 9 million yards, respectively. Appearing below are two tables which include the December figures—(1) based on member reports to the Textile Bag Manufacturers Association and the Burlap and Jute Association and (2) projected to represent the estimated consumption and stocks for the entire industry:

U.S. burlap consumption (as reported to T.B.M.A.) (Million yards)			U.S. burlap consumption (estimated industry total) (Million yards)		
	1962	1961		1962	1961
Jan.	82	67	Jan.	83	73
Feb.	69	67	Feb.	73	73
Mar.	67	63	Mar.	75	70
Apr.	62	54	Apr.	70	59
May	64	53	May	73	57
June	56	51	June	61	55
July	57	52	July	63	56
Aug.	65	62	Aug.	73	67
Sept.	64	60	Sept.	71	64
Oct.	69	61	Oct.	75	65
Nov.	70	65	Nov.	77	70
Dec.	66	66	Dec.	74	72
Total	791	721	Total	878	781
Mo. Av.	66	60	Mo. Av.	73	65

U.S. burlap stocks (as reported to T.B.M.A.) (Million yards)			U.S. burlap stocks (estimated industry total) (Million yards)		
	1962	1961		1962	1961
Jan.	200	222	Jan.	241	257
Feb.	215	212	Feb.	254	246
Mar.	222	208	Mar.	259	237
Apr.	213	202	Apr.	250	228
May	199	194	May	234	218
June	207	194	June	241	220
July	204	185	July	237	207
Aug.	207	191	Aug.	243	217
Sept.	204	179	Sept.	236	203
Oct.	203	181	Oct.	249	206
Nov.	223	192	Nov.	261	219
Dec.	239	204	Dec.	277	237

MR. WILLIS D. McLEAN TO RETIRE FROM BEMIS

Mr. Willis D. McLean, the doyen of the American burlap trade, left Calcutta on 22nd January after a farewell visit to India before his retirement from the post of Burlap Director of the Bemis Brothers Bag Company in the U.S.A. Mr. McLean has been connected with the burlap trade for the last 45 years and has visited Calcutta on many occasions in the past. As chairman of the Burlap Business Relations Committee of the Textile Bag Manufacturers Association of America, he has been closely associated with the jute goods trade in India over a long period. He has done much to foster goodwill between the Indian jute industry and its customers in North America.

During his recent visit, Mr. McLean was accompanied by Mr. B. L. Willmore, a vice-president of the Bemis Brothers Bag Company, with whom he met manufacturers and shippers of jute goods and various Government officials, including in particular the Jute Commissioner. Mr. McLean has always been held in the highest regard by the jute industry and trade in India. Before he left Calcutta, warm tributes were paid to his outstanding services in promoting the trade in jute goods between India and its principal export market in the U.S.A.

CAPITAL, 24th January, 1963.

Commodity Markets

POOR PROSPECTS FOR PEPPER

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE immediate outlook for pepper does not appear to be encouraging in view of the continued absence of American buying interest. For some time, Singapore has been underselling India in the world market. It may be difficult for India to maintain a price parity with Singapore because of the distress selling of Indonesian pepper. Indonesia has been selling her accumulated stocks through Singapore at comparatively low prices. This had a dampening effect on the world market. Meanwhile, the prospects for black pepper have to be assessed in the light of available supplies from Indonesia. Reports from Singapore say that Indonesia has a large accumulated stocks. So that country is now in a mood to liquidate its stocks at any price. The United States is still the largest market for pepper, but buyers there are unwilling to enter into any major commitment, presumably due to the dock strike.

This is distressing for pepper interests in India because this is a time when they need active buying support from abroad, especially from the United States. This is the harvest time in India, and the terminal markets like Cochin and Alleppey have reported peak arrivals. New crop arrivals so far are placed at about 7,000 tons. Most of it has been absorbed. There is yet another 20,000 tons to 22,000 tons to be marketed out of the new crop. The present price of Rs. 250 a quintal is at least Rs. 50 less than the price ruling towards the close of the previous season. It is down by a similar amount when compared with the rates prevailing at this time of last year. The present state of the pepper market is all the more disquieting in view of the fact that the previous season was very satisfactory for the commodity. Prices were attractive and exports touched a new high at about 22,000 tons. However, one need not jump to the conclusion that the new season will be bad for pepper. It is only three months since the season started in India. There is yet another nine months for the season to close. So one cannot say definitely what the future has in store for the commodity. Much will depend on the competition from Singapore as well as the buying policy of consumers abroad.

Pepper interests in Alleppey, too, have started asking for forward trading facilities in their place. The Alleppey Oil Millers and Merchants Association has already taken up with the Forward Markets Commission, the Central and State Governments the question of making Alleppey a pepper forward trading centre. Forward marketing in pepper has been going on in Cochin for the past few years. Bombay is expected to get forward trading facilities soon.

Trading in transferable specific delivery contracts in black pepper is likely to begin from the end of this month. The contract shall be for month. The contract shall be for Malabar ungarbled black pepper. Delivery shall be of fair average quality packed in new gunny bags and shall be well dried and free of oil wash. An allowance of 7 per cent is made in the case of hollow pepper of light berries. For over 7 percent and up to 10 percent, the seller shall pay allowance at Re. 1

a quintal on every percent. If over 10 percent, the buyer has the option to reject. A free allowance of 2 percent is made for extraneous matter. All other foreign matter above 2 percent shall be considered as dirt. There is a free tolerance up to 1 percent for mouldy pepper. The quotation for black pepper shall be in 100 kilos or one quintal. The unit of trading shall be 25 quintals or multiples thereof. Upcountry deliveries against transferable specific delivery contracts shall be permitted in Alleppey, Cochin and Calicut.

Cashew Trade Prospects

The cashew trade is optimistic about the immediate prospects for

the raw nut supply and the demand for processed kernels. At present, raw nut supplies are adequate and prices are favourable. Offers from Portuguese and British East Africa are said to be larger this time. The Indian crop prospects are also considered satisfactory. The imported nut is currently quoted at Rs. 565 to Rs. 585 a ton, depending on quality. The trade's fears about import licences seem to have vanished. Import licences for 50 percent of the entitlement have been issued for the October-March period, so arrivals are expected to be well maintained. According to some reports, business to the tune of 30,000 cases of processed kernels has been transacted recently at 42½ cents a lb. Most of it was with the United States. Trade circles are hopeful of doing some substantial business with east European countries shortly.

Rubber Output Up

The world natural rubber output for 1962 amounted to 2,120,000 tons, according to a British estimate. This was 30,000 tons more than the

previous year's production. Of this total, some 750,000 tons was accounted for by Malaya and 670,000 tons by Indonesia. Including minor producers and stockpile releases, 2,185,000 tons of natural rubber were estimated to have been released on to the world markets in 1962 whereas consumption during the same year amounted to 2,180,000 tons. The production and consumption of natural rubber were thus closely in balance in 1962.

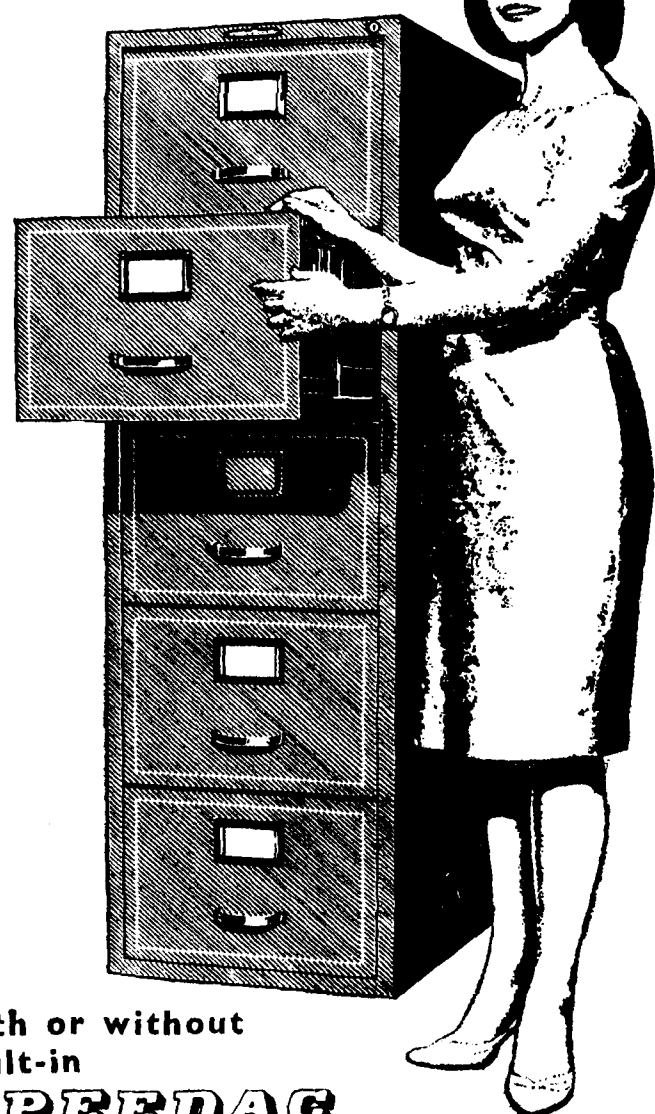
In India, too, production is believed to have registered an increase. According to producers' organisations, most of the leading estates were having record increases in crop, although the gain was not reflected in the Rubber Board's production statistics. In the latter half of the year, there was an accumulation of stocks with producers, since manufacturers were reluctant to lift them. Consequently, growers experienced difficulty in selling their rubber at statutory prices. Small growers with limited financial resources

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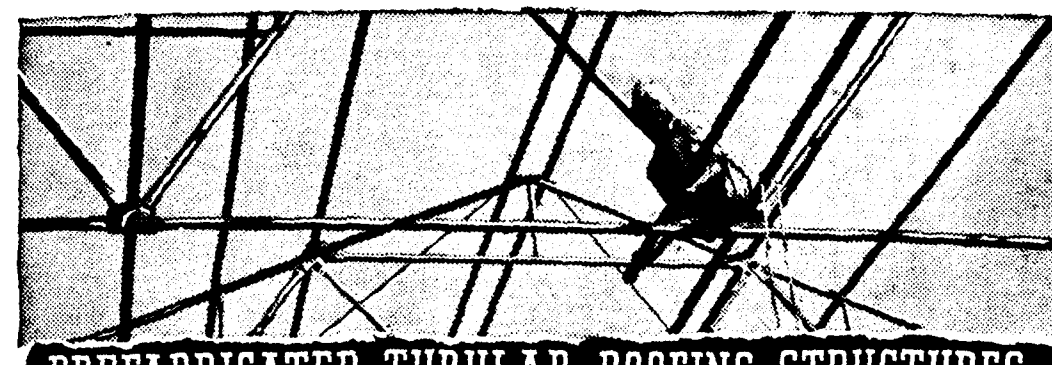
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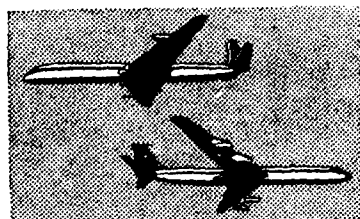
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Coffee Demand Rising

The world demand for coffee is rising. The original estimate of 44 million bags has been raised to 48 million bags. Now that India's 1962-63 coffee crop has been estimated at 53,000 tons, the country may actually be confronted with a shortage in the domestic market if full advantage is taken of the export quota of 21,600 tons which it was allotted under the new International Coffee Agreement. Some coffee growers in south India are launching a small project in collaboration with Tata-Fison and Rallis India to study the incidence of the new disease which is affecting coffee plantations and to suggest control measures. Interests sponsoring the project hope that a start will be made on the investigations by the end of this month. The new disease which causes an unusual leaf fall followed by a severe dying of the new wood on the crown of the plant is today fairly widespread in the south-west monsoon zone where over 80 percent of India's coffee is grown. It is stated that the disease was first noticed in 1957, but it was only during the last two or three years that it has tended to affect crops.

The shortfall in the crops between original estimates and the realisations during the past four years has been significant with the exception of 1960-61. In 1960, the Coffee Board decided to set up a project to deal with this problem and intensively study the malady but due to various difficulties, the project could not be started. According to the sponsors of the new project, there are certain economic aspects which need urgent attention. Ameliorative measures have to be undertaken by planters as early as possible if their plantations are not to be put to a damaging strain. Mr. R. Radcliffe who is closely associated with the project has issued an appeal through the *Planters Chronicle*—the official publication of the United Planters Association of Southern India—for funds. The initial subscription to be paid by the sponsoring interests is Rs. 4 a planted acre of coffee, and this has been guaranteed for three years. Tata-Fison and Rallis India will offer their services free of charge. The knowledge gained by this private study will be shared with the Coffee Board, Mr. Radcliffe said.

Raising Tea Exports to U.S.A. and Canada

(BY A SPECIAL CORRESPONDENT)

THE American and Canadian markets should be explored more intensively for raising Indian tea exports. The past year, which included a poor summer in North America, produced good sales of iced tea. Some packers reported "remarkably good business" during the first six months. Consumption of both instant and ordinary tea increased in 1962. Some American reporters state that the increase in business has been "dramatic, spectacular, and meteoric".

Mr. W. Gardner Barker, president and chief executive officer of Thomas Lipton Inc. of the U.S.A. and president of the Tea Association of the U.S.A. is reported to have stated that total tea sales in 1962 will be the highest in the U.S. history, thanks mainly to instant tea. But 1963 is expected to be even more exciting "if quality control and aggressive marketing continue". This makes encouraging reading. But the fact that any one country is consuming more is good news for the trade in general. In support of the above comments, one can cite the following facts from *World Coffee*

and *Tea*. The journal says that the boom in bulked teas is spurred by instants. "Miscellaneous blacks" are up by 200 percent in first eight months. Market shares have also shifted. India, Africa, and South America have gained while Ceylon, Indonesia and Formosa have lost.

U.S. TEA IMPORTS (Percentage of total for 12 months from August to July)			
	1961-62	1960-61	Change
Ceylon	38.70	41.86	- 3.16
India	22.20	22.25	+ 1.40
Indonesia	11.26	13.44	- 2.18
Africa	9.18	8.49	+ 0.69
Formosa	5.11	6.31	- 1.20
South America	1.20	.74	+ .46
Ceylon/India blend	1.26	.93	+ .33
Miscellaneous black blends	7.32	3.10	+ 4.22

The question for India is: how big was the gain and what was this country's share in it? The above figures indicate that the steady loss in India's tea exports to America has been checked. The dismal trend over the past decade has been reversed, and India has captured more business in dollar areas.

This is a matter for congratulation for the Central Government, the Indian Tea Board and the Indian delegation which visited Canada and the United States last year. The rise in exports may be due in part to the reduction of export duties. Now that the initial experiment has shown that by a small sacrifice of internal revenue, the country can increase its foreign exchange earning by a considerable amount, it is reasonable to suppose that the trade and the Tea Board will not rest until they have convinced the Central Government of the necessity for granting more assistance by a further reduction in export duty.

One is pleased to be able to confirm the optimism of the American reporters from local statistics. The following table shows: tea exports from south India:

	1962	1961	1960
(000 omitted)			
January to October	5,654	4,988	4,075 (to U.S.A.)
January to October	4,950	4,921	4,435 (to Canada)

North India is said to be shipping fair quantities of tea to these areas but actual exports are not being published due to the national emergency. The figures, read together with enthusiastic propaganda in North America, suggests that consumption in these places is rising.

As far as the prospects for profitable working by the north Indian gardens are concerned, results should be much the same as for 1962, because although this correspondent now calculates that gross receipts on a smaller crop will be somewhat larger than revenue from lower prices last year, the smaller output this year will be more costly to make. Up to mid-January, Assam teas fetched an average of Rs. 5.99 a kilogram whereas last year the price was Rs. 4.94 a kilogram. The relative figures for Darjeeling teas are Rs. 7.50 and Rs. 6.49 a kilogram.

It is interesting to learn from the chairman of the Dooars Branch of the Indian Tea Association that the district has had a good cropping year

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COMPANY AND PUBLIC NOTICES

STATE BANK OF INDIA

A Meeting of the Central Board of Directors of the State Bank of India was held at Calcutta on Monday, the 21st January, 1963.

The following is a note of the net profits declared at the Meeting for the year ended the 31st December, 1962 and their distribution:—

	Rs.
Net profits for the year	269,25,300
Brought forward from last year	50,41,300
	319,66,600

Dividend to Shareholders at the rate of Rs. 23 per share, subject to deduction of tax (made up of Interim Dividend at the rate of Rs. 10/- per share—Rs. 56,25,000 and final dividend at the rate of Rs. 13/- per share—Rs. 73,12,500)

Transferred to Reserve Fund

Transferred to Pension Funds

Bonus to Staff

Transferred to Staff Welfare Fund

Transferred to Staff Co-operative Housing Fund

Carried forward

319,66,600

ANGELO BROS., LIMITED

NOTICE is hereby given that the Fifty-sixth Annual General Meeting of Shareholders of Angelo Bros., Limited will be held at the Registered Office of the Company, No. 6, Lyons Range, Calcutta on Wednesday the 20th February 1963, at 3-00 P.M. to transact the following business:—

- To receive and adopt the Directors' report and the audited Balance Sheet and Profit and Loss Account for the year ended 31st August, 1962.
- To consider and declare a dividend in respect of the year ended 31st August, 1962.
- To appoint Auditors and to fix their remuneration.
- To appoint a Director in place of Sir A. K. Roy, who retires by rotation under Article 107 of the Company's Articles of Association and is eligible for re-appointment subject to compliance with the provisions of Section 281 of the Companies Act, 1956, and to consider and if thought fit to pass the following Resolution of which special notice, as required by Section 281 of the Companies Act, has been received by the Company.

AS SPECIAL BUSINESS.

That pursuant to the provisions of Section 281 of the Companies Act, 1956, Sir A. K. Roy, who has attained the age of 76 years and who retires by rotation be and is hereby re-appointed a Director of the Company, and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the said Act shall not apply to him.

(As a Special Resolution)

- "Resolved that Turner, Morrison & Co. Ltd., be and are hereby authorised to provide the Company with suitable office accommodation at Calcutta and also if so required by the Company, at any other place or places in which the Company, at Calcutta, Turner, Morrison & Co. Ltd., may be able to provide such accommodation, and the Company shall pay to Turner, Morrison & Co. Ltd., such rents and outgoings as such rents and outgoings shall from time to time, unless determined by the Directors of the Company, be determined by ordinary resolution passed by the Company in general meeting to be fairly and reasonably attributable to the accommodation so provided".

(As an Ordinary Resolution)

- "Resolved that, in variation of the monthly rent of Rs. 45/- per 100 sq.ft. payable by the Company in respect of the office accommodation at No. 6, Lyons Range, Calcutta, provided by Turner, Morrison & Co. Ltd., the Managing Agents of the Company, to the Company in terms of the Agreement dated the 7th May 1959 entered into between the Company and the Managing Agents, the monthly rent payable for such office accommodation

be increased to Rs. 100/- per 100 sq.ft. with effect from the 1st July, 1962, and the Directors be and are hereby authorised to execute such Supplementary Agreement to give effect to the above variation as may be considered necessary.

Note:—

- A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
- An explanatory note as required under Section 173 of the Companies Act, 1956, has been sent to each Shareholder entitled to notice of the meeting.
- The Share Transfer Register of the Company will be closed from 5th February, 1963 to 20th February, 1963, both days inclusive.

Warrants for the dividend when declared will be forwarded in accordance with registered instructions, but if no such instructions have been received, to the registered address of the Shareholders whose names appear on the Company's Register at the date of declaration.

By Order of the Board,
TURNER, MORRISON & CO.,
LIMITED.

D. M. JAFFRAY,

Director,

Managing Agents.

Calcutta, 22nd January 1963.

RALLIS INDIA LIMITED

Notice of Closure of Transfer Books

NOTICE is hereby given that the Transfer Books of the Company will be closed from 4th February, 1963 to 19th February, 1963, both days inclusive.

By Order of the Board,
KENNETH SHEPPARD,
Secretary.

16, Hare Street,

Calcutta,

26th December, 1962.

THE UNITED COMMERCIAL BANK LTD.

NOTICE

Issue of new 2,00,000 ordinary shares of Rs. 100/- each, Rs. 50/- per share paid up for cash at a premium of Rs. 25/- per share.

SHAREHOLDERS are hereby reminded that the sum of Rs. 37.50 per share towards the nominal value payable on allotment on the Right Shares is required to be paid on or before the 31st January, 1963. No extension of time whatever will be given for payment of the sum payable on allotment.

Interest at the rate of 9% per annum from 1st February, 1963 to the date of actual payment will be charged on the amount payable on allotment if the same is not paid on or before the 31st January, 1963.

By Order of the Board of Directors,
S. T. SADASIVAN,
General Manager.

Calcutta,

Dated 24th January, 1963.

THE ATTOCK OIL COMPANY LIMITED

(Incorporated in England)

(Liability of Members is limited)

AT the Board Meeting held on 17th January 1963 the Directors declared an Interim Dividend for the year 1962 at the rate of 1 sh. (one shilling) free of United Kingdom Income-Tax per £1 unit of Stock payable on 14th March, 1963 to stockholders on the Registers as at 11th February, 1963.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Shaw Wallace & Co. Ltd.	13-2-63	3 p.m.
Angelo Bros., Ltd.	20-2-63	3 p.m.
Dalmia Iron & Steel Ltd.	21-2-63	3 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Associated Battery Makers (Eastern) Ltd.—15 p.c. (o), less tax. Indian Oxygen Ltd.—12 p.c. (o), subject to tax; Attock Oil Co. Ltd.—One Shilling free of U.K. Income-tax per £1 unit of Stock (Int.); State Bank of India—Rs. 13 per share (o), subject to tax.

HIDES AND SKINS QUIET

The market was quietly steady. Stocks were higher than in the previous week.

Bazaar Sales

(Between 15th January and 21st January, 1963)

Cowhides: Wet salted (Ord.) 13,000 pcs. on the basis of Rs. 9.50 to Rs. 13.12; Wet salted (Slaughtered) 18,500 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28.50; Wet salted (Ord.) 3,000 pcs. on the basis of Rs. 1 a lb.

Goatskins: Wet salted (Daissee, Kustia) 54,600 pcs. on the basis of Rs. 405 to Rs. 420 and Rs. 475 to Rs. 485; Wet salted (he-killed) on the basis of Rs. 4.87 and (she-killed) on the basis of Rs. 4.62 a piece; Assam-Dinajpur-Murshidabad-Pakur 18,000 pcs. on the basis of Rs. 340 to Rs. 350 and Rs. 385 to Rs. 410; Purneah-Kissenganj 47,500 pcs. on the basis of Rs. 380 to Rs. 400; Patna-Muzafferpore 35,500 pcs. on the basis of Rs. 395 to Rs. 412.50; Purneah 2,100 pcs. on the basis of Rs. 565.

Bazaar Stocks

(21st January, 1963)

Cowhides: Wet salted 1,08,900 pcs.

Goatskins: Wet salted (Daissee, Kustia, Killed) 62,300 pcs.; Assam-Dinajpur 78,800 pcs.; Muzafferpore-Patna - Pakur - Purneah - Kissenganj 1,50,000 pcs.

SHELLAC STEADY

During the week ended 21st January, the market was steady. The range of quotations was as follows:

Pure Buttonlac	Rs. 110, 114 value.	66,42,500
Lemon One Shellac	Rs. 112, 114 buyers.	16,59,800
Lemon Two Shellac	Rs. 100, 102 buyers.	8,04,850
Standard One Shellac	Rs. 98, 92 buyers.	63,22,567
Pure TN Shellac	Rs. 78 value, 78 buyers.	4,56,210
Golden Kusmi Seedlac	Rs. 110 value.	12,05,050
Kusmi One Seedlac	Rs. 110 value.	8,93,601
Golden Byasack Seedlac	Rs. 80 value.	90,84,701
Manbhumi Fine Byasack Seedlac	Rs. 62, 64 value.	1,47,858
Fine Byasack Seedlac	Rs. 54 value.	2,49,069
Genuine Byasack Seedlac 5%	Rs. 46 value.	1,47,858
Grade One Class B Seedlac	Rs. 66, 68 buyers.	2,49,069
Grade Two Class B Seedlac	Rs. 70, 72 sellers.	2,49,069

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

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BANKS

Wednesday, 23rd January, 1963.

Paid-up Capital Ordinary	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.	Rs.	Rs.			Rs.	Rs.	1959 1960 1961	Rs.	22-1-63 16-1-63 A year ago
67,50,000	1,23,75,000	27,37,97,908	Allahabad Bank P.	12	13,24,414	6,09,614	18 18 18	100	396/00 396/00 329/00
1,50,00,000H	1,81,24,560	33,09,58,958	Bank of Baroda	12	67,63,195	3,02,553	14 17 17	50	93/00 93/00 118/00
3,00,00,000H	3,28,00,000	33,83,61,910	Bank of India	12	1,10,31,538	29,16,350	16 20 20	50	110/50 110/50 143/50
2,62,50,000H	3,68,08,624	79,29,75,001	Central Bank of India	12	1,93,04,910	18,61,470	17-1/5 20 2/5 ..	25	57/50 58/50 69/00
26,600,000	27,150,000	2141,890,310	Chartered Bank	12	2,990,238	2,540,648	15 15 15	£1	sh. 55/4 1/2 sh. 55/4 1/2 sh. 54/3
1,25,00,000H	10,00,000	3,44,38,609	Hindusthan Commercial	12	13,78,657	13,261	Nil Nil Nil	50	17/12 17/12 20/25
50,00,000H	2,85,000	94,21,660	Hindusthan Mercantile	12	1,68,130	28,888	Nil Nil Nil	50	15/62 15/62 17/31
HK\$79,046,125	£15,000,000	£165,691,749	Hong Kong & Shanghai	12	HK\$43,315,459	HK\$2,340,534	£3 £3 £3	HK\$25	£18 £18 £18 1/2
80,60,000	83,01,884	19,38,59,976	Indian Bank	12	36,84,210	80,143	15 15 ..	100	173/50 174/50 180/00
22,40,000	78,36,660	14,65,60,072	Indian Overseas Bank	12	43,80,498	2,22,933	12 14 14	100	165/00 165/00 199/50
75,00,000	74,41,264	2,23,84,659	Industrial Finance Corp.	12	7,80,776	21,25,000	.. .. ..	50	.. .. ..
5,00,00,000	£4,760,400	£105,373,912	National & Grindlays Bank	12	£644,273	£311,105	12 13 14	sh. 15	sh. 35/4 1/2 sh. 34/- sh. 32/9
£5,703,000	2,10,93,691	69,22,46,887	Punjab National Bank	12	1,18,39,595	10,37,738	20 20 20	10	20/62 20/62 22/62
1,99,36,910	43,00,000	10,42,69,664	Union Bank of India	12	14,75,220	1,14,551	.. .. ..	5	6/28 6/32 8/20
60,00,000	90,74,000	25,80,78,402	United Bank of India	12	20,50,000	2,39,624	4.3 4.3 6	10	7/75 7/87 7/00
2,68,84,370	2,35,00,000	36,83,34,071	United Commercial Bank	12	72,60,557	2,07,428	11 12 12	50	82/50 82/50 102/50
2,00,00,000									

* Excluding taxation.

** Per share on increased capital.

† Guaranteed.

JUTE MILLS

Paid-up Ordinary Capital	No. of Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until	
Rs.		Rs.	Rs.	Rs.			Rs.	Rs.	1959 1960 1961	Rs.	22-1-63 16-1-63 A year ago	
60,00,000	879	99,19,361	66,42,500	3,92,646	Agarpara P.	3	79	59,794	79,587	5 10	24-21*	10/50 10/62 10/50
6 00,000	446	26,70,981	16,59,800	4,22,325	Alexandra P.	12	165	2,57,931	1,40,179	15 44	15	305/00 305/00 265/00
30,00,000	1,264	48,84,147	8,04,850	5,70,976	Alliance P.	5	165	11,43,880	58,837	Nil 6	Nil-10*	117/00 117/00 92/50
49,20,700	2,561	1,04,15,434	89,25,000	63,22,567	Anglo-India P.	3	63	20,60,933	2,75,227	12 20	7-10*	229/00 229/00 192/00
40,00,000	810	61,70,400	26,57,703	4,56,210	Auckland P.	3	21	-5,54,726	-5,02,872	20 27	12-Nil*	153/00 153/00 165/00
20,00,000	959	57,59,081	35,02,335	12,05,050	Bally P.	3	22	13,67,235	60,074	10 25	25-25*	100/00 280/00 255/00
2,75,00,000	1,829	£410,570	£28,859	£53,073	Barnagore P.	3	128	-2,89,216	£1,042	10 30	10-10*	188/00 188/00 131/00
45,00,000	600	29,61,854	15,46,700	8,93,601	Bengal P.	6	235	5,85,851	1,33,355	5 5	10	10/25 10/25 9/00
1,59,56,210	1,373	5,25,85,505	3,35,31,987	90,84,701	Birla P.	10	22	96,65,712	1,08,070	10 15	15-15*	28/87 29/62 30/12
36,00,000	991	51,27,514	10,40,080	1,47,854	Budge Budge P.	10	2	-9,36,084	-8,90,684	15 10	Nil	168/00 168/00 127/00
7,47,380	922	12,59,648	4,17,958	1,73,320	Calcutta P.	6-12	62	61,970	48,461	.. ..	5	8/00 8/00 10/50
18,00,000	616	38,26,710	21,78,882	36,75,352	Caledonian P.	11	440	1,72,996	11,777	12 12	5	220/00 220/00 145/00
59,16,400	1,400	1,01,67,080	52,28,226	2,49,082	Champdany P.	3	304	-25,39,621	-24,02,338	7 10	5-Nil*	140/50 140/50 125/00
38,56,250	330	63,15,022	32,00,094	2,47,272	Cheviot P.	11	2	-16,01,287	1,21,444	12 Nil	5	23/69 23/69 15/56
30,15,000	950	61,67,235	31,67,621	12,41,633	Chitavalsab P.	7	165	-8,25,605	-7,86,279	15 5	Nil	11/25 11/25 12/00
16,00,000	939	13,80,489	25,12,433	1,35,556	Clive P.	3	318	1,51,574	18,647	.. ..	1	8/37 8/37 9/80
31,49,200	766	52,19,772	12,23,514	3,57,222	Dalhousie P.	3	21	-51,738	-52,456	Nil 1	1-Nil*	133/00 133/00 105/00
56,00,000	779	1,24,93,482	51,26,797	3,06,994	Delta P.	11	2	-9,12,181	-8,96,549	14 7 1	7 7	179/00 179/00 166/00
15,00,000	500	35,89,694	38,81,700	9,81,910	Empire P.	3	138	3,58,353	48,572	12 12	10	17/19 17/19 18/62
15,00,000	1,884	1,68,88,474	87,06,518	7,52,017	Fort Gloster P.	3	138	26,14,782	14,938	20 25	10-12*	412/00 412/00 375/00
63,00,000	1,614	48,31,660	24,93,660	12,66,910	Fort William P.	3	234	4,99,648	7,033	15 22 1/2	10-10*	26/12 26/12 23/62
84,32,100	1,709	1,20,88,547	40,93,282	56,21,122	Ganges P.	3	367	41,38,028	1,89,764	Nil 10	10-15*	13/25 13/69 12/56
43,20,000	607	62,13,562	74,30,537	45,41,712	General Industrial	12	359	6,51,478	1,87,596	40 40	10	18/00 18/00 35/00
24,00,000	1,394	1,02,44,325	74,30,537	58,51,515	Gourepore P.	3	19	12,24,172	49,518	25 30	25-20*	468/00 468/00 427/00
40,00,000	1,078	70,83,967	9,22,473	53,86,439	Hastings P.	3	234	5,68,002	1,01,636	6 6	6-6*	128/00 128/00 113/00
16,80,000	720	28,41,207	25,26,273	12,67,575	Houghly P.	3	356	9,69,386	38,329	6 10	20	20/00 20/00 15/62
65,62,500	1,940	72,72,179	38,55,000	23,48,290	Howrah P.	3	128	-10,94,477	-13,61,551	10 12 1/2	10-Nil*	18/25 19/00 20/00
52,50,000	2,272	1,31,00,000	39,24,567	36,11,862	Hukumchand P.	3	35	27,19,417	57,366	20 28 1/2	28 1/2	26/12 26/12 25/12
97,30,000	790	93,29,345	27,20,329	6,75,226	India	3	355	7,44,969	3,18,900	9 9 1/2	12-18*	18/12 18/12 15/12
43,00,000	1,797	58,16,106	45,41,712	5,85,698	Kamarahatty P.	12	128	-13,75,188	-10,27,061	20 5	Nil	100/00 100/00 77/00
54,00,000	1,327	58,16,106	45,41,712	5,85,698	Kankarnahar P.	12	128	-13,75,188	-10,27,061	20 5	Nil	100/00 100/00 77/00
28,00,000	703	53,93,372	56,73,800	13,28,826	Kelvin P.	5	165	5,85,851	1,33,355	14 15	15-15*	133/00 133/00 78/00
28,00,000	1,530	85,81,995	26,08,764	54,356	Khandari P.	8	382	16,20,889	59,933	20 20	5-12 1/2*	18/50 18/50 16/62
48,00,000	1,250	70,14,861	46,11,711	3,69,702	Kinnison P.	3	106	-22,59,826	-21,89,282	10 20	7-Nil	150/00 150/00 162/00
24,48,000	931	33,87,827	Nil	3,69,702	Lansdowne P.	3	21	-15,64,671	-6,84,149	Nil Nil	Nil-Nil*	120/00 120/00 122/00
28,00,000	840	22,22,558	1,36,90,180	42,99,026	Lawrence P.	3	21	7,57,111	1,38,282	2 7	15-10*	124/00 124/00 166/00
81,65,200	1,294	1,26,96,079	12,04,575	3,47,088	Magna P.	3	355	-17,83,515	-4,26,297	10 12	12 1/2-Nil*	13/37 13/75 11/11
29,98,800	815	76,99,879	15,55,000	28,11,429	Naihati P.	3	101	10,35,634	-13,08,719	.. ..	..	101/00 101/00 83/50
20,00,000	425	10,79,854	8,25,999	6,75,226	Naskarpara	4-10	107	3,36,343	17,816	.. ..	..	9/08 9/08 22/00
35,00,000	852	99,53,012	49,80,518	8,25,999	National P.	10	378	-6,31,516	59,869	10 7 1/2	Nil	25/50 25/50 23/50
26,25,000	916	36,08,542	33,17,272	10,37,040	Nellimarla P.	7	165	5,54,299	15,530	14 6	15	11/25 11/25 10/50
2,56,00,000	1,765	8,09,96,118	2,42,19,122	26,20,231	New Central P.	3	335	-18,53,065	15,530	15 15	15-Nil*	13/06 13/37 16/30
16,79,800	567	51,13,896	51,70,911	4,86,781	Northbrook P.	3	21	10,14,322	32,186	12 30	30-20*	31/50 31/50 30/00
66,79,500	1,092	1,00,63,618	42,63,296	5,77,179	Nuddea	3	19	4,25,754	65,041	6 8	6-5*	57/00 57/00 63/20
25,00,000	400	27,55,408	11,44,471	4,20,083	Presidency	7	165	2,17,764	4,940	10 8	6	5/19 5/19 4/40
20,00,000	305	44,84,547	2,99,013	1,14,563	Rameswara P.	3	166	8,36,262	-3,60,855	Nil Nil	Nil-Nil*	10/94 9/94 7/70
49,50,000	1,276	57,25,150	Nil	24,98,321	Reliance P.	3	128	7,31,817	25,40,896	Nil Nil	Nil-Nil*	6/75 6/87 5/70
£600,000	2,013	£1,452,330	£1,182,324	£270,476	Sammugger P.	12	64	-£77,715	£4,780	6 6	Nil	£1 10/50 10/50
30,00,000	911	87,28,390	15,86,900	14,20,017	Shree Ambica P.	3-9	61	6,54,003	16,678	.. ..	..	22/00 22/00 21/50
14,00,000	401	23,26,390	15,86,900	14,20,017	Soorah P.	12	166	8,57,568	16,168	25 25	25	25/25 25/25 21/50
£600,000	1,794	£1,331,626	£996,938	£355,525	Titagbur P.	12	64	-£57,609	£6,618	10 8	Nil	£1 10/50 10/50
35,98,800	1,326	37,69,632	37,88,568	11,91,543	Union P.	3	21	1,70,129	18,617	20 25	6-Nil	171/00 166/00 170/00
£400,000	1,331	£1,326,471	£747,577	£198,161	Victoria P.	10	6	-£92,493	£4,814	10 6	Nil	£1 10/50 10/50
2,50,000	465	6,47,472	8,20,000	6,95,642	Waverley P.	5	165	67,756	66,272	25 30	30-60*	3/75 3/75 3/75

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Assets Securities etc.	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.		1959 1960 1961	Rs.	22-1-63 16-1-63	16-1-63 A year ago
25.50.000	58.52.284	43.77.890	3.90.484	Amalgamated	3	236	16.40.057	39.096	15	10	124-15*	10
1,29,00,000	3,15,46,304	2,44,30,490	36,03,088	Bengal P	10	2	86,68,870	10,42,254	25	25	21	100
4,49,350	4,37,882	1,30,142	91,796	Bengal Bhatdee	12	368	43,391	4,471	..	..	..	10
2,25,000	3,06,216	5,45,835	5,19,015	Bengal Nagpur	12	..	1,55,638	16,129	Nil	19	26	10
15,97,000	23,27,321	4,97,308	63,982	Bhaigava	9	132	2,62,417	21,275	..	..	..	10
40,00,000	67,23,620	2,75,000	21,19,661	Bharat Collieries P.	6	335	11,80,816	2,120	..	..	..	10
7,15,000	14,96,845	11,02,672	64,320	Bhulanbararee	12	362	3,06,496	4,92,596	..	..	..	10
16,00,000	38,87,275	16,18,636	7,185	Bokaro & Ramgur	6	12	1,21,926	79,196	..	..	..	10
7,50,000	19,13,792	22,77,003	12,32,439	Borra P.	12	106	6,26,414	33,647	10	15	15	10
90,92,480	2,32,19,267	1,46,53,383	33,70,740	Burrakur P.	6	21	37,97,832	90,768	13	13	13-13*	10
49,97,000	50,93,751	6,86,129	6,35,532	Central India	3	166	16,11,089	3,58,023	5	8	10-10*	10
8,00,000	18,69,439	12,97,490	98,040	Central Kurkend P.	12	..	6,357	214	..	..	..	10
6,00,000	1,55,159	6,05,672	98,040	Churulia	12	106	63,755	7,043	..	..	..	10
16,00,000	25,01,205	Nil	19,429	Dhomo Main	12	444	-6,45,261	-5,39,034	Nil	Nil	15-20*	10
2,240,000	4,908,390	5,561,905	213,858	East Indian	4	128	2,288,462	2,62,234	99	74	15	21
29,83,700	1,42,23,848	21,65,725	1,18,76,888	Equitable P.	12	19	10,14,185	33,594	15	10	10	10
10,00,000	6,74,706	2,07,486	3,32,973	Ghusick & Muslia	3	307	12,979	24,844	..	..	..	10
8,50,000	4,21,847	Nil	12,025	Guzdar Kajora	12	20	10,679	-14,795	..	..	..	10
8,00,000	5,43,022	..	16,792	Huriladidh	12	393	-10,172	-3,65,025	Nil	..	..	10
15,00,000	23,47,952	27,81,955	39,74,704	Karanpura Development	12	21	3,95,071	1,40,029	5	5	5	100
14,88,460	20,68,761	16,01,825	3,72,692	Karanpura Collieries P	2	21	8,92,065	32,810	5	74	10-10*	10
1,38,400	6,75,090	95,000	8,75,590	Katras Jheriah	1	2	8,29,962	1,11,842	95	95	40-25*	10
5,65,750	5,95,833	Nil	9,780	Munduipur	3	372	-1,80,535	-16,47,497	..	..	..	10
7,48,240	3,46,525	2,50,000	7,62,941	Nazira	12	347	1,28,838	94,985	10	..	..	10
31,97,210	61,58,848	34,47,233	3,39,307	New Beerbhoom P.	10	3	9,75,812	93,445	15	16	10	10
9,90,340	9,04,373	5,21,710	75,374	New Manbhoom	3	202	4,12,216	43,822	5	74	9-12*	10
1,15,000	7,05,719	4,31,409	40,384	North West	12	441	1,44,042	15,045	15	20	20	10
1,57,500	..	..	..	..	..	..	..	..	..	..	..	10
7,50,000	1,33,788	13,22,645	22,85,047	Ondal P.	12	106	1,91,515	45,060	7	6	74	10
8,34,000	23,69,066	1,52,212	4,78,984	Parasea P.	12	207	1,79,344	589	61/5	14	14	10
15,75,000	32,93,192	24,59,125	4,11,055	Pench Valley	3	236	5,41,674	54,253	10	10	10-10*	10
2,50,000	5,62,405	7,500	11,330	Pure Sitalpur	6	12	2,003	16,861	..	..	..	10
33,38,900	50,26,723	40,85,000	1,26,141	Raneegunge	3	370	11,54,576	35,781	10	15	17-17*	10
15,50,000	25,32,135	20,80,190	16,89,318	Rewa	12	236	13,18,191	41,523	10	20	20	10
37,50,000	74,38,430	36,61,070	1,89,086	Samia	12	48	12,37,911	26,993	Nil	10	10	10
2,50,000	4,47,534	74,281	10,748	Searsole	1	353	-19,279	-4,27,396	Nil	Nil	Nil-Nil*	10
2,80,000	10,74,006	12,23,716	10,17,287	Seebpore P.	12	2	6,13,147	67,383	42 6/7	42 6/7	42 6/7	10
8,00,000	6,203	4,54,648	13,04,570	Sendra	12	106	78,390	1,540	34	6	34	10
17,50,000	26,80,253	9,25,630	40,202	South Karanpura	8	21	-1,74,305	-1,54,124	9	24	Nil	10
8,00,000	1,30,001	15,48,969	26,78,254	Standard	12	106	1,84,925	38,908	15	15	10	10
2,50,000	4,36,300	3,23,300	36,660	Union	12	..	1,37,973	1,77,952	..	..	..	10
49,98,000	63,57,150	6,09,055	2,89,820	Western Bengal	3	166	11,72,192	1,19,162	4	6	74-9*	10
7,00,000	26,06,335	Nil	47,091	West Jamuria	12	444	-6,51,403	-6,23,711	Nil	Nil	Nil	10

*1962

COTTON MILLS

Paid-up Capital Ordinary	Number on Spindle Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Assets Securities etc.	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until	A year ago
Rs.		Rs.	Rs.	Rs.			Rs.	Rs.	Rs.	1959 1960 1961	Rs.	22-1-63 16-1-63	16-1-63 A year ago
15,00,000	14,108	356	14,06,683	3,15,002	12,59,541 Basanti P	12	49	26,012	41,532	..	..	..	10
7,11,280	36,000	932	17,17,120	2,20,369	30,842 Banga Luxmi	3	27	3,66,177	47,818	..	..	..	10
27,00,000	31,476	624	17,77,373	93,872	Bengal Nagpur P.	12	223	-6,24,150	-6,86,163	Nil	Nil	..	10
50,00,000	..	..	1,03,881	39,06,300	9,82,146 Bharat Commerce	12	394	1,45,829	1,45,829	..	15	10	10
39,95,950	39,764	992	80,94,300	1,21,02,782	Birla Cotton	3	22	39,77,025	1,87,525	Nil	10	20-20*	10
24,00,000	43,136	841	94,15,536	31,39,700	2,59,240 Bowreah P.	12	138	30,41,946	2,15,857	Nil	10	20	10
30,00,000	22,000	510	23,07,805	48,99,554	5,33,310 Cawnpore Textiles	12	25	20,76,448	47,303	Nil	7-1/5	10	5
3,78,33,535	1,97,348	3,307	6,72,37,739	6,96,27,768	77,61,228 Delhi Cloth & Genl P.	6	238	3,08,40,769	4,03,436	10	20	13-13*	25
38,00,000	43,049	518	55,25,204	45,09,112	2,35,557 Dunbar	12	138	40,11,298	2,29,897	10	12	20	10
63,00,000	54,000	1,200	72,11,946	1,75,75,771	91,53,931 Elgin P.	9	389	73,50,384	80,801	11 1/2	11 1/2	17 1/2	10
1,25,00,000	..	..	3,48,97,571	56,34,321	85,50,739 J. K. Cotton (Rayon) P	12	158	19,28,764	1,22,795	9	12 1/2	..	10
49,18,000	6,272	202	51,44,000	24,71,500	4,76,536 Jay Shree	12	22	28,42,100	87,266	8	10	10	10
30,00,000	38,000	1,825	47,44,548	52,19,301	92,65,055 Muir P.	12	208	18,77,941	-7,77,290	..	..	..	10
35,11,583	78,848	1,367	47,49,840	3,96,960	1,09,256 New Victoria P.	12	237	12,34,741	-22,17,524	Nil	Nil	..	10
48,00,200	..	..	1,08,10,352	78,144	2,34,188 Orissa Textiles P	3	399	12,34,741	-22,17,524	Nil	Nil	..	10
19,47,500	23,196	795	16,56,550	78,491	1,61,387 Rampur Cotton	6	4	5,999	83,853	Nil	Nil	..	10
17,50,000	..	..	..	..	..	..	..	..	..	Nil	Nil	..	10
1,57,50,000	1,14,836	2,077	4,48,79,351	2,83,83,071	2,15,81,189 Swadesh (Kanpur) P.	12	333	76,20,241	5,044	4	5.51	..	100

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Accrue under Tax	Outturn and Average Price per Kg./lb. realised for crop				Estimate 1962	NAMES	Accounts closed including Secretaries etc	Net Profits including taxation	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
				1960		1961						1959	1960	1961		22-1-63	16-1-63	A year ago	
				Kgs.	Rs.	Kgs.	Rs.												Rs.
Rs.	Rs.	Rs.	Rs.	Kgs.	Rs.	Kgs.	Rs.	Kgs.			Rs.				Rs.	Rs.	Rs.	Rs.	
DOOARS																			
27.00.000	55.60.730	32.07.760	1.023*	1.408.000	5.11	1.551.500	4.51	1.525.000	Banarhat P.	12	2	11.55.236	323	223	21	100	255/00	255/00	275/00
12.00.000	23.85.511	21.47.404	436*	721.583	3.20	724.304	4.69	982.400	Baradighi	12	128	6.62.191	25	30	25	10	23/87	23/87	27/00
9.00.000	17.32.115	18.96.100	1.112	558.14	4.94	563.617	1.42	580.609	Bhatkawa	12	386	2.94.641	10	15	15	10	17/37	17/37	19/12
9.00.000	21.64.171	19.54.000	555	543.381	5.32	566.762	4.31	600.000	Birpara P.	12	63	4.10.000	223	173	123	100	151/00	151/00	149/00
6.00.000	11.78.375	9.70.500	243*	305.122	5.01	299.250	4.17	295.000	Carroon	12	63	1.08.467	15	20	5	100	145/00	145/00	145/00
9.00.000	21.98.098	14.50.681	365*	533.300	5.15	514.200	4.45	530.000	Choonabhati P.	12	2	2.23.622	30	323	20	100	262/00	262/00	267/00
3.00.000	5.34.58*	5.17.500	197*	171.100	5.00	219.480	4.35	203.200	Elmerbarrie	12	63	79.168	5	5	5	100	184/00	184/00	176/00
1.20.000	3.31.260	3.17.245	265	134.440	4.20	224.026	..	..	Engat	12	397	1.15.877	Nil	90	30	100	136/00	136/00	136/00
4.90.000	8.16.062	70.656	180	218.696	3.86	232.062	4.58	..	Ethelbari	12	354	50.788	Nil	5	5	10	13/12	13/12	9/19
7.50.000	10.03.911	1.97.827	900	523.658	5.03	533.062	..	..	Gairkhata	12	88	3.52.027	123	25	20	10	21/50	21/50	24/06
14.00.000	27.43.996	19.20.969	418*	1.122.800*	2.11	1.094.000*	1.71	1.390.000	Gopalpur	12	387	-1.15.268	9.24	12	2	25	20/00	20/00	19/62
36.00.000	49.19.78	40.85.000	1.034*	1.401.804	4.39	1.433.022	4.07	1.390.000	Hantapara P.	12	63	1.19.300	123	15	5	100	102/00	102/00	125/00
32.00.000	64.79.513	76.71.749	2.314*	2.872.460	5.73	2.849.021	5.54	3.012.569	Hasimara P.	3	74	29.24.415	123	17	181	10	14/00	14/00	31/00
6.25.000	20.48.832	22.58.050	611*	890.959	4.52	889.008	4.22	..	Hulidibari	2	74	3.32.189	223	223	19.27.11	10	14/00	14/00	29.25
1.00.000	1.79.45	1.51.133	246*	215.100	4.91	190.300	4.48	..	Jayoirpara	12	2	-1.53.219	5	10	Nil	10	11/06	11/06	15.25
9.00.000	18.44.954	20.36.500	377*	539.462	5.09	563.33*	4.23	520.000	Killoot	12	63	3.87.639	173	25	15	10	17/31	17/31	20.19
2.00.000	10.41.117	5.27.720	246*	244.220	3.96	242.991	..	490.000	Manabarrie	12	354	-67.780	5	10	6	10	59/50	59/50	56/37
4.00.000	17.91.264	22.58.050	1.129	542.139	5.10	603.619*	4.07	490.000	Nagaisuree	12	63	4.66.532	173	25	15	100	169/50	169/50	177/00
14.00.000	28.28.996	21.33.698	471*	812.200	5.28	784.700	4.31	750.000	New Dooars P.	12	2	4.53.104	323	35	20	100	258/00	258/00	286/00
6.40.000	8.40.172	6.77.528	281*	291.29*	4.14	307.645	3.89	308.400	Oodlabari	12	363	1.58.909	10	123	74	100	14/25	14/25	15/58
2.50.000	4.03.726	3.11.000	330	112.98*	4.90	100.575	4.22	116.100	Panskawa	12	63	-78.071	Nil	Nil	Nil	100	127/00	127/00	127/00
6.00.000	9.02.274	7.77.334	764	357.499	4.82	363.864	4.36	362.900	Raibabhat	12	165	67.304	Nil	Nil	Nil	10	12/12	12/12	12.37
7.65.000	16.33.948	16.37.050	1.635	457.27*	4.96	503.838	4.32	534.100	Ranicherra	12	165	2.37.892	10	15	15	10	16/75	16/75	18.00
14.92.800	34.73.435	28.87.320	713*	854.415	5.21	921.96*	4.29	1.008.645	Rydak	12	128	4.75.684	30	25	20	10	27/31	27/31	26/87
3.46.000	9.36.428	9.66.334	278*	300.700	4.79	400.500	4.10	..	Sarugaon	12	44	3.60.822	40	40	40	10	36/25	36/25	36/00
TERAI																			
4.50.000	13.66.318	1.61.700	627	2.17.325	4.33	..	..	..	Atal	12	101	1.50.753	10	5	..	10	6/75	6/75	8.09
5.00.000	2.61.413	6.10.382	223	24.045*	3.83	..	..	6.70.000	Beigachi	12	34*	2.98.178	20	20	..	10	20/30	20/30	21/50
13.44.000	17.81.100	25.47.000	433*	6.99.341	4.35	794.331	4.37	2.54.000	Gungaram	12	63	531.984	15	20	123	100	158/00	158/00	156.30
3.00.000	3.94.258	8.71.337	472	2.53.883	4.72	275.784	4.10	275.781	Hansqua	12	63	2.10.544	174	20	15	10	20/00	20/00	16/37
4.50.000	5.14.996	5.51.400	442*	3.99.432	4.01	..	..	..	New Chumta	2	74	15.355	15	15	12.6/11	10	33/50	33/50	33/50
5.85.000	7.31.628	10.29.030	407*	4.00.643	5.04	..	..	..	New Terai	12	139	3.14.786	15	223	..	10	36/00	36/00	31/62
1.00.000	2.27.050	2.24.244	119	94.461	4.39	..	..	..	Patnargomiah	12	139	2.69.729	25	20	..	10	31/12	31/12	27.19
2.20.000	8.34.600	10.76.160	549	9.121*	2.02	..	..	..	Punbarree	12	63	4.31.336	26	14	..	10	45/00	45/00	45/00
									Tirnihannah P.	12	163	2.85.086	30	40	..	10	49/00	49/00	49/00
CHITTAGONG																			
1.25.000	83.465	4.22.450	296*	1.19.459	5.03	..	..	..	Kodala	12	139	23.045	Nil	Nil	..	10	9/25	9/25	9/25
2.40.000	3.17.058	2.42.992	397*	1.30.649	5.12	..	..	..	Kornafull	12	139	12.742	Nil	Nil	..	10	13/06	13/06	11/25
2.00.000	1.51.925	3.95.000	216*	1.24.798	5.02	..	..	..	Kordaleah	12	139	1.26.040	Nil	Nil	..	10	8/00	8/00	8/00
SYLHET																			
3.00.000	11.41.512	8.41.647	617	1.64.340	5.14	276.309	4.48	2.90.300	Daundecheerra	12	..	339.312	Nil	Nil	Nil	10	23/00	23/00	24/00
6.00.000	7.66.636	13.11.051	554	164.602	5.66	2.33.890	4.97	1.94.690	Chaurandehra	12	63	4.42.596	15	223	223	10	7/31	7/31	7/06
2.48.050	3.50.022	14.67.800	1.030	916.480*	5.40	1.142.720*	1.28	1.34.269	Kaliti	12	358	24.93*	Nil	Nil	Nil	10	10/00	10/00	9/25
5.59.930	8.72.647	75.27.644	4.128	11.23.65*	2.49	19.32.002	5.00	18.51.000	New Samanbagh P.	12	236	34.758	Nil	25	Nil	10	18/37	18/37	18/37
36.00.000	48.80.181	1.46.290	724	2.63.920*	5.22	..	..	..	Patrakola	12	63	12.44.455	40	323	40	100	148/00	148/00	138.00
3.20.000	3.93.671	1.46.290	1.182	3.06.754	2.57	4.18.826	5.01	4.07.080	Rajnaraj	12	236	-179.428	Nil	Nil	..	10	9/56	9/56	9/56
9.00.000	17.77.855	25.69.827							Teliapara	12	63	625.281	173	223	323	100	99/90	99/00	112/00
† Hectarea.																			
* lbs.																			
1962																			

MISCELLANEOUS COMPANIES - Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	NAMES	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Ra.			Ra.	Ra.	1959 1960 1961	Ra.	22-1-63 16-1-63 A year ago
CHEMICAL INDUSTRIES										
62,00,000	5,26,30,138	1,97,50,273	5,45,473	Alkali & Chemical Corp. of (I)	9 121	1,41,28,376	1,16,274	9 12 15	10	37/19 37/30 43/00
2,48,00,000A	18,48,048	15,681	5,958	Bathgate & Co. Ltd. P.	12 442	-2,50,346	-8,53,539	Nil	5	0/84 0/84 0/81
20,00,000	76,41,341	68,84,603	21,11,440	Bengal Chemical & Pharm. P.	3 245	18,06,053	1,30,717	7 10	100	101/00 101/00 104/00
15,00,000	36,34,102	22,82,883	19,49,050	Calcutta Chemical P.	6 377	12,04,892	6,978	18 18-18*	10	19/31 19/31 17/62
11,08,900A	99,022	Nil	41,554	Frank Ross P.	2 129	72,146	2,560	..	6	3/25 3/25 3/25
22,54,700B	11,71,081	16,07,251	9,33,133	Smith Stanistreet P.	6 191	11,60,255	92,801	25 25-25*	5	13/50 13/50 16/25
15,00,000										
4,95,000										
20,00,000										
ELECTRIC LIGHTING, POWERS										
19,99,600	1,15,72,761	51,20,883	27,74,213	Agra Electric Supply	3 32	4,56,810	52,889	10 11-11*	100	120/00 120/00 125/00
8,00,000	29,33,899	15,51,802	8,09,008	Bareilly Electric Supply	3 32	2,00,631	25,623	10 11-11*	10	11/75 11/75 12/25
17,00,000	1,03,03,430	52,26,411	19,58,483	Benares Electric Supply	3 32	4,34,454	47,298	10 11-11*	10	12/44 12/44 12/25
5,91,380	15,63,473	807,902	17,58,483	Bhagalpur Electric Supply	3 202	1,36,558	41,730	5 8 10-8*	8	6/08 6/08 6/03
2,26,646	21,04,641	10,81,524	2,70,639	Bhagalpur Electric Supply	3 202	1,36,558	41,730	5 8 10-8*	8	6/08 6/08 6/03
6,80,040	22,18,493	7,17,141	2,72,694	Calcutta Electric Supply	3 202	1,51,449	63,899	7 7 10-10*	10	14/56 14/62 15/25
43,20,000	66,87,445	29,73,446	41,87,140	Dishergarh Power Supply P.	3 2	14,42,862	4,27,783	7 10-10*	100	88/00 88/00 93/00
5,34,640	17,29,086	96,513	95,409	Jhansi Electric Supply	3 188	65,283	3,590	6 1/5 ..	10	5/90 5/90 6/00
22,49,550	66,50,843	29,21,749	5,35,563	Jubbulpore Electric Supply	3 32	2,69,909	33,302	9 1/5 10-10*	10	11/37 11/37 11/75
4,95,000	6,70,324	2,24,149	1,09,770	Mirzapur Electric Supply	3 258	46,495	39,015	6 ..	9	12/00 12/00 6/03
5,82,390	24,50,815	6,87,284	3,48,986	Muzafferpore Electric Supply	3 202	2,22,292	22,259	10 12 12 12-12*	10	12/25 12/25 11/75
6,89,700	13,47,574	1,14,377	2,15,991	Muttia Electric Supply	3 329	83,864	18,988	8 ..	10	11/12 11/12 9/65
35,07,380	98,50,374	48,67,675	3,95,468	Patna Electric Supply	3 202	12,96,460	1,27,547	7 10-10*	10	10/81 10/81 10/81
9,10,000	8,77,208	2,86,692	3,19,022	Shahjahanpur Electric P.	3 202	1,58,667	17,201	5 61 31-61*	10	7/00 7/00 7/00
18,80,000	24,13,949	16,03,685	9,75,497	Sijua (Jherria) Electric	3 21	458,680	3,975	7 10 9-9*	10	9/06 9/06 8/87
58,00,000	2,03,16,819	80,84,613	23,53,868	United Provinces Electric	3 32	11,08,426	92,879	10 11 11-11*	100	120/00 120/00 115/00
5,00,000	21,74,343	14,00,467	7,69,903	Upper Jumna Valley Electric	3 32	1,92,745	33,674	12 13 13-13*	10	15/25 15/25 14/65
ENGINEERING & METAL										
6,00,000	6,61,485	63,426	1,48,213	Arthur Butler (Muzafferpore) P.	12 300	2,93,398	-1,52,122	.. ..	10	14/50 14/50 14/06
50,00,000	37,72,507	31,83,221	1,07,272	Bharati Electric Steel	12 31	12,85,503	46,999	15 10 10	10	14/19 14/19 10/00
4,00,00,000	1,03,33,194	61,14,305	10,09,741	Braithwaite India	12 289	68,11,414	5,914	25 25 25	10	36/25 34/06 41/00
12,00,000	36,61,140	40,28,997	1,66,530	Bridge & Road	12 24	19,96,679	1,82,241	30 30 30	10	52/25 52/25 52/25
19,88,670	33,56,748	1,09,796	1,86,939	Britannia Building & Iron P.	12 192	1,80,146	-611,196	6 Nil Nil-11*	10	3/65 3/65 3/28
50,00,000	97,94,575	47,45,365	11,43,931	Britannia Engineering P.	12 165	11,48,142	1,11,267	10 10 10	10	10/25 10/69 13/12
15,00,000	12,12,276	14,63,600	14,598	British India Electric Cons.	12 24	12,02,402	94,447	25 45 20	10	33/12 33/12 36/87
84,00,000	3,32,64,591	2,76,84,425	40,25,787	Burn P. (Engineering)	3 32	1,39,62,242	1,08,751	28 28 28	100	550/00 600/00 520/00
1,00,00,000	59,09,200	12,29,727	6,51,964	Calcutta Steel	3 437	24,04,847	3,67,903	5 15 15	10	14/87 14/87 10/91
80,00,000	98,29,770	16,00,000	2,57,259	Dalmia Iron	3 434	22,60,631	1,64,773	.. 10 10	10	11/87 11/87 10/91
4,00,00,000	6,44,65,941	6,76,06,738	2,02,29,683	Quest, Keen, Williams	12 227	1,04,26,264	..	24 16 14	10	34/45 34/45 40/50
12,50,000	19,90,579	23,65,648	47,10,741	Hooghly Docking	12 32	-20,18,457	..	12 Nil Nil	10	102/00 102/00 105/00
2,44,00,990	63,85,01,942	27,24,83,378	2,11,93,832	Indian Iron & Steel P.	3 32	9,18,78,416	24,72,163	10 15 16-16*	10	21/50 22/00 24/58
1,54,00,000	11,52,812	14,001	1,82,994	Indian Malleable Casting	3 223	-4,15,836	-4,03,294	6 Nil ..	50	6/00 6/00 6/00
38,88,500	49,44,759	95,69,160	43,31,087	Indian Standard Wagon P.	3 32	67,96,336	78,603	28 28 28	10	30/50 30/50 ..
96,79,740	3,27,37,933	2,72,79,486	1,63,11,049	Indian Steel & Wire Products	3 122	39,84,802	2,31,048	16 23 24-23*	100	49/00 49/00 44/12
12,00,000	1,41,916	2,500	2,530	Industrial Containers	12 24	6,15,154	45,149	.. Nil 10	10	22/00 22/00 ..
1,51,83,883	2,75,25,083	1,27,78,259	11,03,784	Jay Engineering	3 443	56,79,346	9,036	12 17 30 17 30-15*	10	24/25 24/25 ..
40,00,000	59,72,635	35,65,700	10,46,960	J. K. Steel P.	6 132	20,45,860	86,647	12 20 20-10*	10	15/62 16/50 19/75
2,04,00,000	2,86,54,899	1,98,14,815	78,75,724	Jessop & Co. P.	10 280	1,16,61,943	91,571	8 58 10	10	22/69 22/62 22/06
27,64,800	54,66,353	49,98,269	1,31,289	Kumardhubi Engineering P.	11 21	7,79,896	13,579	10 10 11	8	7/12 7/50 7/37
10,50,000	4,02,051	19,21,798	4,45,599	Marshall Sons (India)	6 170	3,25,891	-5,63,698	10 Nil Nil	2	3/25 3/44 3/62
49,98,000	61,94,985	3,83,036	3,83,036	National Iron and Steel	3 192	2,56,716	-4,42,917	10 Nil Nil-11*	10	4/75 4/75 5/34
6,00,000	10,13,254	18,86,375	1,40,370	Saran Engineering	6 25	6,90,069	11,859	7 8 10-12*	4	11/12 11/12 8/69
14,00,000	8,20,458	8,56,154	25,99,59	Steel Containers	12 24	12,24,473	77,799	.. 30 20	10	19/75 19/75 ..
1,50,00,000	2,73,21,766	61,37,433	13,28,341	Textile Machinery	12 22	52,01,525	62,642	20 10 10	10	19/53 20/00 20/15
SUGAR, BREWERIES, ETC.										
14,00,000	17,29,860	10,85,148	39,573	Bairampur Sugar	6 371	1,10,785	15,763	8 8-4*	2 1/2	2/34 2/34 2/53
29,23,537	25,29,299	11,36,627	10,02,614	Balsand Sugar	9 234	5,72,506	3,552	18 18 10	7 1/2	9/62 9/62 11/19
32,00,000	5,64,327	18,14,343	1,94,561	Bharat Sugar P.	6 316	1,94,561	2,330	.. ..	10	13/00 14/00 16/50
32,00,000	45,72,835	43,34,048	27,81,820	Carew (Sugar) P.	6 69	3,71,567	3,71,540	Nil Nil-11*	10	13/12 13/37 13/06
30,00,000	62,18,328	75,62,480	7,45,201	Cawnpore Sugar P.	10 25	27,572	-3,70,213	Nil Nil	10	12/87 12/87 12/75
18,00,000	29,05,357	52,45,390	3,08,419	Champaran Sugar	6 25	8,17,913	18,674	15 15 12	10	15/87 15/87 16/87
28,00,000	26,75,847	31,58,160	92,323	Durbhanga	8 395	1,36,348	12,948	20 4 Nil	10	8/81 9/00 10/50
27,56,355	1,31,99,222	1,76,30,095	24,30,790	Dyer Meakin (Breweries)	3 116	1,00,50,837	12,804	18 25 30	8	29/00 29/62 42/56
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	6 140	95,437	62,205	.. ..	10	5/25 5/25 5/75
9,00,000	19,47,931	23,02,870	2,05,743	Purbapoor Sugar P.	10 400	2,88,458	4,006	Nil ..	10	11/50 11/50 11/81
16,58,820	36,07,073	54,06,359	2,977	Ramnugger Cane & Sugar P.	8 1	22,97,804	61,005	213/7 30 35	10	30/37 30/37 29/50
65,00,000	49,62,674	33,85,845	14,95,232	Raza Guland	10 92	4,85,145	34,557	12 12 10	10	10/15 10/15 10/31
8,00,000	6,07,238	7,72,778	3,77,846	Ryan Sugar P.	6 25	4,24,492	13,204	.. ..	10	8/06 8/06 9/12
11,99,000	22,10,161	18,54,067	2,09,185	Sarnasapur Central Sugar	6 355	-2,24,407	-2,20,853	.. ..	10	9/62 9/62 10/12
39,99,000	67,65,905	28,93,624	21,94,758	Shree Krishna Gyanodaya Sugar P.	6 14	16,75,559	34,778	15 15 ..	10	9/06 9/06 10/37
7,94,600	13,54,858	11,85,175	1,16,368	Shree Sitaram Sugar	6 94	1,90,057	7,601	.. ..	10	7/12 7/12 7/12
9,99,950	17,83,543	67,398	2,82,356	Sitalpore Sugar	6 94	-6,97,343	-6,89,998	Nil 4 Nil-11*	10	6/12 6/12 6/62
16,00,000	18,38,740	1,81,652	3,86,458	United Provinces	9 341	7,66,053	63,565	15 15 ..	10	10/62 10/62 16/00
6,00,000	90,57,769	67,09,675	9,18,326	Upper Ganges Sugar P.	6 316	37,10,125	25,765	72 72 72-72*	10	70/00 70/00 77/00

MISCELLANEOUS COMPANIES - Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.			1956 1960 1961	Ra.	Rs Rs Rs
MISCELLANEOUS										
8,00,000	3,97,903	1,70,000	5,86,425	1,53,521	3,834	10	85 A Firpo (Restaurateur)	3 12	10	5/90 5/90 5/90
93,75,000	4,66,28,334	219,45,581	9,97,266	21,39,820	1,20,901	3	132 Aluminium Corporation P.	10 12 12-12*	10	14/06 15/12 17/34
20,00,000	42,19,616	18,50,000	52,45,374	9,56,934	60,544	12	382 Anderson Wright Ltd. P.	10 11 11	10	11/50 11/50 11/50
30,00,000	13,21,705	4,13,99,88	12,99,503	16,02,730	2,09,448	8	268 Angelo Bros	20 25 22 1/2	10	24/81 24/56 22/75
30,00,000	19,07,791	28,03,816	36,63,364	18,71,969	1,48,964	12	274 Assam Match	18 18 20	10	28/75 28/75 25/25
13,99,998	20,17,690	19,73,119	31,221	2,57,148	10,925	9	348 Assam Saw Mills & Timber	Nil Nil Nil	3	2/87 2/87 2/44
1,18,00,000	53,91,481	93,43,093	59,95,725	50,77,803	7,18,123	8	391 Associated Battery	40 25 15-15*	10	28/25 28/25 34/62
20,00,000	43,70,177	43,43,239	45,78,834	8,62,260	1,22,431	3	204 Associated Hotels of India P.	Nil Nil 10	10	10/31 10/31 10/31
80,01,400	41,59,783	1,00,44,367	89,25,652	41,27,153	5,49,958	12	396 Balmer Lawrie & Co.	25 25 25	100	257/00 257/00 251/50
12,00,000	5,96,568	10,21,963	6,94,390	9,56,254	46,563	3	128 Bararee Coke	Nil Nil Nil-15*	10	24/50 24/50 16/00
44,00,000	66,35,530	1,01,23,412	67,97,735	7,04,768	72,75,311	11	180 Birds Investments P.	11 9 10	10	12/50 12/50 12/62
3,25,00,000	73,67,363	2,01,22,345	1,58,91,691	1,06,65,119	3,81,983	14	350 Britannia Biscuit P.	14 25 30-25*	10	45/12 45/12 40/82
50,00,000	21,14,667	40,83,960	2,82,254	13,04,762	19,948	12	33 British India Corporation P.	Nil 4 7	5	9/56 9/56 11/09
						12	392 British Paints	10 12 15	10	19/87 19/87 26/75
5,00,000	6,83,781	1,65,739	1,54,429	2,63,717	5,201	3	213 Calcutta Silk Manufacturing P.	Nil Nil Nil	10	7/15 7/15 7/12
1,38,80,000		14,79,453	1,92,04,790	14,62,760	2,49,217	12	2 Clive Row Investment	10 8 7 1/2	10	8/25 8/25 8/37
90,00,000	22,97,556	1,21,50,000	2,48,19,550	37,24,110	3,46,877	12	169 Duncan Brothers & Co Ltd P.	14 14 14	100	159/00 159/00 152/00
4,50,00,000	6,31,32,676	4,12,74,162	8,32,011	2,87,37,462	25,38,694	12	96 Dunlop Rubber Co (India) P.	21 21 21	10	36/12 36/12 39/94
51,26,000		61,18,702	1,64,42,198	17,23,955	2,67,765	12	21 Eastern Investments Ltd. P.	14 14 14	100	129/00 129/00 141/00
60,93,400	35,30,000	15,17,000	73,822	14,92,995	8,374	10	388 Electric Construction	5 10 10	10	13/25 13/50 13/00
30,00,000	28,94,555	27,23,508	19,90,832	15,65,118	2,10,371	3	51 French Motor Car	12 20 20	20	35/12 35/12 34/50
14,00,000	21,39,604	17,97,347	25,404	6,52,807	46,218	12	19 Ganges Rope	17 17 20	100	236/00 236/00 231/00
2,25,000		56,065	5,62,570	35,240	6,305	2	21 General Investments Trust P.	3 5 5-5*	75	43/00 43/00 43/00
65,00,000	32,50,865	50,30,906	1,51,99,383	28,70,050	1,68,102	3	105 Gillanders Arbuthnot & Co Ltd P.	10 10 11-11*	10	14/06 14/06 13/75
40,00,000	17,69,681	7,21,344	36,90,302	5,43,666	8,524	12	208 Gladstone Lyall & Co Ltd P.	Nil 4 2 1/2	10	33/25 33/25 31/00
40,00,000	33,21,954	5,22,500	87,620	46,18,514	17,00,907	12	310 Godfrey Phillips (India) Ltd. P.	26 40 40	10	241/00 241/00 240/00
30,00,000	43,74,366	17,66,560	1,60,432	1,09,512	794	3	225 Great Eastern Hotel	6 9 6	250	241/00 241/00 240/00
4,68,75,000	3,08,48,439		2,33,36,909	2,11,555	2,11,555	12	438 Hindustan Aluminium P.	.. Nil 9 12-12 1/2*	10	13/44 13/56 ..
7,91,91,750	56,37,267	1,97,01,491	4,19,55,825	3,13,19,271	1,26,139	3	22 Hindustan Motors P.	.. 9 12-12 1/2*	10	16/59 16/87 20/50
80,00,000	98,37,267	16,00,000	39,09,797	28,38,718	1,31,125	10	22 Hindustan Pilkington	12 .. 11-11*	10	19/50 19/50 29/75
39,64,650	46,43,081	Nil	2,27,855	15,184	1,66,274	5	211 Hindusthan Iwytords P.	.. Nil Nil-Nil*	10	13/75 13/75 17/50
85,20,000	23,35,537	16,00,000	24,48,098	3,91,968	36,500	10	294 Hoare Miller & Co Ltd.	6 6 9-9*	10	6/62 6/62 6/25
15,16,00,000	8,38,68,674	9,87,38,292	2,17,80,428	3,21,94,827	24,56,089	3	325 Imperial Tobacco	12 15 15	10	30/00 31/37 37/37
3,98,80,640	13,63,35,090	3,45,09,860	10,45,969	2,69,04,000	62,31,753	12	293 Indian Aluminium Co. Ltd. P.	16 22 22 1/2-22 1/2*	10	34/19 34/50 35/44
2,35,77,700	1,61,90,693	2,47,87,168	99,87,178	1,37,75,998	50,15,117	3	34 Indian Cable P.	15 15 15-12*	10	30/75 30/75 40/25
5,64,00,000	5,56,27,815	1,22,35,821	44,62,878	1,35,49,869	17,61,389	9	366 Indian Oxygen	15 15 15-12*	10	30/75 30/75 40/25
8,27,970	8,30,780	9,85,146	10,77,314	9,35,909	80,309	8	223 Indian Rubber Manufacturers P.	15 20 30	10	21/06 21/06 20/00
20,00,000	3,37,220	25,48,665	21,98,914	16,32,571	1,85,076	9	88 Indian Wood Products	25 30 30	10	32/00 32/00 32/06
74,89,150	72,05,408		2,48,602	-8,28,769	-14,68,469	12	63 Isaac Holdens	.. Nil 10	10	13/50 13/50 17/87
5,00,000	-	2,75,956	13,26,323	93,493	26,270	2	21 Investments and Finance P.	8 7 7 1/2-7 1/2*	100	55/00 55/00 55/00
72,62,500	23,44,049	64,37,500	3,02,73,819	8,00,318	44,050	6	439 J. K. Synthetics	 8	10	11/50 12/25 2/75
5,87,500(0)	2,28,843	Nil	5,88,284	-1,18,242	-1,18,804	12	281 James Wright P.	 7-6*	100	00/43 00/43 00/43
1,17,500(0)						8	39 Jardine Henderson Ltd. P.	.. 7 12	10	73/25 73/25 79/50
1,06,00,000	59,52,034	74,40,360	5,22,38,928	16,43,783	4,49,956	12	22 Jay Shree Industries P.	14 14 12 1/2	10	16/12 16/50 18/87
87,46,630	1,62,75,090	73,74,126	6,46,513	37,33,223	18,455	8	22 Kesoram Industries P.	6 6 12-12 1/2*	10	22/00 22/00 31/44
1,99,81,750	8,81,41,369	3,32,78,328	49,57,935	1,00,74,268	43,454	3	133 Macfarlane & Co.	 8	10	7/00 7/00 8/00
6,34,000(0)	3,17,363	6,02,958	3,21,617	-14,078	-4,849	3	334 Macfarlane & Co.	 8	10	2/50 2/50 2/56
66,000(0)						12	334 Macneill & Barry Ltd. P.	.. 8 8	100	93/50 93/50 97/00
1,50,00,000	88,29,556	92,10,447	2,71,03,736	35,11,053	3,38,735	9	300 Martin Burn Ltd. P.	27 27 27	10	29/75 29/81 31/62
1,47,12,250	70,19,751	1,21,48,546	2,06,18,218	81,01,941	2,45,501					
40,00,000(0)	18,23,873	80,84,814	2,67,07,892	14,08,964	2,00,558	12	282 McLeod & Co. P.	15 15 15	1000	215/00 215/00 215/00
5,00,000(0)						12	161 Meta Box Co. of India Ltd. P.	10 10 10	100d	53/50 53/50 58/25
1,61,00,000	2,44,54,393	1,96,95,151	34,56,436	1,13,74,875	29,83,294	3	7 National Insulated Cable P.	17 25 25	10	25/00 25/06 36/87
90,00,000	78,16,868	16,89,17,95	8,15,375	68,52,668	17,335	9	7 National Pipe & Tubes P.	20 25 28-25*	10	29/75 29/75 29/50
30,00,000	22,72,420	21,10,865	20,86,743	26,46,005	67,385	6	7 National Rolling & Steel Ropes	10 13 15-15*	10	20/30 20/30 20/50
40,00,000	29,29,364	77,74,85	31,24,718	20,63,112	58,466	12	375 National Rubber P.	8 Nil 6 1/2	10	11/87 11/94 12/31
90,00,000	69,57,402	15,06,140	3,89,821	8,86,613	1,39,128	12	75 National Tobacco P.	16 16 7	75	13/00 13/00 16/94
79,97,000	81,44,163	1,21,10,510	2,60,555	17,89,972	40,375	12	35 New India Investment Corpn.	8.7 8.7 ..	75	90/00 90/00 44/50
23,31,600	1,014	13,02,891	9,90,509	6,26,950						

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares If any Rs.	Cash & Securities Rs.	Net Profits Including Taxation Rs.	Carry forward Rs.	Accounts Closed Mo. Ago, Secretaries etc.	NAMES	Dividends per cent 1955 1960 1961	Paid-up per Share Rs.	Latest Market Quotations as available until 22-1-63 16-1-63 A year ago Rs. Rs. Rs.	
MISCELLANEOUS (Contd.)											
69,00,000	6,74,367	66,56,842	85,18,612	12,27,365	2,77,718	12 321	Octavius Steel P.	12 1/2 10 .. 100	..	..	
2,20,00,000	1,65,64,981	63,83,140	25,36,442	66,10,862	1,43,404	12 364	Philips India	12 12 12 10	28 1/2	28 1/2	
2,86,200	31,000	5,62,800	2,80,533	4,74,296	32,858	3 145	Publicity Society	37 1/2 10 75-75* 4	26 1/9	26 1/9	
2,25,00,000	35,07,570	15,42,335	1,34,28,216	54,44,510	4,35,553	8 332	allis India P.	Nil 4 8 100	150/00	150/00	
5,00,00,000	8,03,38,621	2,57,80,000	1,14,05,049	49,28,459	5,08,029	3 335	Robtas Industries P.	15 20 10-8* 10	12/00	12/00	
94,27,380	5,55,68,835	Nil	14,04,497	37,513	9 22	9 276	Sirsilk P.	.. Nil .. 10	8/75	8/75	
70,00,000	2,25,52,451	61,94,799	29,78,780	21,56,385	7,622	9 376	Sen Raleigh Industries P.	8 8 8 10	4/81	18/87	
75,00,000	1,05,26,889	41,88,000	1,77,92,109	47,78,759	8,97,299	12 278	Shaw Wallace P.	15 15 15 10	19/37	19/87	
3,00,000	3,33,174	23,189	90,501	17,487	1,739	12 111	Spencer's Hotel	14 2 2 2	0/94	0/94	
2,80,00,000	5,97,89,163	2,48,69,275	24,48,825	83,20,569	42,35,939	12 301	Union Carbide	18 13 18 10	43/25	43/00	
2,10,200PO								15 30 30 1PO	2/25	2/25	
8,40,800C	5,18,268	24,12,476	10,86,208	13,99,207	3,87,027	12 195	Walford Transport	20 20 20 10	3/51	3/37	
INSURANCE COMPANIES											
13,50,000	6,47,527	54,93,120	1,31,72,690	9,70,637	78,475	12 174	Concord of India	20 20 20 5	11/30	11/50	
24,00,000	65,903	82,46,577	1,27,34,471	18,71,975	3,93,960	12 248	Hercules	20 22 20 10	25/37	25/37	
32,00,000	7,51,382	1,15,82,907	2,08,14,572	12,75,071	4,95,149	12 38	Ruby General	10 10 13 8	9/69	9/89	
8,00,000		21,62,372	27,92,606	51,893	12,241	12 ..	Standard General	 10	8/00	8/00	
5,75,000	25,990	73,52,563	99,05,393	7,07,189	1,95,539	12 39	Triton	45 45 50 25	131/09	131/00	
FLOUR MILLS											
12,00,000	4,80,900	26,61,133	10,62,993	7,30,069	1,68,614	12 24	Bengal P.	45 40 25 10	34/25	34/25	
5,60,000	6,51,040	2,47,038	2,17,808	1,05,473	1,26,880	10 97	Delhi P.	 10	14/00	14/00	
49,90,137	47,18,433	77,72,310	58,85,368	33,61,767	4,07,338	9 175	Ganesh P.	12 15 .. 12 1/2	16/00	16/00	
9,00,000	4,38,798	4,52,302	24,041	6,269	-4,336	12 236	Hooghly P.	27 1/2 15 Nil 10	19/75	19/75	
5,00,000	2,92,235	6,61,791	3,26,246	1,14,554	10,571	11 236	United	52 35 10 10	33/00	30/00	
OIL COMPANIES											
22,900,001	22,383,591	21,700,442	2,507,503	21,073,511	21,000,742	12 249	Attock Oil	13 13 13	sh. 30/7 1/2	sh. 30/3	
2,92,419,080	233,843,356	212,750,000	213,146,421	218,446,093	2,582,801	12 52	Burmah Oil P.	.. 9-2 1/5 ..	sh. 45/4 1/2	sh. 45/9	
1,00,00,000	58,10,926	2,56,15,353	3,11,16,369	63,38,353	5,00,220	12 249	Indo-Burmah Petroleum P.	25 30 25 10	24/00	24/00	
6,00,000	2,79,003	9,89,137	5,10,244	4,10,168	92,708	10 2	Tide Water Oil	22 30 35 10	26/00	26/00	
PAPER MILLS											
45,00,000	1,00,03,801	62,77,149	4,73,511	41,43,083	1,40,204	12 436	Bengal P.	32 32 27 10	32/44	32/44	
88,20,000	1,18,96,097	84,80,934	10,29,515	23,47,414	46,493	3 2	India Paper Pulp	10 15 13-12* 10	18/94	18/87	
1,57,83,688	6,50,00,000	3,92,78,014	59,38,470	1,41,20,011	2,25,579	3 22	Orient Paper P.	15 22 22 22 1/2* 10	36/50	36/50	
1,25,51,920	4,31,23,557	1,49,74,473	71,97,660	58,83,929	31,55,867	12 140	Shree Gopal Paper P.	17 6/7 17-6/7 17-6/7 10	23/25	23/25	
2,18,55,240	4,82,89,369	72,10,000	8,79,140	33,33,899	99,729	6 22	Sirpur P.	6 6 8 10	10/87	12/00	
50,00,000											
100,00,000A	3,54,48,613	851,143	4,35,589	703,201	3,97,323	9 36	Star Paper P.	3 Nil .. 10	10/00	10/00	
4,37,500PO											
66,00,000AO	4,96,82,144	3,30,31,629	21,85,452	-11,38,443	58,939	3 106	Titagur P.	10 10 13-13* 2 1/2 PO	3/78	3/78	
56,04,800BO											
1,50,00,000C	4,95,97,051	85,00,000	1,73,752	58,44,186	17,196	6 373	West Coast P.	25 25 20-10* 10BO	20/40	20/40	
PRESSING COMPANY											
4,30,000	1,81,531	1,45,000	5,34,786	65,294	24,928	7 326	Camperdown	11 11 11 100	100/00	100/00	
REAL PROPERTY STORAGE											
10,00,000A											
1,25,000B											
2,00,000C	14,81,415	69,980	8,16,177	1,00,777	4,504	4-10 73	Bengal Bonded Warehouse	5 11 8-8*	A500 610/00	610/00	
25,000D											
7,42,150	11,68,346	4,23,135	33,823	81,259	3,142	3 6	Calcutta Safe Deposit	100 100 100 100	77/25	77/25	
1,00,00,780C	19,85,068	9,01,590	13,43,272	3,61,779	1,33,593	9 432	Humayan Properties P.	.. 6 .. 100	11/00	11/00	
2,00,000Dd	13,373	Nil	13,17,910	-83,757	-21,89,035	4 2	Midnapore Zemindary P.	12 11 Nil Nil	11/21	12/25	
7,99,00,000											
TRAMWAYS & STEAMER											
20,00,000	29,74,805	27,13,587	10,28,887	3,59,472	11,765	10 2	Bengal Assam Steamship P.	3 7 7 100	108/00	108/00	
8,25,000	5,95,186	6,22,000	4,23,357	1,34,197	16,331	10 89	Calcutta Landing & Shipping	3 3 3 10	49/50	49/50	
12,80,000	27,83,012	14,32,970	10,139	-1,79,141	-1,79,141	6 398	Calcutta Steam Navigation	10 10 Nil 10	9/62	8/87	
2,700,000	22,937,715	21,580,682	23,15,682	21,407	12,899	12 89	Calcutta Tramways P.	3 3 3 10	11/31	12/25	
6,04,880	8,97,987	8,56,706	32,440	1,35,098	-437	3 139	Fraser	Nil Nil .. 10	10/00	10/00	
6,655,580	21,970,808	24,32,856	8,419,913	-280,888	-284,854	3 431	India General Nav Railway P.	Nil Nil .. 10	10/00	10/00	
2,47,50,000	18,80,59,821	1,57,51,783	1,36,10,394	-41,42,006	-41,42,006	3 291	India Steamship P.	10 Nil .. 10	66/50	66/50	
14,08,220	13,34,804	74,870	7,951	-82,391	-4,09,480	12 ..	Port Shipping	Nil Nil Nil-Nil*	6/00	6/31	

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RATIONALISING THE STEEL CONTROL SYSTEM

ANYONE familiar with the needless difficulties created for both producers and consumers by the present system of steel control and distribution will welcome the basic idea underlying the report presented by Professor K. N. Raj and his colleagues last week. The major change it recommends is the creation of a free market in steel in which non-priority demand adjusts itself to non-priority supplies through the price mechanism. This limited step towards decontrol may not mean anything more than a recognition of present realities since, as is widely known, price control is largely ineffective beyond the first sale from the producer to either the distributor or a quota-holding consumer. By legalising free market prices in relation to such transactions, the Raj Committee's proposal will make the patterns of such trading more easily identifiable, and bring the gains therefrom within easier reach of several tax nets.

More significant in some ways is the Committee's proposal to restore some meaning to the priorities granted to essential consumers. One can readily agree with its view that there has been over the years a tendency to dilute the concept of priority, with the result that total demand covered by priority classifications has swelled to unmanageable proportions. Not surprisingly, the grant of priority carries today no assurance that the demands so covered will be met within any reasonable length of time, reducing the whole system of control to an absurd caricature of its original intentions. It is known that several State Governments and key projects have been forced to buy from the unofficial market what official priority could not obtain for them. The Raj Committee rightly says, therefore, that for any system of priorities to work effectively, conditions of eligibility must be made "extremely strict". Even the Ministry of Defence should not automatically qualify for priority rating for all its demands; it is proposed that priority should be fixed according to the end-use of the steel, and not according to the agency or unit which makes the demand. It is also recommended that once the demand of a project is accepted for grant of priority, all the categories or sections required to meet the specific need should be covered. In the past, it has often happened that work on essential schemes has been held up by the lack of matching steel supplies.

The Committee would like to see all demand considered in only three categories, of which the first will cover only the Defence Ministry's requirements connected with its operational needs. These will have over-riding priority, while demand on account of other essential uses—basic industries and vital social overheads—will enjoy ordinary priority. All other demand is to be treated as non-priority, to be met as best as possible from free market supplies. The abolition of the present system of processing each indent through the Iron and Steel Control is recommended, because it is considered unnecessary for achieving the objective of a rationalised plan of production. All indents should be received direct by the producers, thus cutting out the delay now involved in routing them via the Control organisation. The

function of production planning—the rational distribution of orders over the five steel plants to eliminate duplication and uneconomic runs—would be taken over by a joint committee of the steel producers, on which the Iron and Steel Controller would function as a referee, intervening only when disputes arise. This is a recommendation which producers, both public and private, will welcome, because the procedure of self-control will make planning more realistic than is now possible. The producers know the peculiarities of their plants and what can be effectively rolled within a given time. They are unlikely, therefore, to make promises which they are incapable of fulfilling, and will thus bring some degree of realism into the whole business of official allocations.

The producers will also welcome the Committee's emphasis on indents being of an economic size. Professor Raj and his colleagues have not specified what the minimum size of order should be, but have indicated that it should be determined in relation to three factors. The technical limitations have to be taken into account, but more important in the immediate context are the problems of storage and the rationalised use of wagons. All three would tend to place the minimum above current practices, and the Committee seeks to remedy the difficulties of smaller users by recommending the expansion of facilities for the storage and distribution of steel throughout the country, so that the smaller individual demands can be met promptly and adequately. Unfortunately, the Committee has linked these valuable suggestions to the irrelevant one of requiring much stricter financial arrangements which will make it obligatory for the indenter to deposit at the outset 25 percent or more of the value of the order. This requirement is out of keeping with the spirit of the main body of proposals; if the steel producers are expected to fend for themselves in other more important matters, they can undoubtedly check up on their customers' creditworthiness without the assistance of Government regulations.

In the sphere of distribution, the Committee proceeds on the assumption that injustice to new entrants is inherent in any system with a fixed list of recognised dealers. This may be so, but surely any injustice on this score has been greatly mitigated by the large additions under various categories of dealership made in recent years. The issue need not be debated only at this level because it is pertinent to ask whether unregulated competition is really necessary. The Committee's proposal to allow anyone wishing to enter the steel trade to do so may have the effect of encouraging mushroom growth, with the increased number of traders tending to magnify each bullish or bearish trend. Similarly, the idea of regulating the free market through stock operations conducted by the Government-owned stockyards may sound fine, but its implementation in practice bristles with many difficulties. No stockist can judge demand trends with such unflinching accuracy that he never needs to make a loss. The best he can hope for is to make a sufficient number of

correct decisions over a year to offset the losses he will inevitably have incurred. But this implies flexibility and the use of personal judgment which is ruled out almost by definition from any Government-run enterprise. In suggesting that Government stockyards play the rôle of a resourceful trader in a free market, the Raj Committee may thus be asking for the impossible. It is also not clear why it wants all imports, other than those for actual users, to be canalised through Government stockyards. It has failed to make out a case for bypassing the existing trade channels, and its proposals seem to indicate an ideological bias rather than a valid economic purpose.

Any review of the Committee's report is incomplete without a reference to its plea for a

BETTER STANDARDS FOR INDUSTRY

THE speeches delivered at the seventh Indian Standards Convention held in Calcutta this week spotlighted the importance of standards in promoting exports. (Special articles in connection with the convention are published on later pages of this issue of *Capital*.) Mr. K. C. Reddy, Central Minister for Commerce and Industry, who presided over the meeting, admitted that Indian exports often suffered because of occasional failure to supply goods according to agreed samples or specifications. At a time when export promotion has become a major plank of the economic policy, the importance of quality in production cannot be over-emphasised. Indian exporters will be able to expand their markets and retain their customers only if their goods are of high quality. The Government has in hand a Quality Control Inspection Bill. An export inspection and advisory council has been set up to recommend a phased programme of quality control and pre-shipment inspection on the basis of recognised standards. The programme will cover important items of exports. The Indian Standards Institution will, no doubt, play an active part in suggesting suitable standards which might win for Indian goods ready acceptance abroad.

The I.S.I. which was set up as a joint venture by the Government and industry in 1947, has made a useful contribution to the country's progress. The evolution of standards in various fields and their adoption by manufacturers have meant better and more uniform quality of goods for the consumer. For the manufacturer, the I.S.I. certification marks have ensured ready consumer acceptance of his products. Although I.S.I. standards are not legally enforceable, the advantages they offer have made them popular. Besides, the Government of India uses the standards as the basis for its purchase; this has induced manufacturers to conform to the I.S.I. standard specifications. Standards are important not only to trade and commerce but also to industry. They have fostered industrial efficiency through elimination of wastage over a wide front. Wastage usually occurs in industry through having to handle a large variety of materials and products, loss of effort due to absence of standard practices, etcetera. Standardisation can help prevent such wastage. It is gratifying to note that so far the I.S.I. has issued over 500 licences covering about 135 items. I.S.I. certification marks cover about Rs. 60 crores worth of the country's industrial production, and when they are extended to structural steel, the coverage may increase to

revision of the retention prices to allow adequately for the replacement of plant at current costs. It has had the courage to say, despite the obvious political implications of its suggestion, that the gross block of the steel companies should not be under-estimated out of fear that the general level of steel prices would have to be raised or that older plants in private ownership might accumulate large surpluses. The older plants cannot modernise and expand except at current costs, and hence the pressing need for such surpluses as the price mechanism allows them to retain. Should they fail to use higher retention prices for desirable ends, other measures can be considered. But, as the Committee appropriately points out, the fear of misuse of profits cannot be the basis of a rational price policy.

Rs. 200 crores. It has published more than 2,000 standards, and 1,500 more are being prepared.

In the present context of import restrictions and shortage of industrial raw materials, another major task has fallen upon the I.S.I. It has to evolve standards which can permit the maximum use of indigenous materials, without sacrificing quality. The substitution has also to be extended to permit the use of second-grade material, which may be cheaper, such as scrap in place of virgin metals. The over-riding consideration should, however, be the serviceability of the finished product for the purpose for which it is intended. By evolving such standards, the I.S.I. can help in conserving scarce materials. It has already moved in this direction by publishing standards for the more efficient use of steel in hot-rolled structural sections. The object has been to make a ton of steel go a longer way by devising optimum standards for structural sections and by drawing up a code of practice for their design and fabrication. The I.S.I. works in close co-operation with comparable international organisations, including those in the Commonwealth. This permits a fruitful exchange of ideas and wins international recognition for its standards. An idea of the immensity of its task can be had from the fact that it has some 1,100 technical committees with about 13,000 experts to prepare the standards.

PROGRESS OF PRIVATE LIMITED COMPANIES

THE corporate sector (excluding Government companies) has contributed a great deal to India's economic development in recent years. Although in magnitude the contribution of public limited companies has been bigger, the achievements of private limited companies have been substantial too. Extensive statistical data on the finances of private limited companies during 1960 have just been published in an article in the December issue of the *Reserve Bank of India Bulletin*. The article then goes on to make an interesting comparative study of the performance of this sector and public limited companies during 1956-60. The Reserve Bank's study for 1960 covers 333 private limited companies, each having a paid-up share capital of Rs. 5 lakhs or more, which closed their accounts during the period July 1960 to June 1961. Together their paid-up capital (in 1955) amounted to about 33 percent of the total paid-up capital of all non-Government and non-financial private limited companies. The study is confined to non-Government and non-Government and non-financial private limited companies. For purposes of comparison, 1,001 public limited companies, which were previously studied in the *Bulletin*, have been considered, although there is a wide difference in the representative character of the samples of the two sectors. In terms of paid-up capital, the 1,001 public companies represent about 78 percent of the total paid-up capital in that sector. Some of the industrial sub-groups are not adequately covered by the samples of private companies, and the industrial composition of the two sectors differs widely. Several industries which are important in the public company

CAPITAL, 31st January, 1963.

sector are relatively unimportant in the private company sector.

During 1956-60, the performance of private limited companies in terms of production, sales and profits has been better than of public limited companies. The output of private companies has risen at an average annual rate of 13 percent and their sales at an average annual rate of 14 percent. The comparable figures for public companies are 12 percent and 11 percent, respectively. Although public companies have been able to maintain a relatively low expenditure ratio and a high margin of profit since they have greater scope for economy of operation, the profits (before tax) of private companies have increased at a faster rate. But the public limited companies have fared better in the matter of assets and capital formation. The average rates of fixed assets formation, inventory build-up, capital formation and total assets formation during 1956-60 have been appreciably higher in the public limited companies than in the private limited companies. Additions to the fixed assets of public companies have been bigger, indicating that their expansion, modernisation and rehabilitation schemes have been more ambitious.

The similarity between the two sectors in methods of financing assets formation is great. Both have placed much reliance on external sources for obtaining funds. However, public companies have relied more on borrowings, while private companies have depended more on trade credit. The reliance of the two sectors on bank finance has been more or less the same. Public companies have obtained larger funds in the form of paid-up share capital than private companies. Since the latter are not allowed by the Companies Act to sell shares to the public, they have to depend on their few shareholders for share subscription in time of need. It is interesting that although equity capital has exceeded debt in both sectors, private companies have tended to place greater emphasis on owned funds while public companies have resorted more to borrowings. Hence the debt-equity ratio of private companies has moved down from 1: 2.81 in 1955 to 1:3.35 in 1960, while it has moved up from 1:4.22 to 1:3.36 in the case of public companies. The increase in total debt, relative to net worth, has been larger in the case of public companies. However, their net worth too has risen faster than that of private companies.

Turning to 1960 specifically, there has been an all-round improvement in the financial results of both sectors, compared with 1959. But the improvement in private companies has been more marked. The rates of growth in the value of production and sales have also been bigger for private companies. Barring the margin of profit, which has been higher in the case of public companies, all other profitability ratios—gross profits as percentage of total capital employed, profits after tax as percentage of net worth, and dividends as percentage of paid-up capital—have been higher in the case of private limited companies. The rates of total gross assets formation and gross fixed assets formation too have been noticeably higher in their case during 1960. Compared with 1959, the production, sales and profits of private companies have improved in 1960. The improvement in profits stemmed from the higher value of production combined with a widening of the profit margin. Other important features include the ploughback of a relatively high proportion of the pre-tax profits, after setting aside a bigger amount for paying dividends. Private companies have extended more trade credit to their customers, and that has contributed to the increase in sales.

CAPITAL FORMATION : 1956-60

	Public limited companies	Private limited companies
(In crores of rupees)		
Gross fixed assets formation	891	141
Net fixed assets formation	543	74
Inventory accumulation	343	109
Gross capital formation	1,234	250
Net capital formation	886	183

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Current News and Comment

Measures against Smuggling

The Central Government has launched a strong offensive against smugglers. The Gold Control Rules, which are intended primarily to check smuggling of gold in order to reduce the drain on the country's foreign exchange resources, have been followed up with further stern measures to deal with smuggling activity in general. The measures, which have been taken under the Defence of India Rules, have been notified in an Extraordinary Gazette, and have become effective since 10th January. Under them, no person can "acquire possession of or in any way be concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing or in any other manner dealing with or financing any goods (including coins and currency, whether Indian or foreign, and foreign exchange) which have been or are attempted to be brought into or taken out of India, in contravention of the prohibitions or restrictions for the time being in force under the provisions of or by virtue of Sections 18 and 19 of the Sea Customs Act, 1878 or any other order under rule 131-A." Rule 131-A relates to powers to prohibit or restrict the import and export of goods.

Where any goods are seized in the reasonable belief that they have been smuggled into India in contravention of the prohibitions or restrictions under Section 131-A, the burden of proving that they are not smuggled goods will be on the person from whose possession the goods have been seized. This will apply to gold, diamonds, manufactures of gold or diamonds, watches and any other class of goods which the Central Government may specify by notified order. Another provision of far-reaching significance is that no person can, in relation to any goods which are entered at or brought to be passed through a Customs house for either import or export, give a false or wrong declaration concerning the sort, quality, quantity or value, in a bill of entry or application presented for passing the goods, or be in any way concerned with such false or wrong declaration. If he contravenes any of the provisions which have now been laid down, he will, without prejudice to any confiscation or penalty to which he may be liable under the Sea Customs Act, 1878, be punishable with imprisonment for a term which may extend to seven years, or with fine, or with both. These measures are far more severe than those provided under the new Customs Act which is to come into force shortly, and they have caused scare among smugglers. Enquiries in the market indicate that unofficial business in gold has declined appreciably over the past few days, and that many smuggled watches which had hitherto been openly displayed have now gone underground.

Cloth Output Down, Stocks Up

The provisional figure of cloth output by Indian mills in December is placed at 413 million yards, compared with 417 million yards in November and 437 million yards in December 1961. The December 1962 figure brings the total for 1962 to 4,988 million yards, which is 151 million yards less than that for 1961. The December figure for yarn at 161 million lbs compares with 162 million lbs in November and 170 million lbs in December 1961, and the total yarn production in 1962 at 1,892 million lbs shows a small fall of 7 million lbs from the 1961 figure of 1,899 million lbs. With the in-the-present facing the crisis of accumulation of stocks and with the prospect of its realising the export target being slim, the setback in cloth production might not seem altogether unwelcome, but it is in odd contrast to the higher targets set under the third plan and the mill industry's plea for a larger share in the total output.

Stocks have continued to pile up with the mills. The December-end figure of 499,800 bales shows an appreciable increase of 103,900 bales (of 1,500 yards each) over the 1961-end figure of 395,900 bales; stocks of unsold cloth are up from 117,200 bales to 263,600 bales, and the figure under "sold but not lifted" has risen from 218,700 bales to 236,200 bales. Out of the total increase of 103,900 bales with all

mills in India, cloth stocks with Bombay mills have increased by 42,500 bales to 149,600 bales. The stock position of yarn has not been so bad. Yarn stocks with the mills all over India increased from 80,300 bales to 86,200 bales (of 400 lbs each). Latest reports from the cotton piecegoods market indicate a fair improvement in offtake, and prices are stated to have recorded an increase of 2 percent to 5 percent from their recent low levels. The revival of confidence is attributed to hopes of a negotiated settlement of the border dispute between India and China. The trade expects that recovery will be maintained if the political situation does not deteriorate.

Warehousing Capacity Raised

The provision of bigger warehousing facilities is essential for stabilising agricultural prices. The third plan seeks to raise the total storage capacity of the Central Government from 2.5 million tons to about 5 million tons (of which 3.5 million tons will be owned by the Government). The capacity of the Central and State Warehousing Corporations is to be increased from 350,000 tons to 1.6 million tons. It is gratifying to note from the Central Warehousing Corporation's annual report for 1961-62 that a record number of 20 new warehouses was set up during the period, bringing the total number to 60. The total warehousing capacity has been raised to 123,533 tons, of which 35,700 tons is owned by the Corporation. The State Corporations have raised their storage capacity to 396,000 tons, distributed over 355 warehouses and 37 sub-warehouses. The hope has been expressed that, at the present rate of progress, the Central Warehousing Corporation will be able to earn sufficient revenue by the end of the third plan to wipe off the headquarters' expenditure. It is claimed that while the target for the opening of new warehouses has been fully achieved, targets in relation to capacity, volume of business and percentage occupancy were exceeded. A number of new commodities including cardamom, coffee seeds, chicory, oils, fertilisers and food products were received in the Central warehouses during the year. Recent legislation has enlarged the scope of warehousing and permits several new commodities to be stored in Government godowns.

Exports of Rubber Products

In his speech from the chair at the annual general meeting of the Association of Rubber Manufacturers in India held in Calcutta recently, Mr. J. Vyoral referred to the increase in the production of motor-car tyres and tubes, mechanical rubber products and foot-wear. Tyre Production, which is the largest section of the rubber manufacturing industry, has progressed satisfactorily and is well on the way to attaining the third plan target for 1965. The expansion of the existing units and the creation of new capacity are making progress. The industry, Mr. Vyoral said, will not only be able to meet the country's demand for motor-car tyres, but will also have a sufficient surplus for export very soon. The production of mechanical rubber products, such as railway rubber fittings, has increased by about 25 percent, waterproof fabrics by 8 percent, rubber-covered cables by 25 percent, and foot-wear by 12 percent over 1961.

Mr. Vyoral stressed the need for increasing exports of rubber manufactures. An Indian rubber trade delegation, which visited the Middle East and east Africa, has just returned. The delegation, it is expected, will make some useful suggestions for raising the export of rubber manufactures. India is a large importer of several commodities from the Middle East and Africa, so their balance of trade with India is favourable. It is, therefore, necessary to increase exports to these countries. For this purpose, "Indian manufacturers and exporters should reorientate their export policy and, while paying scrupulous attention to quality, should also work out competitive export prices. In order to strengthen our export drive more effectively, it may be worth while for a number of manufacturers to get together and pool their resources in

setting up a group office abroad and carrying out intensive publicity for Indian products through such an office," Mr. Vyoral said.

Balancing Spindles for Cotton Mills

Allocations of spindles to unbalanced cotton textile composite mills, that is, units which do not have adequate spindles to feed their looms, have been made by the Central Ministry of Commerce and Industry as a matter of policy. Hitherto, these allocations were being made on the basis of the technical assessment made by the Textile Commissioner. But to avoid any unduly large allocations, each allocation was restricted to a maximum of 3,000 spindles or 5 percent of the existing spindleage in the applicant mill, whichever was higher. The allocations so made were being counted against the 1 million spindles kept apart for uneconomic and unbalanced units out of the 3 million spindles allowed for the expansion of the cotton mills under the third plan. This basis proved unsatisfactory in that it failed to solve the problem of mills, lacking balance in their equipment. The Textile Commissioner had recommended that allocations of spindles to the unbalanced units should be made to the full extent necessary to remove the lack of balance because full allocation alone could enable the composite units to attain the maximum production of cloth from their existing loomage. Moreover, the existing units were in a position to put up the spindles more speedily than parties setting up new mills and the cost of installation would be less than in the case of new units.

The established mills were also able to install these spindles without having simultaneously to install proportionate principal preparatory machinery which is not easily available from indigenous sources. The Textile Commissioner had pointed out that the requirements for balancing purposes were unlikely to exceed the 1 million spindles already earmarked for this purpose. In view of these various advantages, the Central Government has accepted the recommendations of the Textile Commissioner, and the stipulation concerning the ceiling of 3,000 spindles or 5 percent of the existing spindles, whichever is higher, has been withdrawn. The Textile Commissioner has, however, been advised to ensure that the requirements of additional spindles of the unbalanced units are assessed on the basis of the normal production rate which a good mill should yield on existing spindles and not necessarily on the actual production rate of a particular mill which may be below normal in some cases. This will guard against any unduly large allocations being made to unbalanced units whose actual production rate is below normal.

Capital Goods, Industrial Licensing

Something seems to be radically wrong with the Government's procedure for licensing the import of capital goods. Delays, always notorious, show no sign of being reduced. A review of the capital goods licensing policy at an interministerial meeting last week, it is reported, has shown that the licences issued so far cover hardly 25 percent of the Rs. 275 crores worth of imports approved by the Capital Goods Committee since the beginning of the third plan. Thus are red tape and official pettifoggery allowed to retard industrialisation. It is said that there is normally a time-lag of six months to 12 months between clearance by the Capital Goods Committee and the actual issue of an import licence, during which period the application languishes successively in the files of the Development Wing, the Commerce and Industry Ministry, and the office of the Chief Controller of Imports. Sometimes, the licence arrives only after persistent lobbying by the prospective importer. One would have thought that in an emergency, departmental delays would be reduced, but that is apparently not the case. To compensate for the dilatory procedure involved in licensing capital goods imports, the official view now seems to favour granting approval to imports in excess of what has been provided in the third plan for the private sector. The inter-ministerial meeting appears to have agreed that it will be necessary to approve the import of capital goods of the value of Rs. 640 crores during the plan period, although the actual expenditure may be much less. This amount, it is believed, also in-

BUY

NATIONAL DEFENCE BONDS

cludes the additional foreign exchange required to achieve any new targets set for the high-priority industries. The change proposed is rather odd; one would have thought that a precise calculation of requirements was no less necessary now than before.

Licensing delays have greatly hampered industrial growth. Industrial output has suffered mainly because of the shortage of power, transport and imported raw materials. But the uncertainties and delays concerning the licensing of capital goods—especially “balancing” equipment and the machinery required for import substitution—has also contributed to the difficulties. In a related sphere—industrial licensing—the leisurely pace at which the governmental machinery operates has been highlighted recently by the fact that proposals from private industrialists for establishing alloy, tool and special steel units were kept pending for a long time. Finally, impossible conditions were imposed with which the entrepreneurs could not comply. The principles for the grant of industrial licences are often unsound too. The desire to prevent concentration of economic power has prompted the Government to grant licences to untried, new parties in preference to established entrepreneurs. As the establishment of a new unit is fraught with major difficulties which newcomers are often unable to surmount, a number of licences have remained unused. Sometimes “dummy” licensees have applied for licences only to prevent others from getting them. The Government has revoked a number of such unused licences, with the result that capacity in several fields will be far short of the targets. Regional pressures have led to the grant of licences which are economically unjustifiable. The policy of regional balance in the distribution of industries has fostered the growth of inefficient and high-cost industries, increased the pressure on transport, and in the ultimate analysis slowed down the growth of economy. A far-reaching change in the present system of industrial and import licensing is necessary.

More Scope for Private Sector

The private sector in India has vigorously started the production of defence requirements such as lorries, jeeps, woollen goods and cloth. But unfortunately, there has been no systematic effort yet on the part of the Government to use its production capacity fully. There is unused capacity of up to 40 percent in a large number of industrial units. If facilities such as machinery and raw materials are provided, the private sector can meet many defence needs, including small arms and components required by the armament factories. It can produce these goods without materially reducing its normal output. The reservation of some industries exclusively for the public sector under the Industries (Development and Regulation) Act, 1951, was not done on any scientific grounds but out of ideological considerations. The national emergency, which admittedly may last long, has stressed the need for revising the industrial policy. To make the best use of all the available resources and to increase defence preparedness, it is necessary to allow the private sector to produce all categories of goods. Besides, such expansion in the scope of the private sector and improvement in its prestige at home may encourage a greater inflow of foreign capital into India.

Wastage in Technical Education

A paradoxical situation is developing in the field of technical education. While the need for technical manpower is rising rapidly, there has been considerable wastage of effort in training institutions. In his address to the co-ordinating committee of the All-India Council for Technical Education, Professor Humayun Kabir, Minister for Scientific Research, said that the wastage in the first two years of the third plan was as high as 55 percent in diploma courses and 35 percent in degree courses. If the wastage could be reduced, an additional 1,500 engineers would be available for industry every year. The third plan has earmarked Rs. 142 crores for technical education, the target for the outturn being 40,000 diploma holders a year. Mr. Kabir holds the view that this target

will be hopelessly inadequate since the growing civil demands alone will call for about 100,000 diploma holders.

In trying to reduce the wastage in technical education, it is necessary to ensure that the higher outturn is not achieved by lowering standards. Stricter admissions to technological institutions, closer supervision of the work of students and provision of adequate, trained staff are some of the measures necessary. The co-ordinating committee has recommended the acceleration of training in the third and fourth years of the degree course as one of the measures to meet the large demand for engineers. The Chinese aggression may necessitate the recruitment of large numbers of engineering personnel by the armed forces. The committee has rightly expressed itself against reducing the period of degree courses, as that would lower standards. Instead, it has suggested intensive courses for students in the advanced stages and the cutting out of vacation periods to quicken the training of engineers. The assumption seems to be that engineering studies nowadays proceed at a leisurely pace—which may be true of many institutions. The real answer might be in raising examination standards to make students more serious.

Rapid Progress of Pump Industry

The Indian pump industry has made rapid progress over the past few years. Its output has increased from 33,292 power-driven pumps in 1950 to 120,200 units in 1961. These figures represent the production of only those manufacturers which are on the list of the Department of Technical Development, and do not include the output of a number of units appearing on the lists of various State Governments and many small-scale units registered with the Small-Scale Industries Directorate. Speaking at the annual general meeting of the Indian Pump Manufacturers Association last week in Calcutta, Mr. K. K. Jajodia said that the industry has surpassed the output target set under the second five year plan, and it has already enough capacity to attain the third plan production target of 150,000 power-driven pumps a year. There are, however, a number of units which have been licensed to make pumps, but have yet to start production. They should be asked to surrender their licences voluntarily and the “surrendered capacities” should be redistributed among those who are already manufacturing pumps. The industry has diversified its production considerably. It now makes all types of pumps required by the cement, paper, chemical and petroleum industries. Referring to exports, Mr. Jajodia said that the industry has been able to sell its products overseas in steadily increasing quantities. As against exports worth Rs. 2.50 lakhs in 1958, sales abroad were double this figure in 1961 and 1962.

U.S. Economic Aid to India

Details of U.S. Government assistance to India have been given in a recent fact-sheet issued by the U.S. Information Service. American economic aid to India consists of grants as well as loans. So far, the total aid given under various agreements with the Indian Government stands at Rs. 2,173.2 crores (\$4,563.9 million). Of this, Rs. 1,099 crores are in the form of loans repayable in rupees (some of these can be used again as loan, if necessary). About Rs. 223 crores are repayable in dollars over a period of 40 years, with no interest but with a service charge of $\frac{1}{2}$ percent. A further Rs. 630 crores have been given as outright grants. The latest loans were given to Hindustan Motors (\$15.8 million), the Tata Engineering and Locomotive Co. (\$13.7 million), and the thermal power projects of Satpura (\$25.1 million), Delhi (\$16 million) and Ramagundam (\$8.4 million). Credits have also been extended under U.S. Public Law 480 to enable imports of long-staple cotton and dairy products.

American assistance to India is at present canalised through three agencies. The first is the U.S. Agency for International Development. It was set up in November 1961 to bring American economic aid under a unified administration. It has

taken over the activities of the International Co-operation Administration, which was represented in India by the Technical Co-operation Mission. The second one is the P.L.480 (Food for Peace) Programme, under which the U.S.A. has entered into agreements for the supply of large quantities of wheat, rice, coarse grains, cotton, dried milk powder and tobacco. The total value of the commodities covered by these agreements amounts to Rs. 1,156.3 crores. The third agency is the Export-Import Bank. It has so far authorised ten loans to India of the value of Rs. 129.5 crores (\$271.9 million). The Bank offers loans and guarantees for the primary purpose of promoting the foreign trade of the U.S.A. Loans given by it are repayable in dollars.

British Overseas Insurance

Insurance company shareholders will draw only moderate encouragement from the British Insurance Association's “preview” of overseas business results for 1962. Premium income has continued to grow by about £128 million and may now be £1,900 million, of which £850 million is for life business. But the results of overseas underwriting are expected to show only a “very modest improvement”, thanks mainly to smaller hurricane losses in the United States; however, fire damage there is up by about 6 percent on the 1961 total. This is the same as the rate of growth of premium income, which rose by 6 percent in the first half of this year.

Motor business in America continues to be a major problem, with heavy claims. On balance, restoration of American underwriting to a profitable basis is unlikely for 1962 but investment income, as previously, should make up for underwriting losses.

An exceptional number of motor claims recently in Britain means that British motor business will “produce little or no profit.” Understandably, the B.I.A. adds that “results of individual insurers are likely to vary considerably.”

MONETARY CONFERENCE

THE two great silver producing countries, the United States and Mexico, propose to convene another International Monetary Conference for the purpose of discussing measures calculated to establish the stability of silver relatively to gold. The gold price of silver can only be fixed throughout the world by arranging for the purchase of the latter metal to the full extent offered at a price above its natural price; and it is surprising that the United States, which repels the products of other countries by heavy import duties, should imagine that these countries will combine to buy one of her important products at a price exceeding its fair value. The idea seems to be that the recent drop in the gold price of silver, by disturbing trade with the few countries which still adhere to the gold standard and by hampering China in the payment of her sterling war indemnity, may induce the great Powers, especially those that are threatened with the illicit coinage of silver, to make some sacrifice for the purpose of raising and fixing the gold price of that metal. There is, however, no need for this sacrifice, seeing that China's difficulties and the illicit coinage of silver can both be easily remedied as we have frequently pointed out by imposing import duties on silver. This should be the reply of the Powers to the United States and Mexico, and these two silver-producing and protective duty States will be nicely sold, if the Conference results in the levying of import duties on silver in the chief consuming countries instead of in unlimited purchases of the metal at abnormal prices. What we want nowadays is the disuse of silver as a standard of value, and its extended use as token money coupled with a limitation of its production; and this can best be accomplished by countries in general following the example of India by adopting a gold standard with a very limited gold currency, collected in a central reserve, so as to be available for export when needed, and supplemented by an import duty on silver.

FROM
CAPITAL
5th February, 1963

A Ditcher's Diary

IN THE MIDDLE AGES, CHRISTIAN THEOLOGISTS SPENT months and years arguing how many angels could dance on the head of a pin or needle, I forget which. Communist theology, I suggest, is getting as tortuous, as academic and as pointless. Having nothing better to do I tuned in to Radio Peking the other night; and the way the indefatigable news reader went on and on about the “true tenets” of Marxism-Leninism and the declarations of the Moscow statement was truly tiresome. Oh yes, there was a lot about Yugoslav revisionism too. It is not altogether surprising that Peking should claim to be more Marxist than anybody else; after all, when production figures are down it is the more necessary to score ideological points. I am even inclined to think that Peking may be right on this one. For all his prophetic powers, which were considerable, Karl Marx never foresaw the kind of society now prevailing in the Soviet Union. The breakthrough of the Soviet economy came about more through the technological revolution than through ideology; as a matter of fact, the economy really got going only when some dearest Marxist principles were openly jettisoned by Joe Stalin and his successors. China's economy, still primitive in most ways, conforms more to the kind of society Marx had in mind. It thus stands to reason that Peking's thinking is closer to Marx's, even Lenin's. If only Mr. Khrushchev were not obliged to swear by Marx and Lenin—although he has discarded Stalin all right—he would probably say, “Russia has outlived, outgrown Marxism”. Now about war, which Mr. Khrushchev thinks has become too dangerous and Mr. Mao thinks quite a good idea. Here we are back to theology again. Mr. Mao thinks wars are not won by weapons but by the people's will. What is it but faith, faith that believes in the absurd in face of all evidence to the contrary? This is oriental thinking at its worst; and we deceive ourselves in imagining that it is wholly unknown in India. Was it not faith—faith in Chinese goodness—that we left our defence of the Himalayas to?

MELVILLE DEMELLOW HAS, I THINK, EARNED HIS Padma Shri; and it should not be long before Roshan Menon also makes the grade. DeMellow is an excellent broadcaster, one of the very few produced by All India Radio; but in this country merit is not considered the highest virtue. Endurance is rated higher. And think of what DeMellow and Mrs. Roshan Menon had to endure on Saturday last. Sitting in their respective commentators' boxes, they had to go on describing the Republic Day parade in New Delhi, which just went on and

on and on. No wonder I heard, in my intermittent listening, the word “colour” about three hundred times. There have been subsequent reports that this year's parade was even officially considered “too long”; and that, for sure, is the young year's understatement. The celebration, by all reports, was on an austere scale, meaning, I suppose, there was less money spent. What, pray, of time, about which nearly a hundred thousand people were surely culpably profligate? The big show, I will be told, was symbolic of the nation's emergency and its resolve to resist the enemy. And that's what I object to. Far too many people in this country still think in terms of symbols and not in those of realities. If I remember correctly, C.E.M. Joad defined the main feature of decadence as “dropping the object”; and “the object” is the thing most of us seem to be dropping all the time all over the shop. On Republic Day millions of folk in the community development areas took, I understand, a pledge; and that act alone, I imagine, will be acclaimed as a material contribution to the nation's effort. Was it? A foreign newspaperman was discussing the Indian Press with me the other day and he said he was amazed at the quantity of verbiage that in India constituted news. The simple definition that what people say is not news but only what they do does not seem to be known very widely in this country, he said. The “object” dropped again! There are many things Ministers and M.P.s can do. I repeat “do”; walking down Rajpath, it seems to me, should have the lowest priority.

SHOULD A JOURNALIST BE FORCED TO DISCLOSE HIS sources of information if required to do so by a court of law? The old question has come up again during the proceedings in Britain of the Vassall Tribunal, and I am not surprised that the answer given is: yes, he should. Now I am as loyal to the principles of my profession as any journalist can be, if only because I appreciate fully the need for them. Under normal circumstances, nobody would persuade me to disclose my sources if I considered it inappropriate; and there may be people in this city who could confirm this if they were asked. But a court of law is a different matter, and although the Vassall Tribunal is not exactly that, it has full legal powers at its disposal. And why do I consider that such an important point of principle for journalists should be capable of being overridden by the courts? Very simple. I believe firmly that nobody should be above the law, not even journalists. Is there a case for changing the law? That, of course, is a different matter. Personally, I do not think there is.

Journalists are surely no more entitled to privileges concerning the disclosure of their sources than they are to those connected with, say, their responsibilities for libel. Doctors enjoy no such immunity when it comes to disclosing to the courts the secrets normally covered by their professional oath. Nor should any profession be entitled to contract out of its legal obligations, damaging and embarrassing though these might be. Having said that, I must hasten to affirm my faith in the old principle of non-disclosure. Without it, a journalist would not be able to function effectively or discharge efficiently his responsibilities to his readers. But the onus for maintaining it must remain strictly extra-legal. There is no reason in the Vassall case, so far as I can see, why the journalists concerned should not have pleaded for the privilege of disclosing only to the Tribunal chairman himself. But to claim anything more would be to open the door to that unfortunately prevalent vice among yellow-Press journalists, the presentation of “news” without any sources at all.

EMERGENCIES COME IN HANDY, ESPECIALLY FOR authorities in search of excuses for doing things for which they would not find the courage otherwise. While a number of measures have been introduced recently which one would not have imagined as even barely possible four months ago, I often wonder why nothing is done about what has long been a matter of some importance—reducing the extraordinary number of public holidays in this country. There have been five of them this month, apart from the four Sundays; and although the number is somewhat above average, it is not unrepresentative of the leisurely attitudes which survive in a nation otherwise said to be at war. West Bengal is engaged in a fascinating controversy about whether the long Puja holidays should be celebrated in September or in October this year; my prediction may not be far wrong that the controversy will be settled by extending the celebrations quietly over both months. Yet of empty gestures there seems to be no shortage. The order about full Saturday working in Government offices remains in force, although those acquainted with the extra work done in consequence are aware that the whole idea is a hollow farce. Subsequently, the Government has chosen to remind its employees that they should take no more than half-an-hour off for lunch; I shall wait to see what disciplinary action, if any, is taken against those who stay away longer. Exhortations to work harder and produce more continue to arrive at an average rate of a dozen a day from the living great; yet the number of holidays in honour of the great who are dead and gone continue to multiply. The time may not be far off when, if the illustrious sons of the country henceforth distributed the dates of their birth and demise judiciously, the whole year would consist of one long holiday. India has acquired a certain distinction through having one famous lotus-eater; the danger of lotus-eating be-

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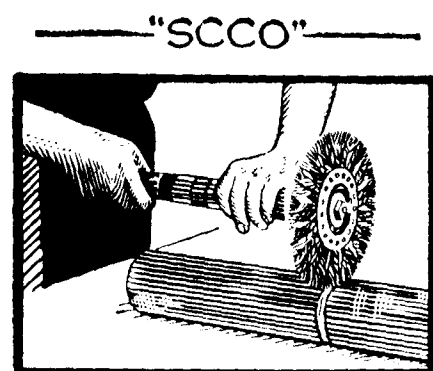
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coming the national occupation ought still to be avoided.

Nobody attacks a village; a city is fair game for any corner. And Calcutta, India's first city pace Mr. Morarji Desai and others, has had more than its share of calumny. The late Mr. James Thurber once said of one of his own plays that there was only one thing wrong with it: "It's kinda lousy". I have no doubt at all that if I had visited Calcutta briefly, instead of living in it for years, I would have had very few nice things to say about the city. This city's charms are not visual; you have to feel them and let them grow on you. If you wanted to see Calcutta with your eyes (not the most sensitive of instruments of human perception) you would see Victoria Memorial and the Marble Palace—as Mr. V. S. Naipaul, a successful novelist from the West Indies, recently did, and if you had access to the *New Statesman* you would publish your not very profound impressions on its pages. I entirely approve of Mr. Naipaul's remarks on Satyajit Ray and Sunil Janah, "a photographer of world stature"; but how wrong he is about the Indians in senior positions in the commercial houses of Calcutta! What on earth is wrong about Anand being called Andy or Dhanadeva Danny? Anybody might have told him that abbreviating longish Indian names for convenience is a common practice throughout India; in Bengal, for instance, every Bishwanath is called Bishu, every Bireswar Biru. I do not personally care for golf; but I do not on that account hold those criminal who do. I remember the early days when Indians first began to be recruited in the British firms; there was air of self-consciousness, of polite patronisation. Now the relations between the Indians and their British colleagues are absolutely normal and human; and I know British youngsters working under senior Indians and seeing nothing unusual in it. In any event, these Indians are a tiny minority; and you do not know a city by concentrating on them. I am surprised that Mr. Naipaul has so little to say about the Bengali middle classes—who are Calcutta—or the masses. Mr. Naipaul says the Bengali pan-seller "doesn't so much as look at you if you don't talk to him in Bengali". Tut, tut. You have to walk many miles in Calcutta to find a Bengali pan-wallah!

A CORRESPONDENT IN LONDON TELLS ME THAT people in Britain often ask nowadays whether Hugh Gaitskell's death means the end of the Labour Party. The question is by no means as far-fetched as it might seem in India, for Labour has never been as solidly rooted in Britain's fundamental political feeling as have the other two Parties. It came into being in response to circumstances which have long since ceased to exist, and was based on theories which are not now current anywhere, except perhaps in this country. It has had the chance to transform itself since it sustained the shock of election defeat in 1955, but even the hard work and compelling intellect of Hugh Gaitskell could not persuade it to turn itself into the kind of modern, scientifically-minded, forward-looking socialist Party which is nowadays sometimes to be found on the Continent. There was a chance that something could have been done with Hugh Gaitskell firmly established at No. 10 Downing Street. But he never reached that goal, and now that his death makes it unlikely that the unity of the Labour Party will survive the next election, the chances of reforming it may have received a heavy blow. So heavy in fact, that the first decision for his successor to make may be whether or not to divide the Party altogether in order to acquire the moderate voting support which will be necessary if the Conservatives are to be defeated at the polls. Those who have been forecasting that the Labour Party's right wing will eventually hive off and join with the Liberals might well be proven correct in the not-too-distant future. My correspondent says it is this insight into the crisis now facing Labour which accounts for the upsurge of doubt. The British are, after all, an unsentimental race where their politics and politicians are concerned; and without consciously realising it, they may have been associating the fate of the entire Labour Party with that of its former leader.

THE DITCHER

Guide for Investors

POLITICAL WORRIES AFFECT NORTH INDIAN TEA SHARES

(BY A SPECIAL CORRESPONDENT)

THERE has been a sharp decline in tea shares during the past year. The index for the ordinary shares has fallen from 154.7 to 141.1 (1952-53 equals 100). Support for the shares has decreased sharply since the Chinese invaded N.E.F.A. last October. The sentiment was also affected by the prolonged strike of the Joint Steamer Companies' crew late last year.

It is feared that there will be little support for tea shares for some time to come. As long as the border dispute between India and China is not settled, investors will continue to be hesitant. This apart, the dividend outlook for 1962 is being assessed cautiously. Although the average price of tea has increased, it is not certain whether profits will rise. The average price of north Indian teas (leaf) has increased to Rs. 5.46, from Rs. 4.76 a kilogram in the corresponding period a year earlier. The average price of dust has gone up from Rs. 4.84 to Rs. 4.91 a kilogram.

But the benefits of the small increase in the price, it is feared, have been more than offset by two factors. The first is a decline of 25 million lbs to 578.1 million lbs in the north Indian crop during 1962, compared with 1961. The second is the increase in production costs due to the interim wage award and the higher prices of coal, stores and fertilisers. Transport charges have also risen, especially because of the recent strike of the Joint Steamer Companies' staff. It is, therefore, thought that tea companies will find it difficult to maintain the dividends for 1962, not to speak of increasing them.

There has been a great deal of concern about the 1963 crop. At this time of year, preparations have to be made for the new crop and the gardens require substantial funds. Due to the present emergency, some banks have become cautious in extending credit to tea estates. Although official efforts have been made to persuade banks to extend credit as freely as before, it remains to be seen whether the tea producers will get the finance. The enforcement of the emergency risks insurance scheme, however, has helped to allay the fears of banks.

In spite of these developments, there have been some favourable factors. Firstly, the marketing outlook for the next few months, until the arrival of the new crop, seems fairly good. The world crop has fallen to 1,367.4 million lbs, against 1,378.9 million lbs in the corresponding period of 1961. Secondly, there has been a small increase in world consumption, and the supply is likely to be in close balance with demand.

An encouraging development is that exports of tea during the current season have been higher than in the previous season. From January to October 1962 exports of north Indian tea amounted to 125.1 million kilograms, against 118.9 million kilograms in the corresponding period of 1961. The increase in exports is partly due to the cut in the export duty. Exports can be increased if Indian tea is made more competitive in foreign markets. It is hoped that in the next Central Budget, the

export duty will be cut further, if not removed altogether.

English Electric to Issue Shares

THE English Electric Company of India Ltd, a wholly-owned subsidiary of the English Electric Co. Ltd of the U.K., which is manufacturing a wide range of fuse-gear distribution equipment at its Pallavaram factory, near Madras, is expected to enter the market shortly to raise Rs. 25 lakhs through public subscription for financing the expansion of the Company's existing facilities and the manufacture of certain new products. The expansion scheme, it is expected, will cost about Rs. 60 lakhs, the whole of which is proposed to be met from the

issue of equity capital. The Company has an authorised capital of Rs. 2 crores out of which it has already issued Rs. 40 lakhs. It is making a further issue of Rs. 60 lakhs, all in equity shares of Rs. 10 each, of which the English Electric Company of London has agreed to take up Rs. 35 lakhs. The balance of Rs. 25 lakhs is to be offered for public subscription. The public issue is not being underwritten. The parent Company has offered to take up without charge any shares which are not subscribed by the public. Such shares will be offered to the other shareholders at par within six months of the closing of the subscription list. If these shares are not taken up by the shareholders, they will be disposed of in such manner as approved by the Controller of Capital Issues. The output of the Company's Madras factory in 1962 is valued at

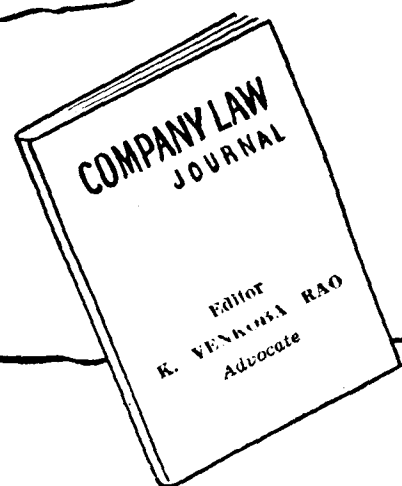
Rs. 95 lakhs, and it is expected to rise to Rs. 1.20 crores in the current year.

Borosil Glass Issue Soon

Borosil Glass Works Ltd—a joint Indo-U.S. venture—which has been formed to undertake the manufacture of scientific and laboratory glassware, kitchenware, oven glassware of all varieties and descriptions, instruments and apparatus made from borosilicate glass, is likely to enter the market some time in March for raising Rs. 38.25 lakhs in equity shares of Rs. 10 each through public subscription. The Company has been promoted by the Industrial and Engineering Apparatus Company (Private) Ltd which is already established in this line and owns a modern factory with a capacity of 1,500 tons of borosilicate glass. This factory will be taken over by the new Company. Corning Glass Works of the U.S.A., a leading manufacturer of technical glass, is providing technical and financial collaboration in the project.

The Company's factory will be located at the heavy industrial zone, near Andheri (a suburb of Bombay) and it will have a licensed capacity

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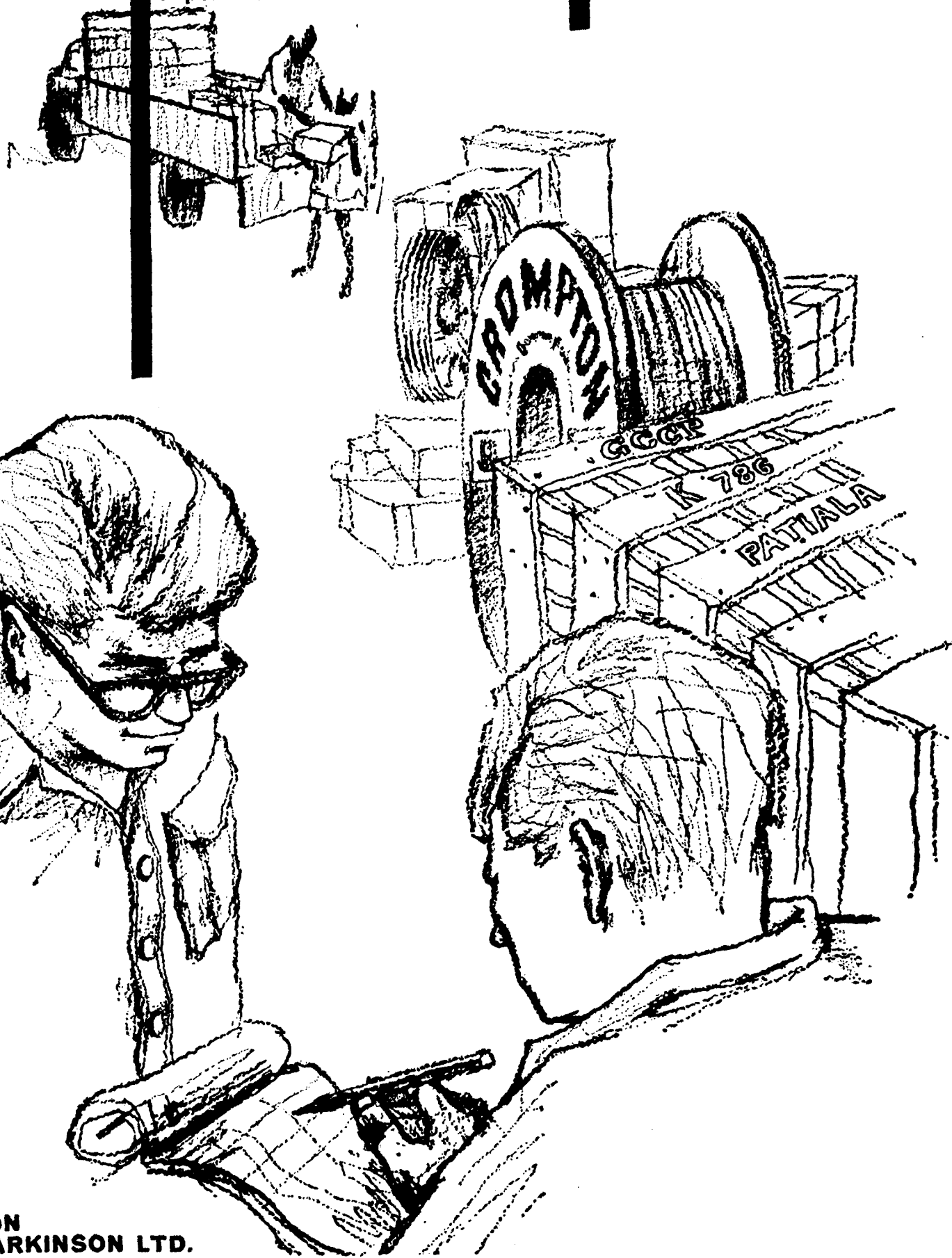
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The Stock Markets

POLITICAL ANXIETIES KEEP CALCUTTA SUBDUED

Trading in the Calcutta stock market has been interrupted by a number of holidays during the past week. After opening on a weak tone, sentiment improved somewhat due to short-covering. Bears covered their open positions in the hope that India and China would meet to settle their border dispute on the basis of the Colombo proposals. But fresh weakness has again developed towards the close due to the Prime Minister, Mr. Nehru's statement that India will not negotiate with China until the latter accepts the proposals in full. This has revived the political uncertainties.

The trend has been softer on a predominance of sellers in a market where buyers are few. Except for scattered buying in selected shares, business has been difficult to negotiate. Although prices have fallen since the "floors" were scrapped last week, investors continue to doubt whether all the adverse factors have been discounted. The coming Central Budget is the most important discouraging factor, as it is feared that much heavier taxation is in store. Investors are, therefore, inclined to watch and wait. In spite of the lower carry-forward charges at the last settlement, operators have not been encouraged to extend their commitments. They fear that the shortage of funds will become more acute in the near future since many banks are recalling their advances against shares. In any case, the interest rate on advances against shares has been too high to stimulate activity.

Steel shares have been neglected and Indian Iron have been unofficially offered below the minimum price. The interim report of the Raj Committee on steel prices and distribution caused a temporary rally as it stated that the present retention price of steel is too low to provide for adequate replacements. But sentiment has again deteriorated on reports from New Delhi that the Government has no intention of modifying the retention price for the time being. Another report that the Government is going to consider the expansion proposal of the Indian Iron and Steel Co. favourably has been ignored by investors. It is reported that the Company proposes to increase its ingot capacity by a further 300,000 tons at an estimated cost of Rs. 15 crores. The Company does not foresee any difficulty in obtaining the foreign exchange for the project. But investors fear that the Company may not increase the dividend even if it is asked to proceed with the expansion scheme. Apart from the need for bigger ploughback of profits into the business for expansion, its earnings have been squeezed by rising production costs coupled with the low retention price of steel. Except for stray support for Braithwaite, engineering shares have been generally neglected. Britannia Engineering and Dalmia Iron have declined.

In the coal section, turnover has been confined to Bengal, Pench Valley, Amalgamated and Western Bengal. Although there has been little selling pressure in jute shares, buyers have not been many. It is accepted that jute companies will make bigger profits for the current year and larger dividends may be paid, but investors are getting worried over the long-term outlook for gunnies. In recent weeks foreign

enquiries for jute goods have fallen below expectations. Apart from full capacity production in the mills, competition from Pakistan has increased, particularly in sacking. It remains to be seen whether the increased output of Indian mills will be absorbed in the coming months.

Prices of miscellaneous shares have been depressed on a predominance of sellers. It looks as if there has been some distress selling following the pressure from banks. Cotton mill shares have been subdued as the outlook for cloth and yarn continues to be uncertain. Dunbar have declined but Jay Shree Textiles have met with influential support. Dunlop Rubber have been somewhat steady. Hindustan Motors have come in for influential buying. Investors in motor-vehicle shares have not been able to make up their minds whether the diversion of capacity to the manufacture of lorries will help improve the profits. Angelo Brothers have been taken due to the good annual report, though at lower levels. Among managing agency shares, Martin Burn and Jardine Henderson have been transacted. Among new shares, interest has been taken in Hindustan Twyford, Asiatic Oxygen and Isaac Holdens. Among electric companies, Calcutta Electric have been steady on paying an interim dividend. In the paper section, Sirpur have improved on interested buying. Business has been done in Bengal, Titagur and Seshasayee. Sugar shares have been difficult to sell in the absence of buyers. The disappointing results of many companies for 1961-62 have called for caution.

There is virtually no interest in tea shares. Stray business has been done in Methoni and Tezpur. Investors are worried about the dividend prospects.

There has been scattered support for selected preference shares and debentures. Government securities have been dull and quiet due to the absence of buyers. The Reserve Bank has again cut its buying and selling prices for some Central Government securities. The 3 percent Conversion loan 1986 is barely steady at the official support level of Rs. 63. Prices of State Government loans have been depressed.

Bombay

**MIXED TREND IN
DALAL STREET
CENTRAL BUDGET
CASTS SHADOW**

Tuesday Evening.

THE Bombay stock market has shown mixed trends during the past week. The interim report of the Raj Committee on steel prices and distribution led to a temporary rally. There was a great deal of short-covering as the Committee said that the retention prices of steel, as fixed by the Government, do not provide for adequate replacement. Sentiment also improved on hopes that the border dispute between India and China would be settled by negotiation. But the quieter trend has again asserted itself since a New Delhi Press report said that the Government has no intention of chang-

ing the retention prices of steel, at least before 31st March, 1963. Operators have also been depressed by the statement of the Prime Minister, Mr. Nehru, that India will not negotiate with China on the border issue until the latter accepts the proposals of the Colombo conference in toto.

Operators and investors are inclined to cut their commitments by selling at every bulge on fears of heavier taxation in the coming Central Budget. A Press report that the Central Finance Minister has indicated increased taxation at both the Central and State levels, has induced selling. At the close, share prices have declined all round in the absence of support.

After an earlier improvement, Tata Steel have declined to Rs. 117 and Indian Iron to Rs. 21. In the engineering section, Tata Locomotive and Premier Construction met with support earlier, but they have reacted towards the close. Mukand Iron have been slightly steadier on influential support due to prospects of expansion. In motor-vehicle shares, Hindustan Motors are about steady, but Premier Automobiles are depressed.

Turnover has shrunk in cotton mill shares and prices have declined all round. Business has been largely confined to Century, Bombay Dyeing, Kohinoor, Gokak, India United Ordi-

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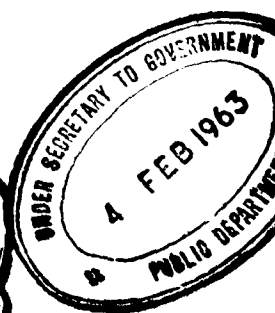
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nary and Svadeshi. In the miscellaneous section, sugar shares have been depressed on fears of small production during the current season. In the cement section, Associated Cement and Digvijay have declined. In the mining section, B. B. Petrol have fluctuated widely. Among steamship company shares, Scindia Steam have fallen on a predominance of sellers. Bombay Burmah have reacted at the close after an earlier improvement. Rayon shares have been quiet, and National Rayon have declined further. Chemical shares have been sold freely. Voltas have turned weaker on pressure. Business in cash shares has been negligible. In electric company shares, Ahmedabad and Bombay Suburban have weakened. Bank shares have met with scattered buying.

Madras

SHARE PRICES FALL FURTHER

INVESTORS WORRIED OVER SHORTAGE OF FUNDS

Monday Evening.

THE Madras stock market has been quiet during the past week. Turnover has shrunk considerably

and share prices have declined further. Operators have turned cautious in view of the economic and political uncertainties. Hence, business in clearing shares has been negligible and the trend has been downward. Easier advices from Dalal Street have been an additional deterrent. Investors are worried about the growing shortage of funds. They are afraid that rates of interest may rise further in the coming weeks.

Turnover has largely been confined to plantation shares. Selected tea and coffee shares improved earlier. Tea companies are expected to do well during the current season as the production will be higher. The average price of tea realised has been satisfactory so far. As for coffee, the export outlook is considered more encouraging than before because of an improvement in its international price. But at the close, the prices of plantation shares have declined on a predominance of sellers. Cotton mill and miscellaneous shares have been offered freely at cut rates.

Among banks, Indian has declared a taxable ordinary dividend of 15 per cent and the State Bank of Mysore a taxable dividend of 10 per cent. Indian Overseas has offered a taxable dividend of 14 per cent. In electric companies, support has been confined to Vellore. In the sugar section, Mysore

have met with scattered support. E.I.D. have been steady. In the planting section, Blue Mountain are easier. So are Consolidated Coffee. Business has been done in Periakaramalai and Ochterlony at lower levels. In the cotton mill section, South India Viscose and Travancore Rayon have declined.

Among miscellaneous shares, Aluminium Industries have met with stray buying on paying an interim taxable ordinary dividend of 9 per cent. Seshasayee Paper have reacted on pressure. Ashok Leyland, India Cement and Mettur Chemical have turned weaker. Southern Structurals have issued 300,000 ordinary shares of Rs. 10 each at par to the existing shareholders in the proportion of six new shares for every ten shares held. Krishna Rajendra Mills propose to issue 10,000 taxable redeemable cumulative preference shares of Rs. 100 each to the existing shareholders in the proportion of one new share for every eight ordinary shares held. The new preference shares will carry a taxable dividend of 9.5 per cent. The following shares have been dealt in: Indian Overseas Bank at Rs. 160, Chembra at Rs. 3.59, Periakaramalai at Rs. 3.05, Waterfall at Rs. 2.10, South India Viscose at Rs. 1.26, Travancore Rayon at Rs. 27, Seshasayee Paper at Rs. 7.45, Ashok Leyland at Rs. 8.06, Aluminium Industries at Rs. 23.15 and Mettur Chemical at Rs. 13.15.

CAPITAL, 31st January, 1963.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs. 29/25—29/25—29/06—29/06—(30/87).
Burrakur—Rs. 15/00—15/00—15/00—15/00—(17/50).
Dunlop Rubber—Rs. 35/75—36/00—35/75—35/75—(40/75).
Hindustan Motors—Rs. 16/97—17/16—16/87—17/00—(20/19).
Howrah Jute—Rs. 18/25—18/50—18/12—18/50—(20/37).
Indian Copper—Rs. 4/25—4/27—4/22—4/24—(4/72).
Indian Iron & Steel—Rs. 21/50—21/50—21/50—21/50—(24/52).
Indian Aluminium—Rs. 30/19—30/31—30/19—30/31—(37/06).
Jaipur Udyog—Rs. 10/62—10/69—10/62—10/69—(12/25).
J. K. Cotton Spg. & Wvg.—Rs. 13/62—13/81—13/62—13/81—(20/87).
Kesoram Industries—Rs. 21/50—21/50—21/50—21/50—(33/06).
Orient Paper—Rs. 35/20—35/45—35/00—35/45—(40/35).
Orissa Cement—Rs. 15/25—15/25—15/25—15/25—(18/12).
Rohas Industries—Rs. 11/75—11/75—11/75—11/75—(15/94).
Shree Gopal—Rs. 23/25—23/25—23/25—23/25—(25/30).
Textile Machinery—Rs. 19/80—19/80—19/80—19/80—(20/00).

GOVERNMENT SECURITIES

3 1/2 % Loan (1986)—Rs. 63/15—63/15—62/95—63/15.
3 % „ (1970-75)—Rs. 85/05—85/05—84/95—84/95.
3 1/2 % „ (1963)—Rs. 99/90—99/90—99/90—99/90.
3 1/2 % „ (1969)—Rs. 96/97—96/97—96/97—96/97.
3 1/2 % „ (1964)—Rs. 99/05—99/05—98/95—98/95.
4 1/2 % Orissa (1972)—Rs. 95/05—95/05—95/05—95/05.
4 1/2 % Orissa (1974)—Rs. 96/20—96/20—96/10—96/20.
4 1/2 % U.P. (1974)—Rs. 96/20—96/20—96/20—96/20.

BANKS

Punjab National—Rs. 19/25—19/37—19/25—19/37—(22/56).
United Bank of India (Rs. 10/- Paid)—Rs. 7/69—7/75—7/56—7/62—(6/84).

RAILWAY

Dehri Rohas—Rs. 13/75—13/75—13/75—13/75—(19/00).

COTTONS

Basanti—Rs. 14/50—14/75—14/25—14/25—(7/75).
Cawnpore—Rs. 6/62—6/62—6/62—6/62—(8/62).
Dunbar—Rs. 26/75—26/87—26/75—26/87—(34/37).
Jay Shree—Rs. 14/75—14/75—13/69—13/69—(14/69).
Victoria—Rs. 18/00—18/19—18/00—18/19.
New Victoria—Rs. 1/25—1/25—1/25—1/25—(1/69).

COALS

Amalgamated—Rs. 24/75—24/87—24/75—24/87—(22/00).
Bengal—Rs. 298/00—302/00—294/00—294/00—(360/00).
Central India—Rs. 9/87—9/87—9/87—9/87—(12/31).
East Indian—Rs. 46/25—46/25—46/25—46/25—(33/00).
Pench Valley—Rs. 19/25—19/25—19/12—19/12—(16/12).
Shree Mahakali—Rs. 2/31—2/31—2/31—2/31.
Western Bengal—Rs. 8/87—8/94—8/75—8/75—(9/37).

JUTES

Agarpara—Rs. 10/44—10/50—10/37—10/37—(10/15).

CAPITAL, 31st January, 1963.

Chandany—Rs. 138/00—138/00—138/00—138/00—(125/00).
Chitavalah—Rs. 10/75—10/75—10/69—10/69—(12/06).
Dalhousie—Rs. 132/00—166/00—132/00—165/00—(121/00).
Jango—Rs. 13/31—13/37—13/31—13/37—(12/94).
Jourepore—Rs. 490/00—490/00—487/00—487/00—(424/00).
fastings (Pref.)—Rs. 82/00—83/00—82/00—83/00—(81/50).
ndia—Rs. 17/81—17/87—17/81—17/87—(15/19).
Chardah—Rs. 18/25—18/25—18/25—18/25—(16/12).
Kankarrah—Rs. 130/00—130/00—130/00—130/00—(77/50).
Cinnison (Pref.)—Rs. 86/00—86/00—86/00—86/00—(67/45).
Do. (Ord.)—Rs. 146/00—146/00—146/00—146/00—(162/00).
Lawrence (1st Pref.)—Rs. 89/50—89/50—89/50—89/50—(67/45).
Megna—Rs. 13/37—13/44—12/94—12/94—(11/75).
Tahati—Rs. 90/00—90/00—90/00—90/00—(83/50).
Jew Central—Rs. 13/12—13/12—13/00—13/06—(16/00).
Residency—Rs. 5/15—5/15—5/15—5/15—(5/00).
tameshwara—Rs. 9/56—9/62—9/50—9/50—(7/06).
Jinor—Rs. 165/00—165/00—165/00—165/00—(170/00).
Waverley—Rs. 6/12—6/12—6/12—6/12—(3/90).

CHEMICALS

Alkali & Chemical—Rs. 36/37—36/37—36/37—36/37—(43/78).
Tanoria—Rs. 3/87—3/87—3/87—3/87.

CEMENTS

Dalmia Cement (Bharat)—Rs. 13/06—13/19—13/06—13/19—(12/25).
Jone Valley—Rs. 3/94—3/94—3/94—3/94—(4/69).

ELECTRICS

Calcutta Electric—Rs. 14/50—14/50—14/50—14/50—(15/31).
Do. (Pref.)—Rs. 8/31—8/37—8/31—8/37—(8/69).

INSURANCE

Hercules—Rs. 25/00—25/00—25/00—25/00—(24/12).

ENGINEERINGS

Binani Metal—Rs. 10/25—10/25—10/19—10/19.
Bharat Ball Bearing—Rs. 14/06—14/06—14/06—14/06.
Britannia Eng.—Rs. 10/25—10/31—10/06—10/06—(13/00).
Bhartia Electric Steel—Rs. 13/91—19/91—13/87—13/87.
Braithwaite & Co.—Rs. 36/50—36/62—36/12—36/25—(41/00).
Burn & Co.—Rs. 500/00—500/00—500/00—500/00—(525/00).
Calcutta Steel—Rs. 14/00—14/00—14/00—14/00—(15/75).
Dalmia Iron—Rs. 11/41—11/44—11/41—11/44—(11/56).
Indian Iron (Pref.)—Rs. 85/00—85/00—85/00—85/00—(88/00).
Jessop & Co.—Rs. 22/62—22/62—22/31—22/31—(22/00).
J. K. Steel—Rs. 15/37—15/37—15/25—15/25—(19/69).
Kumardhubi—Rs. 7/12—7/16—7/06—7/16—(7/53).
Marshalls—Rs. 3/34—3/37—3/25—3/31—(3/62).
Wellman Incandescent—Rs. 5/40—5/40—5/10—5/10.

MISCELLANEOUS

Aluminium Corp.—Rs. 14/06—14/25—14/06—14/19—(17/23).
Asiatic Oxygen—Rs. 9/31—9/37—9/25—9/37.
Associated Battery—Rs. 26/81—27/00—26/81—27/00—(34/06).
Anglo Bros.—Rs. 24/12—24/12—24/12—24/12—(23/25).
British India Corp.—Rs. 9/00—9/12—9/00—9/12—(10/75).
British Paints—Rs. 19/75—19/81—19/37—19/37—(26/62).
Calcutta Trans.—Rs. 11/12—11/12—11/00—11/00—(11/19).
Calcutta Safe Deposit—Rs. 6/75—6/75—6/75—6/75.
Clive Row Investment—Rs. 8/19—8/25—8/19—8/19—(8/44).
East Anglia Plastics—Rs. 11/50—11/50—11/31—11/31—(25/62).
Electric Construction—Rs. 13/50—13/50—13/00—13/00—(13/44).
Goodyear India—Rs. 38/87—38/87—38/87—38/87—(39/87).
Hindustan Aluminium—Rs. 13/44—13/69—13/44—13/69—(14/87).

Hindusthan Twyford—Rs. 13/75—13/75—13/75—13/75—(16/75).
Imperial Tobacco—Rs. 10/31—10/31—10/25—10/25—(12/62).
India Carbon—Rs. 22/50—22/50—21/00—21/00.
Indian Tack & Nail—Rs. 14/25—14/25—13/94—13/94.
Jardine Henderson—Rs. 71/50—72/00—71/50—72/00—(77/00).
J. K. Synthetics—Rs. 11/31—11/31—11/06—11/12—(14/44).
Metal Box—Rs. 51/00—51/00—51/00—51/00—(58/25).
National Insulated Cable—Rs. 24/62—24/62—24/37—24/50—(36/37).
Nav Varat Vanija—Rs. 2/00—2/00—2/00—2/00.
Phillips Carbon Black—Rs. 18/81—19/19—18/81—19/19—(22/56).
Sirsik—Rs. 8/50—8/40—8/50—8/40—(10/50).
Universal Cables—Rs. 10/25—10/31—10/25—10/25—(10/06).
Walford Transport—Rs. 3/37—3/37—3/31—3/31—(3/50).

PAPERS

Bengal—Rs. 32/25—32/25—32/25—32/25.
India Paper Pulp—Rs. 18/75—18/87—18/69—18/87—(16/44).
Seshasayee Paper—Rs. 7/50—7/59—7/50—7/59—(8/62).
Sirpur—Rs. 11/00—11/12—10/75—10/75.
Straw Products—Rs. 9/31—9/37—9/31—9/37—(9/12).
Titaghar—Rs. 17/37—17/62—16/87—17/12—(36/37).

OIL

Indo-Burma—Rs. 23/75—23/75—23/75—23/75—(27/62).

PRESSING

Bhagwati—Rs. 5/25—5/25—5/25—5/25.

SAW MILL

Assam Saws—Rs. 2/50—2/50—2/50—2/50—(2/44).

SHIPPING

India Steamship—Rs. 6/19—6/25—6/12—6/19—(7/12).

SUGARS

Dyer Meakin Brew.—Rs. 29/00—29/12—28/81—29/00—(41/00).
Shree Krishna Gyanodaya—Rs. 8/75—8/75—8/75—8/75—(10/44).

TEAS

Bloomfield—Rs. 3/25—3/25—3/25—3/25—(3/60).
Dhelakhat—Rs. 20/00—20/00—20/00—20/00—(21/06).
Dimakusi—Rs. 21/87—21/87—21/87—21/87—(23/25).
Pussimbin (Pref.)—Rs. 88/00—88/00—88/00—88/00—(90/00).
North Western Cachar—Rs. 114/00—114/00—114/00—114/00—(205/00).

London

PRICES FALL DUE TO LACK OF SUPPORT

GOLD AND OIL SHARES IMPROVE

London, 29th January.

FAVOURABLE factors were badly lacking in the stock market during the past week, while sentiment was dominated by Common Market uncertainties, and few people were prepared to take a line in advance of the resumed negotiations. A decision either way would come as a relief to the stock market. It was a case of prices steadily drifting lower and gilt-edged came under pressure with the Continent offering stock. Gold shares made the best showing with prices improving on a broad front. Sentiment was helped by Press comment on inflation and the gold price, but actual business was moderate and mainly professional. Equities eased in the absence of support and even Woolworths failed to benefit from the good results. Dollar stocks gave a good performance due to Wall Street's steady improvement. Oils, too, improved for the same reason with British Petroleum particularly favoured. Shell were helped by the good earnings of the U.S. Shell Company. Rubbers were inclined to ease, but teas were selectively wanted.

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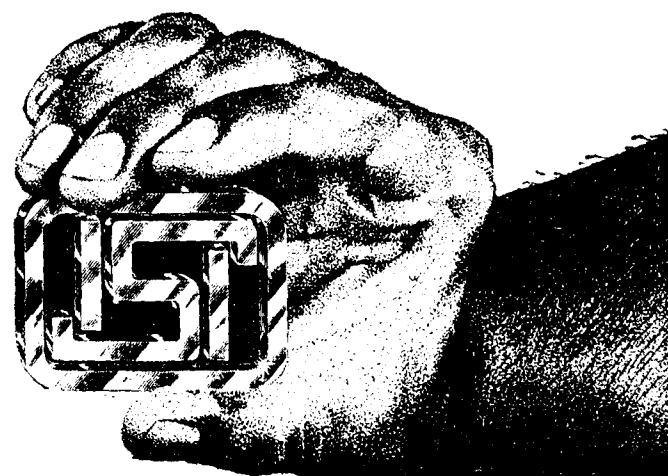
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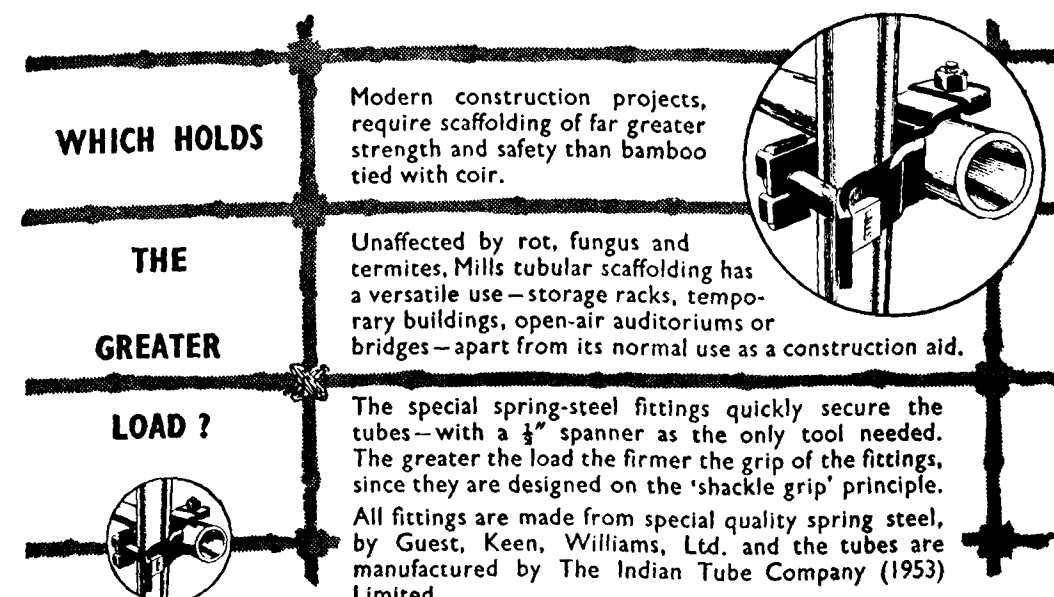
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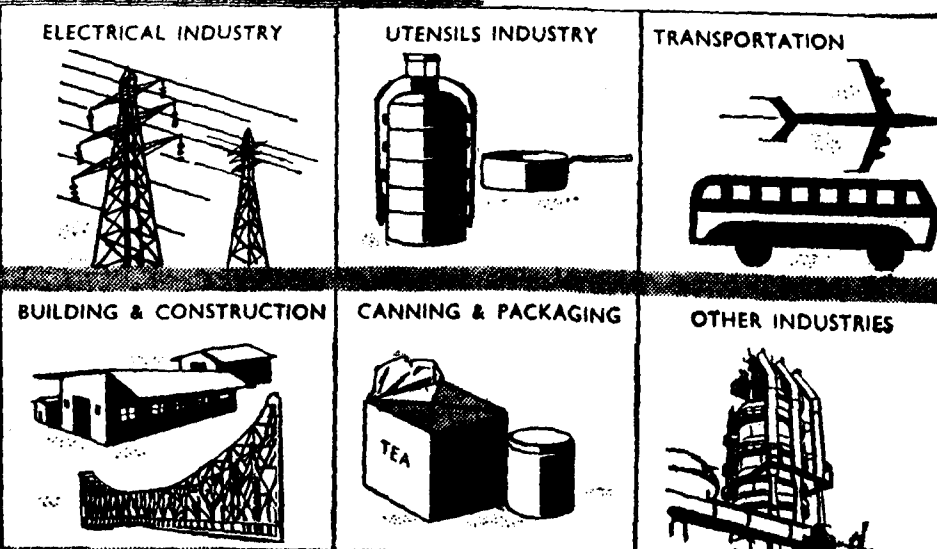


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INDIAN STANDARDS CONVENTION

DEVISING STANDARDS FOR INDUSTRIAL SAFETY

By Ram D. Taneja

(Assistant Director, Indian Standards Institution)

WHILE taking a look around Niagara Falls, America's favourite honeymoon resort some time ago, this writer was intrigued to read a sign in one of the hotels which said that marriage guidance counselling service was available to its guests, and without any charge. The American companion hastened to explain, however, that the service had proved quite popular even with the newly married who would want to know as much of the do's and don'ts as possible and thus "play safe" right from the start.

While there may be a difference of opinion about new couples starting off with marriage counselling, there certainly cannot be two opinions on the need for "playing safe" right from the start with those weird electrical, mechanical, and other devices and appliances one uses in the home and in the factory. It is well known that more accidents occur in the home than anywhere else and many of such mishaps are caused by electricity. It is not an uncommon experience, for example, to be whisked away by a greenish explosion while flicking about a switch after connecting up an electrical heater or a press. And one keeps wondering why the plug in the heater which one had just purchased should have behaved in this fashion. But then one heaves a sigh of relief that after all one escaped unharmed. In actual fact, many of these "handy" devices are a sure way to electrocution in one easy step.

Accidents in Home and Factory

This is but one of the many situations with which one is confronted in the workaday life in the home, in the factory and elsewhere. It underlines the need for greater vigilance and check in the production of devices and appliances which conform to certain minimum standards and for provision and observance of safety codes for avoiding mishaps and protecting health, life and property. According to a recent estimate of the Chief Adviser of Factories, about 3 million man-days are lost every year through accidents in industrial establishments (factories, mines, etcetera) in India. The accidents range from cuts to amputations and permanent disablement. The loss to industry due to reduction in productive capacity and compensation paid to the injured under the law would run into millions of rupees.

A review of these accidents would show that most of them arise from simple causes, are readily foreseeable, and could, therefore, be prevented if some simple rules and practices were observed. Failure to take adequate precautions against predictable accidents would involve serious guilt on the part of both the management and the workers.

It is obvious that as industry in India, propelled by technological advance, becomes more and more mechanised, conditions are created in which accident prevention tends to assume a vital significance and requires a national programme of industrial safety encompassing all phases of the environment and operations of an establishment. And, to be effective, such a programme has to be formulated and implemented by safety personnel having specialised

knowledge of codes and practices pertaining to the field.

Safety Consciousness

Several developments have taken place in recent years, which have promoted safety-consciousness among industrial management and workers in private and public sectors. The Labour Ministers Conference held in 1960 made several suggestions to advance the cause of industrial safety. Later, in 1961, a team of industrial executives, safety engineers and Government officials associated with the enforcement of the Factories Act visited the U.K. and the U.S.A. Sponsored by the National Productivity Council, the team was assigned the task of assessing the state of industrial safety movement in the U.K. and U.S.A., and to determine the attitude, methods and techniques adopted in those countries for prevention of accidents. In the light of this study, the team has made several recommendations on the methods and techniques which could be applied to Indian industries. Among others, the recommendations deal with methods of safety training for workers and supervisors, organisation of safety councils and other institutional arrangements, measures for prevention of accidents, and

standards and codes on industrial safety.

About the rôle of safety codes, special mention has been made of the noteworthy success achieved by the American Standards Association in initiating and developing a safety code programme with which are associated State and Federal Government agencies on the one hand and national industrial associations and labour groups on the other. More than 50 U.S. standard safety codes prepared by the Association provide the basis for the regulations enacted by State Government agencies. Extensive participation of industry through its national associations has resulted in wide acceptance of these codes by industrial establishments all over the country.

In the U.K., safety in industry has been, and still is, primarily regulated by the Government, although employers have gone beyond the legal requirements to ensure safety in their plants. The preventive aspect of accidents in industry is also receiving considerable attention. The British Standards Institution, through its Personal Safety Equipment Committee and Codes of Practice Committees on Building and Engineering, is doing valuable work on the formu-

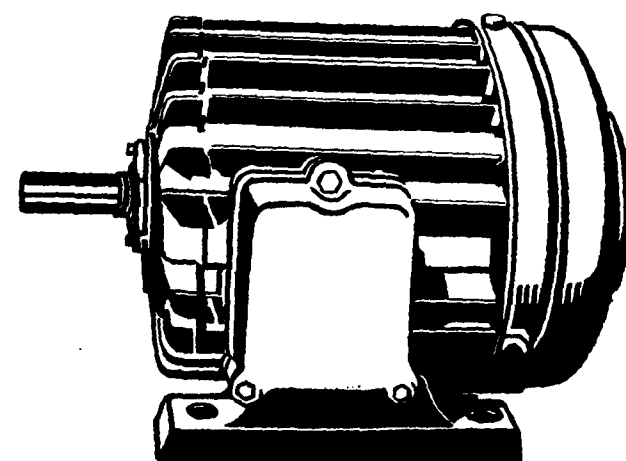
lation and implementation of safety standards for British industry. Associated with these committees are bodies like the Royal Society for Prevention of Accidents, Industrial Welfare Society, associations and federations of manufacturers, institutions of science and engineering, the U.K. Atomic Energy Authority, Medical Research Council, the Factory Inspectorate of the U.K. Ministry of Labour, and the Trades Union Congress. For the benefit of the industrial community, the Factory Inspectorate and the National Service maintain in London an Industrial Health and Safety Centre which is a permanent exhibition of methods, techniques and appliances for promoting safety, health and welfare in industry. The Centre has served as an active agency for publicising safety codes and practices and for educating employers and employees, and their organisations in such matters. It also acts as a clearing house for ideas on the numerous problems arising in industry.

Indian Safety Standards

The Indian Standards Institution has been functioning over the years with a steady awareness of the rôle of industrial safety in promoting industrial efficiency. The codes of practice and other standards dealing with different aspects of safety requirements produced by the various sectional committees of the I.S.I., are designed to meet the need for a body of literature which should serve as a guide to those concerned with accident prevention. To date, the I.S.I. has published about 40 standards on safety items relating to diverse groups of subjects, such as functional

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requirements of buildings, refrigeration and air conditioning, fire fighting, welding electrical appliances and accessories, power installation and maintenance, electronic equipment, cargo marking and leather products.

These standards have already been adopted by purchase departments of

the Government of India, like the Directorate General of Supplies and Disposals, Research, Design and Standards Organisation; Directorate General, Ordnance Factories; and Posts and Telegraphs. Besides, they have been recommended for adoption by the industrial projects in the public sector, and the Ministries of

Railways; Finance; Transport and Communications; Defence; Steel, Mines and Fuel; Works, Housing and Supply; and Labour and Employment.

For intensifying the propagation of industrial safety, the I.S.I. has set up five additional sectional commit-

tees. They deal with gas cylinders, boilers, duty conditions in mines, hand tools and chemical hazards. Their main job is to study and explore the existing conditions in the respective fields, tender advice on relevant statutory regulations and generally to assist in the formulation of standards.

PROGRESS OF STANDARDISATION IN INDIA

By Manohar Lal

FOR the development and growth of an industrial economy on a planned basis, standardisation plays a vital rôle. In industrially advanced countries, national standards developed at a rapid pace. But due to various reasons, they have developed in India only in recent years. It was in 1909 that the Indian railways decided that their supplies should be met as far as possible from indigenous manufacture. For ensuring the production of domestic goods to certain specifications, the Government adopted some measures including the setting up of a Government test house in Calcutta, followed after a few years, by the Central Standards Office of the railways.

The first and second World Wars provided some impetus to the development of Indian industries when supplies from abroad became difficult and heavy demands were made on the domestic industrial units to meet both defence and civil requirements. It was at the Twelfth Industries Conference held in Lucknow in December 1940 that a proposal was first made for setting up a national standards body in the country. The matter, however, could not be proceeded with due to war conditions, but immediately after the cessation of hostilities, actions were taken to further the proposal. On 3rd September, 1946, the Government of India passed a resolution for the establishment of the Indian Standards Institution (I.S.I.). With the active support of industry, as well as scientific and research bodies, the Institution started functioning in 1947. Standardisation at the national level in India can thus be said to have begun in 1947.

Aims and Objects

The Indian Standards Institution is the joint venture of both the Government and industry; and its aims and objects include the following:

(a) To prepare and promote the general adoption of standards on national and international basis relating to structures, commodities, materials, practices, operations, matters and things, and, from time to time, revise, alter and amend the same.

(b) To promote standardisation, quality control and simplification in industry and commerce.

(c) To co-ordinate the efforts of producers and users for the improvement of materials, products, appliances, processes and methods.

(d) To provide for the registration of standardisation marks applicable to products, commodities, etcetera, for which it issues standards to be branded on or applied to those products, commodities, etcetera, which conform to standards set.

(e) To provide or arrange facilities for the examination and testing of commodities, processes and practices, and for any investigations or research that may be necessary.

(f) To collect and circulate statistics and other information relative to standardisation in all its branches.

(g) To establish, form, furnish and maintain libraries, museums, and laboratories for the purpose of furthering the practice of standardisation.

(h) To communicate information to members on all matters connected with standardisation and to print, publish, issue and circulate such periodicals, books, circulars, leaflets and other publications as may seem

conducive to any of the objects of the Institution.

According to its constitution, the activities of the Institution are controlled by its General Council on which are represented Central and State Governments, industrial and manufacturing organisations, business and commercial houses, research and technological bodies and organised consumers and purchasers. The day-to-day affairs of the Institution are managed by its Executive Committee, which is advised on financial matters by a finance committee.

Division Councils

For the preparation of Indian standards, the Institution functions through the following seven division councils which look after the work of standardisation in respective industries: (a) agricultural and food products; (b) building; (c) chemicals; (d) engineering; (e) electro-technical; (f) structural and metals and (g) textiles. The technical work of formulating Indian standards is handled by expert technical committees—sectional committees, sub-committees and panels—appointed by the executive committee and the seven division councils. On these technical committees is given representation to all interests concerned with the formulation, implementation and application of standards in their day-to-day life—manufacturers, consumers, purchase organisations, Government departments, research and technological bodies, etcetera.

The experts on these technical committees work in honorary capacity and the number of technical committees as well as their membership increases in proportion to the number of Indian standards prepared. At present, there are more than 1,100 technical committees with a membership of about 13,000. The I.S.I. can, therefore, safely be termed as the biggest co-operative organisation in the country where technical talent and know-how is pooled together for the development of national standards which aim at increasing productivity, reducing cost, minimising wastage, and simplifying processes.

Development of Standards

Indian standards for various products, materials, processes, operations, matters and things have to go through a detailed procedure of a careful study and thorough scrutiny at various stages before their publication as such. After a proposal is received by the I.S.I. directorate, a draft is prepared for the consideration of the technical committee concerned and after going through the preliminary stages, the document is widely circulated for a period of three months to all interests concerned both in India and abroad for eliciting their technical comments which are again carefully considered by the technical committee. The technical requirements specified in the Indian standard are incorporated after a complete scrutiny especially relating to the technological development obtaining in the country and, wherever necessary, they are corroborated by actual tests in independent laboratories.

Thus a final Indian standard, when published, reflects a consensus of opinion among different interests in points of the minimum requirements for quality and performance, of a product. In this way, it is truly a national document capable of guiding, developing and promoting the industry,

trade and commerce on proper lines.

Within the short life of 15 years of the Institution, more than 2,100 national standards have been published, covering a wide range of subjects—from biscuits and vegetable oils to industrial motors and transformers, and from textiles and paints to steel and metals. The following table gives the break-up of the Indian standards for different industries:

INDUSTRY-WISE BREAK-UP OF INDIAN STANDARDS PUBLISHED AS ON 30th NOVEMBER, 1962

Industry	Number of Indian standards published
Agricultural and food products	177
Building	302
Chemicals	607
Engineering	219
Electrotechnical	166
Structural and metals	262
Textiles	364
Others	20
Total	2,117

The country has embarked on economic reconstruction through planned efforts by exploiting the vast natural resources. Two five year plans have been successfully gone through and the third, which is in operation, visualises the need for laying the foundation for rapid industrialisation over the next 15 years.

Industry and commerce have taken many strides because of these plans. Many new industries—large, medium and small—have been set up; existing industries have been further developed and expanded; productivity has increased. Furthermore, self-sufficiency has been attained in many cases, dependence on imports has been reduced and foreign markets for many indigenous products have been built up. In all this venture, Indian standards have contributed their share—by simplification in manufacturing processes, reduction in varieties, and through improvement in manufacturing techniques, increases in productivity, reduction in production costs and elimination of waste.

With the increase in standards-consciousness and the rapid industrial development through planned efforts, the demand for national standards has been rising appreciably. But the Institution has also not lagged behind in coping with this demand. It has formulated its own five-year development plans, the periodicity of which corresponds to the national plans. The third five year plan of the Institution visualises a two-fold increase in its activities. It is expected that the rate of formulation of Indian standards will be gradually increased so as to reach the figure of 500 in the last year of the plan; and the estimated number of standards by the end of the plan are expected to approach the mark of 3,500.

Certification Marks Scheme

It has also fallen within its purview of the I.S.I. to provide a third-party guarantee of the quality of goods to the consumer who possesses neither the technical know-how nor the necessary wherewithal to determine their quality. Accordingly, the Institution is operating the I.S.I. Certification Marks Scheme under the powers vested in it by the I.S.I. Certification Marks Act of Parliament. Under this scheme, licences are

granted to manufacturers to mark their products with the I.S.I. standard mark which conveys an assurance to the purchaser that the products in question have been produced according to the requirements laid down in the relevant Indian standards. The Institution maintains its own machinery for inspection of goods at different levels of production and satisfies itself completely as to the capability of the factory for producing goods continuously according to Indian standards, not only at present but also in the future.

The scheme, which was started in 1955, has made sufficient headway and as on 30th November, 1962, 481 licences were issued and 956 applications received. Many important consumer items of daily use have been covered by the scheme, such as biscuits and other eatables, inks, aluminium utensils, tea-chests, toilet soaps, etcetera.

Voluntary Adoption

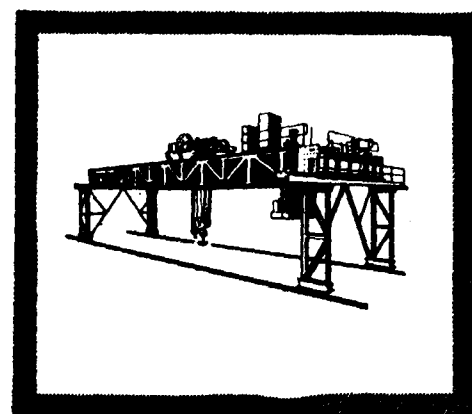
Consistent with the democratic principles, Indian standards are voluntary in nature to be implemented by different interests through persuasive efforts. Generally, implementation of Indian standards is ensured through the very process of their preparation which requires getting the widest possible agreement among the interests concerned. Besides, conferences on the implementation of Indian standards are held by State Governments, at which the representatives of various State Departments, local bodies and industrial and purchase organisations are exhorted to adopt Indian standards in their manufacturing and purchase programmes. So far, such conferences at State levels have been held in Orissa, Kerala, Punjab, West Bengal, Mysore, Uttar Pradesh, Bihar, Gujarat, Maharashtra, Himachal Pradesh and Madhya Pradesh.

Most of the Governments—Central, State and local—have agreed in principle to purchase their requirements in goods and services according to Indian standards. Some of the Governments have also issued policy directives to their respective departments to specify Indian standards in their tenders. It is estimated that about 86 percent of the standards have been implemented by important organisations in public and private sectors.

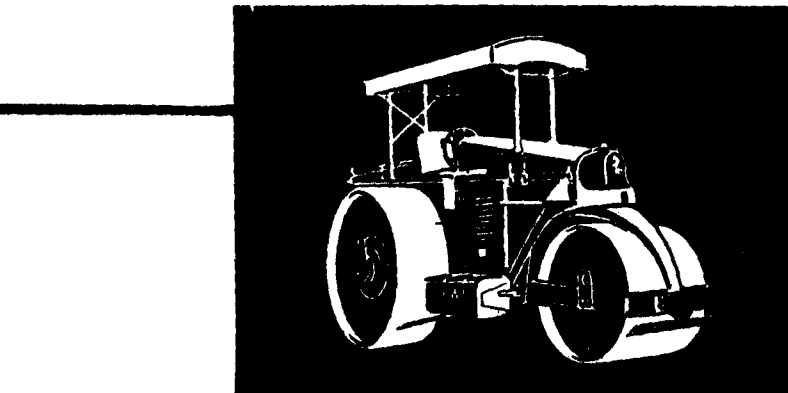
The Institution serves the national interests at international level as far as standardisation is concerned. The I.S.I. has been taking active interests, since its inception, in the work of the International Organisation for Standardisation (I.S.O.) and the International Electrotechnical Commission (I.E.C.)—the two organisations dealing with standardisation at the international level. Secretariats of the following important technical committees of the I.S.O. in which India has vital interest are held by the Institution: TC 30/SCI Measurement of Liquid Flow in Open Channels; TC 34/SC7 Spices and Condiments; TC 50/Lac; TC 56/Mica; TC 88 Pictorial Marking of Handling Instructions for Goods. The secretariat of the Electric Fans Committee (TC 43) of the I.E.C. is also held by the I.S.I.

An industrial revolution is in progress in India. The tempo of activities is on the increase, in which the I.S.I. has been playing its full part. It is, however, necessary that the manufacturers and producers should of their own volition implement Indian standards and continue to make technical improvements in their production not only because it is their primary obligation to the consumer, but also because it is only by maintaining uniform standards and high quality that markets, both internal and external, can be built up.

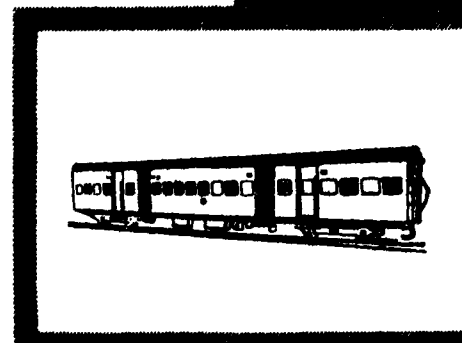
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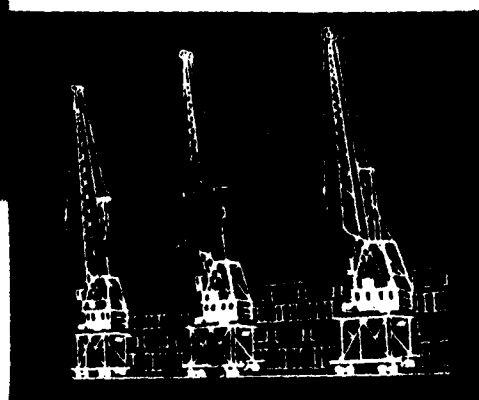
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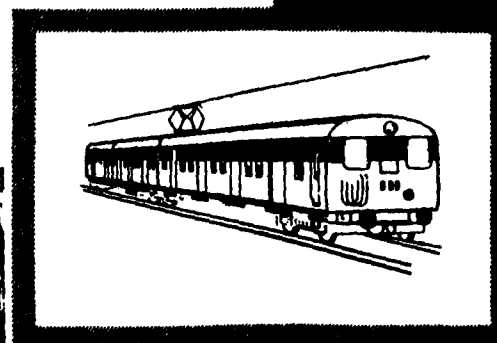
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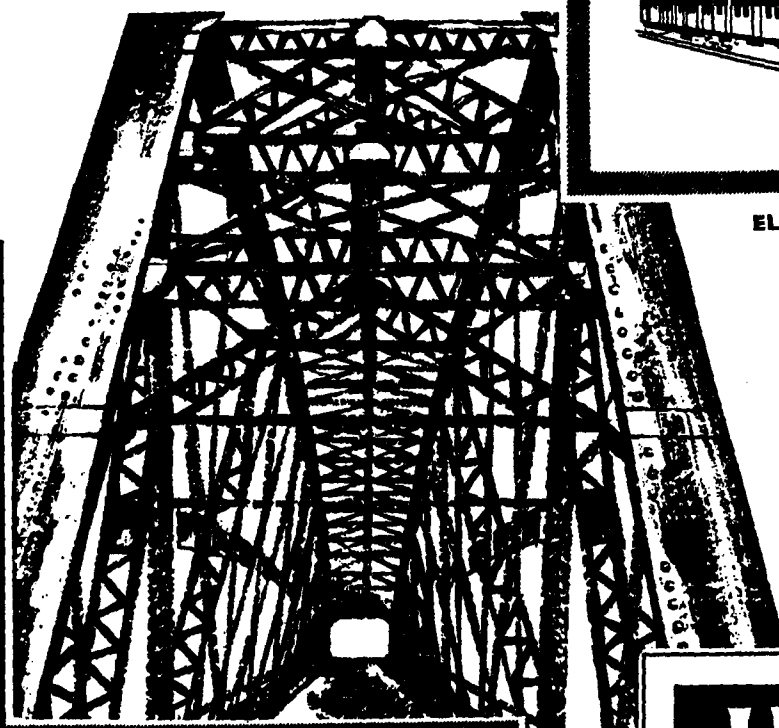
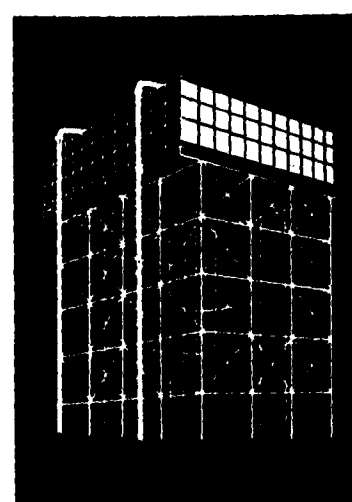


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SLUICE GATES

COTTON PRICES RECOVER AS CURBS RELAXED

(FROM OUR BOMBAY CORRESPONDENT)

THE trade's repeated representations to the Government seeking relaxation of various restrictions on cotton in order to stimulate offtake and check the declining trend in prices, have not been in vain. The measures announced by the Government on 23rd January meet most of the trade's demands. Restrictions on the quantity of cotton which mills can hold in their stocks have been removed and their quotas have been raised. Hitherto, mills in the north zone had been allowed a quota of Indian cotton to the extent of 65 percent of their consumption of such cotton and foreign B cotton during 1960-61, with the provision that a quantity representing 10 percent should be purchased out of local growths in Rajasthan, Punjab and U.P. The total quota has now been increased to 75 percent and the qualitative restriction concerning the 10 percent has been done away with. The quotas of mills in other areas have been raised from 45 percent to 75 percent. The mills are permitted to purchase cotton without waiting for the quota letters.

In order to encourage the growth of long staple cottons, an element of compulsion has been introduced on the use of Cambodia cotton. Mills which have consumed foreign cottons stapling between 1½ in. and 1½ in. and/or Indian Cambodia A and/or B in 1960-61, are now required to purchase Cambodia A and/or B cottons at least to a minimum of 5 percent of their annual quota of Indian cotton for the current season. This will provide considerable relief to Ahmedabad cotton growers who had recently raised a hue and cry against the accumulation of stocks and heavy fall in prices. Yet another concession—more for the mills than for the trade perhaps—relates to the payment of 7½ percent of the purchase price through the intermediary of the supervisors. It had been represented from certain quarters that the payment of this 7½ percent through the supervisors resulted in some delay in the movement of the crop. To avoid this difficulty, the Government has decided that 7½ percent of the value of cotton will be paid directly by the mills to the sellers, but only after the supervisors have checked the invoices.

The trade is not quite happy about the maintenance of the check on invoices, and it would have very much liked the abolition of the entire supervisory scheme which has lost nearly all its significance with the decline in prices substantially below the ceiling. The supervisory scheme had been introduced only to ensure that cotton prices were kept within the ceilings. The general feeling in the trade is that the relaxation of the various curbs will help revive business and impart stability to the market. In fact, cotton prices—ready as well as futures—have already recorded a substantial improvement. Cotton futures (March contract), which had been marked down to Rs. 656 a 3 quintals (in kerb dealings) on 21st January, spurted to Rs. 685 a day later.

Pepper Prices Rise due to U.S. Dock Strike

(BY A SOUTH INDIAN CORRESPONDENT)

LAST week, there was a sudden rise in black pepper prices on account of active replacement buying by the grinders and dealers in the

United States. This was the result of the U.S. dock strike. Prices shot up to 40 cents a lb in New York, when the buying frenzy was at its peak. Since Wednesday of the week, however, there has been an easing of the market trend. Buyers have started withdrawing anticipating an early resumption of movement of pepper from piers and vessels in New York as the strike has ended. Sellers have reduced their price ideas. They were asking 34 cents on Thursday for spot delivery and 30 cents for afloat, but buyers were not keen on making purchases. The disparity between the Indian and Singapore prices has disappeared. Underselling by Singapore was a serious menace for Indian pepper for some time, and on that account this country has had a definite disadvantage since the current season began in November last. Pepper exports are usually at their peak during November, December and January. Although India was able to export as much as 23,000 tons last season, which was a new record, she was not able to do much so far this season because of the competition from Singapore and the poor foreign demand, particularly from the United States. It was difficult to sell the Indian crop even for 28 U.S. cents a lb just before the dock strike in the U.S.A. started. This strike came as a blessing for the pepper exporters. Prices hardened when the U.S. buyers reappeared in the market. The buyers are unlikely to show continued interest at higher prices now that the dock strike is over and normal supply is restored. However, it is felt that if India could retain her competitive level with Singapore and if she is prepared to make some sacrifices to win over the U.S. buyers Indian pepper exports will make a smart recovery.

In the meanwhile, forecasts about world pepper output this year are encouraging for the buyers. World production of black and white pepper in 1962 is estimated at 160.7 million lbs, compared with 168.8 million lbs in 1961. Increases have been recorded for India, Sarawak and the Malagasy Republic, while Indonesia, Brazil and Cambodia harvested smaller crops. Production during the current year, it is expected, will be larger

ger as increased crops are to be harvested in India and Indonesia, which together account for two-thirds of the world supply of pepper. Asian countries account for more than 90 percent of the world output. India is the largest world producer, and her 1962 crop of 67 million lbs was a 7.5 percent gain over that of the previous year. Weather has been good and a further increase is expected in 1963. Indonesian production of 40 million lbs was down by 25 percent on the 1961 crop, and this is attributed to the extended dry period in Sumatra, the major producing area. The 1963 crop of that country is expected to be larger as a result of more favourable weather. The output in Sarawak is estimated at 20.7 million lbs, compared with 18 million lbs in 1961. The increase is attributed to new plantings made in 1958-59 coming into production and to the more widespread use of organic manures. The smaller crop of Cambodia is attributed mainly to the high incidence of disease damage to vines. Production in the Malagasy Republic continues to increase. Output in 1962 of 3 million lbs was three times the average of 1950-54. Significant quantities are produced in West Cameroon and in the Congo, but domestic consumption absorbs most of the production. Brazil's output is estimated to be lower than the 1961 harvest of 11 million lbs. Production has shown rapid gains during the past several years. The average production during the 1950-54 period was only 1.1 million lbs.

Tea Exports Rise Despite Fall in Production

(BY A SPECIAL CORRESPONDENT)

SPEAKING at the recent annual general meeting of the Doora Branch of the Indian Tea Association, Mr. J. G. Day, chairman, said that "during the 1962 season, the weather had been fairly satisfactory and a crop of about 66 million kilograms had been harvested in the area. This was well above the average for the last three years." The average prices which the tea fetched in the London and Calcutta markets had also shown an improvement compared with the previous year. It is hoped that these will be maintained. "Bigger crops and higher prices should result in better profits, but production costs during 1962 may show a rise, as both wages and material prices have gone up."

The speech of Mr. A. S. Bam, chairman of the Indian Tea Board, was read at the meeting. Referring to production, it was noted that north

India was affected by an unseasonal weather in 1962 and production would be lower than that of 1961. Production in south India had, however, improved and was expected to be higher by about 2 million kilograms. The total production in India in 1962 is, therefore, likely to fall short of the previous year's output by about 10 million kilograms.

In spite of the decline in production, the industry's performance in the field of exports has shown a significant improvement in 1962. Referring to exports, it was stated that there was a setback in November and the early part of December because of transport difficulties. Total 1962 exports were estimated at 214 million kilograms valued at Rs. 124.9 crores, against 205 million kilograms valued at Rs. 124.6 crores in 1961.

There is an anomaly here in so far as the Calcutta prices for export teas this season show a rise. The quantity exported also shows an advance but the foreign exchange earned by India remains practically the same at Rs. 124.9 crores compared with Rs. 124.6 crores in 1961. The Government, the Tea Board and the trade all deserve congratulations on having reserved the percentage of loss in Indian exports reported in recent years, but actual receipts shown from foreign exchange are somewhat puzzling.

Sales and shipments are now moving more normally but at the end of December, stocks in Calcutta private and public warehouses were on the low side at 787,496 packages, against last year's 1,093,068 packages. Of course, the 1961 season yielded a record crop. On the other hand, teas afloat were considerably higher than in past years.

From the end of October, tea and coffee exports were reported down by comparison with those of last year. Tea earned less in foreign exchange. Coffee, however, did better, which, in view of the world supply of the commodity, is a hopeful sign. Although India has registered a useful revival in tea exports to North America, it is reported that she is still losing ground in the U.K. where Ceylon's produce continues to gain in favour at this country's expense. Ceylon is reported to have tea centres in London, Birmingham, Exeter, Glasgow and Manchester. Tea sales on the London market have followed the 1961 pattern of fairly violent fluctuations, ending up with much the same total quantity sold at similar prices. But north India has done comparatively well, with the year's average over 5s a lb against 4s 3d in 1961. Africa increased its offerings but secured 4d less than last year.

CAPITAL, 31st January, 1963.

CAPITAL, 31st January, 1963.

New Delhi

OIL POLICY AFFECTS FOREIGN INVESTMENT

(FROM OUR NEW DELHI CORRESPONDENT)

IN his campaign against the three western oil companies, the Central Minister for Mines and Fuel, Mr. K. D. Malaviya has raised the bogey of perennial drain of foreign exchange from India. But such a drain is inevitable in any scheme of foreign collaboration or even for the development of public-sector projects through loans. It is obvious that Mr. Malaviya's attitude towards the western oil companies is affecting the pattern of foreign investment in India. But it is the three foreign oil companies which by their large investment created a favourable climate for foreign investment soon after India's independence. That the tide has turned is evident from the following figures relating to the number of foreign collaboration arrangements:

	Total	U.K.	U.S.A.	West Germany
April-June 1961	105	34	23	29
April-June 1962	80	23	11	12
July-September 1961	96	29	19	18
July-September 1962	43	13	5	7
October-December 1961	101	35	24	10
October-December 1962	53	14	12	6

The decline has started from April-June 1960, when the number of foreign collaboration arrangements stood at the peak figure of 149. In the following quarter ended September 1960, the number dropped to 69 and then to 43 in the quarter ended September 1962.

Under the Industrial Policy Resolution, the Government has reserved to itself the full right to amend or reject the terms of foreign collaboration. But once a foreign entrepreneur was permitted to enter the Indian market—either individually or in collaboration with an Indian partner—he was assured of all rights and privileges enjoyed by an Indian entrepreneur or even by a public sector project. The foreign entrepreneur was guaranteed against discrimination once he agreed to operate within the framework of Indian laws and policies. But the denial of expansion to the private-sector refineries when the public-sector ones are being "expanded" even before they have gone on stream, should be regarded as discrimination under the Government's declared policy.

The south Indian refinery, according to uncontradicted reports, will be built by Phillips Petroleum Company of the U.S.A. Under the proposal, the Government of India will have 51-percent share in the refinery's equity capital and Phillips Petroleum 25 percent. Twenty-four percent will be taken over by the Indian collaborators of the U.S. Company, which will be entitled to buy crude from its own sources. As 25 percent share in the equity capital will be inadequate to meet the foreign exchange cost of the project, Phillips Petroleum will be empowered to raise a dollar loan in the United States. In other words, under Mr. Malaviya's own scheme, Phillips Petroleum will be entitled to take from this country not only interest

on the dollar loan but also profits on its equity capital and other operational charges.

Mr. Malaviya has asked E.N.I. to undertake exploration in the Ganga Valley and build the Gauhati-Siliguri pipeline. These two projects will be financed from the E.N.I. credit. Under the terms of the latter, the Government of India will have to pay in cash 5 percent of the estimated cost of the project, 3 percent after one year and the balance in ten yearly instalments. The credit carries 6 percent interest. The whole scheme involves a considerable drain of foreign exchange, of which India is short. The latest thinking in New Delhi does not distinguish between payments in rupees and dollars. Even so, India will have to pay interest at 6 percent on all the credit taken from the communist bloc to build refineries, involving a drain on foreign exchange resources.

As far as the oil companies are concerned, they have offered to abrogate their refinery agreements and take out industrial licences under which the companies will become rupee companies. If Mr. Malaviya is really solicitous about the drain on foreign exchange, the proposal of the oil companies, which will reduce it considerably, should be accepted.

The Planning Commission told the standing committee of the National Development Council that the total refining capacity in India would increase from 7.1 million tons to 9.6 million tons in 1963, 11.6 million tons in 1964, 12.6 million tons in 1965 and 17.6 million tons in 1966. These calculations are made on the basis that the private-sector refineries were not allowed to expand. The present capacity of the latter is 7.85 million tons a year. According to estimates, the full capacity of the public-sector refineries, including the one in the south, should be 9.75 million tons.

Three Issues

There are three relevant questions. Firstly, Mr. Malaviya's case rests on his claim that all the four public-sector refineries will not only be installed, but will go into full production by 1966. Against this claim, the Barauni refinery has yet to go on stream, the Koyali refinery is in the planning stage and the south Indian refinery is in the talking stage. As far as the expansion programmes of the Nummati and Barauni refineries are concerned, a snap decision was reached only in the middle of December 1962. But the Russians and the Rumanians have yet to be persuaded to extend credit for their expansion. Thereafter they will commence planning, followed by the manufacture of equipment and installations. What will happen to the country if these public-sector refineries do not go into full production by 1966? The alternative will be to grant licences to the three western oil companies to import petroleum products and thereby cause a larger drain on foreign exchange resources. The import of 1 million tons of petroleum products causes a drain of Rs. 5 crores worth of foreign exchange.

The second issue is in relation to demand. One estimate—exclusive of the increase in defence require-

ments—placed the demand for 1965 at 15 million tons and that for 1966 at 18 million tons. Thirdly, even if according to Mr. Malaviya's claim the refining capacity will fully meet the 1966 demand, India will actually be in short supply, at least by about 2 million tons in 1967, unless it is assumed that India will stand still after 1966. This, however, is not the view of the Central Ministries of Steel and Power, which have already started planning for the fourth plan. Past experience has shown that the demand for petroleum products has been rising at the rate of 2 million tons a year. The Productivity Team, which reported last year after visiting Russia and Rumania, has recommended the creation of refining capacity in excess of demand by 20 percent.

A significant statement was made by Mr. Malaviya in Parliament last week. Replying to a question, he said that during the worst days of November, the Russian experts engaged on the Sibsagar project in Assam were posted on duty on various projects in Gujarat. No comment is necessary.

To sum up, the effect of Mr. Malaviya's oil policy is to leave this country unprepared in meeting the demand for oil products. It is also affecting the flow of foreign investments into India. But the issue is whether ideology should triumph over the best interests of the country or vice versa. The only lurking hope is that the Planning Commission has been directed by the Central Cabinet to determine, not only the demand for 1966 but also the rate at which the demand for petroleum products is growing. It is on the basis of the Commission's finding that a decision will be reached whether India needs further refining capacity and, if so, whether it should be met by the expansion of the private-sector refineries. The way the Cabinet reached its last decision, however, does not inspire much hope for the expansion of private-sector refineries.

STEEL ROLLS

New Scheme of Tatas

Talks, it is believed, are in progress between Davy United and Tatas for manufacturing rolls. The economic capacity for steel melting is such that Tatas will have to put in a much larger melting capacity that is needed for the manufacture of rolls. The extra capacity so created will have to be used for making steel ingots, which Tatas can use otherwise. This is possible if the retention price of steel is fixed on a "more realistic basis". This aspect of the problem, it is believed, is being explored.

Another Tata enterprise—the Indian Tube Company—proposes to manufacture seamless tube pipes. The Company has asked for the Government's permission for the expansion scheme in Jamshedpur and for setting up units in Bombay and Madras for manufacturing the item.

Mr. Stephen Lloyd in India

Mr. Stephen Lloyd, a director of Guest, Keen, Nettlefolds, which has an interest in Guest, Keen, Williams

is in India. He has been holding discussions with the authorities of the Heavy Electricals Ltd with a view to selling electrical sheet stampings to the latter.

ASBESTOS

Demand Rising

Asbestos sheet production is over-booked for meeting India's defence needs. Asbestos is mainly of two types—chrysotile and amphibole. India is short of the former, which is needed for various industrial uses. It occurs only in certain districts of Andhra Pradesh in a workable quantity. The other varieties of asbestos are found in various States—Ranchi and Manbhum districts of Bihar, Mayurbhanj in Orissa and Hasan district of Mysore. Small quantities are also found in various places in Rajasthan and Assam hills.

Asbestos deposits in India have not been estimated. The known reserves of chrysotile asbestos are estimated at 250,000 tons. Amphibole reserves are about 26,000 tons. In 1959, there were about 50 mines producing asbestos. The main industrial uses of asbestos are as follows:

- (1) Long fibres for yarn, coir, brade and textiles;
- (2) packing and gaskets;
- (3) felted long fibre, paper and for filtration and asbestos cement goods where maximum strength is required;
- (4) medium length fibres including short spinning shingle and paper grades are used as reinforcing filler in asbestos cement products, as the chief constituents of asbestos paper and mill board, as a binding agent in magnesia insulating compounds used for thermal insulation; and
- (5) short fibres are used as filler in asphalts, paints, plasters, etcetera.

In India, asbestos is generally used for the manufacture of asbestos corrugated sheets, cement pipes, boiler composition, cork fibre packing, hard setting composition and for the manufacture of brake lining. The estimated consumption of raw asbestos during 1959-60 was about 24,000 tons to 25,000 tons.

The bulk of the asbestos requirements, particularly of the superior varieties like chrysotile, is being met from imports which were as follows:

1958	18,354	23,390
1959	22,745	29,459
1960-61	21,605	26,642
1961-62	21,562	23,942

There are at present six units manufacturing A.C. sheets with an aggregate capacity of 250,000 tons. The production of A.C. sheets in recent years has been as follows:

1960	216
1961	220
1962	146

(Seven months)

The consumption of asbestos by various industries has increased between 1959 and 1961-62 as a result of the completion of expansion schemes of many consuming units. The capacity in the A.C. industry alone, which was about 150,000 tons in 1959, has increased by another 100,000 tons. Similarly, industries like insulation materials, cables and wires and building materials have also expanded during recent years. The total overall demand for various varieties of raw asbestos has also consequently increased.

INDUSTRIAL FINANCE

Help from States

The Government of India has formulated a scheme under which State Governments may provide equity capital to those persons who possess sufficient technical know-how

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to December 1962. As compared with November, the De-

cember index for Food shows a drop of 11 points, while those for Miscellaneous, Clothing and Fuel & Lighting remain unchanged at 311, 598 and 299 points.

Combining all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living declined by 6 points during December 1962.

Middle Class Cost of Living Index Number for Calcutta. Prices in August 1939=100

Groups	Weights	GROUP INDICES											
		Dec. 1961	Jan. 1962	Feb. 1962	Mar. 1962	Apr. 1962	May 1962	June 1962	July 1962	Aug. 1962	Sept. 1962	Oct. 1962	Nov. 1962
Food	53.6	548	538	532	538	547	548	551	555	563	568	573	573
Fuel and Lighting	4.4	291	291	291	291	291	291	291	299	299	299	299	299
Clothing	12.4	588	588	588	588	592	592	592	592	596	598	598	598
Miscellaneous	29.6	308	308	309	309	310	310	310	310	311	311	311	311
Combined Index	100.0	471	465	462	466	471	471	473	476	481	484	487	481

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but are unable to start an industry on their own for want of capital. The scheme envisages participation by State Governments in the share capital through the holding of redeemable non-cumulative preference shares which will be repayable in not more than eight annual instalments beginning from the end of the third year of the formation of the company. The dividend rate will not exceed 5 percent and such participation may not exceed 50 percent of the total share capital with a ceiling of Rs. 1 lakh.

STEEL

Streamlining Distribution

The preliminary report of the Raj Committee on the system of planning and distribution of iron and steel was published last week for eliciting public opinion. The Committee says that the pricing policies followed hitherto in relation to steel have not taken adequate account of the need for prices to reflect relative costs. As a result, "prices have exerted pressures of a distorting character on the pattern of steel production." The present retention prices allowed to producers, it is said, do not allow adequately for plant replacement at current (or prospective) replacement costs. It is also pointed out that the current relative prices allowed to different products have the effect of creating a bias among producers against the rolling of certain sections.

To this is attributed, in part, the fact that the product-mix does not conform to the pattern of demand to the full extent feasible. The Committee suggests that a revision of the product price relatives is necessary so that they reflect the true relative production costs of different products. The Committee thinks that there is no point in trying to control prices beyond the first stage in the delivery line. It suggests, therefore, that a free market in steel in relation to sales subsequent to the first sale by the main producers should be legally recognised.

The Committee says that, if the difference between the producers' prices and the free market prices becomes excessively large, and there is no way of narrowing the gap through stock operations by the Government stockyards, the Iron and Steel Controller may route all the available supplies of such categories and sections through the stockyards so that the profits accrue to the Government and the scarce product is distributed on a more equitable basis than would be possible if left to the free market. The Government could, and should, use also the device of excise duties to mop up the difference between the producers' and free market prices when it becomes manifestly large.

The Committee is of the view that the assignment of priority to particular consumers should not automatically carry with it any kind of price preference. However, for those users of steel who, it is felt, should be given a price advantage as well in the national interest, the Committee recommends a system of drawbacks to be allowed by the Government in relation to steel whose delivery is taken direct from producers or from Government stockyards.

For protecting the interests of small consumers, it is suggested that ways must be found for "bulking" their demand one way or the other. There is no reason, for instance, why the depôts organised by the Government for meeting the requirements of small consumers should not place—individually or collectively—orders for large amounts directly on producers and then distribute the supplies among users registered with

them. Arrangements can also be made by which Government stockyards function as commission agents and help in taking delivery of, and stocking, the requirements of the depôts.

CZECHOSLOVAKIA

Trade Mission Expected

The president of the Czechoslovak Foreign Trade Corporation, Strojimport, is on a visit to India. He said at a Press conference that a six-man mission is coming to India in February to explore the possibilities of importing non-traditional goods from India. His country is willing to collaborate with the private sector in India in setting up industrial units. The import of Czechoslovak machine tools into India had risen from 3.9 percent in 1957 to 6.9 percent in 1961. In 1958, Czechoslovakia reached an agreement for the manufacture of slotting machines. Negotiations are going on concerning the production of radial drilling machines and M.A.S. milling machines.

NEW INDUSTRIES

Licences Issued

The Central Ministry of Commerce and Industry received 1,676 applications last year for licences under the Industries (Development and Regulation) Act, 1951, for setting up new industrial undertakings. Licences in relation to 147 applications were issued. Letters of intent, that is, letters conveying consent to issue licences, subject to fulfilment by the applicants of certain conditions, were issued in the case of 24 applications. Eight hundred and forty-one applications were rejected. In 13 cases, applicants either withdrew their applications or were advised that their projects did not require licences under the Act.

CEMENT

Raising Output

There are at present 35 cement factories with a total annual installed capacity of 9,728 million tons. The actual output during 1962 was 8,586 million tons which was 90 percent of the effective installed capacity. Efforts are being made for the maximum utilisation of the existing capacity by ensuring adequate coal supplies and transport facilities and also by encouraging a change-over of fuel from coal to oil in suitable cases. The supply of coal to cement factories, in particular, has been raised since the proclamation of the State of Emergency.

In order to induce the industry to achieve maximum production, an incentive scheme by way of an increased price for extra production over and above the best output during the past three years has been introduced. Under the scheme, an extra payment ranging from Rs. 2.50 to Rs. 5.50 a ton will be paid to a producer who is able to increase production above the highest level achieved by him during the previous three years. The payment will be made on the additional production so achieved. There will be no change in the selling price of cement to the consumer.

New schemes for a total capacity of 7,809 million tons a year have also been so far either licensed or approved. Of the additional capacity licensed or approved, a capacity of 1,286 million tons is to be created on the basis of imported plant and machinery. Indigenous capacity has also been created for manufacturing cement machinery. A capacity

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of 1,746 million tons, to be installed with indigenous machinery, is already covered by the allocation of foreign exchange for the import of components. Efforts are being made to increase cement machinery manufacturing capacity. Continuous pressure is being exerted on cement licensees for completing their projects within the stipulated period.

Efforts are also being made to set up capacity for manufacturing portland blast furnace slag cement by using the slag which is a by-product of the iron and steel industry.

COAL WASHERIES

Output to be Raised

The capacity already licensed to various units in the private sector for manufacturing coal washery equipment, it is said, is inadequate for the country's requirements. The progress made by these units is also poor. The Heavy Engineering Corporation has, therefore, been entrusted with the manufacture of this item to meet the increased coal production target, laid down for the fourth five year plan period.

While manufacturing coal washery equipment, a few items will be analogous in nature to those to be produced in the coal mining machinery plant in Durgapur and the heavy machine building plant in Ranchi. It is only in relation to certain specialised items that the Heavy Engineering Corporation has to augment its capacity by adding some balancing equipment. A light or medium structural shop, which is also proposed to be set up by the Corporation, will help in the manufacture of a few items required for coal washery equipment.

INDUSTRIAL GEARS

New Plant in Faridabad

A plant for manufacturing industrial gears is being set up in Faridabad, near Delhi. The proposed investment in the project is placed at Rs. 2 crores. The foreign collaboration terms are still being examined. According to the licence issued, the plant is required to go into production by the end of June 1963.

As far as the main motor-car manufactures are concerned, they are either already equipped or are equipping themselves for meeting their requirements of gears. Requirements of other industries are met through imports to the extent they are not available indigenously.

MARINE DIESEL ENGINES

New Scheme Being Considered

Some time ago, the Government issued a licence for manufacturing marine diesel engines. But the licence was revoked because the firm could not make any progress. There are four firms in the private sector which have been licensed under the Industries (Development and Regulation) Act, 1951, for manufacturing internal combustion engines. These firms are in a position to offer marine diesel engines for fitting them to fishing crafts. The firms are collaborating with foreign firms on a royalty basis. At present, the Government is considering a proposal from another firm for manufacturing marine diesel engines.

TRANSFORMERS

Permit Issued

A licence has been granted under the Industries (Development and

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Regulation) Act, 1951, to Mr. N. J. Nair for manufacturing heavy transformers for a range of 15,000 kVA during the first phase of two years, to be increased to 50,000 kVA in three-and-a-half years. The Government of Kerala is participating in the venture. The terms of collaboration with Messrs Hitachi Ltd of Japan have been approved by the Government of India. The factory is expected to go into production in 1965.

MACHINE TOOLS

Scheme for New Factory

The Government is considering a proposal to establish another machine tool factory in the public sector. The feasibility of locating the factory in Kerala is being examined. The factory will have a capacity of 1,000 standard, medium and heavy machine tools a year. It is proposed to manufacture horizontal boring machines, radial drills, production jig borer, jig boring machines and special purpose machines. The estimated cost of the project is Rs. 7.50 crores, with a foreign exchange component of Rs. 1.75 crores.

MINING MACHINERY

The Durgapur Plant

The coal mining machinery plant in Durgapur will go into production in progressive stages commencing with comparatively simple items. It will start producing more complicated items in subsequent years. Four items, namely, coal cutter, hoisting plant, scraper conveyor and coal loader, were decided to be taken up first. Four more items will be added in the first three years of production. The manufacture of the remaining ones will be taken up progressively thereafter.

PIG IRON

New Plant in Udaipur

Kamani Industrial Corporation Ltd, Bombay, to whom an industrial licence was issued in August 1962, has finalised negotiations with a foreign firm for technical collaboration and for importing plant and machinery for a pig iron plant in Udaipur. The terms of the agreement are being considered by the Government. The production capacity of the plant will be 100,000 tons of pig iron a year. The plant is expected to go into production by about 1965-66.

The Government has accepted in principle the proposal of the Andhra Industrial Corporation for setting up a pig iron plant.

COTTON YARN

Licence for West Bengal

A licence has been issued in the name of the Secretary to the Government of West Bengal to install 25,000 spindles for manufacturing cotton yarn at a place to be selected by the State Government.

CASHEW-SHELL OIL

New Plant in Quilon

A firm has recently been licensed under the Industries (Development and Regulation) Act, 1951, for setting up a new undertaking in Quilon, Kerala, for the manufacture of cashew-shell oil according to the solvent extraction process. The proposed plant will have an annual capacity of 3,000 tons in terms of

cashew-shell oil and will cost about Rs. 20 lakhs in foreign exchange, which the party will repay through the export of finished products. The production of cashew-shell oil in the country exceeds 6,000 tons a year and is valued at Rs. 60 lakhs.

ENGINEERING

Taps and Dies Factory

Production is planned to start soon in the new £120,000 factory built in Khandivli, near Bombay, by Nuckey, Scott and Co. Ltd of the U.K.—a member-firm of the Tap and Die Corporation group. The factory covers an area of 16,000 square feet of a 60,000-square feet site, so there is ample room for expansion. The building itself cost £45,000 and machine tools and other equipment £75,000. The factory will manufacture small engineering goods (taps and dies) and will be administered by a new Company—Warrior (India) Ltd formed with a capital of £145,000. In addition to supplying the Indian market, Warrior (India) Ltd will export its products to Pakistan and Burma.

Built by its Indian agents, Forbes, Forbes Campbell and Co. Ltd of Bombay to plans provided by the Nuckey, Scott and Company, the factory is a single storey building made of prefabricated concrete sections. Initially, there will be 60 employees. But the total will reach 200 by a series of planned increases. Taps and dies of the same standards as apply in the parent Company will be made by Warrior (India) Ltd.

DEFENCE NEEDS

Buying from Small Industry

Using the resources of the private sector for meeting India's defence requirements is not inconsistent with the Government's industrial policy, it is stated here. In placing orders for defence, the Directorate-General of Supplies and Disposals has always been following the declared policy of the Government by encouraging the small-scale sector to the extent it can produce goods of the required quality within the specified period. Items for which small-scale industry is not able to compete with large-scale units, a price preference not exceeding 15 percent is given to small-scale industry.

COPPER

The Khetri Project

The Government of India appreciates the desirability of implementing the Khetri copper project with a capacity of 21,000 tons of electrolytic copper a year, as proposed in the report on the technical and economic feasibility of the project submitted by the consultants, Messrs Western Knapp Engineering Company, instead of 10,000 tons as proposed in the third plan. The consultants have commenced work on Phase II of the consultancy services, which include the preparation of detailed designs and drawings, specifications and bid documents in relation to plant and equipment. Based on the lay-out of the plant as indicated by them, a tender enquiry is being issued for the grading work in the plant area.

TRANSPORT

Allocations Increased

The following steps have been taken to strengthen the third plan transport programmes:

An additional allocation of Rs. 145 crores has been made for the railways—Rs. 120 crores for works and rolling stock for the movement of coal, Rs. 10 crores for line capacity works required to meet the increase in the target for the movement of general goods, and Rs. 15 crores for works for facilitating movements of coal in the early part of the fourth plan.

A programme estimated to cost Rs. 20 crores for the development of roads has been accepted with a view to facilitating the movement of coal by road and road-cum-river routes.

The road programmes have been reviewed in the light of the present emergency. Certain additional roads have been taken up for development on an emergency basis.

PARADIP PORT

Project Report Prepared

It is considered technically feasible to develop Paradip as an all-weather port. A project report has been prepared for the purpose by a United Kingdom firm of engineering consultants. The Government of India has approved the State Government's proposal to get the detailed drawings and estimates prepared by the firm. The question whether Paradip port should be treated as a major port project has not been decided.

COAL

Exchange for Singareni

The Government of India has sanctioned foreign exchange to enable the Singareni Collieries Company to purchase three generator sets of 6 megawatts each. On the basis of tenders received, quotations from Rumania have been accepted. The sets are, therefore, to be imported from that country.

POWER

New Hydel Stations

A number of small hydro-electric stations are being set up in hilly areas to meet local demands. Small diesel generating units with a capacity of up to about 1,000 kilowatts each have been sanctioned for West Bengal, Punjab and Mysore States. These are in addition to four 10,000-kilowatts units and two 12,500-kilowatts units sanctioned for Andhra Pradesh, Mysore, etcetera. It is proposed to keep some of these units in a central pool which is being created to meet emergencies.

COMMODITIES

New Boards Proposed

Proposals for establishing an Agricultural Commodities Board and a Sugar Marketing Board are being worked out in the light of conditions prevailing in the country.

FISHERIES

Corporation Planned

The Government is considering a proposal to establish a fisheries corporation in the public sector. It will undertake deep-sea fishing and process the catch for export as well as for internal consumption. The possibilities of securing foreign collaboration in the venture are being explored. Other details will depend largely on the terms of collaboration.

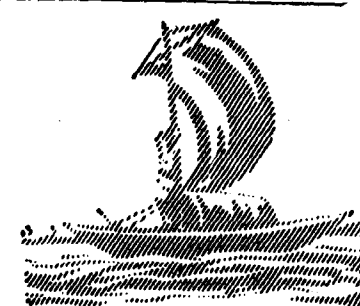
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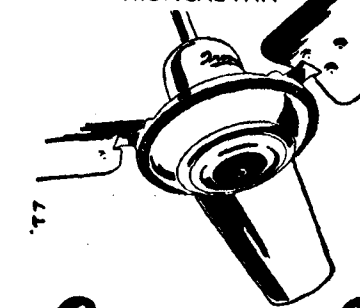
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ACHIEVING FASTER RATE OF ECONOMIC GROWTH IN U.K.

(FROM OUR LONDON CORRESPONDENT)

THE U.K. National Economic Development Council considered on 24th January, a report drawn up by its Director-General, Sir Robert Shone, and his staff of about 50 research workers. The report, it is said, is of the length of an average modern novel—about 70,000 words—and contains the fruit of eight months' work on the implications of a 4 percent annual economic growth rate. The report is not yet generally available, but there has been the inevitable "leak" of its main trends, so that the industrial correspondents have been able to summarise the main conclusions. Their efforts in this matter leave much detail to be filled in later, but according to the *Guardian's* John Cole, for instance, among the conclusions to be inferred from it are:

(1) That Britain can only hope to achieve the average growth rate of 4 percent between now and 1966 if the expansion programmes of her principal industries are more carefully co-ordinated than at present.

(2) That the serious under-utilisation of resources—notably manpower—in the areas of high unemployment is an important obstacle to growth, and must be rectified.

(3) That even in times of higher-than-average unemployment, the shortage of skilled workers remains serious for many industries, and that the Government must pour more money into industrial training to put this right.

The two main sections of the report (which includes a number of appendices and annexes) are a study of conditions favourable to faster growth, and an examination of the prospects of 16 industries of achieving the 4 percent rate. Sir Robert and his staff have indicated, rather than stated, the directions in which the solutions to Britain's economic malaise lie, and it will be for the Council to write into the report recommendations to the Government and the nation—if it thinks fit.

Implications of Planning

Some who have read the report think that it will really make the Government face its fences on the whole issue of economic planning. When Mr. Selwyn Lloyd established the N.E.D.C., the report suggests, he did not really understand the ramifications of the action, and Mr. Maudling who, as Chancellor, presides over the Council's meetings,

has been notably less committed in his attitude to it. A series of meetings will be required before the Council is able to reach its final conclusions, probably some time in the spring. During that period, Ministers will have to decide—as indeed will industry and the trade unions—whether they are prepared to accept the more intimate and detailed planning of their individual activities which, for example, the French system implies.

These portentous conclusions on the Government's attitude stem principally from the industrial enquiry, and it is proper to report that there are already two opinions on it. One is that it forms a key part of the most comprehensive and impressive survey of the British economy ever made. The other is that the basis of the information is suspect, because many of the industries are not equipped to collect it, and that, anyhow, they have been self-protecting and complacent in the analysis of facts they gave to the N.E.D.C. investigators. One theme which does emerge from this section is the essentially inter-dependent nature of British industry and the inadequacy of the machinery for keeping it moving in unison. When the chemical industry, for example, was asked if it could cope with a 4 percent growth rate, it is understood to have replied that it could do so only if developments in both transport and electricity supply were adequate. How far this can be taken as a genuine plea for co-operation in its expansion, and how far it is the sniping of an industry which for years lived under the shadow of nationalisation at existing public-owned industries, is anyone's guess.

These "horizontal difficulties", however, raise the issue of what machinery is needed to keep the various industries in balance. Some people believe that the lesson of the report is that the N.E.D.C., or some other central economic planning body, must be given power to bully, cajole or even instruct industries how their development plans should be drawn. Others think that only if each important industry has a development council—representative of producers, consumers, and trade unions—can detailed planning work. The report examines the depressed areas with the assumption that national growth will be faster and more extensive if their resources

can be properly used. It appears to place little faith in the alternative belief that the movement of workers over long distances to existing centres of industry will achieve a similar result.

The lines discussed are familiar ones—the creation of a sound economic structure on which industry in these older areas can build, with better transport, docks and basic services and amenities; the injection of more capital investment into the areas; and the raising of the general level of demand. This issue, of course, is intertwined with that of skill and industrial training, and the report is understood to be clearly of the opinion that more needs to be done than is proposed in the recent Government White Paper.

Prices and Incomes

Where Sir Robert and his colleagues do appear to have been cautious is in dealing with prices and incomes. They are believed to be against resale price maintenance, but they have not taken the wages issue much further than a suggestion that it is soluble in the context of an expansion on the scale they suggest. This may well be true, since the higher productivity visualised in their original model of the economy was 3.3 percent. But no intelligent trade union leader thinks that this solution will come, even in a growth economy, without changes in structure and attitude among the wage-bargainers.

It seems that the N.E.D.C. office has decided to await the conclusions of the T.U.C. General Council on that thorny problem. But it also seems possible that Mr. Maudling will insist that this central cog must be produced before he can order the machine into action. Ian Coulter, of the *Sunday Times*, goes a bit further by quoting some of the principal figures. Thus, it appears that a tremendous expansion of Britain's economy, to give a 22 percent increase in the total output of the economy by 1966, can be achieved, according to the report. The total increase would represent a compound annual rate of growth of 4 percent—nearly double the present rate.

Sir Robert Shone is believed to have reported that, although there are difficult problems to be tackled, the achievement of a 4 percent average growth rate should not be impossible. The report, likely to be

backed eagerly by the expansionist-minded N.E.D.C., recognises that if Britain does not enter the Common Market, the volume of exports and imports must be lessened. But despite this warning, written before the latest crisis in Brussels, the report still comes down firmly on the side of those who are strongly urging greater economic expansion.

As far as the growth potential of the key industries is concerned, most of these have told the Council that they could cope with the demands of faster growth, although some foresee difficulties in getting enough skilled manpower. The major industries estimate that they can expand by 4.8 percent a year, allowing the rest of the economy to grow at only 3.4 percent, to achieve the overall growth target. But two key industries, chemicals and electricity, say they will find it difficult to expand their capacity to meet this extra demand, because of the time between planning new plants and getting them working. Indeed, it is understood that Sir Robert says that faster growth could mean increased possibility of power cuts and, in the chemical industry abnormally high plant operation for a time. But such underworked industries as car manufacturing and steel would easily meet increased demands on their production.

Labour Mobility

The implications for the whole country of the 4 percent growth rate, which covers the entire gross domestic product and not merely industrial output, are also surveyed in the report. It is understood that manpower is expected to increase by only 0.8 percent a year. And there is also a warning that labour must keep mobile, as many industries fear possible future shortages of skilled labour. Productivity will have to equal 3.2 percent of the total growth, although from 1951 to 1961 the average annual increase was only about 2 percent. But not only has industrial production risen more quickly of late, but increasing expenditure on science and technology should help to guarantee a faster productivity increase.

Perhaps the most interesting part of the N.E.D.C. document will be the way in which its advisers propose that the increased national economic cake should be shared among the various sections of the economy. It is not prepared to divide it equally. Instead, investment and exports should have 3.3 and 5.7 percent, respectively, while consumers' expenditure and public consumption should rise at the slower rates of 3.5 and 3.4 percent. But these are still substantially above the average over the last five years. It is in the field of investment that the report is perhaps most challenging. Investments in stocks must increase with faster growth, and apparently, the backroom boys of the N.E.D.C. have allowed for £50 million in the estimate of total investment to cover funds pushed into the less prosperous regions.

To meet this higher level of investment and maintain improvements in the balance of payments, an extra 2 percent of the gross domestic product must be saved. The report is confident that savings should meet requirements. But it emphasises that exports must rise by 5.7 percent—not only to cover imports, overseas investment, aid to developing countries—but to provide an overall surplus to reduce the need for "stop and go" measures from the Treasury. This is acknowledged to be a formidable task. But the target is not high, compared with the rates achieved by some other countries.

HESSIAN STEADIER BUT SACKING STILL WEAK

THE jute and jute goods markets have been dull, particularly since there have been two local holidays during the past week. The demand for manufactured goods is reported to be poor. It is said that there has been a great deal more interest in hessian recently, and that is why it is steadier in spite of the downward tendency in sacking. Speculators are still bearishly inclined, and as long as they continue to depress prices, buyers abroad will tend to buy only for their immediate requirements. Some in touch with the markets abroad are of the opinion that a period of steadiness here would help stimulate interest from consuming centres. That has generally been the case in the past, and it is not unlikely that it might be so again. It is unreasonable to suppose that consumers will buy any more than their immediate requirements or any earlier than they need when they see the quotations declining week by week. It is natural that they should delay their purchases as long as possible.

There have been rumours of Government orders for both sacking and hessian recently, but no confirmation has been forthcoming as yet. It will be recalled, however, that in many instances the bazaar has had reports of impending Government orders before the mills have had any information about them. There has been criticism of Government orders in the past. The mills are waiting; anything to support the sagging sacking market would be more than welcome.

The jute industry has a history of constantly recurring periods of depression and low prices due to over-production. Some feel that the industry is now entering one of those periods. Maximum production is being carried on month after month, mainly to absorb the surplus raw jute. Admittedly, the surplus has enabled the industry to build a fair-sized buffer stock to meet future eventualities, but sacking prices have fallen to levels which show little or no profit. Often low prices have helped establish new markets for jute goods and induced the manufacture of a wider range of products. But it is uncertain whether that will happen again.

Jute Quotas for February

On Monday, the Jute Commissioner announced fresh raw jute quotas for the mills for February. They amounted to 600,000 bales (3 million maunds) for member-mills of the I.J.M.A. and 40,000 bales (200,000 maunds) for non-I.J.M.A. mills. On this occasion, the Jute Buffer Stock Association has not been asked to increase its holdings. The quotas are slightly lower than those issued for January, and amount to approximately one month's consumption.

The Jute Commissioner has estimated the 1962-63 crop as 7.1 million bales. Although this is very close to the "popular" figure, many feel that it is an underestimate, and does not take into account the quantities smuggled from Pakistan. Some resmuggled from these quantities at ports place these quantities at 500,000 bales. According to the official figures, the balance remaining at the end of January will be 1.5 million bales (of which 640,000 bales will be taken up in February). Most of the balance is low-grade jute, of which the mills have more than enough. This will increase the price of the higher grades, and already

over Rs. 50 a maund is being paid for the better qualities. Prices in general have made a good recovery over the past few weeks, and one now has the paradox of upcountry prices ruling above those quoted in the Calcutta market, to such an extent that there is no parity in sales at these levels. Tossa and Daissee (ordinary) now show a premium of Rs. 1.50 over the minimum price, while selected marks and grades command exorbitant rates. White jute and mesta are still available at the minimum rates, but here again, unless the mills are prepared to accept inferior jute of the jungli variety, higher prices have to be paid.

Buffer Stock

It is understood that there has been no great rush to turn over the jute buffer stock held by individual mills. Fresh purchases made against buffer stock replacements may now be set against the current Jute Commissioner's quotas, but even this incentive has not encouraged mills to take advantage of the turnover procedure. Lack of godown space to store the replacement jute before the release of buffer stock holdings appears to be the main difficulty; there are also extra handling charges which many are not prepared to incur.

Many complaints have been made lately by sellers about the slowness of payment against jute buffer stock goods. An official of the J.B.S.A. states that there has been no delay in passing bills or issuing cheques

as far as the Association is concerned. In many cases, the delays have occurred due to the non-presentation of bills by the mills themselves or incorrect documentation. There have been cases of bills being presented six weeks or two months after the arrival of the jute at the buyer's mill. In some cases, the hold-up occurs when the State Bank is late in taking over fresh godowns for the storage of buffer stock jute, or godown-keepers are not available to sign storage receipts or pledge invoices; but these delays are of a minor nature.

THE JUTE MARKETS

Manufactured Goods: Speculative activity in the opening session saw prices moving up rapidly last Thursday. B Twills advanced to Rs. 112.80 for ready delivery, and Rs. 112.75 for July-September. In hessian 40in. 100z. advanced by 65p to Rs. 50.85 and Rs. 49, respectively, for the near and forward positions. There was very little interest from overseas, and as speculative activity slackened, prices began to fall. By Friday, heavy goods were down 50p although hessians showed little change. Saturday was a holiday, and after the week-end, there was a slight recovery, particularly in hessian, where 40in. 100z. advanced to Rs. 51.20. Ready B Twills moved up to near the week's opening quotations, but there was little real strength in the market.

As Wednesday, 30th January, was a holiday, this report closes on

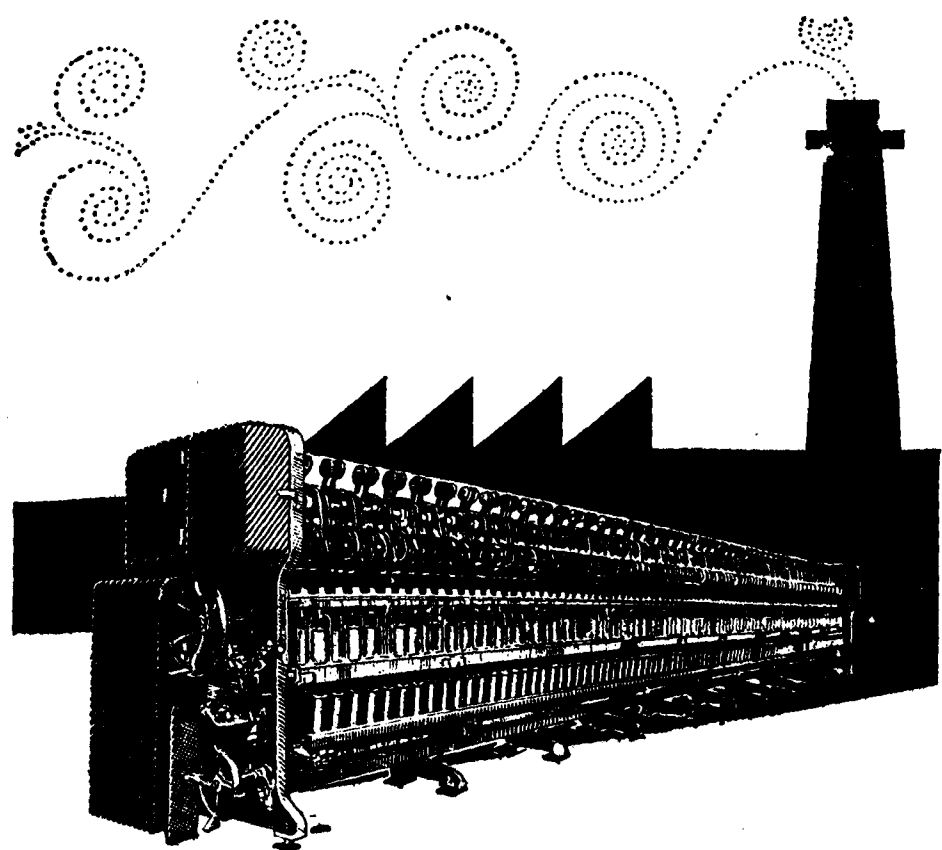
Tuesday, when opening quotations were as follows:

	Jan.	Feb.	Mar.	Apr.-June	July-Sept.
40in. 70z.	39.10	38.75	38.25	37.65	37.00
40in. 80z.	41.75	41.50	41.00	40.35	39.50
40in. 100z.	51.25	51.15	50.50	49.85	49.25
B Twills	112.85	113.65	113.55	113.40	113.00
Cornsacks	116.25	116.50	116.50	116.25	115.50
Heavy Cees (Plain)	111.50	112.75	112.75	113.00	113.00
A Twills	140.00	139.00	138.50	137.50	137.00
Liverpools	127.00	127.50	127.50	127.50	127.00

Raw Jute: The raw jute market tended to rise during the past week and a fair amount of business was done against quotas. Imports in the upcountry agencies dropped slightly, and on an all-India basis were estimated to be 65,000 maunds daily. Small purchases in the agencies at minimum rates by the State Trading Corporation helped to create firmer conditions, and many sellers represented themselves as reserved, due to the lack of parity between agency and Calcutta indications. Tossa and Daissee were very firm, and premiums of up to Rs. 1.50 were asked. Arrivals in Cossipore during the past week amounted to 630 wagons. With the issue of fresh quotas for February by the Jute Commissioner, it was expected that prices might rise further, and for this reason most sellers were reserved.

Opening quotations on Tuesday morning were as follows:

	Current Prices	Minimum Prices	F.S.D. Rs.	F.S.D. Rs.
	A Qtl. A Qtl. Bot	A Qtl. A Qtl. Bot	A Qtl. A Qtl. Bot	A Qtl. A Qtl. Bot
Assam-Agariala				
Jute	75.02	28.00	86.38	30.00
Northern Jute	75.02	28.00	79.04	29.50
Western-Desal				
Jute	71.00	26.50	73.68	27.50
Selected Daissee	87.07	32.50	85.73	32.00
Assam-Agariala				
Tossa	84.39	31.50	83.05	31.00



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Mesta :					
Assam-Northern	68.86	26.00	72.24	27.00	
Local Daissee	71.00	26.50	72.34	27.00	
Desal	72.34	27.00	73.68	27.50	
Bihar Dist.	62.96	23.50	66.88	25.00	
Pakistani N. C.	90.00	a bale	Feb.-March		

THE U.K. JUTE MARKETS

LITTLE BUYING OF FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

THERE was a slightly steadier feeling in the raw jute market for forward shipment last week, and some sellers were again asking a premium for February-March. However, there was no change in current shipment prices, and offers of medium and lower grades continued to be freely made. Dundee spinners still showed no interest in fibre. They have already secured substantial stocks, and at the same time, a large quantity of spot and afloat fibre is available. This is estimated to be at least 50,000 bales. In many instances, holders of these parcels were willing to discount the generally quoted rates, but this brought out very little buying interest. Mill Lightnings were being offered as low as £112 which was about £7 a ton below the current shipment price. There appears to be ample jute to meet all requirements as far as quantity is concerned, but there is a shortage of the better qualities. There can be no improvement in this position until fibre from the next crop becomes available.

Offers were being made here at £119 for Mill Lightnings, at £94 for Mill Hearts and at £80 for Grade Hearts, c.i.f., U.K. for January-February shipment. Grade Tossa-2/3 was available at £130 and Grade Tossa-4 at £113. Outport Tossa-2/3 ranged from £98 and Outport Tossa-4 from £88 10s for January-February. Many sellers were asking more than the above rates for March-April shipment. This firmer position for forward shipment appeared to be due to smaller imports of loose jute from upcountry in East Pakistan. Cuttings were quiet with S.N.C. at £54 and N.C. at £45 10s. Offers of Siam jute were again being made, but prices quoted were irregular. Grade A was named at £81, grade B at £75 and grade C at £69, delivered mill, Dundee, for February-March shipment.

The Calcutta goods market became easier at the beginning of the week and quotations were at 76s 6d for 40in. 10oz. and at 58s 9d for 74oz. a

100 yards f.o.b. Calcutta for January shipment, at 76s 3d and 58s February at 75s 9d and 57s 6d March and at 74s 9d and 56s 6d April-June. B Twills were at 171s 3d, 172s 6d, 172s 3d and 172s for the respective shipment periods.

Spinners and manufacturers in Dundee remained very busy and had nothing to offer sellers for reasonably earlier delivery. Orders are being received for delivery into the second quarter of the year, and this covers most descriptions of yarns and cloth. The heavy end of the trade is also very busy with sackings and tarpaulin weavers working to the full capacity of the labour force available.

THE PAKISTANI JUTE MARKETS

FIBRE REMAINS DULL

(FROM OUR Dacca CORRESPONDENT)

ALL balers and overseas agents have been reporting a very dull and inactive market for at least four weeks. Nevertheless, even after the very heavy registrations in December, those for the first half of January totalled 112,727 bales. Russia was the biggest buyer with 42,000 bales. Burma came in to the market for 14,000 bales, and the U.S.A. bought 11,790 bales. China once again bought 8,000 bales, and the U.K., which is nearing the end of its season, bought 6,790 bales. France bought 4,765 bales and Belgium 4,500 bales. West Germany took 3,875 bales. India made no purchases. The proportion of cuttings in these purchases remains the same, namely about 20 percent.

It is hard to explain these continual large registrations when one remembers that not only are purchases now higher than last season even excluding some 500,000 bales of this crop registered in the second half of June, but it is reported that there is a large amount of afloat goods and the godowns throughout East Pakistan are heavily jammed. Normally, heavy registrations which imply large sales are a bullish factor, but it is hard to visualise at least the overseas market going up in view of the large stocks available in this country in the balers' godowns in spite of arrivals continuing to be small. In fact, there have been reports that some of the E.P.C. levels might be reduced. This is, however, unlikely. The new chairman of the Jute Board cannot be expected to start his tenure by allowing the E.P.C. levels to be reduced. Nevertheless, it does indicate the weakness in the market.

This rather confused position is also inducing some people to suggest that the crop is after all much larger than expected. This, however, is unlikely. What has probably happened is that for a variety of reasons, the crop was bought in much earlier as used to be the case many years ago when the season finished completely by February or March. In those days, this was expected, but since this has not happened for some years, some balers are assuming that the normal flow will continue up to the end of the season and that, therefore, the crop could be larger. What is more likely however, is that most of the crop has already been marketed and this is suggested by the fact that in spite of a very weak market in all sectors, the sellers of loose jute are not particularly eager to dispose of their jute at these prices, presumably because they have little or nothing left. In the pucca bale sector, prices are more or less unchanged except that slightly better premiums are being paid for premium marks of export lightnings. In cuttings, there has been a very slight discount in the forward position.

Books

PRICE THEORY: DEFECTS ANALYSED

Price Theory: A Provisional Text. By Milton Friedman. (Published by Frank Cass and Company Ltd, 10 Woburn Walk, London, W.C.1. Price 42s. pages 285. Review copy received from Rupa and Company, 15 Bankim Chatterjee Street, Calcutta 12.)

Mr. Milton Friedman needs no introduction to the students of economics who must be acquainted with his essays published from time to time in the *Journal of Political Economy*. The present volume is a collection of mimeographed notes on the theory of price and distribution which the author did not originally intend for publication but which nevertheless got wide circulation. Like all textbooks, Mr. Friedman starts with the definition and scope of economics and the theory of demand. He admirably presents the marginal utility theory and the more sophisticated indifference curve analysis both of which are useful tools for explaining the consumer's behaviour and the demand curve. He correctly points out that "the great defect of the approach underlying the usual demand curve is that it emphasises arithmetic consideration; the great virtue of the approach underlying the alternative demand curve is that it emphasises economic consideration."

In Chapter III, the essay on the "welfare" effects of taxes which originally appeared in his *Essays in Positive Economics*, has been reproduced. The indifference curve analysis shows that to raise a given amount of revenue, an income tax is preferable to an excise tax. This is true for an individual but the author warns against generalising this proposition for the community as a whole. He sets forth his own analysis of the problem (which he regards as the "correct" analysis) and concludes that the relative effects on "welfare" depend on the initial conditions under which the taxes are imposed. In the subsequent chapters, Mr. Friedman presents in detail the utility analysis of uncertainty, supply and cost curves and the law of variable proportions. He introduces an interesting discussion on the controversial issue of the size of the firm where the current theory of the "optimum" firm or the "optimum" scale of output has been put to severe criticism.

The rest of the book is devoted to the theory of distribution and of capital. No theory of distribution can possibly exclude a discussion on the supply of labour which, by its very nature, constitutes a complex problem for economists. Mr. Friedman refers to the "peculiarities" of labour as stated by Marshall. He supports the view that the long run supply of labour should be considered in the context of the theory of population. It is an encouraging sign that economists have started re-integrating the theory of population with economic theory.

According to Mr. Friedman, a major gap in the modern economic theory is due to the absence of a satisfactory theory of the personal distribution of income and "of a theoretical bridge connecting the functional distribution of income with the personal distribution." A large part of the existing inequality of wealth in a community, and also among nations, is produced by men to satisfy their tastes and preferences. This runs contrary to the theories of inequalities developed by economists like Mr. A. P. Lerner who, following Keynes, have put the blame on the deficiency of demand

in a capitalist society and the consequent lack of employment opportunities. It is, however, worth while pursuing Mr. Friedman's suggestion of bridging the theoretical gap and of initiating empirical investigations to enable one to weigh its importance.

LOCATION OF INDUSTRIES

Location of Industries in Mysore State. By M. C. Munshi. (Published by the Indian Statistical Institute, Calcutta. pages 172.)

In Dr. Munshi's book, the emphasis is as much on the rationale of regional planning as on locational factors. It describes the growth of different industries in both organised and unorganised sectors, their respective shares in industrial employment, the emergence of new classes of industries like engineering and chemicals and the concentration of activity in certain areas. It contains information on the inter-relationship between the large-scale and small-scale industries and their impact on the economy of the State in relation to urbanisation, livelihood patterns and the inter-regional trade. The book also makes an attempt to construct statistical ratios for industrial location in order to evolve a suitable set of criteria for regional development. While much statistical information has been collected, out of the 172 pages of the book, 118 pages are taken by these analyses, leaving 50 pages for discussing the author's own views, resulting in a pedantic approach in some sections.

BANK REVIEW

Bank of Baroda Weekly Review. Edited by N. Salivati. (Published by the Bank of Baroda Ltd from Apollo Street, Fort, Bombay 1.)

The first issue of *Bank of Baroda Weekly Review* contains an analysis of the main economic developments in 1962, world foodgrains production, India's oil deposits and the prospects for exports. The section on Indian banking contains a special reference to the activities of the Bank of Baroda. The bank's chairman, Mr. Tulsidas Kilachand, says in his message that although banks in India and abroad publish monographs and treatises from time to time, "no bank in India has attempted to bring out a weekly presenting in a nutshell the latest and exclusive information likely to influence the course of events." This is undoubtedly an ambitious aim, but from the present coverage it would appear that the publishers are making conscious efforts to make the publication popular among the bank's numerous constituents and others.

ECONOMIC TRENDS

Economic Trends and Indications. (Published by Bhikhalal Kapasi from B-5, Pandara Road, New Delhi 11. Price Rs. 7.50, pages 294.)

This is a collection of articles on economic and allied topics published in various newspapers and magazines during the past ten years. The themes are commonplace and the recital pedestrian.

COMPANY AND PUBLIC NOTICES

BURN & COMPANY LIMITED NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Thursday the 28th February, 1963, at 11-20 a.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

February, 1963, at 10-30 A.M. for the following purposes:—

- To receive and adopt the Directors' Report and Accounts for the year ended 31st August, 1962, and Balance Sheet and Report of the Auditors thereon.
- To declare a Dividend.
- To elect a Director in place of Shri K. Jha, who retires under Article 107 and, being eligible, offers himself for re-election.
- To appoint Auditors for the current year and to fix their remuneration.

As Special Business:

- To consider the appointment of Pandit G. M. Misra, who retires as a Director and to declare that the age limit prescribed under Section 280 of the Companies Act, 1956, shall not apply to him.
- To sanction payment of remuneration to the Manager for the year ended the 31st August, 1962.
- To transact any other business which may be brought forward at the meeting with the permission of the Chairman.

By Order of the Directors,
W. F. MALDEN,
Secretary.

Lohat,
District Darbhanga,
14th January, 1963.

Note:—

- A member of the Company, who is entitled to attend and vote, is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member.
- The Share Transfer Books of the Company will be closed from the 10th February to the 28th February, 1963, both days inclusive.
- Dividend Warrants will be posted to those Shareholders whose names stand on the Register on the 28th February, 1963.

Explanatory Statement pursuant to Sec. 173 of the Companies Act has been circulated with the Notice to the Members of the Company.

THE INDIAN STANDARD WAGON COMPANY LIMITED NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Thursday the 28th February, 1963, at 11-25 a.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

RESOLVED that this General Meeting having taken under consideration the contracts now exhibited to the meeting and whose material terms are set forth below for the sale, purchase or supply of any property, movable or immovable, or for the supply or rendering of any service, other than that of a managing agent, between the Company and its managing agents, Martin Burn Limited, and their associates, such as (1) The Indian Standard Wagon Co. Ltd., (2) The Hooghly Docking & Engineering Co. Ltd., (3) Saugor Electricity Supply Co. Ltd., (4) Upper Jumna Valley Electricity Supply Co. Ltd., (5) Robert Hudson (India) Ltd., do approve of all these contracts.

RESOLVED that this General Meeting having taken under consideration the contracts now exhibited to the meeting and whose material terms are set forth below for the sale, purchase or supply of any property, movable or immovable, or for the supply or rendering of any service, other than that of a managing agent, between the Company and its managing agents, Martin Burn Limited, and their associates, such as (1) The Indian Standard Wagon Co. Ltd., (2) The Hooghly Docking & Engineering Co. Ltd., (3) Saugor Electricity Supply Co. Ltd., (4) Upper Jumna Valley Electricity Supply Co. Ltd., (5) Robert Hudson (India) Ltd., do approve of all these contracts.

PROVIDED that so far as the said contracts relate to the supply or rendering of any service other than that of a managing agent, this resolution shall be subject for its effectiveness to the approval of such contracts by the Central Government.

MATERIAL TERMS

GOODS AND SERVICES:—All such as may be dealt in or rendered or required by the seller or buyer for the time being and from time to time.

PRICE:—Such as shall be ruling with the seller or supplier at the date of requirement or such as shall be currently in force and be otherwise reasonable.

DELIVERY:—According to Buyers' requirements specified in relevant Advice Notes.

PAYMENT:—As specified in acceptance. Provided that for any property supplied or sold, or any services supplied or rendered, payment shall be made by the Buyer within one month from the date of such supply, sale or rendering as the case may be.

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

By Order of the Board,
MARTIN BURN LIMITED,
F. G. LIVERSEGE,
Managing Director,
Managing Agents.

Registered Office,
12, Mission Row,
Calcutta-1.

Dated, 29th January, 1963.

Note: An Explanatory Statement is annexed to the convening notice issued to members of the Company.

THE DURBHANGA SUGAR CO., LTD. NOTICE

NOTICE is hereby given that the Fifty-first Ordinary General Meeting, being the Annual General Meeting, of The Durbhanga Sugar Company, Limited, will be held at the Registered Office of the Company at Lohat on the 28th day of

February, 1963, at 10-30 A.M. for the following purposes:—

PROVIDED that so far as the said contracts relate to the supply or rendering of any service other than that of a managing agent, this resolution shall be subject for its effectiveness to the approval of such contracts by the Central Government.

MATERIAL TERMS

GOODS AND SERVICES:—All such as may be dealt in or rendered or required by the seller or buyer for the time being and from time to time.

PRICE:—Such as shall be ruling with the seller or supplier at the date of requirement or such as shall be currently in force and be otherwise reasonable.

DELIVERY:—According to Buyers' requirements specified in relevant Advice Notes.

PAYMENT:—As specified in acceptance. Provided that for any property supplied or sold, or any services supplied or rendered, payment shall be made by the Buyer within one month from the date of such supply, sale or rendering as the case may be.

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

By Order of the Board,
MARTIN BURN LIMITED,
F. G. LIVERSEGE,
Managing Director,
Managing Agents.

Registered Office,
12, Mission Row,
Calcutta-1.
Dated, 29th January, 1963.

Note: An Explanatory Statement is annexed to the convening notice issued to members of the Company.

THE EAST INDIAN COAL COMPANY LIMITED

(Incorporated with limited liability in the United Kingdom)

THE Directors announce that the consent of the Controller of Capital Issues, Government of India, has now been received to the issue of 144,000 new Ordinary Shares at a price of £1 13s. 0d. per share, including a premium of 13s. per share. Application has been made to the Reserve Bank of India for permission to allot shares to existing shareholders not resident in India to the extent of their respective entitlements and to enable such shareholders to dispose of their rights in this issue, if they so desire.

The new shares will be offered in terms of the Resolution adopted at the General Meeting of the Company held on 3rd October, 1962 to the shareholders registered as on that date in the proportion of three

new shares of £1 each for every five shares held as at that date. In respect of shares which have been the subject of dealings or have been transferred since 3rd October, 1962 Letters of Right will be issued in favour of the person named as the registered shareholder on that date and the present holders will be required to obtain delivery of the Letter of Rights, free of charge, from such registered holders.

Letters of Right are expected to be despatched to shareholders to reach them not later than 15th February, 1963 and the offer will remain open until 8th April, 1963. Full details of the steps required to be taken by the shareholders, whether resident or non-resident and whether on the Calcutta or London Registers, will be included in the Letter of Rights when it is issued.

By Order of the Board,
JARDINE HENDERSON, LIMITED,
D. FORDWOOD,
Secretary,
Managing Agents and Secretaries.
Head Office:
4, Clive Row,
Calcutta-1.
25th January, 1963.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Shaw Wallace & Co. Ltd.	13-2-63	3 p.m.
Angelo Bros., Ltd.	20-2-63	3 p.m.
Dalmia Iron & Steel Ltd.	21-2-63	3 p.m.
Durbhanga Sugar Co. Ltd.	28-2-63	10-30 a.m.
Burn & Co. Ltd.	28-2-63	11-20 a.m.
Indian Standard Wagon Co. Ltd.	28-2-63	11-25 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Presidency Jute Mills Co. Ltd.—50p (o), per share, subject to tax; Empire Jute Co. Ltd.—Rs. 1.25 (o), per share, subject to tax; Rallis India Ltd.—8½ p.c. (o), subject to tax; Dalmia Iron & Steel Ltd.—Re. 1 per share, subject to tax; Angelo Brothers Ltd.—28 p.c., subject to tax.

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10, Clive Row, Calcutta.
M. L. Jalan, B. S. Mazumdar,
Chairman, Manager, Head Office.

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THE CALCUTTA COLLAPSIBLE GATE CO., PRIVATE LTD.
77, NETAJI SUBHAS ROAD, CALCUTTA-1

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mis. Ar. Sec. etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.				1959	1960	1961	Ra.	20-1-63	22-1-63	A year ago Ra.
25,50,000	58,52,284	43,77,890	3,90,484	16,40,057	39,096	6-12	315	Amalgamated	15	10	12½-15*	10	24/87	24/75	22/00
1,20,00,000	3,15,46,304	2,44,30,490	36,03,088	86,88,875	10,42,254	3	236	Bengal P.	25	25	21	100	294/00	335/00	360/00
4,49,350	4,37,382	1,30,132	91,796	43,397	4,471	10	2	Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48
2,25,000	3,06,216	5,45,835	5,19,015	1,55,638	16,129	12	368	Bengal Nagpur	Nil	10	26	10	22/00	22/00	20/19
15,97,000	23,27,321	4,87,308	63,982	2,62,417	21,275	12	..	Bhalgora	..	..	..	10	5/00	5/00	4/75
40,00,000	67,23,620	2,75,000	21,19,681	11,80,816	2,120	9	152	Bharat Collieries P.	..	..	..	10	3/53	3/53	3/05
7,15,000	14,96,845	11,02,872	64,329	-3,06,406	-4,92,536	6	335	Bhulanbararee	..	..	..	10	12/00	12/00	4/06
16,00,000	38,87,275	16,18,636	7,185	1,21,936	-79,196	12	362	Bokaro & Ramgur	..	..	..	10	11/19	11/19	14/08
7,50,000	19,13,792	22,77,003	12,32,439	5,26,414	33,647	12	106	Borra P.	10	15	15	10	23/87	23/87	23/31
90,82,480	2,32,19,267	1,46,53,383	33,70,740	37,97,832	90,768	6	21	Burrakur P.	13	13	13-13*	10	15/00	15/25	17/50
49,97,000	50,93,751	6,86,120	6,35,532	16,11,088	3,58,023	3	166	Central India	8	8	10-10*	10	9/87	10/12	12/31
8,00,000	18,69,439	12,97,490	98,040	6,357	214	12	..	Central Kurkend P.	3	8	..	10	8/00	8/00	7/00
6,00,000	..	1,55,159	6,05,472	63,765	7,043	12	106	Churulia	..	..	..	4	3/06	3/06	3/06
18,00,000	25,01,205	..	19,429	-6,45,201	-5,39,034	21	444	Dhemo Main	Nil	Nil	Nil	10	6/94	6/94	6/94
2,240,000	2,68,30,390	2,68,1,905	2,13,858	2,28,402	2,62,234	4	128	East Indian	98	71	15-20*	21	46/25	50/00	33/00
29,63,700	1,42,23,054	1,18,76,888	27,65,725	10,14,165	33,594	12	19	Equitable P.	74	15	10	10	25/87	25/87	28/87
10,00,000	4,74,708	2,07,486	3,32,973	12,979	24,844	3	307	Ghustek & Muslia	..	..	..	10	15/00	15/00	14/00
6,50,000	4,21,847	Nil	12,023	10,670	-14,705	12	30	Guzdar Kajora	..	..	..	10	2/05	2/05	2/75
8,00,000	5,43,022	..	16,702	-10,172	-3,65,025	12	393	Hurriladib	Nil	..	..	10	8/12	8/12	14/37
15,00,000	23,47,952	27,81,955	39,74,704	3,95,071	1,40,029	12	21	Karanpura Developmen	5	5	5	100	11/75	11/75	17/02
5,00,000	..	..	..	..	..	..	..	..	15	15	15	10F	..	..	..
20,00,000	34,15,535	9,86,018	3,72,692	8,92,065	32,810	2	21	Karanpura Collieries P.	5	5	10-10*	10	18/00	18/00	19/04
14,88,460	20,88,761	18,01,825	8,75,590	8,29,982	1,11,842	1	2	Katras Jherria	65	95	40-25*	10	48/75	48/75	49/00
1,38,400	6,75,000	95,000	11,80,294	49,776	1,918	6-12	337	Khas Kajora P.	..	..	..	10	18/70	18/70	18/70
5,65,750	5,95,833	Nil	9,780	-1,00,535	-16,47,497	3	372	Mundulpur	..	..	..	10	2/69	2/69	2/62
7,48,240	3,46,525	2,50,000	7,82,941	1,28,639	94,963	12	347	Nazira	10	..	..	10	6/75	6/75	6/50
31,97,210	61,58,848	34,47,233	3,39,307	9,75,812	93,645	10	3	New Beerbhoom P.	15	16	10	10	20/62	20/62	22/75
9,90,340	9,04,373	5,21,710	75,373	4,12,216	43,822	3	202	New Manbhoom	8	71	9-12*	10	13/75	13/75	13/62
1,15,000	7,05,719	4,31,409	40,364	1,44,042	15,045	12	441	North West	15	20	20	10	19/75	19/75	22/19
1,57,500	..	..	..	..	..	..	..	..	..	..	..	71	18/00	18/00	20/25
7,50,000	1,33,788	13,22,645	22,85,097	1,91,515	45,060	12	106	Ondal P.	7	8	71	10	13/00	13/00	14/40
8,34,000	23,69,066	1,52,212	4,78,984	1,79,344	589	12	207	Parasara P.	61/5	11	11	10	16/00	16/00	17/88
15,75,000	32,93,192	24,59,125	4,11,055	5,41,674	54,253	3	236	Pench Valley	10	10	10-10*	10	19/12	19/87	18/12
2,50,000	5,62,405	7,500	11,530	2,003	18,581	6-12	6	Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
33,58,900	50,26,723	40,85,000	1,26,141	11,54,576	35,781	3	370	Raneegunge	10	15	17-17*	10	15/00	15/00	15/12
15,00,000	25,32,135	20,80,190	16,59,318	13,18,197	41,923	12	238	Rewa	10	20	20	10	29/12	29/12	30/00
37,50,000	74,38,430	38,61,070	1,69,086	12,37,814	26,993	12	48	Samla	Nil	10	..	10	10/03	10/03	9/37
2,50,000	4,47,534	74,281	10,748	-19,279	-4,27,396	1	353	Searsole	Nil	Nil	Nil-11*	21	1/94	1/94	0/78
2,80,000	10,74,000	12,23,716	10,17,287	67,383	5,13,147	12	3	Seaspore P.	42 6/7	42 6/7	42 6/7	7	45/00	45/00	48/00
8,00,000	6,203	4,54,648	13,04,470	78,590	1,540	12	106	Sendra	3 1/2	8	31	10	5/75	5/75	6/44
17,50,000	26,80,253	9,25,630	40,202	-1,74,595	-1,54,124	8	21	South Karanpura	9	21	Nil	10	7/00	7/00	8/56
8,00,000	1,30,091	15,48,989	26,78,255	1,84,925	38,908	12	106	Standard	15	15	10	10	16/00	16/00	13/81
2,50,000	4,36,300	3,23,000	36,860	1,37,973	1,77,952	12	..	Union	..	..	..	10	10/37	10/37	10/00
49,98,000	63,57,150	6,09,053	2,69,620	11,72,192	1,18,162	3	166	Western Bengal	4	6	71-9*	10	8/75	8/94	9/37
7,00,000	26,06,335	Nil	47,091	-6,51,403	-6,23,711	12	444	West Jamuria	Nil	Nil	Nil	10	9/37	9/37	10/37

*1962

COTTON MILLS

Paid-up Capital Ordinary	Number on Spindle Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Ms. Agri. Securities etc.	NAMES	Dividends per cent	Paid-up Capital per share	Latest Market Quotations as available until			
Rs.		Rs.	Rs.	Rs.	Rs.	Rs.				1959	1960	1961	Rs.	Rs.	A year ago Rs.
15,00,000	14,108	856	14,06,683	3,15,002	12,59,541	26,012	12	49	Basanti P.	..	..	..	10	14/25	7/75
4,11,280	36,000	932	17,17,120	2,20,369	30,842	3,66,177	8	27	Banga Luxm	..	..	..	40	28/00	28/00
27,00,000	31,476	924	17,77,273	..	93,872	-6,24,150	12	233	Bengal Nagpur P.	NIL	NIL	..	10	3/25	3/25
50,00,000	..	..	1,10,03,881	39,06,800	9,82,146	55,78,866	12	394	Bharat Commerce	NIL	5	15	10	24/50	24/50
39,98,950	38,764	992	60,94,300	1,21,02,782	53,37,204	39,77,025	8	23	Birla Cotton	NIL	10	20-20*	10	28/87	28/87
24,00,000	43,136	941	94,15,536	31,39,700	2,59,240	30,41,946	12	138	Bowreah P.	NIL	10	20	10	24/00	37/50
30,00,000	22,000	510	23,07,805	48,99,554	5,33,310	20,76,448	12	25	Cawnpore Textiles	NIL	7-1/5	10	5	6/82	8/82
3,78,33,535	1,97,348	3,307	6,72,37,739	6,98,27,768	77,61,228	3,08,40,769	6	238	Delhi Cloth & Genl. P.	10	12	13-13*	25	45/00	61/75
38,00,000	43,049	518	55,25,204	46,09,112	2,35,557	40,11,298	12	138	Dunbar	10	20	20	10	26/87	34/37
63,00,000	54,000	1,200	72,11,946	1,75,78,771	91,53,931	73,50,384	9	389	Elgin P.	11 1/2	11 1/2	17 1/2	10	20/12	22/37
1,25,00,000	..	..	3,48,97,571	56,34,321	85,50,730	19,28,764	12	158	J. K. Cotton (Rayon) P.	9	12 1/2	..	10	13/61	20/87
49,18,000	6,272	302	51,44,000	24,71,500	4,76,536	28,42,100	12	62	Jay Shree	5	10	10	10	13/69	14/69
30,00,000	38,000	1,825	47,44,548	52,19,301	92,85,065	18,77,941	12	206	Muir P.	..	..	..	100	100/00	101/00
35,11,583	78,848	1,567	47,49,840	3,96,980	1,09,256	12,78,361	12	399	New Victoria P.	NIL	NIL	..	5	1/25	1/09
48,00,000	..	..	1,06,10,352	78,144	2,34,188	12,34,741	3	399	Orissa Textiles P.	..	NIL	NIL	10	9/00	10/12
19,47,750	23,196	795	16,56,550	78,491	1,61,387	6,999	6	4	Rampooria Cotton	NIL	3	NIL	10	12/00	11/00
5,00,000	..	..	..	..	..	..	..	..	..	NIL	NIL	NIL	10	2/00	3/00
17,50,000	..	..	..	..	..	..	..	..	..	NIL	5	..	10	11/50	11/50
1,57,50,000	1,14,836	2,077	4,48,79,351	2,69,83,071	2,15,81,189	76,20,241	12	333	Swadeshi (Kanpur) P.	4	5.51	..	100	6/56	8/56

*1962

TEA COMPANIES

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

Paid-up Capital Ordinary				Net Block Accounts	Reserve & other Funds	Accounts under Tea	Outturn and Average Price per Kg./lb. realised for crop				Estimate 1962	Net Profits including taxation	Accounts Closed	Mz. Atz. Secretaries etc.	NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until	Quotations as available until
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Kgs.	Ra.	Kgs.	Ra.	Kgs.	Ra.	Ra.			1959	1960	1961	Ra.	Ra.	Ra.
ASSAM GARDENS																					
4.45.700	15.18.849	15.50.949	879	308.034	5.24	424.104	4.81	442.700	3.53.660	12	165	Anandabag	15	Nil	10	10	20/00	20/00	25/94		
7.00.000	12.88.670	8.07.423	501	321.176	6.85	311.077	6.58		3.99.567	12	88	Amuckie P.	17 1/2	30	32 1/2	10	33/25	33/25	23/50		
5.50.000	15.79.312	14.43.241	573	260.179	9.37	353.284	9.37	362.900	95.555	12	165	Bagnanari	15	Nil	15	10	18/50	18/50	21/25		
1.80.000	3.62.618	1.89.284	315	123.695*	1.56				4.49.454	12	4	Basmatia	30	35	25	10	27/25	27/25	26/50		
7.65.000	15.19.743	10.56.055	154*	264.700	7.21	313.600	6.01	290.000	2.93.848	12	345	Bateli	30	30		5	18/00	18/00	18/44		
4.95.000	11.39.773	8.87.320	610	115.786	6.92	408.269	6.56		536.924	12	88	Betjan	25	40	45	10	32/62	32/62	28/44		
6.40.000	11.39.773	8.87.320	610	115.786	6.92	408.269	6.56		536.924	12	88	Betjan	25	40	45	10	32/62	32/62	28/44		
33.00.000	40.22.201	18.08.333	1.407*	1.375.572	5.95	16.30.448	5.49	2.43.125	2.07.619	12	279	Bishnauth	13	13	13	10	17/25	17/25	23/00		
6.00.000	10.99.605	4.27.428	479	154.572	6.30	303.665	5.00	3.13.900	2.34.694	12	165	Borman Jan P.	12 1/2	15	15	10	16/12	16/12	15/37		
7.50.000	11.90.141	10.08.335	450	299.816	6.36	265.021	5.25	2.90.300	78.333	12	279	Bor Pukhuri	Nil	Nil	Nil	10	11/75	11/75	10/87		
4.50.000	7.82.300	2.32.500	234*	210.026	6.30	514.973	6.12	541.872	5.94.471	6	127	Brooke Bond P.	12 1/2	15	15	10	11/65	11/65	10/87		
35.00.000	66.10.893	13.07.736	1.163*	12.15.847	6.31	14.26.351	5.27	192.300	1.13.633	12	165	Deroc Valley	40	15	20	10	49/25	49/25	25/50		
1.20.000	7.81.585	1.01.487	307	116.847	5.70	543.624	5.68	515.318	5.41.972	12	214	Dessai & Purbuttia	Nil	Nil	10	100	141/00	141/00	155/00		
8.40.000	12.97.869	7.95.318	540*	294.761	6.64				3.54.091	12	214	Dhelaikhat	20	124		10	20/00	20/00	21/00		
15.53.440	22.29.324	10.53.350	170*	436.872	5.32	632.799	4.58	627.000	12.12.886	12	365	Dhunseni P.	23	20	15	10	15/00	15/00	15/00		
2.00.000	19.16.176	7.90.000	553*	591.938	6.61	305.738	6.23	3.12.100	303.585	12	165	Dibrugnar	30	40	40	10	32/50	32/50	33/00		
4.50.000	15.91.840	15.10.975	456	293.229	6.19	301.353	5.81	308.000	2.25.939	12	279	Dimakusi P.	30	25	20	10	21/87	21/87	23/25		
4.73.400	10.12.800	10.00.000	675*	283.650	6.19	301.353	5.77	454.000	393.106	12	279	Dufflaghur	35	25	25	10	27/87	27/87	30/50		
7.00.000	14.27.900	13.39.500	266*	388.343	6.18	464.798	5.76	539.000	188.604	12	279	East India	10	Nil	Nil	10	18/87	18/87	18/25		
10.00.000	20.53.400	9.68.000	479*	366.144	5.83	3.58.797			1.94.850	12	354	Gillapokur	25	25	20	10	25/44	25/44	25/50		
5.03.760	13.75.770	6.44.277	191	344.520	4.95	254.919	5.81	2.82.000	93.109	12	279	Gopkur	10	Nil	5	10	13/31	13/31	13/00		
8.76.000	12.89.800	8.77.500	224*	220.227	6.19																
23.29.085	55.16.400	35.83.224	1.034*	975.452	5.54	1.079.309	4.98	11.321	63.288	12	202	Grob	14	6	6	5	8/06	8/06	10/00		
5.00.000	10.51.765	7.53.498	197	307.199	4.79	3.58.885	5.69	525.000	1.82.327	12	354	Hoojugralui (Assam)	25	20	20	10	27/12	27/12	24/12		
8.70.000	24.12.514	14.38.299	642*	463.500	5.69	483.000	5.69		87.730	12	2	Hoolungoorie	20	10	7 1/2	100	190/00	190/00	185/00		
9.00.000	15.74.647	10.51.189	949	506.565	6.52	5.39.472	5.99		5.82.815	12	88	Jutlibari	10	30	30	10	32/00	32/00	34/00		
2.40.000	16.48.698	15.08.170	490	436.872	5.39			520.000	3.43.662	12	236	Kingsley Golaghat P.	35	35		10	212/00	212/00	210/00		
1.80.000	17.88.233	23.500	440*	440.787	5.11	624.469	4.69		21.061	12	63	Kotamulai P.	Nil	Nil	Nil	5	10/31	10/31	10/31		
5.00.000	10.69.938	3.02.818	149*	150.866	5.81	1.73.581	5.29	1.86.000	94.422	12	4	Krishnabehari	10	15	8	10	10/50	10/50	10/12		
2.00.000	1.81.000	21.000	71*	226.767	5.53				153.230	12	63	Ledo	Nil	Nil	Nil	10	8/08	8/08	8/08		
8.00.000	12.20.327	8.50.278	268*	228.767	5.72	228.707	4.16	285.000	1.31.878	12	202	Maud Tea & Seed	7 1/2	10	7 1/2	10	14/81	14/81	15/25		
10.00.000	11.51.913	13.10.068	262*	285.908	6.00	382.580	5.88	384.674	3.87.216	12	202	Methoni	15	5	14	10	18/50	18/50	18/50		
4.80.000	15.48.292	13.75.000	286*	68.951	4.59				-36.789	12		Moheema	10	Nil		10	11/50	11/50	11/50		
1.50.000	2.71.599	13.65.825	135	68.951		83.921			72.274	12	138	Mothola	25	30	30	100	507/00	507/00	507/00		
1.75.000 P.	14.31.493	8.49.447	156*	122.300	5.87	182.900	6.01	200.000	2.22.943	12	2	Murphulan (Assam)	25	10 63	20 63	10	28/75	28/75	22/24		
2.00.000 P.																					
4.00.000	5.99.355	6.84.758	554	337.198	4.93	319.104	4.51	345.000	2.07.239	12	143	Naga Hills	6	10	10	10	22/69	22/69	18/81		
5.35.000	9.31.834	3.98.379	447*	246.382	4.79				1.78.991	12	63	Namunadi	Nil	Nil	Nil	100	14/56	14/56	14/56		
5.00.000	7.84.180	1.35.500	298*	163.289	6.84	290.878	5.98	240.000	3.02.699	12	63	New Cinnatollah	Nil	Nil	Nil	100	450/00	450/00	450/00		
6.00.000	12.46.354	7.17.592	157*	187.100	4.73	632.808	5.56	220.000	1.73.136	12	2	Raigara	35	40	13 1/2	10	21/37	21/37	23/25		
9.00.000	23.07.580	2.66.932	429*	531.473	6.24	242.697	4.99	390.100	2.97.941	12	354	Sapoi	20	22 1/2	20	10	24/44	24/44	18/18		
2.40.000	6.24.100	5.35.000	207*	205.694	5.70	373.286	4.99		4.61.762	12	165	Seajuli	17 1/2	22 1/2	15	10	20/75	20/75	22/87		
5.88.000	16.64.283	14.42.974	500	359.363	6.86	348.111	6.59		4.53.889	12	165	Telojan	25	25	25	10	27/75	27/75	28/56		
6.00.000	11.92.725	6.72.053	540	339.136	2.17	2.972.880*	1.92	249.600	4.61.762	12	236	Tengpani	17 1/2	30	30	10	35/00	35/00	35/00		
19.82.500	33.61.388	16.92.483	2.407*	2.816.560*	4.53				4.78.239	12	236	Tezore P.	20	20	12 1/2	10	15/56	15/56	16/56		
7.50.000	13.02.672	4.34.925	363*	267.677	4.53				1.22.530	12	95	Tongani	Nil	Nil		10	6/50	6/50	8/44		
5.20.000	35.29.595	27.60.163	1.050	480.745	5.90	590.423	5.14	638.700	1.73.399	12	165	Tycoon	30	10	15	10	34/37	34/37	38/00		
CACHAR																					
3.00.000	3.31.637	5.000	348*	93.975	4.42				-4.314	12	35	Arcuttipore	Nil	Nil		10	7/00	7/00	7/00		
4.00.000	6.54.409	3.37.708	190*	158.348	4.45				25.985	12	35	Baitakhal	5	2 1/2		10	6/59	6/59	6/59		
11.00.000	20.49.762	9.06.108	598*	380.752	4.90	545.945	4.26	541.552	2.38.932	12	128	Central Cachar	5	5	7 1/2	10	73/00	73/00	73/00		
7.00.000	6.64.780	Nil	278*	122.864	4.63				-43.057	12	383	Eastern Cachar	Nil	Nil		10	73/00	73/00	73/00		
4.50.000	3.35.089	3.30.000	637	214.940	1.35				34.716	12	384	Kallukhira Khoreel	6	6		10	87/00	87/00	86/00		
12.00.000	18.22.020	13.75.000	2.208	625.808	4.43	723.716	8.84	725.747	2.82.141	12	202	Kallukhira	6	Nil	8	10	3/44	8/44	10/00		
5.60.000	4.07.626	55.975	252	133.364	4.60	166.156	3.81	183.393	-129.393	12	202	Kunchanpore	Nil	Nil		10	6/30	6/30	3/94		
5.63.690	5.22.836	57.990	223*	370.970	4.08	477.747	3.85	263.083	49.257	12	202	Loobah	Nil	Nil	Nil	10	5/00	5/00	3/88		
7.00.000	22.63.650	15.44.553	830	331.142	4.63	271.987	4.40	319.400	2.61.240	12	202	North Western	30	30	20	100	114/00	205/00	205/00		
2.59.050	5.47.919	1.238	338	272.635	4.96	326.870	3.94	290.000	1.04.322	12	63	Pathemara	Nil	Nil	Nil	10	7/50	7/50	7/50		
2.60.000	8.86.044	4.60.282	723	237.869	4.95	307.903			91.920	12	165	Roopacherra	Nil	Nil	10	10	13/62	13/62	12/62		
4.25.000	11.99.745	11.95.100	722	165.158	4.26				1.04.322	12	63	Rungamattae	7 1/2	5	6	50	50/00	50/00	58/50		
4.00.000	7.06.042	2.94.472	283						69.977	12		Sonal River	Nil	Nil		10	9/12	9/12	9/12		
DARJEELING																					
3.99.750	7.28.177	6.083	563	85.684	6.00				55.959	12	101	Bloomfield	Nil	Nil		10	3/25	3/25	3/6		
2.79.900	3.73.																				

TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Accrue under Tea	Outturn and Average Price per Kg./lb. realised for crop				Estimate 1962	Net Profits including taxation	Accounts closed	Mc. Acta. Securities etc.	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			A year ago
				1960	1961	1962	1959						1960	1961	29-1-63		22-1-63	1-1-63		
Ra.	Ra.	Ra.	Ra.	KRa.	Ra.	KRa.	Ra.	KRa.	Ra.						Ra.	Ra.	Ra.	Ra.		
DOOARS																				
27.00.000	55.60.730	32.07.760	1.023†	1,408.000	5.11	1,551.500	4.51	1,525.000	11.55.236	12	2	Banarhat P.	32†	22†	21	100	255/00	255/00	275/00	
12.00.000	23.85.571	21.47.404	436†	721.583	5.20	724.364	4.69	682.400	6.62.191	12	128	Baradighi	25	30	25	10	23/87	23/87	27/00	
9.00.000	17.32.113	18.96.100	1.112	558.147	4.94	593.617	4.42	580.604	2.94.647	12	386	Bhatkawa	10	15	15	10	17/37	17/37	19/12	
9.00.000	21.64.171	19.54.000	555	543.381	5.32	666.763	4.37	900.000	4.10.050	12	63	Birpara P.	22†	17†	12†	100	151/00	151/00	149/00	
6.00.000	11.78.375	9.70.500	243†	305.122	5.01	299.250	4.17	295.000	1.08.467	12	63	Carron	15	20	5	100	145/00	145/00	145/00	
9.00.000	21.98.098	14.50.681	365†	533.300	5.15	514.200	4.45	530.000	2.23.622	12	2	Choonabutti P.	30	32†	20	100	262/00	262/00	267/00	
3.00.000	5.34.585	5.17.500	197†	171.106	5.00	219.486	4.35	203.200	79.168	12	63	Ellenbarrie	5	5	5	100	184/00	184/00	176/00	
1.20.000	3.31.260	3.17.245	265	134.440	4.20	162.265	3.73	160.000	1.15.877	12	397	Engo	Nil	60	30	100	136/00	136/00	136/00	
4.90.000	8.16.062	70.656	180	218.696	3.96	224.026	..	..	50.783	12	354	Ethelbari	Nil	5	5	10	13/12	13/12	9/19	
7.50.000	10.03.911	7.97.827	900	523.656	5.03	533.092	4.98	..	3.52.027	12	98	Gairkhat	12†	25	20	10	21/50	21/50	24/06	
14.00.000	27.43.998	19.20.969	418†	1,122.800*	2.11	1,094.000*	1.71	..	—1.19.268	12	387	Gopalpur	9.24	12	2	25	20/00	20/00	19/62	
36.00.000	49.19.78†	40.85.000	1,034†	1,401.804	4.93	1,433.022	4.07	1,390.000	5.19.303	12	63	Hantapara P.	12†	15	5	100	102/00	102/00	120/00	
32.00.000	64.79.513	76.71.749	2,314†	2,787.460	5.73	2,849.021	5.54	3,012.569	29.24.415	3	74	Hasimara P.	12†	17	18†	10	14/00	14/00	32/31	
8.25.000	20.48.832	22.92.078	611†	890.959	4.52	889.068	4.92	..	3.32.189	2	74	Huldibari	22†	22†	19.2/7†	10	14/00	14/00	30/31	
7.00.000	7.79.45†	5.13.133	246†	215.100	4.91	190.300	4.48	..	—1.53.219	12	3	Jaybirpara	5	10	Nil	10	11/06	11/06	15/25	
9.00.000	18.44.954	20.36.500	377†	539.462	5.09	563.337	4.23	520.000	3.87.639	12	63	Kilicott	17†	25	15	10	17/31	17/31	20/50	
2.00.000	10.41.117	5.27.720	246†	244.220	3.96	247.991	..	..	—67.780	12	354	Manabarrie	5	10	6	10	59/50	59/50	56/37	
9.80.000	17.91.264	22.58.500	1,129	542.139	5.10	603.619	4.07	490.000	4.56.532	12	63	Nagalsuree	17†	25	15	100	169/50	169/50	177/00	
14.00.000	28.28.996	21.33.698	471†	812.200	5.28	784.700	4.31	750.000	4.53.104	12	2	New Dooars P.	32†	35	20	100	259/00	259/00	286/00	
6.40.000	8.40.172	6.77.528	281†	291.297	4.14	307.645	3.89	308.400	1.58.909	12	363	Oodlabari	10	12†	7†	100	14/25	14/25	15/56	
2.50.000	4.03.726	3.11.000	330	112.988	4.90	100.575	4.22	116.100	—78.071	12	63	Phaskowa	Nil	Nil	Nil	10	12/00	12/00	12/37	
6.00.000	9.02.274	5.77.334	764	357.499	4.82	363.864	4.36	362.900	67.304	12	185	Rajabhat	Nil	Nil	Nil	10	12/12	12/12	12/37	
7.65.000	10.33.946	16.37.050	1,635	457.276	4.96	503.538	4.32	534.100	2.37.892	12	165	Rancherra	10	15	15	10	16/75	16/75	18/00	
14.92.800	34.73.433	28.87.329	713†	854.415	5.21	921.964	4.79	1,008.645	4.75.664	12	128	Rydak	30	25	20	10	27/31	27/31	26/87	
3.45.000	9.56.428	9.68.334	278†	300.700	4.79	400.500	4.10	..	3.60.822	12	44	Sarugaon	40	40	40	10	36/25	36/25	36/00	
FERAI																				
4.50.000	13.66.318	1.61.700	627	2.17.325	4.93	..	..	..	1.50.753	12	101	Atal	10	5	..	10	6/75	6/75	8/00	
5.00.000	2.61.415	6.10.382	223	2.40.454	3.83	..	..	..	2.98.178	12	345	Beigachi	20	20	..	10	20/50	20/50	21/50	
13.44.000	17.81.100	25.47.000	433†	6.99.241	4.85	794.331	4.37	6.70.000	531.904	12	63	Gungaram	15	20	12†	100	158/00	158/00	156/50	
5.00.000	10.87.941	12.09.500	214†	2.61.270	4.84	288.960	4.29	2.54.000	210.540	12	63	Hansua	17†	20	15	10	20/00	20/00	16/37	
3.00.000	5.94.258	8.71.337	472	2.53.863	4.72	275.784	4.10	275.784	15.355	2	74	New Chumta	15	15	12.6/7†	10	33/50	33/50	33/50	
4.50.000	5.14.99†	5.51.400	442†	3.99.412	5.05	..	..	..	3.14.789	12	139	New Terai	15	22†	..	10	36/00	36/00	31/62	
5.85.000	7.31.628	10.29.030	407†	4.00.643	5.04	..	..	..	2.69.729	12	139	Pahargoomiah	25	20	..	10	31/12	31/12	27/19	
1.00.000	2.27.050	2.24.244	119	94.461	4.39	..	..	..	43.136	12	63	Putinbaree	26	14	..	10	45/00	45/00	45/00	
2.20.000	8.34.600	10.76.160	549	9.121*	2.02	..	..	..	2.85.088	12	165	Tirihannah P.	30	40	..	10	49/00	49/00	49/00	
CHITTAGONG																				
1.25.000	83.465	4.22.450	206†	1.19.459	5.03	..	..	..	23.045	12	139	Kodala	Nil	Nil	..	10	9/25	9/25	9/25	
2.40.000	1.37.058	2.42.992	397†	1.30.649	5.12	..	..	..	12.742	12	139	Kornafull	Nil	Nil	..	10	13/06	13/06	11/25	
2.00.000	1.51.925	3.95.000	216†	1.24.798	5.02	..	..	..	1.28.040	12	139	Oodaleab	Nil	Nil	..	10	8/00	8/00	8/00	
SYLHET																				
3.00.000	11.41.512	8.41.647	617	1.64.340	5.14	276.309	4.48	2.90.300	339.512	12	..	Chundeecherra	Nil	Nil	Nil	10	23/00	23/00	24/00	
6.00.000	8.76.638	13.11.051	554	164.602	5.66	2.33.890	4.97	1.94.690	4.42.596	12	63	Dauracherra	15	22†	22†	10	7/31	7/31	7/06	
2.46.050	3.50.022	Nil	479	88.302	5.00	1.26.336	4.28	1.34.264	24.933	12	358	Kaliti	Nil	Nil	Nil	10	10/00	10/00	9/25	
5.59.930	8.72.647	14.67.800	1,030	9.16.480*	2.40	11.42.720*	1.99	10.40.000	344.758	12	236	New Samanbagh P.	Nil	25	Nil	10	18/37	18/37	18/25	
36.00.000	48.80.181	75.27.644	4,128	11.23.657	5.40	19.52.002	5.00	18.51.000	424.455	12	63	Patrakola	40	32†	40	100	148/00	148/00	138/00	
3.20.000	3.93.671	1.46.280	724	2.65.920*	2.22	..	..	..	—179.428	12	236	Rajnarar	Nil	Nil	..	10	9/56	9/56	9/56	
9.00.000	17.77.855	25.69.827	1,182	3.06.754	5.57	4.18.826	5.01	4.07.080	625.281	12	63	Tellipara	17†	22†	32†	100	99/00	99/00	112/00	

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Ma. Apts. Sec. etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.		1959 1960 1961	Ra.	29-1-63 22-1-63	Ra.
MININGS												
22 369.796	..	2201.900	22,766.792	27,456	2164.295	12	153	Burma Mines	2.41/42	2 3/5	Nil	34S
30,00,000Dd									15	15	12†	100
15,00,000Dd	37.08.889	32,54.468	54,05,355	15,96.846	13,914	12	812	Chrestien Mica Industries P.	25	25	20	6Dd
21,371.300	21,758.381	22,25.873	27,55.274	21,057.163	27,231.10	12	88	Indian Copper Corporation	27	27	27	25
50,00,000	51,72.031	10,43.352	63,971	6,66.976	14,41.622	3	343	Metal Corporation P.	Nil	Nil	..	100
20,00,000	46,05.415	67,67.431	55,46.956	13,17,757	38,801	6	21	Orissa Mineral Development	36	36	28—20*	10
CEMENT, LIME, SLATE, ETC.												
59,90.843	1,64.85.110	12,01.831	18,510	7,17.476	14,996	3	381	Ashoka Cement	4†	5	7-7*	10
43,14,500Dd									..	..	..	100
70,97,60Dd	41,51.412	21,43.429	29,54.072	1,70.813	6,44.675	3	80	Assam Bengal Cement	..	..	..	1Dd
40,00,000	98,02.889	19,77.396	68,723	24,46.663	1,703	12	155	Bengal Potteries	14 29/100	15	..	2†
	73,56.750	28,31.157	3,76.724	23,10.445	50,122	3	21	Bisra Stone Lime	18.7	30	30—10*	10
1,00,00,000Dd	1,99,67,060	78,78.500	1,78,46.612	55,28.120	18,971	12	123	Dalmia Cement (Bharat) P.	12	12	12	100
5,00,00,000											1Dd	
											2/15	3/15
2,50,00,000	5,94.43.463	94,05.545	5,54.170	65,02.100	4,94.599	3	335	Jaipur Udyog P.	Nil	8	8-8.36*	10
30,00,000	66,56.756	48,53.199	6,15.782	26,10.499	54,654	12	21	Kumardhubi Fireclay & Silica P.	18	18	18	10
2,28,00,000	3,31.87.214	1,14.18.187	41,93.096	1,15.68.431	1,10.784	12	362	Orissa Cement P.	11	15	15	10
6,00,00,000	31,13.454	21,06.155	6,77.00	5,75.522	67,770	3	233	Reliance Firebricks & Pottery	40	22	19	10
75,00,000	70,40.378	22,40,000	3,27,800	6,34,591	31,640	12	387	Sone Valley Portland Cement	Nil	4	..	8
9,64,520	19,00,054	10,46,690	6,23,484	10,61,971	23,403	12	3	Sutna Stone & Lime	30	20	10	10
											37/00	47/00
											18/35	18/35

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.			1956	1960	1961

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until			
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.			1956	1960	1961	Ra.	Ra.	A year ago
MISCELLANEOUS - (Contd.)													
80.00.000	6,74,367	66,56,843	85,18,613	12,27,365	2,77,718	12	321 Octavius Steel P.	12	10	..	100	..	..
2,20,00,000	1,65,64,981	63,83,140	25,36,442	66,19,862	1,43,494	12	364 Philips India	12	12	12	10	28/12	28/12
2,86,200	31,000	5,62,800	2,80,533	4,74,296	32,858	3	140 Publicity Society	37	10	75-75*	4	26/19	24/75
4,25,00,000	35,07,570	15,42,305	1,34,28,211	54,44,510	4,35,553	8	332 Atlas India P.	NII	4	84	100	150/00	150/00
3,00,00,000	8,03,38,621	2,57,80,000	1,14,05,049	49,28,459	5,08,029	3	335 Rontas Industries P.	15	20	10-8*	10	11/75	12/00
94,27,380	5,55,68,835	NII	14,04,497	8,60,253	37,513	9	22 Sarsik P.	..	NII	..	10	8/40	8/75
70,00,000	2,25,52,451	61,94,790	29,78,780	21,56,385	7,822	9	476 Sen Raleigh Industries P.	8	8	8	10	18/84	18/87
75,00,000	1,05,26,889	61,88,000	1,77,82,109	47,78,759	8,97,299	12	278 Shaw Wallace P.	15	15	15	10	19/87	19/87
3,00,000	3,33,174	23,199	90,501	17,483	1,739	12	111 Spencer's Hotel	14	24	24	2	0/94	0/94
2,80,00,000	5,97,89,163	2,48,68,275	24,48,825	83,20,569	42,35,939	12	301 Union Carbide	18	18	18	10	43/25	43/25
2,10,20,000	5,97,89,163	2,48,68,275	24,48,825	83,20,569	42,35,939	12	301 Union Carbide	15	30	30	10	2/25	2/25
8,40,800	5,18,288	24,12,476	10,86,208	13,99,207	3,87,027	12	195 Walford Transport	20	20	20	10	3/31	3/31
INSURANCE COMPANIES													
13.50.000	6,47,527	54,93,120	1,31,72,690	6,70,637	78,475	12	174 Concord of India	20	20	20	5	11/50	11/50
24,00,000	65,903	82,46,577	1,27,34,450	16,71,945	3,93,660	12	248 Hercules	20	22	26	10	25/00	25/00
32,00,000	7,51,382	1,15,82,907	2,08,14,578	12,75,071	4,95,149	12	38 Ruby General	10	10	134	8	9/69	9/69
8,00,000	..	21,62,072	27,92,806	51,493	12,241	12	.. Standard General	..	..	..	10	8/00	8/00
8,75,000	25,990	73,52,563	99,05,303	7,07,189	1,95,530	12	39 Triton	45	45	50	25	131/00	131/00
FLOUR MILLS													
12,00,000	4,80,900	26,61,133	10,62,993	7,30,089	1,68,614	12	24 Bengal	45	40	25	10	34/25	34/25
5,80,000	6,51,040	2,47,028	2,17,808	1,05,473	1,26,880	10	97 Delhi P.	..	..	..	10	14/00	14/00
48,90,137	47,18,433	77,72,310	56,85,368	33,61,767	4,07,398	9	175 Ganesh P.	12	..	..	124	16/00	16/00
9,00,000	4,38,798	4,52,392	24,041	1,14,554	10,571	12	236 Hooghly	27	15	NII	10	19/75	19/75
5,00,000	2,92,255	6,61,791	3,26,246	..	..	11	236 United	52	35	10	10	30/00	30/00
OIL COMPANIES													
22,900,001	22,383,591	21,700,442	2,507,508	21,073,511	21,007,742	12	249 Attock Oil	13	13	13	21	sh. 30/7 1/2	sh. 30/7 1/2
282,419,080	233,843,356	212,750,000	213,148,421	218,446,093	258,861	12	52 Burmah Oil P.	..	9-2/5	..	21	sh. 45/4 1/2	sh. 45/4 1/2
1,00,00,000	56,10,926	2,56,15,353	3,11,16,359	63,36,353	5,00,220	12	249 Indo Burmah Petroleum P.	25	30	25	10	23/75	24/00
6,00,000	2,79,005	9,89,137	5,10,244	4,10,168	92,708	10	2 Tide Water Oil	22	30	35	10	26/00	26/00
PAPER MILLS													
45,00,000	1,00,03,801	62,77,149	4,73,511	41,43,385	1,40,204	12	436 Bengal P.	32	32	27	10	32/25	32/44
88,20,000	1,18,96,097	84,80,934	10,29,515	23,47,414	46,393	3	2 India Paper Pulp	10	15	13-12*	10	18/87	18/94
1,57,83,688	6,50,00,000	3,92,78,014	59,38,470	1,41,20,011	2,25,579	3	22 Orient Paper P.	15	23	22 1/2-22 1/2*	10	35/45	36/50
1,23,51,920	4,31,23,657	1,49,74,478	71,87,660	58,83,929	31,55,867	12	140 Shree Gopal Paper P.	17 6/7	17-6/7	17-6/7	10	23/25	23/25
2,18,55,240	4,62,89,369	72,10,000	8,79,140	33,33,999	98,729	6	22 Sirpur P.	6	6	8	10	10/75	10/87
50,00,000	..	..	..	..	3,97,323	9	36 Star Paper P.	3	NII	..	10	10/00	10/00
10,00,000A	3,54,48,618	851,143	..	..	..	3	106 Titaghur P.	10	25	13-13*	24PO	3/78	3/78
4,37,500PO	..	..	..	..	..	3	106 Titaghur P.	25	25	20-10*	10AO	17/12	20/40
56,00,000AO	4,96,82,144	3,30,31,629	21,85,452	11,38,443	58,939	8	373 West Coast P.	25	25	20-10*	10BO	17/12	20/40
56,04,800BO	..	..	..	..	..	8	373 West Coast P.	NII	6	7	100	160/50	160/50
1,50,00,000C	4,95,97,051	85,00,000	1,73,752	58,44,186	17,196	8	373 West Coast P.	NII	6	7	100	160/50	160/50
PRESSING COMPANY													
4,30,000	1,81,531	1,45,000	5,34,786	65,294	24,928	7	326 Camperdown	11	11	11	100	100/00	100/00
REAL PROPERTY STORAGE													
10,00,000A	..	..	..	..	..	4-10	73 Bengal Bonded Warehouse	8	11	8-8*	A500	610/00	610/00
1,25,000B	14,81,415	69,980	8,16,177	1,00,777	4,504	8	8 B24	..	..	..	B624	77/25	77/25
2,00,000C	..	..	..	..	..	8	8 C100	..	..	..	C100	122/00	122/00
25,000D	..	..	..	..	..	8	8 D123	..	..	..	D123	14/75	14/75
7,42,150	11,68,346	4,23,135	33,823	81,259	3,142	8	8	..	..	..	100	7/25	7/25
1,00,00,000D	19,85,068	9,01,590	13,43,272	3,61,779	1,33,593	9	432 Humayan Properties P.	84	84	..	100	11/00	11/00
2,00,00,000D	13,373	NII	13,17,910	85,757	21,89,035	4	3 Midnapore Zemindary P.	12	NII	..	100	2/14	2/14
7,98,00,000	..	..	..	..	..	4	3 Midnapore Zemindary P.	NII	NII	NII-NII*	85	11/12	11/12
TRAMWAYS & STEAMER													
20,00,000	29,74,805	27,13,587	10,28,887	3,56,472	11,765	10	8 Bengal Assam Steamship P.	8	7 1/2	7 1/2	100	106/00	106/00
6,25,000	5,95,186	6,22,000	4,23,357	1,34,197	16,331	10	89 Calcutta Landing & Shipping	8 1/2	8 1/2	..	10	49/50	49/50
12,80,000	27,83,012	14,32,970	10,139	1,78,141	71,119	6	396 Calcutta Steam Navigation	10	10	NII	10	8/87	9/62
2,700,000	22,93,715	21,50,652	2315,682	2,105,509	21,407	12	96 Calcutta Tramways P.	9 1/2	..	..	21	11/00	11/31
8,04,880	6,97,887	6,56,706	33,440	1,35,098	637	3	3 Fraser	NII	NII	..	10	10/00	10/00
2,655,580	21,970,806	2,432,856	2,419,913	2,80,988	2,84,854	8	431 India General Nav. Railway P.	NII	NII	..	210	66/50	66/50
2,47,50,000	16,80,59,821	1,57,51,789	1,36,10,394	41,42,008	41,42,006	3	431 India Steamship P.	10	10	NII-NII*	10	6/19	6/00
14,06,220	13,34,804	74,870	7,951	62,391	4,06,480	12	.. Port Shipping	NII	NII	NII	10	12/06	12/06

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of Spindles Looms	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mz. Agts. Secretaries etc.	NAMES OF MILLS	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.		Ra.	Ra.	Ra.	Ra.	Ra.				1959 1960 1961	Rs Ra	28-1-63 22-1-63 A year ago Ra
40,00,000	48,652 1,016	1,28,56,156	46,70,828	20,69,878	10,39,741	26,620	269		Ahmedabad Advance P.	7 16	100	170/00 170/00 204/00
50,00,000	48,254 896	20,17,010	9,99,960	10,78,394	1,49,501	2,24,488	12		Apollu	2	100	1/84 2/00 2/56
40,00,000	41,135 980	43,32,511	11,42,781	4,76,501	1,42,728		3		Beharilal Ramcharan	Nil Nil	100	82/50 82/50 77/00
2,50,98,000	2,03,942 4,911	6,03,86,319	3,79,10,818	45,17,329	72,20,563	69,669	12		Bombay Dyeing, etc.	14 14 14	25	59/50 59/00 68/40
10,00,000	35,052 848	32,07,778	34,59,612	4,45,173	10,89,180	1,37,996	3		Bradbury P.	10 10 25	60	150/00 155/00 167/00
1,27,75,700	1,18,296 2,760	4,98,32,541	3,26,61,468	25,80,078	80,66,350	9,53,042	12		Century	...	100	523/00 525/00 588/00
49,67,500	1,15,188 2,062	3,08,53,158	10,75,722	32,81,429	20,50,911	-69,69,939	6		Central India P.	Nil Nil Nil	100	95/00 97/00 162/00
28,00,000	24,916 119	37,34,829	32,52,434	1,01,553	1,46,029	1,28,751	3		Coorla	...	100	150/00 150/00 151/25
34,00,000	43,512 ..	33,97,504	29,03,230	5,19,246	23,98,267	2,06,873	12		Dawn	20 30 30	50	140/00 150/00 152/50
29,88,050	49,164 920	30,75,487	37,58,286	14,81,779	18,79,601	-2,29,973	12		Edward Textiles	9 9 ..	200	325/00 325/00 375/00
50,00,000	47,700 886	1,30,16,691	50,97,407	2,85,110	31,72,674	1,36,630	12		Elphinstone P.	14 18 22	60	93/00 99/00 118/00
39,04,700	63,212 784	85,32,658	17,62,852	16,838	4,09,432	37,155	12		Finlay	...	100	296/00 296/00 350/00
12,00,000	77,968 ..	19,75,309	43,25,176	23,64,700	12,85,323	85,195	12		Gokak	...	100	176/50 175/00 217/00
	40,856 1,116	64,14,585	68,13,239	10,75,932	4,27,954	5,195	3		Hindoostan	...	250	965/00 965/00 ..
2,00,00,000	2,48,870 6,498	4,41,45,022	3,84,70,022	31,82,629	1,32,22,197	5,89,816	12		India United	...	100	25/60 21/76 18/08
90,00,000	50,074 1,420	36,57,318	14,88,806	17,32,993		16,103	12		Indore Malwa United	7 8 1/2	100	189/00 185/00 179/00
59,85,000	65,260 1,514	1,07,21,545	82,79,165	25,00,707	76,87,297	38,751	6		Khatau Makanji P.	16 32 ..	100	350/00 350/00 470/00
1,00,00,000	1,20,504 1,846	1,38,52,384	1,07,07,211	9,13,083	38,39,253	1,555	12		Kohinoor	9 15 18	100	270/50 270/00 307/50
89,60,000	49,883 1,369	83,54,669	55,99,043	8,90,538	28,76,041	-8,13,701	12		Lakshmi-Vishnu P.	Nil 5.7 6	100	110/00 110/00 650/00
51,75,000	71,652 1,630	1,31,30,107	72,11,813	63,197	50,67,194	1,09,099	6		Morarjee Goculdas P.	21 1/2 21 1/2 24-24*	100	450/00 450/00 391/00
59,98,250	50,480 500	55,13,433	39,56,794	22,08,037	2,05,250	Nil	2		Mysore Spg. & Mfg. P.	10 14 14	60	54/00 54/00 68/00
24,00,000	45,944 432	23,52,760	7,45,700	10,79,000	15,67,753	8,456	12		New City of Bombay	...	100	142/50 142/50 185/00
30,00,000	46,884 1,029	22,27,098	25,72,444	37,32,568	12,48,697	153	12		New Great Eastern P.	...	100	270/00 270/00 250/00
48,00,000	54,244 728	53,84,222	35,02,899	1,54,21,523	31,02,77	27,380	12		Phoenix	...	100	210/00 200/00 231/00
10,00,000	9,520 277	13,17,604	2,78,222	9,963	3,22,486	-1,07,771	12		Sassoon & Alliance	Nil Nil	100	13/00 13/00 15/00
75,40,000	96,488 2,127	1,86,66,252	1,46,91,699	9,65,923	82,69,071	30,196	12		Sassoon Spinning	25 17 ..	100	44/00 48/75 65/50
90,40,000	49,840 1,258	1,26,34,913	22,64,619	1,37,279	-1,24,433	-8,86,457	3		Simplex	10 15 Nil	60	152/00 147/00 168/50
90,00,000	77,436 1,640	1,44,03,087	87,99,257	95,30,537	61,50,016	1,06,435	12		Shree Niwas P.	15 18 20	100	236/00 236/00 284/00
1,00,00,000	65,040 2,000	1,68,10,102	1,05,78,408	19,38,911	24,20,000	24,523	12		Swadeshi P.	14 17 ..	100	258/00 256/50 286/50
35,00,000	40,328 549	56,94,838	71,73,330	7,774	8,20,551	26,062	12		Swan	...	100	270/00 270/00 405/00
65,87,875	63,248 1,800	1,81,82,829	61,75,268	10,05,865	31,74,545	26,322	12		Tata	10 20 ..	25	56/70 56/50 79/80
12,00,000	45,508 1,308	62,07,441	12,11,933	31,81,227	52,10,985	8,027	3		Western India	...	250	835/00 835/00 ..

* 1962

BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits Including Taxation	Carry Forward	Accounts closed	NAMEs	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Rs. Asst. Secretaries etc.		1959	1960	1961	Ra.	Rs. 28-1-63	Ra. 22-1-63	A year ago Ra.
CEMENT														
19,06,49,908	26,78,49,366	10,52,33,092	4,94,54,294	7,57,20,456	65,991	7 53	Associated Cement	11	12½	12—12*	100	148/50	146/75	160/00
ELECTRIC LTG POWER														
8,74,77,100	11,61,05,785	1,36,05,785	30,82,878	78,42,903	638		Ahmedabad Electricity	8½	7	6	100	92/00	93/00	96/00
3,02,77,000	9,34,77,781	1,23,89,917	32,52,570	52,28,393	36,154	3 146	Andhra Valley Power P.	5	5½	5—5*	1000	1,005/00	1,005/00	1,010/00
1,74,98,700	2,14,85,122	39,32,485	4,79,834	19,21,739	45	3 287	Bombay Suburban Elec.	..	..	..	100	99/50	99/00	103/00
2,39,99,975	7,17,76,350	1,39,56,841	51,65,971	60,68,808	27,536	3 146	Tata Hydro Elec. Power P.	5	5½	5—5*	100	102/00	102/50	111/50
6,15,36,000	17,59,03,832	3,61,11,341	57,28,753	1,22,80,113	29,988	3 267	Tata Power P.	5	5½	5—5*	1000	1,060/00	1,100/00	1,122/50
ENGINEERING & METAL														
33,42,200	17,06,292	44,16,374	1,54,08,311	5,79,666	1,35,820	12 268	Alcock Ashdown	..	..	..	100	302/00	293/00	330/00
6,00,000	2,88,390	4,73,722	16,18,223	1,48,734	2,147	3 115	Jost's Engineering	10	8	10—10*	50	98/00	98/00	96/50
1,10,00,000	1,16,50,921	43,23,121	75,17,426	40,26,365	1,50,895	3 351	Larsen & Toubro P.	12½	12½	18—14*	10	23/76	23/20	40/25
1,10,00,000	1,03,70,225	3,49,914	..	..	1,016	7 283	McKenzie	12½	..	..	100	140/00	140/00	148/75
2,50,000	5,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12 284	Premier Construction P.	..	..	..	300	124/75	123/25	192/00
7,99,97,300	16,18,43,951	3,03,75,493	18,14,244	3,78,39,743	3,61,752	3 269	Tata Eng. & Locomotive P.	9.9	12½	14½-14½*	100	282/00	277/00	352/80
27,55,65,204	1,09,05,81,817	20,28,64,147	9,76,72,406	6,08,86,595	34,084	3 269	Tata Iron & Steel P.	9.1	9.1	10.36-10.36*	750	117/25	117/00	140/00
INSURANCE COMPANIES														
20,00,000	..	23,84,913	95,96,033	4,24,629	1,18,006	12 297	British India General	..	..	..	10	11/46	11/48	11/76
18,74,940	25,01,134	2,88,61,155	2,81,49,442	38,981	4,65,316	12 85	Jupiter General P.	..	..	..	15	12/52	12/52	13/00
1,42,42,125	23,46,782	6,86,68,899	9,41,74,741	92,81,250	44,28,397	12 179	New India	..	..	..	15	52/70	53/00	58/50
13,96,270	..	29,41,860	59,86,788	6,05,803	3,81,242	12 253	Vulcan	..	..	..	10	16/40	16/40	16/40
MISCELLANEOUS														
70,49,650	41,70,604	1,23,53,808	1,09,82,038	67,94,850	3,00,263	9 42	Belapur Sugar	..	..	..	50	211/00	208/00	245/00
99,25,000	3,32,42,226	3,91,11,720	2,03,23,186	1,01,08,049	2,03,146	5 285	Bombay Burmah Trading	19	30	33—33*	125	620/00	620/00	639/00
42,00,000	..	..	..	..	..	..	..	..	..	..	50	248/50	241/25	257/50
5,57,00,000	4,30,49,524	3,87,16,743	2,96,13,157	4,18,26,728	80,69,128	12 91	Hindustan Lever	24	26	26—26*	10	43/50	45/75	57/00
99,99,250	3,754	2,06,09,796	1,44,31,515	8,97,490	30,418	12 299	Industrial Invt. Trust	6	6½	6½	100	72/00	72/00	74/50
11,99,900	13,82,957	7,54,142	14,05,223	98,232	16,942	8 87	Kemz (Chemists)	..	..	..	200	305/00	305/00	315/00
2,41,12,100	1,40,36,051	2,03,71,187	47,53,067	1,89,61,608	4,41,151	12 352	National Rayon Corpn.	22	22	..	100	395/00	395/00	539/50
11,27,98,680	25,25,08,055	11,58,24,547	11,19,99,983	48,75,907	2,82,649	6 196	Scindia Steam Navign.	6½	8	3—3*	20	10/24	10/24	13/16
20,86,650	61,89,784	6,93,280	3,30,490	..	-11,30,191	1 146	Shivrajpur Synd.	80	80	Nil	10	25/00	25/50	41/00
3,02,33,705	6,11,37,864	58,28,418	25,12,521	16,94,201	4,550	4 269	Tata Chemicals P.	7½	6	6½-6½*	10	12/72	12/52	19/76
70,07,475	1,82,93,580	61,03,586	40,41,890	38,79,709	10,154	3 269	Tata Oil P.	13	23	23—23*	25	54/70	57/50	79/80
2,58,00,000	99,43,718	80,22,811	57,88,500	1,39,55,406	3,78,956	8 360	Volta	13	13	14	100	243/50	242/00	295/50
2,75,00,000	2,76,96,622	2,02,75,541	1,56,63,919	1,11,87,649	5,11,264	12 274	Western India Match	18	18	18	100	255/00	255/50	308/00

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SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Acreage	Outturn and Average Price realised for crop 1960	Net Profits	Accounts closed	Names	Dividend per cent	Paid-up per share	Latest Market Quotations as available until				
Ra	Ra	Ra	Lbs	Ra	Ra			1959	1960	1961	Ra	Ra	Ra	A year ago Ra
6.75.000	18.06.067	1,50,000	1,992	7,996cwt	9.68	1,19,757	3 401	Amalgamated P.	7 1/2	10	10	10/36	10/36	11/06
2,50,000	12,57,795	5,72,253	878	1,12,000	1.48	70,011	12 402	Anandam P.	15	15	..	10	15/24	13/22
3,25,000	6,09,131	1,50,000	402	1,28,902	1.47cts	3,501	2 403	Atthimattam	Nil	Nil	..	2	0/80	0/78
10,99,990	13,96,078	4,83,841	1,630	225,168	4.34	4,11,290	3 287	Bainoor P.	15	15	12	10	12/91	14/00
2,60,000	3,73,938	2,35,000	319	76,57cwt	3.2	27,863	5 404	Balmadeds P.	7 1/2	7 1/2	..	2	1/90	1/87
17,32,230	19,36,710	3,36,253	971	4,59,531	1.65cts	63,110	6 270	Be Be P	..	Nil	..	5	2/15	2/15
94,00,000	1,15,73,030	26,08,425	1,320	7,16,244	4.84	12,42,823	6 141	Blue Mountain	12 1/2	12 1/2	10-10*	2	2/30	2/30
14,00,100	19,05,883	12,45,000	1,336	7,53,971	4.19	7,16,036	3 210	Chembra Peak	15	20-20*	2	3	3/59	3/58
26,91,279	47,43,806	19,53,790	8,050	11,59,898	..	15,14,112	2 210	Cochin Malabar P.	15	17 1/2	20-20*	3	6/45	6/35
22,50,000	39,31,709	30,53,661	2,710	19,48,320	..	8,71,249	6 405	Coffee Lands P	25	..	..	10	14/77	14/75
71,53,900	1,15,74,404	63,44,278	7,001	60,81,120	..	25,60,562	6 406	Consolidated Coffee P.	16	16	..	10	15/97	16/75
5,66,420	21,24,818	12,20,975	372	4,04,655	26.13	2,55,424	9 203	Coonoor P.	20	17 1/2	..	10	22/47	26/00
4,80,000	10,36,448	4,76,798	432	3,53,888	1.52	1,19,880	3 407	Coorg P.	20	20	..	2	3/98	3/98
6,00,000	11,82,508	2,17,781	1,028	1,57,785	1.47	46,942	3 12	Cottanad Plantation P.	15	10	..	10	9/31	9/31
6,00,000	8,89,831	4,80,155	345	3,25,310	2.66	1,25,313	12 212	Devashola (Nilgiri)	25	20	..	10	25/50	25/50
7,64,650	1,91,944	3,31,040	450	1,38,386	4.26	1,36,712	3 287	Devon P	15	15	12	10	12/66	12/66
7,50,000	1,38,852	1,26,500	197	1,12,936	2.66	28,121	12 408	Emerald Valley	8	..	..	5	5/34	5/34
4,50,000	3,64,482	20,000	278	82,830	..	40,424	12 409	Cokru	15	10	..	2	1/80	1/80
25,00,000	42,82,150	17,77,500	1,465	17,21,550	2.04	2,13,414	2 402	Haiteyburis P.	12 1/2	15	..	10	12/65	13/35
11,85,700	28,22,058	10,77,705	1,528	9,59,804	1.67	3,60,481	3 210	Kallasa Fea Produce	15	20	25	2	5/25	5/25
6,00,000	11,83,359	8,86,159	465	2,92,200	4.64	4,14,877	10 210	Kili Kotagiri P.	35	25	25	2	3/30	3/30
17,17,076	27,90,278	9,40,446	741	4,46,673	5.17	5,68,691	12 203	Lucky Valley	10	10	..	10	4/95	4/95
5,00,000	8,66,919	70,556	287	2,60,177	2.76	9,05,110	3 411	Malankara	16	15	..	10	10/25	10/25
13,50,000	17,31,286	4,85,241	1,691	6,70,174	1.48	2,08,136	3 411	Malankara	16	15	..	10	15/92	15/92
40,50,000	74,75,217	14,33,242	4,013	740,800	4.47	13,89,961	3 270	Midland Rub & Prod P.	10	12 1/2	12 1/2	10	10/45	10/45
14,06,250	33,53,804	7,45,346	1,587	9,98,596	2.90	1,60,000	3 402	Nilgiri P.	..	4	..	10	8/90	8/90
23,10,000	22,24,327	57,73,397	1,057	13,82,045	..	14,10,257	6 14	Nonnuch	10	20	20	10	21/90	21/90
6,50,000	7,07,991	5,71,464	410	1,35,230	..	1,41,776	3 210	Oucherlony	15	2	2	2	2/82	2/82
19,45,980	34,53,670	25,53,333	1,498	5,77,573	4.84	6,27,924	10 210	Parkside Nelligham	17 1/2	13	12	2	4/15	3/63
14,88,960	26,94,604	16,87,314	579	8,45,700	2.68	7,40,158	6 203	Peernade P.	22 1/2	22 1/2	22 1/2	10	23/75	23/12
17,00,000	27,69,829	11,57,787	1,563	10,05,181	4.29	9,20,417	12 2	Peninsular	20	20	..	10	22/37	22/30
6,00,000	7,90,316	3,35,830	1,167	3,63,268	1.50	1,65,244	6 210	Periakaramalai	12 1/2	13 1/2	20	2	3/96	3/93
57,94,880	75,93,172	30,24,711	3,724	23,32,142	..	28,86,598	3 270	Rajagiri Rub & Prod. P.	20	20	20	10	19/45	19/55
13,50,000	45,61,480	9,28,404	2,827	798,839	3.30	9,63,709	3 412	Raiendra P.	50	25	..	5	9/80	9/80
2,00,000	3,14,567	1,53,963	711	3,320cwt	1.32	1,18,791	3 413	Swinton	7 1/2	12 1/2	..	3	2/82	2/82
1,25,000	1,90,373	15,000	216	..	..	43,141	3 413	Swinton	..	..	..	..	..	..
10,00,000	20,71,084	2,48,373	1,454	4,30,695	1.51	63,263	3 172	Teekoy P.	6	Nil	..	10	5/03	5/03
9,15,300	13,14,493	10,80,000	2,227	2,45,549	3.76	1,27,943	9 210	Thirumbadi	7	7	12	1	1/55	1/70
6,00,000	6,51,402	48,742	1,307	2,23,794	3.21	90,950	12 414	Travancore Rubber	10	13	..	10	10/95	10/93
41,00,000	70,55,954	15,07,686	5,028	12,05,890	..	11,13,227	12 271	Travancore Rub & Tea P.	7 1/2	9	10	10	9/05	9/05
20,00,000	23,48,701	1,36,000	3,028	6,38,402	1.00	2,02,762	12 410	Tropical Plantations	8	8	..	25	19/75	19/75
15,75,000	24,78,111	16,00,000	1,267	9,83,293	2.16	1,00,000	12 410	Pwytors	10	10	..	10	9/10	9/25
21,93,280	30,03,223	17,04,089	3,638	8,28,976	5.11	12,85,658	3 250	United Nilgiri	19 1/2	21	22	10	20/55	20/87
8,80,010	9,26,839	2,82,051	952	4,94,400	1.50	2,20,096	12 415	Valkundam	25	30	..	10	30/85	30/50
47,25,000	54,71,548	32,96,030	2,344	11,30,431	1.78	12,73,061	6 157	Waterfall Estates P.	12 1/2	12 1/2	..	2	2/10	2/26
						88,225	3 412	Woodland P.	5	16	..	10	7/85	7/85

SOUTH INDIA SUGAR MILLS

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Names	Dividend per cent	Paid-up Per share	Latest Market Quotations as available until				
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Mo. Yr.		1959	1960	1961	Rs.	28-1-63	22-1-63	A year ago
30,00,000	62,64,264	26,55,000	5,52,400	10,92,779	22,959	9 417	Andhra P	20	..	..	10	18/20	18/20	22/90
40,00,000	80,62,883	12,61,424	1,58,472	13,46,266	1,40,387	6 218	Cauvery P	Nil	..	..	100	100/00	100/00	104/00
39,84,000	72,41,268	44,98,500	8,38,760	19,41,784	1,02,809	6 218	Deccan Sugar	25 1/2	25 1/2	12-18*	5	9/40	9/40	10/00
21,00,000	21,521,660	21,695,212	2,183,004	2,890,130	2,115,594	9 319	East India Distilleries	28 1/2	21 3/7	21 3/7	21	40/25	39/87	35/62
63,97,650	45,80,762	13,25,348	84,67,521	12,34,057	3,17,077	9 418	Indian Sugar P.	12 1/2	14	10	10	10/25	10/25	10/90
32,45,572	1,22,66,623	18,99,861	1,51,052	5,99,416	2,090	6 419	Jeyapore P.	10	..	..	10	14/80	16/12	16/00
10,52,200	2,87,27,773	1,23,75,000	31,53,982	20,76,426	91,745	6 420	K. C. P.	15	..	..	10	26/12	26/12	22/98
80,00,000	1,69,284	Nil	47,90,533	-8,756	-8,756	6 141	Kothari	..	Nil	Nil	10	7/05	7/05	8/00
21,79,280	60,75,675	1,13,81,202	44,42,349	20,07,166	63,789	6 264	Mysore	30	30	30	10	63/40	63/40	55/50
30,00,000	35,93,381	11,41,000	10,12,037	4,88,802	1,46,735	4 218	Travancore P.	10	10	..	10	6/85	6/85	8/25
25,00,000	45,00,640	61,40,000	58,68,569	30,54,529	11,19,844	3 320	United Breweries	60	60	60-25*	10	97/00	97/00	84/00

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SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mo. Yr.	Names	Dividend per cent	Paid-up per share	Latest Market Quotations as available until				
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				1959	1960	1961	Rs.	28-1-63	22-1-63	A year ago
1,00,00,000	66,99,116	39,83,750	10,36,603	19,80,945	1,52,818	3	421	Aluminium Industries	12½	18	..	10	23/15	23/15	23/40
71,02,270	91,13,952	4,21,545	6,36,276	8,56,859	22,879	12	16	Andhra Cement P.	10	..	..	10	9/75	9/75	9/40
1,02,87,658	1,59,93,383	25,63,610	1,84,694	30,01,343	20,076	12	422	Ashok Leyland	8	8	..	5	8/06	8/05	9/00
1,00,00,000	17,47,081	49,33,435	2,75,867	19,86,813	4,39,222	12	423	Birny	10	12½	..	100	329/40	329/40	310/00
7,50,000	5,45,587	66,538	41,650	93,226	-1,46,143	12	270	Brunton & Co.	Nil	..	..	10	5/30	5/30	5/70
24,99,000	40,82,511	3,52,644	62,051	3,35,186	4,810	12	424	Enfield P.	8	6	..	10	9/50	9/50	12/40
2,24,44,750	321,08,642	66,66,496	73,60,475	51,28,679	1,38,608	3	425	India Cement P.	9	11	9-12*	5	6/18	6/12	5/75
23,82,732	16,92,196	2,50,222	93,924	2,16,908	2,977	12	230	Indian Steel Rolling P.	7	..	..	10	10/90	11/37	11/45
80,00,000	1,40,17,097	30,38,801	23,06,408	19,71,130	11,275	3	263	Mettur Chemical Industrial P.	8½	12½	12½-13½*	10	12/10	13/15	15/00
24,81,220	12,69,939	10,47,778	17,48,674	8,48,641	8,514	3	233	Mysore Chem. & Fert.	5	10	10	10	10/10	10/10	10/60
8,00,000	5,20,889	4,52,189	2,18,413	2,33,791	85,187	3	151	Mysore Chemical Mfgs. P.	20	20	..	10	18/28	18/28	22/15
6,56,250	5,13,585	9,38,696	6,374	1,23,899	3,146	3	426	Mysore Lamp P.	16	20	..	10	34/66	34/66	32/73
25,00,000	55,50,342	37,12,500	2,43,664	14,29,395	36,663	3	226	Mysore Paper	12½	15	15	10	14/10	14/10	15/12
10,00,000	7,56,329	3,16,884	29,32,342	75,422	622	3	201	Mysore Tobacco	12½	10	..	10	7/80	7/80	9/40
10,00,000	6,54,848	8,02,000	2,60,194	4,84,835	1,51,607	3	218	Parrys Conf.	20	30	..	1	3/77	3/83	4/45
40,00,000	82,50,079	1,03,14,883	40,58,627	23,52,432	10,74,117	6	221	Spencer (Provisions)	18	18	18-18*	10	24/50	24/50	23/66
47,00,000	86,53,610	20,65,000	51,902	7,85,966	3,869	12	427	Standard Motors P.	9	9	..	10	16/13	16/13	16/00
11,56,300	8,95,547	14,04,007	16,66,624	4,19,707	41,732	9	428	T. Stanes P.	27½	32½	..	10	29/75	29/75	31/50
39,84,400	42,58,650	13,07,759	26,027	6,92,616	932	4	429	Textool	15	15	..	100	154/50	155/50	189/00
5,50,00,000	4,17,90,907	15,68,314	45,93,964	1,12,69,691	12,03,238	6	430	Tube Investments	10	10	10	100	247/00	262/00	282/00

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LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Accounts	Reserve & other Funds	Net Earnings	Carry Forward	Accounts closed	Mo. Yr.	NAMEs	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.	Rs.				1959	1960	1961	Rs.	29-1-63	22-1-63	A year ago Rs.
17,24,000	18,02,732	12,576	—2,52,424	..	8	165	Ahmedpur Katwa	2.25	1.90	1.90—1.75*	100	29/00	29/00	31/00
21,69,300	34,93,819	6,11,706	3,03,621	2,918	8	32	Arrah Sasaram	8	5	5—5*	100	30/50	30/50	30/50
34,00,000	35,33,840	21,816	—4,66,034	..	8	166	Bankura Damoodar	8	1.90	1.90—1.75*	100	29/50	29/50	30/50
17,80,000	20,25,854	10,772	—3,07,176	..	8	165	Burdwan Cutwa	2.19	1.90	1.90—1.75*	100	29/50	29/50	30/50
21,00,000	28,10,290	44,296	1,72,713	1,480	8	32	Chaparmukh-Silghat	8	2.90	2.90—2.80*	100	35/00	35/00	30/00
4,75,000	1,48,268	5,33,369	1,35,796	3,691	8	200	Cherra Chhatra Ropeway	Nil	9	12—12*	5	5/75	5/75	6/75
2,47,650	2,28,169	59,790	42,889	4,003	8	101	Darjeeling Ropeway	..	..	..	10	8/00	8/00	6/12
40,00,000	49,80,137	14,51,000	19,14,361	35,951	8	230	Dehri Robtas	17	17	20-15*	30	13/75	17/25	19/00
11,49,700	18,55,943	8,500	59,013	1,489	8	32	Futwah Islampur	1.65	1.90	1.90—1.90*	100	28/70	28/70	28/70
16,00,000	49,13,938	13,57,712	1,70,485	3,022	8	32	Howrah Azma (P)	4.50	6	5—4 1/2*	100	46/00	46/00	45/00
6,00,000	13,96,352	5,14,980	62,731	4,225	8	32	Howrah Sheekhala	4.50	6	5—4 1/2*	100	45/00	45/00	40/00
8,91,100	11,74,348	15,024	73,560	160	8	166	Katakha Lala Bazar	8	3.50	3.10—1.90*	100	41/00	41/00	41/00
15,00,000	60,91,311	18,08,821	1,11,807	6,893	8	32	Shahdara (Delhi)	3.50	6	8	100	80/75	80/75	68/00

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MANAGING AGENTS, MANAGING DIRECTORS, DIRECTORS OR SECRETARIES WITH THEIR RESPECTIVE ADDRESSES.

1. Anderson Wright Ltd.—7, Wellesley Place, Calcutta.	65. K. S. R. Iyer—Imperial Bank Buildings, Bank Street, Fort Bombay.	109. Holmes Wilson & Co. Ltd.—"Stephen House" Calcutta.	164. L. R. Anantaram Iyer & Bros. Ltd.—Pushpagiri, Trichur.
2. Andrew Yule & Co., Ltd.—8, Clive Row, Calcutta.	66. Chinoy F. M. & Co. Ltd.—Radio House, Apollo Bunder Bombay.	110. R. G. Khanna—Solani Brewery Simla.	165. McLeod & Co. Ltd.—3, Netaji Subhas Road Calcutta.
3. S. N. Beri—6, Middle Road, Hastings, Calcutta.	67. Cumberbatch & Co.—Colombo.	111. Hotel (Control) Private Ltd.—4 & 4/1, Wellesley Place, Calcutta.	166. Hindustan Investment Corporation Ltd.—15, India Exchange Place, Calcutta.
4. Hazareemull, Heeralal—147, Cotton Street, Calcutta.	68. Cawasjee Jhangli & Co. Ltd.—Ready Money Mansion, Churchgate Street, Fort, Bombay.	112. Glass, I. O. H.—Elitao House, 36, New Broad Street, London, E.C.2.	167. B. Barker—"Barlow House" 59C, Chowringhee Road, Calcutta.
5. Amritlal Ojha & Co., Ltd.—"Security House" Netaji Subhas Road, Calcutta.	69. N. K. Jalan—Kamini Chamber, 32 Nicol Road, Ballard Estate, Bombay.	113. B. P. Khaitan—14, Netaji Subhas Road, Calcutta.	168. Moona Lal & Sons—120/1, Civil Lines Jhansi.
6. Alcock, N. C.—Hultsdorf Millia, Colombo.	70. Chandrie & Co. Ltd.—Madras.	114. Harrison & Crossfield Ltd.—Calcutta.	169. K. P. Goenka—31, Netaji Subhas Road, Calcutta.
7. Associated Industrial Development Co. (Private) Ltd.—"Nico House", Hare Street, Calcutta-1.	61. Bagaria More Co. Ltd.—5, Clive Row, Calcutta.	115. T. V. Braddley—The Great Social Buildings, Sir Phirozeshah Mehta Road Fort Bombay.	170. Marshalls (Direction) Private Ltd.—33/1 Netaji Subhas Road Calcutta.
8. Agarwala, S. L.—Indian Insurance Building, Old Cantonment Road, Dehra Dun.	62. Dayaram & Sons—8, Old Court House Street, Calcutta.	116. K. G. Khanna—Solani Brewery (H.P.), Bari Sons—Avlur (Cochin State).	171. W. E. Malden—P.O. Lohat, Dist. Darbhanga.
9. Aspinwall & Co. (Travancore) Ltd.—Alleppey.	63. Duncan Brothers & Co. Ltd.—31, Netaji Subhas Road, Calcutta.	117. Hormusjee Sons & Co.—605, Girgaum Road, Dhobi Talao, Bombay-2.	172. East India Agencies Private Ltd.—Palai Kerala State.
10. Aryan Planter Agency—P-12, Chowringhee Square, Calcutta.	64. Dutt Thomas & Co.—2 and 3, Clive Row, Calcutta.	118. Industrial Financing Co.—63, College Street, Calcutta.	173. Moulton G. S. & Co. (India) Ltd.—11 and 12 Esplanade Mansions, Calcutta.
11. Allum Bharucha & Co.—214, Hornby Road, Bombay.	65. Dass Bros.—29 and 30, Strand Road, Calcutta.	119. Imperial Chemical Industries (India) Private Ltd.—34, Chowringhee, Calcutta.	174. N. M. Cole—8, Clive Row Calcutta.
12. Associated Planters Private Ltd.—25, General Patters Road, Madras.	66. A. K. Das—15, Netaji Subhas Road, Calcutta.	120. Indra Singh & Sons Private Ltd.—7, Wellesley Place, Calcutta.	175. Satva Narain Gupta—Subziman-II, Delhi.
13. Antony, M. K.—Alleppey.	67. Day, P. E.—Alderman's House, Bishopsgate, London, E.C.2.	121. Hari Brothers Private Ltd.—Scindia House, New Delhi-1.	176. Moton & Co.—Maung Pauley St., Rangoon.
14. Harrison and Crossfield Ltd.—Cochin.	68. Hari Brothers Private Ltd.—Scindia House, New Delhi-1.	122. R. Raja Rao—Honnawai Road, Shimoga.	177. H. B. Marshall—1, Humayan Place, Calcutta.
15. Agarwal & Co.—E. D. Sassoon Building, Douglas Road, Ballard Estate, Bombay.	69. Dadaabhoi, Sir M. B.—Kampte Road, Civil Lines, Nagpur.	123. Iyer, I. R. Anantharam & Bros Ltd.—Pushpagiri Trichur.	178. A. D. Shroff—New India Assurance Bldgs Mahatma Gandhi Road Fort, Bombay.
16. Andhra Eng. Co. Ltd.—22/422, Dana-vayipeta, Rajahmundry.	70. N. D. Bangur—14, Netaji Subhas Road, Calcutta.	124. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort Bombay.	179. M. J. Gasgishal & Sons—Rustam Bldgs 29 Churchgate Street Fort, Bombay.
17. Amte & Co.—Hubli.	71. B. C. Roy—Hindustan Buildings, 4, Chittaranjan Avenue, Calcutta.	125. J. P. Hannay—2, Metcalfe St. Calcutta.	180. M. J. Gasgishal & Sons—Rustam Bldgs 29 Churchgate Street Fort, Bombay.
18. B. M. Krishan—Sri Jayachamaraja wadiyar Road Bangalore-2.	72. Durfs, J. C. & Co., Ltd.—National Bank Buildings, Netaji Subhas Road, Calcutta.	126. C. C. Dey—25, Netaji Subhas Road, Calcutta.	181. M. J. Gasgishal & Sons—Rustam Bldgs 29 Churchgate Street Fort, Bombay.
19. Macneil and Barry Ltd.—2, Fairlie Place, Calcutta.	73. Ojha Brothers Ltd.—Security House, Netaji Subhas Road, Calcutta.	127. Desai, R. M.—14, Nicol Road, Ballard Estate, Fort, Bombay.	182. M. J. Gasgishal & Sons—Rustam Bldgs 29 Churchgate Street Fort, Bombay.
20. Ojha Brothers Ltd.—Security House, Netaji Subhas Road, Calcutta.	21. Bird & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.	128. Dodwell & Co., Ltd.—Glennie Street, Slave Island, Colombo.	183. Sir V. N. Chandavarkar—Standard Buildings Hornby Road Fort Bombay.
21. Bird & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.	22. Birla Bros Private Ltd.—8, India Exchange Place, Calcutta.	129. Darragh Smali & Co., Ltd.—Alleppey, Lane, Calcutta.	184. Mysore Industrial Development Co.—33, Gandhinagar Bangalore City.
22. Birla Bros Private Ltd.—8, India Exchange Place, Calcutta.	23. Babulal & Co., Ltd.—13, Syed Sailey Lane, Calcutta.	130. Dadaabhoi, B. A. & Co.—Ilaico House, Sir Phirozeshah Mehta Road Bombay.	185. Mascarenhas B. M.—Platform Road, Bangalore City.
23. Babulal & Co., Ltd.—13, Syed Sailey Lane, Calcutta.	24. Balmer Lawrie & Co., Ltd.—21, Netaji Subhas Road, Calcutta.	131. B. N. Elias & Co. Private Ltd.—1 and 2, Old Court House Corner Calcutta.	186. Naidu G. Kuppaswamy & Co.—Pappanaikepalayam Coimbatore.
24. Balmer Lawrie & Co., Ltd.—21, Netaji Subhas Road, Calcutta.	25. British India Corporation Ltd.—Sutherland House, Kanpur.	132. Eastern Corpn. Ltd.—4, Wellesley Place, Calcutta.	187. Jute Industries Ltd.—4, Lyons Range, Calcutta.
25. British India Corporation Ltd.—Sutherland House, Kanpur.	26. R. L. Thompson—Agharam Road, Bangalore-2.	133. Ebeling, A. F.—Rawalpindi.	188. Jute Industries Ltd.—4, Lyons Range, Calcutta.
26. R. L. Thompson—Agharam Road, Bangalore-2.	27. Bengal Textile Agency Ltd.—11, Clive Row, Calcutta.	134. Poddar, P. L.—135, Canning Street, Calcutta.	189. John V. C.—Kottayam, Travancore State.
27. Bengal Textile Agency Ltd.—11, Clive Row, Calcutta.	28. Swadeshi Enterprise Ltd.—41, Chowringhee Road, Calcutta.	135. Pratapsingh Mathuradas—9, Wallace Street, Fort Bombay.	190. Jones, H. Edwin—Oriental Building, Bombay Elec. House, Ammedabad.
28. Swadeshi Enterprise Ltd.—41, Chowringhee Road, Calcutta.	29. Beardell, W. A. & Co. Private Ltd.—Second Line Beach, Madras.	136. S. B. Industrial Development Co. Ltd.—12, Old Court House Street, Calcutta.	191. John, Kurian—Kottayam, Travancore State.
29. Beardell, W. A. & Co. Private Ltd.—Second Line Beach, Madras.	30. Bhagyalakshmi & Co.—Denali Road, Udamaipet Dt. Coimbatore.	137. Kettellwell Bullen & Co. Ltd.—21, Strand Road, Calcutta.	192. K. Mookerjee—18, Convent Road, Entally Calcutta.
30. Bhagyalakshmi & Co.—Denali Road, Udamaipet Dt. Coimbatore.	31. Rameshwar Lal Pantia—1 & 2, Old Court House Street, Calcutta.	138. Kibbun & Co. Private Ltd.—4, Fairlie Place, Calcutta.	193. B. D. Agarwalla—Stephen House, 4 Dalhousie Square, Calcutta.
31. Rameshwar Lal Pantia—1 & 2, Old Court House Street, Calcutta.	32. Martin Burn Ltd.—12, Mission Row, Calcutta.	139. Karamchand Thapper & Bros. Private Ltd.—Thapar House, 25, Brabourne Road Calcutta-1.	194. Kesarmal Manocha—529/1, Hall Bagh, Amritsar.
32. Martin Burn Ltd.—12, Mission Row, Calcutta.	33. K. M. Wilcox—Sutherland House, Kanpur.	140. Forbes, Forbes, Campbell Ltd.—Forbes Buildings, Home Street, Fort, Bombay.	195. G. V. Swaika—"Pollock House" 18/B, Brabourne Road, Calcutta.
33. K. M. Wilcox—Sutherland House, Kanpur.	34. Sir John Brown—9, Hare St. Calcutta.	141. S. V. S. Iyer—88C, Old Prabhadevi Road, Bombay-24.	196. R. R. Aiyer—71, Park Street, Calcutta.
34. Sir John Brown—9, Hare St. Calcutta.	35. Ramdutt Ramkissandas—9, Brabourne Road, Calcutta.	142. Gillanders Arbuthnot & Co. Ltd.—Clive Buildings, Netaji Subhas Road, Calcutta.	197. Srinivasan S. D.—7, Council House Street, Calcutta.
35. Ramdutt Ramkissandas—9, Brabourne Road, Calcutta.	36. Bajajia & Co.—27, Brabourne Road, Calcutta.	143. Gladstone Lyall & Co., Ltd.—4, Fairlie Place, Calcutta.	198. Naraandas Lachmandas Ltd.—Rajpurva, Kanpur.

MANAGING AGENTS, MANAGING DIRECTORS, DIRECTORS OR SECRETARIES WITH THEIR RESPECTIVE ADDRESSES.

217. L. C. Kanol—P-8, Mission Row Extension, Calcutta.
218. Parry & Co., Ltd.—Dare House, Parry's Corner, Madras.
219. India Sugar Agencies Ltd.—Mangalore, Madras.
220. Price, R. G. N.—National Bank Bldgs., Madras.
221. Z. R. Irani—1/153, Mount Road, Madras.
222. Chrestien Mica Industries Ltd.—1, Lyons Range, Calcutta.
223. R. N. Agarwala—4, Lyons Range, Calcutta.
224. Lohia Brothers Ltd.—138, Canning Street, Calcutta.
225. Roy, B. K.—1, 2 and 3, Old Court House Street, Calcutta.
226. M. D. Shivananjappa—Kampegowda Road, Bangalore 9.
227. W. Morrice—41, Chowringhee Road, Calcutta-16.
228. Ramnarain Sons Ltd.—Bank Street, Fort Bombay.
229. Rajputana Textile (Agencies) Ltd.—Delisle Road, Chenchpoka, Bombay.
230. Rajam, C.—Oriental Bldg. Armenian Street, Madras.
231. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist.
232. Ratnams Ltd.—Pugalar, Trichinopoly.
233. T. Shanmanna—1129, Vani Vilasa Road, Mysore.
234. Bangur Bros. Ltd.—14, Netaji Subhas Road, Calcutta.
235. Soorajmull Nagarmull—8, Dalhousie Square East, Calcutta.
236. Shaw Wallace & Co. Ltd.—4/5, Bankshall Street, Calcutta.
237. Srivastava, J. P. & Sons—Kanpur.
238. Bharat Ram Charat Ram Private Ltd.—Bala Hindu Rao, Delhi.
239. A. R. Kalairaja Chettiar—Colombatore, Kallai Malabar.
240. A. K. I. K. M. Narayanan Nambodripad—Kallai Malabar.
241. Singh, Ranjit—Lucknow.
242. N. L. Roy & Co.—9, Royal Exchange Place, Calcutta.
243. Shyamali Agarwal—9, Dalhousie Sq. East, Calcutta.
244. Sovaram Keshavdeo—15, Netaji Subhas Road, Calcutta.
245. Dr. B. N. Ghose—6, Ganesh Avenue, Calcutta-13.
246. Sundaren, S.—Indian Mercantile Chambers, Nicol Road, Bombay.
247. Singhania Padampat—Kamala Tower, Kanpur.
248. E. K. Srinivasan—16, Hare Street, Calcutta.
249. Steel Bros. & Co. Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
250. T. Stanes & Co.—Colombatore.
251. Southern India Plantations Agency Ltd.—Coonor.
252. Saha, Banuballav—18/11/B, Raja Raj Ballav Street, Calcutta.
253. R. B. Pradhan—Empire House, 214, Hornby Road, Bombay.
254. Sindia, M. Ramchandra Rao—3rd Road, Chamarajpet, Bangalore City.
255. Setaivad, J. C.—73, Oppo. Churchgate Station, Fort, Bombay.
256. Scindia Steam Navigation Co., Ltd.—Ballard Estate, Bombay.
257. Ramnath A. Podar—Podar Chambers, Pares Bazar St., Fort, Bombay.
258. Swedish Match Co.—Nicol Road, Ballard Estate, Bombay.
259. S. Ramaswamy Aiyer—Trivandrum.
260. Puranmal Subna Sons—Indu House, Dougal Road, Ballard Estate, Bombay.
261. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.
262. Ramnarayan Sons Ltd.—Bank Street, Fort, Bombay.
263. Seshasayee Bros Private Ltd.—Metur Dam, R.S.
264. V. Venugopal Naidu—Sir Jayachamaraja Wadiyar Road, Bangalore-2.
265. Shree Hanuman Invt. Co. Ltd.—173, Harrison Road, Calcutta.
266. Falukdar, S. S. Amiasadarpur, Nadia (West Bengal).
267. Tata Hydro-Elec. Agency. Ltd.—34, Bruce Street, Bombay.
268. Turner Morrison & Co. Ltd.—6, Lyons Range, Calcutta.
269. Tata Industries Private Ltd.—Bombay House, Bruce Street, Fort, Bombay.
270. Thomas, A. V. & Co. Ltd.—Alleppey.
271. Thomas, P. T.—Kottayam (Kerala State).
272. Thomas, M. K. & Co. Ltd.—Trivandrum.
273. Tayabjee, O. S.—100, Gunfoundry Rd., Hyderabad (Deccan).
274. A. Hydari and S. Gothberg—Indians Mercantile Chambers, Nicol Road, Ballard Estate, Bombay.
275. United Eastern Agencies—Bombay House, Bruce Street, Fort, Bombay.
276. United Agencies Ltd.—Punalur.
277. Villiers Private Ltd.—F-3, Clive Buildings, Calcutta.
278. S. M. Smith—4 Bankshall St., Calcutta.
279. Williamson Magor & Co., Ltd.—4, Mangoe Lane, Calcutta.
280. Whitman, M. J. M. C.—Mayo Road, Calcutta.
281. N. K. Jha—22, Chittaranjan Avenue, Calcutta.
282. C. Hockley—3, Netaji Subhas Road, Calcutta.
283. P. R. Jhunjhunwala—Sewrie, Bombay-15.
284. Walchand & Co. Ltd.—Ballard Estate, Fort, Bombay.
285. Wallace & Co.—9, Wallace Street, Bombay.
286. Wilkinson, A.—117/119, Esplanade Road, Bombay.
287. Young India Agencies Private Ltd.—175/1, Mount Road, Madras-2.
288. Dass Group Private Ltd.—29, Strand Road, Calcutta.
289. Y. S. Tayal—4, Clive Row, Calcutta-1.
290. K. S. Basu—63, Netaji Subhas Road, Calcutta.
291. Lionel Edwards (Private) Ltd.—21, Old Court House Street, Calcutta.
292. R. N. Jhunjhunwala & Co. Ltd.—9, Ezra Street, Calcutta.
293. J. F. Horwood—31, Chowringhee Road, Calcutta.
294. R. L. Rampuria—5, Fairlie Place, Calcutta.
295. Premnath & Sons, Ltd.—New Delhi.
296. S. N. Pantia—1 & 2, Old Court House Corner, Calcutta.
297. F. H. Mehta—Mehta House, Applo Street, Bombay.
298. L. S. Vaidyanathan—Oriental Buildings, Bombay.
299. Kishore M. Premchand—61, Apollo Street, Fort, Bombay.
300. Madanlal Kakarania—P-23/24, Radha Bazar Street, Calcutta-1.
301. Jennia Roy Galloway—1 & 3, Brabourne Road, Calcutta-1.
302. Mitra Mondal—Khatauli, Dt. Muzaffarnagar.
303. G. S. Shroff—2, Hardinge Avenue, New Delhi.
304. James Finlay & Co. Ltd.—2, Netaji Subhas Road, Calcutta.
305. Thackersey Mooljee & Co.—16, Apollo Street, Fort, Bombay.
306. Jatta Brothers Ltd.—21, Rupchand Roy Street, Calcutta.
307. Bhatia's Agency Ltd.—18, Netaji Subhas Road, Calcutta.
308. The Hyderabad Constructions Co. Ltd.—Kothagudum Collieries, Singareni P.O., Deccan.
309. T. Leslie Martin—12, Mission Row, Calcutta.
310. D. S. Barron—Chakala Andheri P.O., Bombay.
311. Pyne & Sons—23A, Netaji Subhas Road, Calcutta.
312. Ram Kumar Agarwala & Sons—4, Lyons Range, Calcutta.
313. Bullion Co. Ltd.—Canning Street, Calcutta.
314. Brooke Bond India Ltd.—2, Metcalfe Street, Calcutta.
315. Anderson Wright (Bangarh) Ltd.—7, Wellesley Place, Calcutta.
316. The Cotton Agents Private Ltd.—14, Radha Bazar Lane, Calcutta-1.
317. Btrd & Co. (Pakistan) Ltd.—Narayan-ganj.
318. Shree Krishna Investment Co. Ltd.—1-B, Halwasiya Road, Calcutta.
319. Parry's Holding Private Ltd.—Dare House, Parry's Corner, Madras.
320. F. W. J. Penn—32, Grant Road, Bangalore-1.
321. B. Ghosh—14, Old Court House Street, Calcutta.
322. Messrs. Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Road, Fort Bombay-1.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.
324. Indo Corporation Private Ltd.—5, Wyndhoe Street, Calcutta-19.
325. Brian Granger Pearson—Virginia House, 37, Chowringhee, Calcutta.
326. B. L. Pyne—14, India Exchange Place, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Waudby Road, Fort, Bombay-1.
328. John Taylor & Sons (India) Ltd.—Mysore Coogram, South India.
329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.
330. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.
331. N. L. Roy & Sons—Canning Street, Calcutta.
332. M. P. A. Paspatti—18, Hare Street, Calcutta.
333. Mungturam Jaipuria—Swadeshi House, Civil Lines, Kanpur.
334. H. Mackay Talack—2, Fairlie Place, Calcutta.
335. Sahu Jain Ltd.—11, Clive Row, Calcutta.
336. Tulsidas Kilachand—Scindia House, Dougal Road, Bombay.
337. Beriwalla & Co.—63, Netaji Subhas Road, Calcutta.
338. D. R. Sons Ltd.—Hornby Road, Fort, Bombay.
339. M. G. Investment Corp. Ltd.—Mafatal House, Backbay Reclamation, Bombay-1.
340. K. O. Cherian—Travancore.
341. N. L. Kanoria—India Exchange, Calcutta-1.
342. O. N. Chatterjee—2, Royal Exchange Place, Calcutta.
343. Indra Singh—135, Canning Street, Calcutta-1.
344. V. J. Pillani—Victoria Bunder, Colaba.
345. The National Tea Corporation—130, Cotton Street, Calcutta.
346. Seshasayee Brothers (Travancore) Ltd.—Eloor Factory, Alwaye.
347. Tania Brothers Private Ltd.—1 & 2, Old Court House Corner, Calcutta.
348. M. D. Jalan—62, Ballygunge Circular Road, Calcutta-19.
349. Seth, Sonalini Murarka—19, Circular Garden Reach, Calcutta-23.
350. K. Agarwal—Empire House, Dr. Dada-Bhoj Naoraji Road, Fort, Bombay.
351. L. & T. (Management) Private Ltd.—1, C. House, Dougal Road, Ballard Estate, Bombay.
352. Chinal And Co. Private Ltd.—Sadhana Rayon House, Dr. Dadabhai Naoraji Road, Bombay-1.
353. N. K. Jha—14, Netaji Subhas Road, Calcutta.
354. L. C. Kanol—P-8, Mission Row Extension, Calcutta.
355. T. R. Jalan—10, Strand Road, Calcutta.
356. R. Bajoria—10, Clive Row, Calcutta.
357. A. K. Jain—11, Clive Row, Calcutta.
358. I. P. Goenka—14, Old Court House Street, Calcutta-1.
359. G. D. Kothari—15, India Exchange Place, Calcutta.
360. S. R. Handoo—Volkart Building, 19, Graham Road, Bombay-1.
361. N. K. Bose—85, Netaji Subhas Road, Calcutta.
362. Daimia Agencies Private Ltd.—Raj-gangpur (Orissa).
363. G. L. Nahata—14, Old Court House Street, Calcutta.
364. P. C. Vink—7, Justice Chandra Madhab Road, Calcutta-20.
365. S. L. Dhanuka & P. L. Dhanuka—5, Mission Row, Calcutta.
366. A. K. Sen—48/1, Diamond Harbour Road, Calcutta-27.
367. Lakshmpat Singhania—7, Council House Street, Calcutta.
368. Kalyanji Mavji & Company—14, Netaji Subhas Road, Calcutta.
369. P. L. Batia—7, Canning Street, Calcutta.
370. Pannalal Saraogi—8, Lyons Range, Calcutta-1.
371. P. L. Sarogi—58, Sir Hariram Goenka Street, Calcutta-7.
372. H. K. Newar—9, Brabourne Road, Calcutta.
373. C. L. Maheswari—Shreenivas House, Waudby Road, Fort, Bombay.
374. Talukdar Law & Co. Private Ltd.—4, Chittaranjan Avenue, Calcutta-13.
375. K. N. Mookerjee—Leslie House, 19, Chowringhee Calcutta-13.
376. K. D. Ganguli—Mercantile Buildings, Lalbazar, Calcutta.
377. K. C. Das & B. Maltra—35, Pandita Road, Calcutta-20.
378. R. N. Goenka—18-A, Brabourne Road, Calcutta.
379. S. R. Damani—30, Clerk Road, Bombay-11.
380. British India Corporation Ltd.—Sutherland House, Kanpur.
381. S. P. Jain—Daimianagar Bihar.
382. B. P. Kedia—7, Wellesley Place, Calcutta-1.
383. W. B. G. Baird—9, Brabourne Road, Calcutta.
384. Punam Chand Batia—19, Circular Garden Reach Road, Calcutta-23.
385. G. P. Kanoria—5, Clive Row, Calcutta.
386. D. N. Jalan—McLeod House, 3, Netaji Subhas Road, Calcutta.
387. Shubendra Sankar Sarbadhyaksha—Jaipalguri.
388. A. V. Birla—9, Kaliprasanna Singher Road, Calcutta-2.
389. British India Corporation Ltd.—Kanpur.
390. T. Ratan—16/3, Chowringhee Road, Calcutta-13.
391. H. M. Cox—59-C, Chowringhee Road, Calcutta-20.
392. A. V. Niblett—32, Chowringhee Road, Calcutta-16.
393. Khatau M. Shethia—14, Netaji Subhas Road, Calcutta-1.
394. B. M. Birla—India Exchange, Calcutta-1.
395. W. F. Malden—Lohat, Darbhanga.
396. G. D. Wilson—21, Netaji Subhas Road, Calcutta.
397. N. M. Shuwalka—135, Canning Street, Calcutta.
398. Hoare Miller & Co. Ltd.—5, Fairlie Place, Calcutta.
399. S. Patnaik & Co. Private Ltd.—P.O. Chowdwar, Cuttack.
400. R. K. Kanoria—9, Brabourne Road, Calcutta-1.
401. K. V. Venkatasubramoney Iyer—Seetagundy Estate, Sitharkunda P.O., Palghat Dist., Kerala State.
402. A. V. George & Co. Ltd.—Ancheril Bank Buildings, Post Box 1, Kottayam, Kerala State.
403. Mathew Sebastian—Thodupuzha, Kerala State.
404. Planting Agencies Private Ltd.—Oriental Building, Armenian Street, Madras-1.
405. The Consolidated Coffee Estates (1949) Ltd.—Pollibetta, Coorg.
406. C. L. Machia—Pollibetta, S. Coorg.
407. Srinivas Agencies—Colombatore-2.
408. K. N. Krishna Iyer—22, Royapettah High Road, Madras-14.
409. Young India Agencies Pvt. Ltd.—Monorama Bldg., K. K. Road, Kottayam (Kerala State).
410. Parkins Private Ltd.—Kottayam.
411. Johnsons Estates & Agencies (Private) Ltd.—Malankara Bldg., Kodimathu, Kottayam, Kerala.
412. Associated Planters (Pvt.) Ltd.—22, General Patters Road, Madras-2.
413. J. R. Motilshaw—Mercantile Bank Building, 16, First Line Beach, Madras-1.
414. K. V. Mathew—Kottayam, Kerala State.
415. K. Ramachandran—Pattom Palace, P.O. Trivandrum-4.
416. N. Kunjkrishna Pillai—T. C. 6/750, Patton Palace, P.O. Trivandrum-4.
417. Rangoo Rao & Co.—Venkatarayapuram, Tannuku, West Godavari Dist., Andhra Pradesh.
418. The India Sugar Agencies Private Ltd.—139, Meadows Street, Fort, Bombay-1.
419. R. S. Industrial Corporation Private Ltd.—Bayagada, Koraput Dist., Orissa State.
420. V. Ramakrishna Sons (Private) Ltd.—38 Mount Road, Madras-6.
421. Seshasayee Brothers (Travancore) Pvt. Ltd.—1, Ceramic Factory Road, Kundara (Kerala).
422. Sir A. Ramaswamy Mudaliar—Ennore, Madras.
423. P. J. M. Leigh—7, Armenian Street, Madras-1.
424. K. R. Sundaram Iyer—Tiruvottiyur, Madras-19.
425. Easen Private Ltd.—175/1, Mount Road, Madras-2.
426. J. L. D'sa—Old Funkur Road, Mailerwarum, Bangalore-12.
427. The Standard Motor Co. (India) Pvt. Ltd.—28, Mount Road, Madras-2.
428. E. H. Stanes—6/33, Race Course Road, Colombatore-1.
429. Balasundaram & Co.—Satyamangalam Road, Ganapathy P.O., Colombatore-8.
430. A. M. M. Arunachalam—52/53, Jehangir Street, Madras-1.
431. J. M. Parsons—2, Fairlie Place, Calcutta-1.
432. Mahabir, S. J. B. Rana—1, Humayan Place, Calcutta.
433. G. N. Sam & Co.—Senthottam Sowripalyam P.O., Colombatore-4.
434. G. Kejriwal—Rajgangpur, Dist. Sundergarh, Orissa State.
435. D. C. Ghosh & Co. (Agents) Private Ltd.—11, Government Place East, Calcutta.
436. N. D. Bangur—14, Netaji Subhas Road, Calcutta.
437. R. N. Bhotika—4, Old Court House St., Calcutta.
438. Birla Gwalior Private Ltd.—Industry House, 159 Churchgate Reclamation, Bombay-1.
439. R. S. Bajpai—Kamala Tower, Kanpur.
440. R. L. Batia—9, Brabourne Road, Calcutta-1.
441. S. K. Agarwala—24, Netaji Subhas Road, Calcutta-1.
442. S. P. Bhoomick—17, 18 & 19, Old Court House Street, Calcutta.
443. Madan Mohan Lall Shri Ram Ltd.—D.C.M. Premises, Bala Hindu Rao, Delhi-5.
444. T. R. Jalan—2, Brabourne Road, Calcutta-1.



CAPITAL

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THE BRUSSELS FAILURE AND ITS EFFECTS ON INDIA

FROM India, it is hard to foresee what exactly the consequences will be now that the U.K.'s negotiations for entering the European Common Market have broken down. The first reaction in this country has been one of sorrow, anxiety and uncertainty. The sorrow is due to the fact that an old friend has met with failure in trying to achieve one of her major economic hopes. Warm tributes to the friendship have been paid by India's spokesmen formally acknowledging that Britain gave this country valuable support during the E.C.M. negotiations, and won important concessions which might otherwise have been difficult to get. The terms of the provisional agreements proposed for India, Pakistan and Ceylon were admittedly not the best from these countries' point of view. They were, however, better than one might have expected from an insular E.C.M.; and it is arguable that that is what the E.C.M. was until Britain's application for entry highlighted the wider problems of trade between the industrialised and the underdeveloped countries.

The anxiety and the uncertainty now centre on one main question: will or will not the E.C.M. become more insular in its thinking since Britain is to stay out? The pessimists say it will; the decision on the U.K. application means that it has shut out not only Britain but also the Commonwealth and most of the E.F.T.A. interests which were hanging on Britain's coat-tails. The optimists, however, maintain that this need not be the case; the main difference is that each country will now have to fight for itself instead of boxing with the aid of British seconds. It is even possible, they claim, that the E.C.M. could show itself to be more liberal than before in the less complex bilateral negotiations which will have to be undertaken by countries like India now, instead of the essentially multilateral ones that had been going on hitherto. In other words, horse-trading could become easier with only two parties in the field instead of several. If the European Six give particular concessions to, say, India, they will no longer be under the same pressure to give comparable concessions to, say, Hongkong or Canada or Australia. The new situation merely makes it necessary for this country to become more direct, independent and forceful in her approach to the E.C.M. Instead of pleading sheepishly from under the British umbrella, India will have to plunge boldly into the political and economic trafficking that will ultimately determine the terms she is going to get.

The first effort will necessarily be to persuade the E.C.M. to stick to the concessions it had promised in the event of Britain's entry. In a formal sense, the trade arrangements that had been agreed upon—concerning tea, for instance—may stand cancelled with the rejection of Britain's application. But India's task is to insist that the more liberal aspects of these arrangements should be retained nevertheless. For instance, if the European Six had promised a zero tariff on tea after Britain joined, there is no reason why they should not lower their tariffs to that level in any case, even without Britain. Unfortunately, the fact is that the E.C.M. has been unnecessarily

protectionist so far in its attitude to exports from the underdeveloped countries. It may not be easily persuaded by the argument that if it was prepared to whittle down its protectionism after Britain's entry, it should be prepared to do the same even now. The counter-argument will no doubt be heard again, as it has already been from E.C.M. spokesmen, that tariff and quota restrictions do not matter much; and ultimately it is aggressive salesmanship that counts if countries like India wish to sell more. This country will have to admit salesmanship is an important factor, and India's is deplorable; but that is no reason why the Common Market should be even faintly protectionist. After all, if the E.C.M. countries sincerely believe that India cannot sell, say, her cotton textiles because her salesmanship is poor, the best way to prove the point would be to remove their import restrictions and show that their textile imports from India still have not risen.

The basic fact is that they can well afford to do so if they are really sincere in their protestations about liberalism; and this fact stands whether Britain is in the Common Market or out of it. The currencies of all the E.C.M. countries are strong, and their foreign exchange reserves are large. They have increased their imports in recent years, and they can well afford to increase them even further. This is particularly necessary in their dealings with countries like India, with whom they have long enjoyed a large and steady trade surplus. The strength of the domestic political pressures they face from their farm, cotton textile and jute goods lobbies is acknowledged. But those pressures have to be fought if a bigger market is to be opened for the relatively few things the underdeveloped countries are able to offer. It may be true that the market for many of these commodities is shrinking in western Europe less because of quota and tariff restrictions, and more because of the powerful competition from synthetics. But that is no reason for reducing the market still further by adopting protectionist policies to suit the selfish interests of what, for Europe, are quite minor industries.

Apart from the uncertainty about future trading arrangements with the E.C.M., a major worry for India will be that the failure of Britain's negotiations might affect the prospects for foreign aid. So far, the largest proportion of the foreign aid this country has got has come from the United States and, to a lesser extent, from Britain. The persuasion these two countries have used has done much to stimulate the interest of the European Six in India's development plans. The failure at Brussels is recognised at root to be due to a conflict of political interests. That being the case, there is a serious danger that the Six may no longer be as amenable to Anglo-U.S. persuasion as they have been hitherto. General de Gaulle is already credited with the intention of concentrating his attention henceforth more firmly on Africa; and the point cannot be forgotten that in the early days of the Rome Treaty discussions, one important idea was that the development aid of the European Six should be diverted increasingly to the African "associates" represented by

the former French and Belgian colonies. The idea receded in importance in subsequent years, but it would not be surprising if it were revived forcefully now. In that event, it is conceivable that the relative harmony in the working of the Aid-India Club (on which the Common Market countries are strongly represented) would suffer. The danger is the greater since the United States has been insisting that any contribution she makes

AS SEEN FROM BRUSSELS

By Malcolm Subhan

ADJUSTMENT is not easy if in the brief space of 48 hours a pattern established over 16 months is deliberately broken. This is precisely what happened on 14th January, when General de Gaulle put into execution his plan to break up the negotiations between Britain and the European Economic Community. The opening of the negotiations had suggested the emergence of a new pattern in European relations. As they proceeded, the sentiment grew within the Community that the extension of the Common Market to the U.K. was as necessary as it was logical. Even many of those who opposed Britain's entry into the Common Market came reluctantly to accept it as inevitable, although they were more determined than ever that Britain would first have to accept the Treaty of Rome without reservations. As a result, it was soon evident that the collapse of the negotiations could be as damaging to the fortunes of the Community as of the British Government.

It is this emerging pattern of an expanding community which has been wiped out. The claim that the negotiations were on the point of succeeding is arguable; one has only to look at the problems which remained unsettled at the moment of rupture to realise this. Nevertheless, the E.E.C. now has to adjust itself not only to the breakdown of the negotiations, but also to the knowledge that the breakdown was deliberately engineered by one of its members in wilful disregard of the wishes of the others. It is still too early to say how the Community will react to the sudden crisis precipitated by General de Gaulle. The remark of Dr. Ludwig Erhard, the West German Minister for Economics, that the spirit of the Community was dead and only a mechanism remained, has been widely echoed since it was made as the ministerial conference broke up. While it accurately reflected the mood of France's five partners following the collapse of the negotiations, all five felt at the same time the need to salvage something from the wreckage. It is in this light that their attempts to come to an arrangement of some kind with the U.K. must be regarded.

All these are, however, the immediate, emotional reactions of men struggling against the course of events which they appear powerless to control. No effective policy can be built on bitterness and rancour, and this is being realised throughout the Community. Among those who are aware that a policy of reprisals would only do lasting damage to the Community are those who were the first to threaten to retaliate against France. It is nevertheless evident that a period of uncertainty has opened for the Community. During this period—on the length of which no one is willing to speculate—the Common Market machinery may be expected to run more or less as before. Thus, while the cuts in the tariffs between member-States will doubtless take place this July as scheduled, none of the Six is expected to show any initiative in the field of economic union. As a result, the establishment of a common commercial policy will certainly be delayed.

In the opinion of observers in Brussels, the E.E.C. will eventually survive the present crisis. Already a reaction to the more pessimistic remarks has begun to set in. Statements made in the heat of the moment are being modified and extreme positions abandoned. The earlier decision to continue the negotiations without France has now been definitely revoked, even by M. Spaak, who was the first to advocate such a course of action. This reaction is partly due to a reassertion of what is termed the Community spirit, and has come from those who want to save the Community above all else. But it has also—and perhaps even primarily—come from those Europeans who were afraid the negotiations would succeed in spite of everything and are now relieved to find that the

should be "matched" by the total contributions of all the other member-countries taken together—for which reason the last meeting of the Club in July 1962 was a partial failure. If France and her fellow-members of the Six now become even more reluctant to match U.S. generosity with their own—because of political differences in other fields—the usefulness of the Club could diminish significantly.

frontiers of the Common Market will not be extended to include the U.K. after all. The sudden burst of generosity towards Britain on the part of at least five of the six members of the Common Market suggests that if the negotiations were resumed tomorrow the five would raise few obstacles to Britain's entry. This would not really be the case. What the present display of solidarity with the U.K. has obscured is the strongly isolationist tendency of a considerable part of the Community.

It is important to remember that France was not alone in her insistence that Britain accept the Treaty of Rome as it stands, although none of the others was as outspoken perhaps in its demands that the U.K. denounce her overseas commitments and abandon her attempts to protect the vital interests of the Commonwealth countries. The attitude of the Six to the Commonwealth generally has been that it was up to Britain to look after her former empire as best she could. The concessions which were finally secured for India and Pakistan, for instance, were obtained only after long and sometimes bitter dispute. In every case, the Six proclaimed their resolution that no safeguards could be considered which were incompatible with the Treaty of Rome. This almost slavish attachment to the Treaty, however understandable it may be, ignored the fact that the Treaty was drafted by Six industrialised powers, none of them with any extensive commitments in the underdeveloped countries. The problems of the major developing countries such as India could nevertheless have been solved within the framework of the Treaty had the Six shown a willingness to extend to them the economic provisions of the association agreement with the African States. But the Six made it clear from the start that they were not prepared to extend the benefits of association on any substantial scale. The only immediate concession they could offer—apart from certain tariff reductions—was to grant the U.K. a six-year period in which to withdraw the right of duty-free entry from Commonwealth countries.

With the collapse of the negotiations for Britain's entry, the question of whether or not the E.E.C. is an inward- or outward-looking Community assumes fresh significance. It had been argued that Britain, with her worldwide trade relation-

ships, would force the Six to widen their horizons to include more of the outside world than the former French and Belgian colonies in Africa. But the French refusal to admit the U.K. into the Common Market unless she first renounced her overseas commitments, including her Commonwealth obligations, suggests that the France of General de Gaulle wants a closed, inward-looking Community. While it is perhaps unfair thus to single out the French, whose views after all are shared by others in the Common Market, the fact remains that it is the French President who has made for the E.C.M. for the time being the choice between a "closed" or "open" Community. Although M. Couve de Murville was careful to point out in his closing statement to the ministerial conference that France was aware of the problems of the Community's relations with the developing countries, it is to be feared that General de Gaulle's plea for a closed, self-contained political community have strengthened the currents of political as well as economic isolationism in the Common Market. This is true not only of France, where fears are being expressed that the giant American corporations are over-running the country, but also of her neighbours.

Economic problems by and large do not appear to interest General de Gaulle, and it is unlikely that he has any specific economic programme in mind. Politically, however, it looks as if what he wants is a small, compact community of six States with which a number of Mediterranean and African countries are closely associated. Inevitably, the economic aims of such a community are self-sufficiency, and may be realised to a considerable extent, thanks in large measure to the African associates. The economic power of such a community, allied to its military power, would assure it a dominant rôle in world politics, enabling it to deal on equal terms with both the United States and the Soviet Union.

The danger is that in the critical period which lies ahead for the Community, these views may provide a focal point for the Community's thinking about its relations with third countries. It is significant in this connection that the Trade Expansion Act, which was hailed by the E.E.C. Commission as "a major step towards a new era in international economic affairs" and a pledge by the United States of "a far-reaching liberalisation of free-world trade," is being strongly criticised in some circles as an attempt by the United States to sabotage the Common Market. It is claimed that President Kennedy plans to use the tariff-cutting powers with which he has been entrusted to destroy the frontier between the Common Market and third countries, which is the common external tariff. As the British negotiations made clear, for the Six the defence of the Treaty of Rome often means simply a refusal to touch the common external tariff, even though it was fixed without particular thought to the needs of the developing countries.

ADVANCE RATES ADVANCING

THE decision of the commercial banks to increase their minimum lending rate from 6 percent to 6.5 percent under the interbank agreement has created a poor impression. Although Bank rate has been raised from 4 percent to 4.5 percent, that is no excuse for the commercial banks raising their own minimum lending rate. The banks did some time ago decide that the minimum lending rate should be 2 percent above Bank rate, but under the interbank agreement they could have stuck to the previous minimum rate of 6 percent. While modifying and simplifying its three-tier system of lending to commercial banks along with the Bank rate increase, the Reserve Bank made it clear that its action did not imply any change in lending rates. The hint to the banking community was obvious: that it should not exploit the new situation for increasing its lending rates.

Nobody questions the right of the banks to increase their lending rates if circumstances justify such a move. But the commercial banks had already raised their lending rates just before the Bank rate increase, so it was thought that they had compensated themselves adequately for the increase in operating costs for the time being.

Those costs have not increased meanwhile. If banks have now again raised their lending rates, it is presumably because they think that they can easily pass on the burden of higher interest rates to borrowers. As credit is tight, borrowers have no option; they have to pay what the banks demand. But the question which now arises is whether the higher lending rates are justified without a corresponding increase in deposit interest rates. The evidence suggests that monetary activity outside the organised sector has increased in recent weeks. It is possible that this is because the banks have not succeeded in attracting all the deposits they could. Not all types of deposits are sensitive to deposit interest rates, but a substantial proportion are. If the banks are to attract the latter, deposit rates may have to be raised in line with the general pattern of interest rates in the market. Thus, if the banks were to increase their deposit rates, the justification for raising lending rates would be less difficult to appreciate.

The Reserve Bank has clearly decided to make credit dearer in order to curb inflationary pressures. But the point has been forgotten that in a poorly-monetised economy like India's, the effectiveness of bank interest rates in restraining

inflation is limited. A large proportion of the credit comes from outside the monetised sector; the so-called instruments of monetary control thus cannot function effectively. In fact, the steady rise in interest rates over the past year or so has done little to restrain credit requirements. The advances of scheduled banks have risen from Rs. 1,324.15 crores to Rs. 1,479.80 crores during the year, and they now constitute about 66.4 percent of the total deposits.

The danger is that with the increase in interest rates, the production costs of industry have risen. Many enterprises have not hesitated to pay more on their borrowings as they have found it easy to pass on the burden to consumers in the form of higher prices. The wholesale price index for manufactured goods, for instance, has increased from 125.9 to 128.3 (1952-53 equals 100) over the past year, even though the index for industrial raw materials has fallen from 137.7 to 132.8. If

HIGH HOPES FOR STEEL

INAUGURAL ceremonies as a rule offer little scope for frank speaking. This can hardly be said, however, of the speech made by Mr. M. A. Fienness, leader of the British Iron and Steel Institute delegation, at the opening session of the International Symposium on Iron and Steel Making in Jamshedpur on Monday. After pointing to the serious lack of skilled manpower, already overstretched in staffing the three new steel plants, he declared that India would be well-advised to expand existing units to their maximum potential before embarking on the construction of new ones. As he pointed out, there is no substitute for time in acquiring experience or expertise, thus discounting Mr. C. Subramaniam's latest idea of forming a cadre of "steel cadets" to accelerate manpower development. Obviously, the top positions in a steel plant cannot be filled by "crash" programmes of training, and it is at this level that the greatest difficulty is currently being experienced. It is possible to argue, for instance, that Rourkela's protracted teething troubles may not have taken so long to overcome if the right quality of leadership had been available there earlier. If New Delhi insists on making the infant public sector in steel run before it has learned to walk, disappointments are obviously in store. International competition in aid-giving may yet bring forth one or two offers of collaboration in steel, as Mr. Subramaniam seemed to hint in his Jamshedpur address, but their successful operation would seem hardly possible without continuing dependence on foreign technicians, as shown by the record of all the three new plants.

Mr. Fienness politely refrained from questioning the premises on which the planners have estimated the future demand for steel at 18 million tons in 1970-71 and 30 million tons in 1975-76. He raised, however, the pertinent question of how growth on this scale was to be financed, and how the foreign exchange was to be secured. Discounting the cool assumption that future progress of heavy engineering industries can be supported by the domestic supply of plant and equipment, he warned that their manufacture must require engineering know-how and experience "which are most hardly won". He wisely urged that India should exploit to the full all the help that the western nations are willing to offer because of the "inevitable need" for continued export of plant and equipment. It will be unfortunate if this friendly and forthright advice is dismissed as being motivated by Britain's self-interest. Although Britain is one of India's principal suppliers of capital goods, and has, like this country, a vital interest in maintaining her exports, she is equally adept in adjusting herself to changing circumstances. For evidence, one need only recall the many joint ventures in which British and other western nations are providing capital and technical assistance to aid the growth of heavy industry in India. Mr. Fienness's own company is understood to have offered assistance in fabricating small blast furnaces in India, apart from its involvement in the public sector project in Wardha for making pressure vessels and heavy structural. The imputations that will perhaps be made before long to discount the British delegation's advice can, therefore, be safely rejected.

Looking beyond the steel industry, Mr. Fienness made a very important point when he mentioned

interest rates are to be raised still further, prices too would rise. The increase in the wholesale price index has so far been small—from 123.4 to 125.7. But there is no cause for complacency. The Central Budget, which is due to be presented at the end of February, is expected to impose stiff indirect taxation in the form of heavier excise and import duties. If the burden of these taxes too is to be transferred to the consumer in a highly-sheltered domestic market, the rise in prices could be serious. To check inflation, therefore, it is necessary to avoid making credit dearer and to increase production. The growth of industrial production during the past year has been discouraging. Despite what the Government says, the small increase of 8 percent achieved during the first nine months of 1962 may not be maintained in view of the dislocation caused by the emergency and by the shortage of coal, transport, power, raw materials and "balancing" equipment.

the doubts that assail the overseas investor as he surveys the Indian scene. He acknowledged that India's record concerning the treatment of foreign capital is "good", and no one need doubt her wish to honour her debts always. But, the growing external payments deficit, aggravated since last year by the emergence of a net deficit on the invisible account, creates worries for the future and consequently a hesitation to add to commitments in India. Something like this appears to have happened in the well-known case of the Tata special steels plant, for the failure to find a collaborator overseas is otherwise hard to explain. Tatas are the biggest name in the Indian private sector and undoubtedly have the experience and managerial resources to set up a 50,000-ton unit alongside their existing two-million-ton plant. Yet they have failed to interest British, American and even Japanese firms to participate in a venture which will never suffer from any lack of demand for its products.

This failure, and others not so well publicised, point to the need for India to do some fresh thinking on her economic policies and reorient them towards achieving greater international viability. Every deal that turns sour affects the climate for investment; the bigger the size of the infructuous deal, the greater the damage. No doubt, New Delhi is aware of all this and has made haphazard attempts to assure foreign capital of a welcome. The results, however, are disappointing, for red tape is still allowed to prolong negotiations to the point where the collaborator loses interest. Even where a joint venture has been approved in principle, far too many matters of detail require individual sanction, leading to further exasperating delays. In particular, New Delhi has of late been resisting the import of foreign personnel although it must know that some measure of supervision by fellow-nationals is a precondition for investment.

While Mr. Fienness's plea for direct equity investment "on good old-fashioned capitalist terms with all its yardsticks and all its disciplines" is undoubtedly sound, one is entitled to wonder if there is likely to be much interest in the present circumstances. Moreover, the foreign investor can hardly be sure that circumstances, at least in relation to the area of his interest, will not change for the worse. When the oil companies moved to set up refineries in the early 'fifties, their enterprise was warmly welcomed. Developments in recent years appear to indicate that the welcome

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has worn thin since all types of arguments are advanced to prevent their expansion. All enterprises intend to leave the money where they put it, as is evident from the share of profits ploughed back each year by foreign business concerns in India. It is important to the whole concept of overseas investments that they should be permitted to grow and reap the legitimate benefits of an early start.

Returning to the future of the Indian steel industry, one cannot help entertaining considerable anxiety. New Delhi's thinking seems to be dominated increasingly by enthusiasts who, to quote Mr. Fienness, exhibit a tendency towards levitation. Obviously, India's hands are far too full to permit her to be over-ambitious, and there is no gain-saying the need to preserve a sense of balance and proportion in all technological adventures. Unfortunately, experienced steel men have no voice in the shaping of New Delhi's policies because they are regarded either as Cassandras, or more charitably, as out of touch with the times. The result is that the Government is left to its own counsels in deciding major technical issues, and seems inevitably to gravitate beyond the realms of practical possibility. For this situation, New Delhi itself is to blame because it has been urged, time and again, to set up a high-powered national body capable of supplying a sense of decisive action. It has created instead the weak, watered-down alternative of a Steel Advisory Council, which is too large and unwieldy to be effective in any way. Not surprisingly, therefore, the "levitators" flourish because the technical leadership which would make them keep their feet firmly on the ground is lacking.

THE REFORMERS AMONG INSURERS

CERTAIN senior members of the executive committee of the General Insurance Council, it is reported, are greatly worried that their pet schemes for "purifying" the general insurance trade of its allegedly illegal practices have not been a roaring success. On their initiative, the committee was made to agree to pre-payment and post-payment audit. Post-payment audit is now under trial. Pre-payment will follow on its failure. This was their main prescription for eradicating malpractices. They also persuaded the committee to incorporate in the directive, now known as Circular No. 33, the essence of the agreements on the non-division of business and on the 3 percent mutual assistance pool. These two measures were tried in Bombay among 17 companies on a voluntary basis, but knowledgeable circles confirm that they have been a costly failure. The senior members agreed to allow the inspecting squad to question and authorise payments before they were made—an extraordinary procedure; but they probably felt that, with official approval, they would at the same time manage to insulate themselves from competition.

The directive, which won the silent approval of the weaker executive committee members, was discussed with insurers. In the first round, most of the insurers wavered and hesitated, and some were positively annoyed. Conferences followed. With great suavity, the "reformers" on the executive committee tried to explain how harmless the directives were. In speeches interspersed with veiled threats, vague references were made to the possibility of getting the Central Finance Ministry to intervene if the insurers did not agree. The Controller of Insurance, it is said, did not like the moves as they did not fit in with his own pet scheme—for a reduction in premium rates. When the "reformers" declared that there would be no more reduction in rates if their directives were voluntarily accepted, they virtually vetoed the Controller's schemes to eradicate malpractices. Naturally, therefore, the Controller of Insurance dissociated himself from the moves, and declined to order an investigation under Section 33 of the Insurance Act into the affairs of those companies which refused to abide by the directives issued by the "reformers". The south Indian companies were prepared to suffer an investigation rather than accept the new terms. They gained added strength from the differences between the Controller and

the "reformers", and refused as a body to toe the line prescribed by the latter.

The executive committee members' worry now stems from the fact that they have not been able to get the general insurers' support. They cannot explain why one set of companies should be put at a competitive disadvantage. They have also not shown the justification for a rule which has no general application. They know that the answer is to withdraw the directives, but they are not prepared to admit that openly. The usefulness of the inspections which the "reformers" have suggested is extremely doubtful. A vague hint was given to company executives that this was one way of averting the nationalisation of general insurance which is often demanded by certain members of Parliament. If the trade, they said, could be purged of illegal practices, there would be no justification for the Government to take over general insurance.

Yet, it is believed that when the squad of inspecting officers was about to swoop down on insurance companies, the nationalisation of general insurance was being seriously considered at the instance of the Prime Minister himself. The emergency has put an end to talk of nationalisation for the time being, but, according to the Central Finance Minister, the move has been only delayed, not withdrawn. A decision, if and when it comes, will be independent of the report which the "reformers" may submit to the Central Finance Ministry. The inspecting squad has sought endless details in its round of inspection of the companies. In most cases, the enquiries are irrelevant, petty

and unwarranted. Barring minor lapses, the inspectors have not been able to gather material which can be used to discredit the trade. So the question now needs to be asked: if a report is submitted to the Government saying that there is nothing fundamentally wrong with the practices of the trade, will nationalisation be averted if other factors persuade the Government to take such a decision? Everybody knows that nationalisation is a larger issue. It is a matter of policy and does not depend on the methods of running the trade.

The second objective of the "reformers", it is said, is to plug loopholes, so that funds do not go out by way of extra inducements and if such practices persist, they would be detected. The question has not been answered whether artificial measures are necessary to support the "price" of insurance—measures like those prescribed by the terms of the Code of Conduct and Circular No. 33. Instead, the vague generalisation is offered that any move in Parliament to amend the Act will strengthen the hands of those who are keen on nationalisation. The statement seems intended only to raise a scare. Over the years, the executive committee has done little to promote the good of the trade; on the contrary, it has been accused of authoritarianism and of serving sectional interests. For once, it can do some good by saying that the waste of money on inspections should be stopped. The bill will have to be paid by the insurers themselves, and it will be particularly onerous at the present time. Loopholes cannot be plugged by stringent "police" measures: if insurers choose to buy business, little can be done to stop them from doing so.

tramps should not be allowed to enter the coastal and liner trades.

Expanding Output of Metals

In his presidential speech at the annual technical meeting of the Indian Institute of Metals in Jamshedpur on Monday, Dr. D. P. Antia visualised the likely growth of the metals and minerals industry in India over the next 20 years. Quoting from the forecasts worked out by the National Council of Applied Economic Research, he said that steel output might be raised to 50 million tons by 1981-82, or the equivalent of 38 million tons of finished steel. The production of aluminium, for which India has plentiful natural resources, might rise to 1.2 million tons, while the output of copper, lead and zinc might go up to 200,000 tons each. However, judging by the country's raw material resources, it seems that the industrial programme will have to rely mostly on steel and aluminium, since the ore reserves of the other metals are very poor.

The present production of copper is about 9,800 metric tons and it is entirely of the fire-refined variety, which is not suitable for electrical purposes. It is proposed to establish shortly a total capacity of 29,000 tons for electrolytic copper—about 20,000 tons by the public sector in Khetri, Rajasthan, and 8,500 tons (based on imported blister) by the Indian Copper Corporation. The Indian Bureau of Mines thinks that 300,000 tons of copper a year can be produced from low-grade ore, but considering the limited tonnages of proved reserves, the idea is highly doubtful. As for lead, current production is about 2,900 metric tons, while the installed capacity is 6,000 tons. The Metal Corporation of India, which is the only producer, plans to raise its capacity to 11,000 tons. Lead and zinc ores are found only in Rajasthan and they cannot sustain a smelter capacity of 200,000 tons. At present no zinc is produced in India, but plans are under way to set up an 18,000-ton smelter in Udaipur (Rajasthan) and a 20,000-ton smelter (based on imported concentrates) near Cochin. A capacity of 200,000 tons will be possible only if the industries are import-based, as in Japan. But this is a remote possibility.

Dr. Antia has rightly stressed the need to re-orientate the mineral policy so that it can support the expansion of basic metal industries. As large quantities of minerals will be required for

domestic consumption, exports of several items like chromite, magnesite and bauxite may have to be restricted as indigenous production rises. Perhaps the main minerals which can continue to meet both export demands and rising internal consumption are iron ore and manganese ore because the reserves are large. Dr. Antia feels that later the country may even have to import certain ores and concentrates besides high-grade coal.

States Face Difficult Task

The standing committee of the National Development Council has suggested a total outlay of Rs. 944 crores by the Centre and Rs. 750 crores by the States in 1963-64. If defence expenditure has to be raised sharply, both targets might prove extremely difficult to achieve. It is perhaps a little easier for the Centre to raise more money. But State Governments will find it very difficult to do the same, especially if the Centre's assistance to them is to be only Rs. 400 crores. The States have already strained hard to increase their revenues in the first two years of the third plan and claim that they are left with very little scope for raising more. They were originally expected to spend Rs. 750 crores during 1963-64 (against nearly Rs. 723 crores in 1962-63 and Rs. 611 crores in 1961-62). The Centre's contribution to the total was to be Rs. 450 crores. The State Governments were not confident of raising the revenue from their own sources for financing the plan outlay. For this and other reasons, the State Governments' plan outlay for 1963-64 was reduced to Rs. 675 crores, with the Centre's contribution at Rs. 400 crores, instead of the original Rs. 450 crores. But the proposed outlay was subsequently increased to Rs. 692 crores; and as it was felt that power and agriculture had not received adequate attention, the plan outlay was raised by a further Rs. 58 crores—Rs. 37.5 crores for power and Rs. 20.5 crores for agriculture—to its original level of Rs. 750 crores. The need for maintaining the plan outlay both at the Centre and in the States at as high a level as possible is understandable. But it creates confusion if the State Governments are not able to raise the necessary resources and some of the plan projects have to be given up or drastically curtailed in the course of the year.

The State Governments made additional tax proposals for raising Rs. 14 crores in 1961-62 and about Rs. 47 crores in 1962-63, which taken together might raise the yield to about Rs. 100 crores a year. The State Governments do not expect to raise more than Rs. 38 crores by way of additional revenue for 1963-64. But since the Centre's contribution has been reduced to Rs. 400 crores, the States will have to raise nearly three times this amount to finance the plan outlay, which appears almost impossible. The major source which has not been fully tapped so far is the rural sector, which pays less taxes as a proportion of the national income than the urban sector. But, for political reasons, the State Governments have not been able to tax the rural sector adequately. The enthusiasm generated during the Chinese invasion is now wearing off, and the rural people may not readily bear additional burdens.

Bank Credit Controls

The Reserve Bank's directive of 28th February, 1962, as amended on 10th May, 1962, regulated bank advances against foodgrains (other than wheat), but advances against warehouse receipts for paddy and rice were exempted. In a revised directive a few days ago, advances against paddy and rice against warehouse receipts issued by warehouses established by the Central and State warehousing corporations to parties other than co-operative marketing and processing societies have been made subject to a 25 percent margin. The Reserve Bank's credit control policy had encouraged the use of warehouses, but the change is likely to reduce the incentive. It is some consolation that the ceiling limits for 1963 will be fixed at the levels actually obtaining in each two-month period of 1962 beginning with the January-February period. In making the change in its selective credit control for paddy and rice, the

Reserve Bank has not been able to establish that greater advances against these two commodities in 1962 were actually responsible for raising their prices in the market. It has also not been able to show that the credit curb it has now imposed will actually help in bringing down the prices of paddy and rice.

In fact, the Reserve Bank seems to have acted on the unsound assumption that since scheduled bank advances against paddy and rice in 1962 were 25 percent or 30 percent higher than in the corresponding periods of 1961, they must have pushed up the prices of these commodities. If the prices of these two commodities in 1962 were somewhat higher than in 1961, it does not establish the fact that this was due to larger scheduled bank advances. In fact, the output of paddy and rice in 1961-62 was somewhat smaller than in 1960-61 and some rise in prices was only natural. In 1962-63, the output of paddy and rice has increased a little, and prices might have fallen even if the Reserve Bank's selective credit control policy was not changed. The credit control policy cannot be consistent if the Reserve Bank acts in haste. It is also unsatisfactory if, in the process, the use of warehouses is discouraged.

For oilseeds, a change in the directive has become necessary because of changes in the export control system. In the past, the increased credit limits allowed to exporters of H.P.S. groundnuts were linked with the export sale contracts registered by the export trade control organisation. But now the free licensing of groundnut exports has been introduced, so a change in the qualitative credit control policy of the Reserve Bank was inevitable. It is gratifying that the authorities have realised the need for increased credit and for the two-month period—January and February 1963—and additional credit limits have been fixed at 200 percent of the additional credit limits for the corresponding period of 1962. But it is not clear why this liberal credit limit has not been announced for the whole of 1963 and has been limited only to a period of two months in the first instance. The reasoning of the Reserve Bank authorities apparently is that they will watch the situation and will again announce liberal credit limits for the subsequent period of two months. But, for export promotion, exporters in India and importers abroad have to be certain of conditions for a considerable period in advance to be able to benefit fully from them. No harm would have been done if groundnut exporters were given the assurance of continued liberal credit facilities.

Poor Results from N. C. D. C.

The latest report of the National Coal Development Corporation Ltd. for the year ended March 1962, throws light on the performance of the public sector collieries. The net profit is only Rs. 11.89 lakhs, after providing Rs. 1.37 crores for depreciation, Rs. 65.29 lakhs for interest on Government loans, and Rs. 49.40 lakhs for losses on the Giridih colliery. A sum of Rs. 1.33 lakhs has been provided for the Korba partnership project. Under this partnership, the Government of Madhya Pradesh will participate financially in the Korba enterprise to the extent of one-third of the capital investment and share profits and losses proportionately. The net profit of Rs. 11.89 lakhs has been transferred to development rebate reserve. Since the total value of shares issued by the Corporation is Rs. 30.81 crores, the net return on capital investment works out to a mere 0.38 percent.

It is interesting to note that the public sector collieries too have suffered in common with the private coal companies due to the transport shortage. In many collieries the output has had to be restricted following large accumulations at pitheads. The glut had created several problems for the Corporation. Firstly, it had caused shortage of storage space. Secondly, it had given rise to the danger of fire from spontaneous combustion. Additional expenditure had to be incurred to prevent fire. Thirdly, the accumulation had led to disintegration of the coal and deterioration in its quality. A portion of the stock had to be written off causing financial losses. Fourthly, the loading of coal into railway wagons from stocks, which had to be situated at some distance from the loading point, involved not only rehandling

of coal but also a longer haul. The rehandling operations have cost the Corporation between Rs. 2.50 and Rs. 3 a ton. Besides, the restricted production has meant idle men and machinery as a result of which production costs have risen.

The N.C.D.C.'s production during 1961-62 was 6 million tons, which was less than 50 percent of the capacity of the mines. Out of the total production target of 30.5 million tons a year to be achieved by 1965-66, projects for a total output of 29.62 million tons are already in hand. Certain other projects are being considered to make up the balance of the third plan target.

The Corporation also proposes to set up a number of coal washeries during the third plan. A project report for the expansion of the Kargali washery to handle an additional 500,000 tons of raw coal a year has been approved by the directors. Work on a coal washery, to be set up at Kathara with an input capacity of 3 million tons a year, has been taken in hand. Another washing plant, to be built at Gidi (Karanpura), with an input capacity of 2.8 million metric tons a year, has been projected. These three projects are expected to go into production by April 1965. This apart, a washery with an input capacity of about 1 million tons a year is proposed to be set up at Sawang. The central workshop of the Corporation in Barkakana undertakes daily maintenance work such as repair and overhaul of engines and other machinery. It has also taken up the manufacture of spare parts, for dumpers, shovels, tractors, dozers, rotary drills, etcetera.

Industry and Technology

Technological development holds the key to industrial and economic progress. Due to the failure to keep abreast in the technical sphere, the Indian cotton textile industry has lost the position of advantage and superiority it once enjoyed. While techniques and technology have to be borrowed from abroad, it is imperative that facilities for research, design and planning are developed in the country itself. This point was ably brought out by Mr. G. L. Mehta in his annual address last week to the Institution of Marine Technologists, Bombay.

Speaking on "Industry and Technology", Mr. Mehta said that too much attention was being paid to setting up what might be called the "hardware" of development—factories, dams, power-stations and so on, but not enough care was taken to see that the country also made a simultaneous beginning with evolving its own techniques conditioned to its own environment and suitable to indigenous needs. He rightly warned that unless India undertook her own research and developed a technology based on it, she is bound to remain a few steps behind other countries. In a competitive world, this has various drawbacks: it would place the country at a disadvantage in the field of exports; it would involve constant borrowing of technology and occasionally failing in the endeavour. It would mean continuous dependence on other countries for maintaining industrial progress. Research, design and technology are in a variety of ways related to social conditions in a country. The technology evolved in the West in response to various pressures in its systems may not necessarily be appropriate for other countries.

As pointed out by Mr. Mehta, the national plans demand continuous technological development and an increasing supply of technicians. Educational institutions should meet the requirements of the modern technological age and adapt education to the development of abilities and skills essential for workers by brain and by hand. Mr. Mehta's view will be widely shared that while research is being carried on in India in many Government-sponsored laboratories and institutions and hundreds of highly qualified persons are employed on the job, there are few signs of application of such research to the country's numerous and urgent problems of agriculture, industry and transport. Surely, massive buildings and expensive apparatus, conferences, committees and delegations do not ensure research. It is imagination, inventiveness, determination and co-operative spirit of those who guide policies and those who work in such institutions that really count. Research consciousness is not yet widespread in industry and unless this becomes ingrained, genuine and widespread, it will

tend to retard the country's progress. Mr. Mehta has reminded industrialists and technologists that it is their task not only to build and work factories, but also to lay the foundations for future growth.

Cotton Prices Down

Many upcountry markets have reported the accumulation of stocks of cotton and a consequent marked decline in prices. The "crisis" provides a sharp contrast to the near-famine conditions obtaining in the cotton market only a few months ago. The record low carryover at the beginning of the season in September and uncertainty about the new 1962-63 crop had pushed cotton prices in October well above the revised ceiling prices. The rates have been drifting lower since the middle of October when it became clear that the new crop would be the best that the country has had so far, the trade estimates varying from 5.4 million bales to 5.7 million bales. Cotton futures which had touched a high of Rs. 754 a three quintals, were sold down to Rs. 663 in unofficial dealings on 17th January. A crop of 5.4 million or 5.6 million bales alone might not perhaps have produced such a big decline if the textile industry had not been faced with the accumulation of cloth stocks. Financial stringency has naturally forced mills to go slow with their purchases. The prevailing market psychology also has not been conducive to the building up of large stocks of cotton. All this has come about at a time when the crop movement is in full swing. Apart from a better harvest, market sentiment has been considerably affected by the uncertain political situation and various restrictions on the trade.

While it is true that cotton prices have suffered a heavy decline over the past few months, concern over this fall would be quite unwarranted. In spite of the recent steep decline, cotton futures are quoted only about Rs. 30 a three quintals below the previous season's ceiling which had been in existence for nearly a decade. The position in relation to ready cotton prices is not much different. Only CO-2 is quoted substantially lower; all other varieties are quoted around the previous season's ceiling prices. Far from being a matter of concern, the decline in cotton prices should be welcomed since this will help hold the price line in cloth. Even with a crop of 5.4 million or 5.5 million bales, the country will need to import sizeable quantities of cotton in order to maintain the carryover at a satisfactory level. But with cotton prices well below the revised ceilings, there is a strong case for going away with the supervisory scheme for the marketing of cotton which is widely resented by the trade.

It is good news to find the export quota of 200,000 bales of Bengal Deshi getting exhausted so very early in the season. This shows what good results can be a timely release of quotas yield. In view of the fairly satisfactory supply position of cotton, the Government will do well to release a further export quota for 50,000 bales or 75,000 bales of Bengal Deshi at the earliest, since the need for earning foreign exchange is pressing.

Policy for Industrial Explosives

The question of indigenous production of industrial explosives and other accessories was recently examined by the Central Ministry of Commerce and Industry in consultation with the Central Ministries of Works, Housing and Rehabilitation and Defence. The third plan targets have been raised in the light of the present demand and likely requirements in future. The Government is of the view that no single manufacturer should be entrusted with the production of blasting explosives, safety fuses or detonators to the extent of the country's total requirements. It feels that it would be more conducive to the maintenance of reasonable prices of explosives, if more than one party are entrusted with the manufacture of these items. The plan target for explosives has been raised from 25,000 tonnes to 45,000 tonnes, for safety fuses from 26 million coils to 45 million coils and for detonators from 120 million to 216 million numbers.

The licensed capacities are 24,750 tonnes for explosives, 23 million coils for safety fuses and 128 million numbers for detonators. The capacities

Current News and Comment

Foreign Share in Indian Shipping

The approval by the National Shipping Board—the most representative and authoritative body in the field—of the move to raise the limit for foreign participation in Indian shipping should clear the way for the Government to implement the resolution adopted by the Congress Parliamentary Party's executive committee early in January. The latter has recommended an increase in the ceiling on the permissible percentage of foreign participation in the share capital of Indian shipping companies from the present 25 percent to 40 percent. The Board's support is, however, by no means unqualified. Increased participation has been approved only in the spheres of tramp and tanker tonnage. It is opposed to any increase in the foreign share in the liner and coastal shipping. The Board's decision, which represents a *via media* policy on a controversial issue, marks a significant change in its earlier stand. In July last, it had rejected the suggestion for increased foreign participation in Indian shipping. Apparently, the National Shipping Board has felt it necessary to revise its attitude towards foreign participation because of the new situation created by the national emergency which calls for rapid development of the shipping industry as the second line of defence.

The Board's compromise formula is intended to protect existing shipping companies engaged in the liner and coastal trades, and at the same time, promote the development of tramp and tanker tonnage. Tramps and tankers handle about two-thirds of the country's cargo but the share of Indian shipping is still a miserable 2 percent or 3 percent. Six vessels in tramp and one tanker is perhaps about all that India has at present. While the Board has no objection to an increase in the upper limit of foreign participation, it wants the Government to ensure that the effective control of management is retained in Indian hands as stipulated by the Merchant Shipping Act. The Board has also recommended that increased foreign participation should be permitted only after a thorough scrutiny and only on a selective basis.

Equally welcome is the suggestion that foreign collaboration in the tramp trade should be only with experienced parties having wide contacts in the field, as that would secure for India the benefit of cross-country trade and return cargo, thereby helping to earn more foreign exchange. In order to ensure that the share of Indian companies is not reduced, the Board has suggested that

remaining to be licensed are 20,250 tonnes for explosives, 22 million coils for safety fuses and 88 million numbers for detonators. The production of industrial explosives which amounted to 7,853 tonnes in 1960 and 10,733 tonnes in 1961 is placed around 16,500 tonnes in 1962. Production of safety fuses rose from 3.30 million coils in 1960 to 9.4 million coils in 1961 and the figure for the January-October 1962 period is placed at 9.96 million coils. The manufacture of detonators has not yet started although capacity for 128 million numbers has already been licensed. Additional capacities which have recently been recommended to be licensed consist of 21,000 tonnes of industrial explosives, 115 million numbers of detonators and 29.3 million coils of safety fuses.

Foreign firms collaborating in the manufacture or proposals for the manufacture of industrial explosives are J. Meissner of West Germany, Atlas Chemical Industries Incorporated of the U.S.A., Spencer Chemical Company of the U.S.A., Inter-mountain Research and Engineering Company of the U.S.A. and Montecatini of Italy. The proposals for the manufacture of detonators visualise collaboration from the I.C.I. of the U.K., Komplex of Hungary, J. Meissner of West Germany, Atlas Chemical Industries of the U.S.A., F.R.B. of Belgium and Montecatini of Italy. The schemes for the manufacture of safety fuses are in collaboration with S.A.P.E.I.C. of Switzerland, Copal of Belgium, Montecatini of Italy and J. Meissner of West Germany.

Protection for Tenants

Since the housing shortage in India is acute, tenants are usually in a weak position. To protect them from harassment and exploitation, Rent Control and Eviction Acts have been passed in all the States, and they are framed on more or less the same lines. A writ petition moved in the Allahabad High Court by a tenant of Lucknow, which was referred by Mr. Justice D. S. Mathur to a full bench for opinion, shows that there are many loopholes in the existing legislation not only in U.P. but in other States too. The type of case from which the writ petition arose is not rare since, in trying to eject tenants, landlords often plead that they need the accommodation for their own use. The majority opinion of the full bench, consisting of the Chief Justice Mr. M. C. Desai, Mr. Justice V. G. Oak and Mr. Justice S. D. Singh, shows that the law as it stands at present does not specify how the district magistrate, the commissioner and the State Government are to decide whether permission should be granted to a landlord for filing a suit against the tenant for ejection. This makes the existing law unfair to the tenant whose position is already weak. It is, therefore, necessary to make suitable amendments in the Rent Control and Eviction Acts in the different States.

The facts of the case were that the landlord, Mr. Radhey Behari Bisariya, applied to the Rent Control and Eviction Officer for permission to start proceedings for ejection against Mr. Parmeshwar Dayal, a tenant of his house in Lucknow, on the ground that he needed the premises for his own use. The Rent Control and Eviction Officer granted the permission under section 3(1) of the U.P. Act. The petitioner then went to the additional commissioner of Lucknow for revision of the order under section 3(3) of the Act. But his plea—that the petitioner's need for the premises was not taken into account in granting the permission—was rejected. The petitioner then moved a writ application in the Allahabad High Court.

In answering the question referred to the full bench, the Chief Justice observed that nothing was laid down in sub-sections (1) and (3) of section 3 or section 7-F of the U.P. Rent Control and Eviction Act to show that the authorities in deciding applications for permission to start ejection proceedings should take the need of the tenants into consideration. The Chief Justice added that the landlord was under no obligation to meet the requests of needy persons. He was, therefore, within his legal rights to ignore the needs of his tenants. The latter had no claim on the landlord or the accommodation, so the question did not arise of comparing their needs in considering applications for permission to start ejection proceedings. On the other hand, Mr. Justice Oak

observed that in case the authorities granted permission to the landlord without considering the needs of the tenants, the decision would be arbitrary and, therefore, improper. Although such an order would not be illegal, it would be in "violation of the spirit of the Act". Mr. Justice S. D. Singh observed that although there is nothing in the Act to indicate that the needs of the tenant should be considered, they, along with the needs and requirements of the landlord, would normally be examined by the district magistrate, the commissioner or the State Government, but it would not be illegal if they did not do so. These learned opinions show that in the case of the U.P. Rent Control and Eviction Act, and in similar legislation in other States, the needs and rights of the tenants are sometimes inadequately safeguarded.

Chemicals Imports Cut

In his presidential speech at the annual general meeting of the Indian Chemical Merchants Association in Calcutta recently, Mr. D. P. Agarwalla pointed out that the licensing policy for the October 1962-March 1963 period is unfair to established importers. In the past few years, the share of established importers in the total import trade has been gradually declining, while imports by the Government have been increasing. Imports of chemicals have declined sharply, although the gap between indigenous production and estimated requirements has increased, at least for some of the essential chemicals. Chemicals imports amounted to Rs. 35.77 crores in 1961, against Rs. 41 crores in 1959, and in the first 10 months of 1962, they declined to Rs. 27.94 crores. Mr. Agarwalla felt that the intrusion of the State Trading Corporation into the fields of import, export and distribution of chemicals has hit the chemicals trade badly. The recent arrangements finalised by the S.T.C. for importing large quantities of important chemicals from communist countries against rupee payment, he felt, would affect the normal trade channels. Mr. Agarwalla suggested that importers' services should be used for distributing the chemicals imported by the S.T.C. He criticised the distribution policy of local manufacturers, who favoured their own agencies.

Tips for Executives

The steps an executive should take to maintain his health and to avoid stress, for his own sake and for the sake of those around him, were listed by Dr. R. A. Gordon Smith, chief medical officer of the Reed Paper Group, at a recent conference in London organised by the Chest and Heart Association. According to Dr. Smith, an executive should try to recognise the characteristics of his own reaction to stress. It is necessary so to order his life that there is a proper balance between life at work and away from work. Some interest and achievement outside his work would put him in a better position to withstand the effects of stress. One should make it a rule not to take work problems home in the evenings, apart from technical journals and reports that can be read at the fireside. It is better to get in earlier in the morning rather than stay late at night if the day seems too short to get through all the work. The executive should take proper holidays, during which he should not maintain contact with the office. He has to be reasonable about the demands he makes upon himself on overseas trips. Other recommendations are: work only a five-day week and have a real break at week-ends if a trip is prolonged; avoid over-indulgence, particularly in food and alcohol; remember the value of physical exercise in maintaining good health; and something should be done about it when an executive recognises that he is unable to adjust completely to some stress.

Blankets from New Fibre

Probably the most unexpected item at the I.C.I. Fibres Division exhibition of household textiles in England recently was a series of blankets in the new polypropylene staple. Three leading Yorkshire blanket manufacturers provided blankets wholly of polypropylene, of the conventional raised types. There was also a cellular blanket in the same staple. The new fibre is

known to be extremely strong and resistant to abrasion, and the blankets shown appear to be warm and soft. They appear in pastel shades based on spun-dyed colours. As it has just been announced that the new polypropylene staple, which as yet has no brand name ("Ulstron" is confined to monofilament and continuous filament yarns) is to be priced at 72d for standard qualities with 6d extra for spun-dyed qualities, and 85d for white tops, it would seem to be competitive with the acrylic fibres in the blanket trade. Another particularly interesting development is in brocade casements in filament "Terylene" warp with a cotton weft. Leading brocade manufacturers, including Warner and Sons, Morton Sundour and Sanderson Fabrics, are producing cloths of this type. The known excellent light-resistance of "Terylene" makes it seem particularly suitable for this trade.

No Slow-down of Power Schemes

In his address at the half-yearly meeting of the Hindustan Chamber of Commerce in Madras, recently Mr. O. V. Alagesan, Central Minister for Irrigation and Power, has stated that the emergency has not so far slowed down or curtailed power and irrigation projects. Apparently the Government will not hesitate to undertake even now any new scheme which may be carried over to the next plan. It is satisfactory that power projects are receiving more attention in the allotment of scarce resources. India has been in the grip of a power famine for some time now because of the greatly enhanced demand for electricity from industries. Defence needs have put additional pressure on power resources, since many industries have to work not only three shifts a day but also seven days a week. The third plan has specified a power target of 12,69 million kilowatts, but so far the total generating capacity has only touched 7 million kilowatts. The delay in executing some major schemes like Koyana, Sharavathi and the Neyveli thermal station has caused generating capacity to fall behind target. Work on these, as also on the proposed thermal units in relatively industrialised States like West Bengal, has to be speeded up.

THE TEA CESS BILL

THE tea industry like ancient Gaul may be said to be divided into three parts, the growers of the tea, the purchasers of the tea in Calcutta for sale in London, and the blenders and distributors. The tea growers who have agitated for a cess are one of those little bands of philanthropists, who desire that a tax should be put on other people. Virtually all the tea grown in India is sold by auction either in Calcutta or London. A very large proportion is sold in Calcutta and after it has passed the hammer, the subsequent proceedings interest the producers no more. Sir Montague Turner laid stress in introducing this novel form of taxation, on the fact that tea producers representing an area of 416,000 acres out of a total of 520,000 acres, desired that a tax may be imposed upon the persons who purchase their tea for the benefit of the tea industry generally. We think that before this tax is levied, the views of the buyers of tea should be taken, because presumably they are the people who will have to pay the tax. If it is intended that the cess shall fall on the producers of tea, it should be legal for the buyers at the auctions in Calcutta to deduct the cess from the amount of their payments, and it should only be levied by the Government on tea shipped direct by the gardens. We would commend to the Government the remarks of Mr. David Yule at the Bank of Calcutta on Monday. Lord Curzon is always anxious to know why capital does not come to India. He should surely know that capital is one of the most sensitive of things, and that when the machinery of the State is used to crush dissent and legislation of not only a novel but of a mischievous kind is introduced by empirical statesmen, such action is not calculated to induce capital to come freely forward. Capitalists desire to embark their capital in countries where legislation is conducted on reasonable and common sense principles, and when a responsible Government departs, therefore, capital also takes its departure.

FROM

CAPITAL
12th February, 1903

A Ditcher's Diary

ON MONDAY, MR. T. T. KRISHNAMACHARI GREATLY enhanced his already considerable reputation for frankness all around; rudeness, if you like. The Press, I find, took particular notice of his criticism of his own Ministry. Whenever anybody bemoans the absence of a strong Opposition in this country I reply that India does not need an Opposition; there is a built-in Opposition in the ruling Party itself; and I am not consciously facetious when I say that Mr. Nehru is not only the Prime Minister of India but also the Leader of the Opposition. What other Prime Minister in the whole world lashes out so often at his own Government? The latest example was on civil defence; but read his public speeches—and there are so many of them—and you will see that each contains some criticism of the Government he has presided over for sixteen unbroken years. Many of the deficiencies of the Government, surely as numerous as Mr. Nehru's speeches, we might not have known at all if the Prime Minister had not slated them publicly. Mr. Krishnamachari has apparently decided to follow the same political style; and because I believe that every democratic government should be under constant criticism I do not particularly care which quarters this criticism comes from. There, I am afraid, my satisfaction ends. Let me leave the Government and its Ministers alone for a moment. Would not readers of *Capital* find it more than somewhat odd if week after week I criticised the deficiencies of this newspaper—and there must be some—on this page? Readers will be entitled to demand what on earth I have been doing about these defects. The trouble about being in government and playing the opposition game is that similar embarrassing questions may be asked. But I can see why this dual luxury of eating one's cake and having it is so often indulged in this country. You see, you feel better after you've let some steam off. It might be argued that you wouldn't feel better really, for you are the target. You miss the point. A psychological process has taken place while you have been talking: by some alchemy, unconscious self-deception, you have managed to dissociate yourself from things you've been criticising. Maybe the world isn't a better place for that; but you do feel better.

I LIKE THE WAY WEST BENGAL'S CHIEF MINISTER and Revenue Minister have appealed to the people of the State to be prompt in payment of rents, loans and taxes, current and arrears, "and thus help the country in the national emergency". They should have, I submit, appealed first to Government officials, who have an excellent opportunity of setting an example for all of us. Anybody with some experience of dealing with Government

offices knows how heartbreaking it is to get any money out of the Government. Bills remain just "pending" for months and years; and "scrutiny" is apparently an interminable process—unless you've made it worth somebody's while to expedite payment. What the Government can say in its defence is that its incompetence extends not only to payment but also to receipt. To deposit money with the Treasury may be a full-time occupation, which may or may not prove that the Government isn't greedy. I have to appeal for money for the Capital Christmas Toy Fund every year; and Messrs Sen and Bhattacharya, the Ministers concerned, have my sympathy; I too have to request prompt payment, coining such sayings as that to give early is to give double. I think I am, quite by accident, on to a good idea. Paying taxes to our Government is charity, in the sense that you give your money and expect nothing in return. What, come to think of it, does the ordinary taxpayer get from the Government for the taxes he pays? For most people there is no free medical service or free education for children or any unemployment benefit or, indeed, free anything. Law and order? Well, with disturbing reports from Silchar, the Government had better not make exaggerated claims even on this account. Defence against foreign invasion? The subject had better be dropped. The only difference between the Capital Christmas Toy Fund and Mr. P. C. Sen's far larger establishment, meaning the Government, is that the Fund gives toys and the Government gives orders; to enforce these orders the Government has the requisite authority—physical force in the last analysis—and this the Government has purchased with the money it has extorted from the taxpayer. Do I exaggerate? Perhaps; but not much, for such are the essentials of what we call organised existence. Appeals are for politeness; the only reality is Lall Bazar.

IN THIS COUNTRY A FALLING BIRTH-RATE HAS always been one of the hoped-for results of a rising standard of living. Personally, I have often wondered why, unless one marks this theory down as just another of those fallacies put about by the London School of Economics in the 'thirties and forgotten everywhere else but in India. The United States long ago disproved it; so did the Soviet Union. Now it is even having to be abandoned in Britain, where former expectations of a population weighed down by its aged are changing in favour of one with a growing proportion of younger people. All thanks to early marriages and larger families encouraged by economic prosperity. If I were in Britain, I doubt if I should be welcoming the prospect of increased numbers. A

large population, and especially a growing one, has certain advantages, political as well as economic. But in an already overcrowded island it has disadvantages as well, especially, one might say, when every other person decides to take his motor-car on the roads on an August Bank Holiday. It is apt to highlight housing and unemployment problems too, something which is happening in Britain at the moment to the Government's acute embarrassment. But more than anything else, it is tending to make modern communities about as comfortable and convenient as seething ant-heaps. I can never understand why the prospects are not more dreaded in countries which, apart from their congestion, are able to offer their existing inhabitants a level of dignity and easy living undreamt of by the human race throughout its entire previous history. Perhaps it is because we are all naturally lazy when it comes to looking too closely into the future. Besides, there are other considerations which are inclined to colour our thinking in such matters, and not all of them are religious. Some—all the more regrettable in the nuclear age—are still distinctly political, as was shown by President de Gaulle's recent prophetic announcement that France could easily support double her present population. One had hoped such dreams of numerical aggrandisement were reserved to the Chinese, and that eventually they might learn better. With so many people in the world already, the larger proportion of them unable to get a daily stomachful of food, it would be a double tragedy to see the richer countries embarked on pointless competition to increase their numbers.

DURING THE QUEEN'S VISIT TO CALCUTTA THIS newspaper editorially suggested an English University for this city in whose life English has played a part unmatched by any other Indian city. Since it is in Calcutta that British commerce had and still has its centre, it was rightly suggested that British business might be associated with the project. These days one has only to mention the word "emergency"—and every good idea is promptly canned. And one can see that business men have commitments galore without bothering about a university. The next best thing that could happen has happened: an Institute of English. The British Council could hardly have made a better gift to this city; and since the Government of West Bengal is in some way associated with the institute some compromise was perhaps inevitable. I find that English teaching will be taught to teachers. Good, for the standards of both written and spoken English in India today are abominable; and English is learnt badly because it is taught badly. The handicap of our English teachers is that they learnt their English from teachers who had themselves been badly taught. What I do not like is that the courses are in "the teaching of English as a second language". If so, the teaching will assuredly be very, very second-rate. Either you learn a language well, or don't bother to learn it at all; a language learned only for asking for

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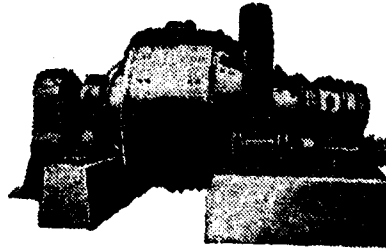
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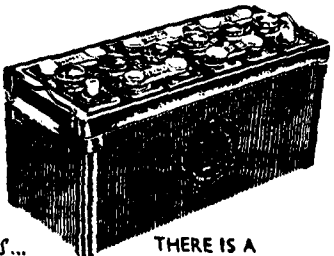
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CAPITAL, 7th February, 1963.

a pint of ale in an English pub is a waste of time. English was never forced on this country; it was a section of the Indian élite that demanded, and got, English. Now that the country is free, the question of force does not arise at all. It is a question of choice, unfettered and free choice. It is a measure of the difference between the Bengali élite of a hundred years ago and that today that, with so much to gain from retaining English at its highest quality, the choice today is for English as a second language. The Education Minister's remarks suggest that it might even be the third language, for he advocated Hindi as a link with the rest of the country. A more basic question: can you teach teachers at all after a certain age? A better investment may yet be for the British Council to lend teachers for direct contact with students before they have acquired their bad habits of speech and writing.

THE PLEASURE OF SEEING A PROFESSIONAL GROUP on the Calcutta stage is inevitably heightened by the fact that the phenomenon is rare. But that is perhaps the least of the reasons for assuming that the Bristol Old Vic Company's visit to this city is going to be a memorable one; more memorable, to my mind, will be the fact that the dramatic performances have been of an exceptionally high standard, as was indeed to be expected of a group so well known for the richness and versatility of its talent. *Arms and the Man*, presented on the opening night last Saturday, is, in my opinion, the greatest success of the present tour. Oliver Neville's direction makes the performance smooth and racy; the sparkling wit of Shavian dialogue is fully exploited; and the play has a freshness and contemporaneity that remains undiminished after seventy years. John Ringham, as the Swiss infantryman Bluntschli, and Sarah Badel, as Raina, are particularly good; so is Hugh Manning as a bluff and hearty Major Petkoff. The presentation of *Hamlet*—judging, let us remember, by strictly professional standards—is less impressive, although I am prepared to concede that the New Empire stage is often apt to impose irritating limitations for Shakespearean drama. Barry Warren, in the leading rôle, gives a powerful performance, but one which might be better if it were occasionally a little more restrained in adding irony to the soliloquies. The supporting cast is competent, even if Sarah Badel, after her Shavian success, fails to exploit the emotional richness of the rôle of Ophelia adequately. The play within the play is expertly enacted, and so is the scene culminating in *Hamlet's* death. Robert Bolt's *A Man for All Seasons*, although relatively little known in this part of the world, is brilliant, and I can recommend it strongly even to those without a taste for Tudor history. With Oliver Neville in the leading rôle, it becomes a moving portrayal of the martyrdom of Sir Thomas More following Henry VIII's decision to divorce Catherine of Aragon in order to remarry. Shakespeare, Shaw, Bolt—rarely do we enjoy such rich and varied dramatic fare in a single fortnight; for that, gratitude is due, once again, to the British Council for sponsoring the tour.

THE ENGLISH REPUTATION FOR *sang-froid*, JUSTIFIED or not, still survives on the Continent. A friend recently returned from Europe tells the story of an Englishman who was leaning serenely on the parapet of the Westminster Embankment, watching the seagulls, when he became aware of a woman a few paces further along, sobbing her heart out. Eventually, unable to contain her emotions any longer, she approached him and confided her troubles. It appeared that her fiancé and she met on the Embankment every Thursday for a chat and that, on this occasion, he had failed to turn up. The girl was convinced that he had deserted her for another woman.

Suddenly she broke off and, quite overwrought, jumped up on to the parapet and flung herself into the swirling, murky waters.

The man watched her, intrigued—then murmured to himself:

"Odd. Very odd. After all, today's Wednesday."

THE DITCHER

CAPITAL, 7th February, 1963.

Guide for Investors

INVESTMENT OUTLOOK IN MADRAS DISCOURAGING

(BY A CORRESPONDENT IN MADRAS)

THE posture which the equity market has lately assumed is intriguing. Although it is difficult to draw conclusions from the present behaviour of the stock market, observers are unhappy over its performance. The price drift has been continuing, and even the lifting of the minimum price regulation in Madras has only enabled prices to sag further, without either increasing the turnover or bringing about a feeling of steadiness at the lower levels. So the behaviour of the market has been rather disconcerting. How far this state of affairs is due to psychological and technical factors, and to what extent tangible fiscal prospects are influencing current sentiment, are relevant points for study by the investors.

The pre-Budget feeling in the capital market is interesting for more than one reason. First, the Budget for 1963-64 is considered specially significant by marketmen, because it would be designed to serve two equally pressing national objectives, namely, maintaining the tempo of economic development under the third plan, and building a strong defence for the country. Foreign military and economic aid has been playing a vital part in the economy at present, and it will continue to play an increasingly important rôle both in defence and economic development. Any assessment of fiscal and economic prospects must, therefore, take these factors fully into account, although there will be an increased strain on domestic resources also.

The capital market has been geared to meet the demands of development during the past few years as is evident from the fact that a substantial broadening of the equity base of the country's industries has taken place. This reflects the resiliency of the capital markets. The third plan by itself may not hold any terror in the fiscal sphere during the next year of the plan. But combined with the need for increasing the defence expenditure considerably, the prospective outlay makes the stock market feel unsettled.

Has the national emergency prepared the capital market to stand the strain of further additions to the tax bill which may be proposed in the coming Budgets, Central and States? Will the authorities be fully alive to the urgency for keeping up the tempo of industrial production and private initiative which are more essential than before? As the authorities have made it clear more than once that economic development cannot be sacrificed because of defence needs (in fact, a stronger economic base is considered necessary for building up an effective defence), there is little reason to doubt that the Government will so devise tax measures as to insure incentives for production, initiative and export.

The Budget for 1963-64, will in all likelihood, be designed to curb domestic consumption, while striving to maintain all that is necessary to increase production and exports. As industries engaged in producing consumption goods, particularly for the civilian population, may not get any priority, the investor should be fully aware of the lines of approach in a predominantly Defence Budget. Thus, the Budget for 1963-64 cannot

be a bullish one for the market for a variety of reasons. The main emphasis will be on curbing consumption, so one can expect an increase in both direct and indirect taxation.

Market circles in Madras seem to entertain fears of a further rise in corporate taxation and also a sort of a dividend tax. At the personal level, a stiffer dose is expected in the higher brackets. A more positive distinction may be made between earned and unearned income in the case of individuals and between distributed and retained profits in the case of companies. In the indirect sphere, expectations are that the tax net will be cast wider and deeper too. The impact of further doses of commodity taxation should have to be studied carefully, as any misdirection here will affect industrial production, by raising costs and providing buyers' resistance. Unless industrial efficiency is substantially increased, one cannot expect that restraining domestic consumption will perform the magic of automatically and correspondingly producing larger exports of a profitable nature.

In view of developments in the monetary sphere, the stock market is expecting a further upward revision of the yield on equities. The dearer money policy has begun to affect investor psychology. The load of the market in the form of acquisitions made at higher levels, and financed partly by investors and operators and partly by bank finance and accommodation from other sources, is still not liquidated fully. This could influence share prices before or after the Budget. The performance of the Madras market suggests that the process of liquidation by weaker holders may gather force. Hence the outlook is precariously balanced between technical factors, monetary forces and fiscal prospects; the possibility of a further fall in share prices cannot be ruled out.

Titagur Paper Rights Fully Subscribed

THE Titagur Paper Mills Co. Ltd reports that its recent offer of 1,120,480 rights shares of Rs. 10 each, at a premium of Rs. 5 a share, of which Rs. 7.50 was payable on application by 31st January, 1963, has been fully subscribed. Allotment and the issue of allotment letters, it is expected, will be completed in the course of the next few weeks. The balance of the subscription money of Rs. 7.50 a share is payable before 5th April.

Nellimarla, Chitavalsah Jutes Fare Well

THE Nellimarla Jute Mills Co. Ltd and the Chitavalsah Jute Mills Co. Ltd, both under the managing agency of McLeod and Co. Ltd, have produced satisfactory results for the year ended July 1962. The directors of the two mills take an optimistic view of the current outlook. The supply of raw jute has been abundant and trading conditions continue to be favourable.

The profit of Nellimarla Jute has risen from Rs. 5.54 lakhs for 1960-61

to Rs. 14.02 lakhs for 1961-62, after providing Rs. 4.20 lakhs (against Rs. 5.33 lakhs) for depreciation. The taxable ordinary dividend has been increased from 6 percent to 15 percent, which is covered more than thrice and offers a yield of 13.3 percent at the present price of Rs. 11.25 a share of Rs. 10 each. Taxation absorbs Rs. 7.10 lakhs (against Rs. 2.50 lakhs), development rebate reserve Rs. 7.800 (against Rs. 77.100) and general reserve Rs. 2.50 lakhs. The carry-forward is Rs. 61.184, against Rs. 59.869. Sales rose from Rs. 1.89 crores to Rs. 1.96 crores and gunny stocks declined from Rs. 31.40 lakhs to Rs. 12.81 lakhs.

Chitavalsah Jute has returned to the dividend list after an interval of a year and a taxable ordinary dividend of 5 percent has been declared for 1961-62. It absorbs Rs. 1.51 lakhs and the yield works out to 4.7 percent at the present price of Rs. 10.69 a share of Rs. 10 each. The profit amounts to Rs. 12.49 lakhs, after providing Rs. 6.77 lakhs (against Rs. 7.74 lakhs) for depreciation. There was a loss of Rs. 8.26 lakhs in 1960-61. Taxation is allocated Rs. 1.40 lakhs and development rebate reserve Rs. 1.12 lakhs. The carry-forward is Rs. 61.455, against a debit balance of Rs. 7.86 lakhs brought in.

The directors of both mills point out that the modernisation of the spinning and preparing sections has been continuing. This has helped to improve the operational efficiency of the mills. Since the mills are situated near Visakhapatnam, the high cost of obtaining suitable raw jute has made it uneconomic to operate their broad looms. So it has been decided to transfer the broad looms to the Kelvin Jute Co. Ltd, Calcutta, on a lease basis.

Good Outlook for Voltas

THE preliminary report on the working of Voltas Ltd for the year ended August 1962, showed that in spite of an increase of about 5.5 percent in receipts of sales and services from Rs. 25.73 crores to Rs. 27.16 crores, the net profit had declined by nearly 9 percent from Rs. 73.05 lakhs to Rs. 66.48 lakhs. The directors' full report which has now been released shows that the gross profit is about the same at Rs. 1.47 crores, as in the previous year. The setback in the net profit is due to larger provisions for taxation and depreciation, from Rs. 66.50 lakhs and 6.96 lakhs to Rs. 71 lakhs and Rs. 9.07 lakhs, respectively. The maintenance of the gross profit in face of larger sales, reflects the increase in the Company's total expenses and is not something about which the shareholders could feel happy. But, the chairman, Mr. J. D. Choksi's statement, which has been circulated with the directors' report, strikes a note of cautious optimism.

The chairman says that 1961-62 was the best trading year for the Company since its inception. Fully licensed orders in hand and the margins expected on them were considerably higher as of August 1962 than in previous years. The Company experienced longer delivery periods, particularly from the Common Market countries and from Switzerland, and the completion of formalities in connection with the business financed

under Government-to-Government loans took more time than originally expected. But for these two reasons, says the chairman, the Company's profits in 1961-62 would have surpassed the results for the previous year. In spite of the continuously changing policies of the Government, the Company has succeeded in retaining its share of essential imports under the various licensing and credit arrangements.

Mr. Choksi has expressed the confidence that in spite of increasing difficulties, Voltas will maintain its position in future because of the excellent relationships which have been established with its foreign associates as well as customers supplemented by the Company's flexible and efficient countrywide services. The Company has acquired, over the years, the distributorship of many well-known Indian manufacturers, and today India-made products form over 43 percent of its total turnover, compared with only 7 percent in 1954-55. This share is expected to increase further substantially in coming years.

Satisfactory progress has been maintained in the production of air-conditioners and water coolers, equipment for the mining industry and in electric motor starters. The Company has finalised certain new projects with collaborators abroad and manufacturing licences concerning them have been granted by the Government. Negotiations are also under way with foreign manufacturers of repute to secure technical assistance for the manufacture and distribution of electrical equipment in replacement of the Brown Boveri representation which was terminated in 1961. The directors state that due to legal difficulties, the Company has not been able to secure physical possession of the land which the Maharashtra Government had acquired for the Company in Thana, except for a plot of 33 acres. Proposals are being considered by the management for the commencement of manufacturing operations on this plot. The Company has a paid-up capital of Rs. 2.55 crores—all in equity shares—and it is supported by free reserves amounting to Rs. 1.11 crores. The Rs. 100-paid share of Voltas is currently quoted around Rs. 239 cum-dividend, offering a gross return of a little over 6 percent.

E. I. D.-Parry Makes Progress

IN his statement to shareholders of E.I.D.-Parry Ltd, Mr. H. V. R. Iengar, chairman, refers to the decline in profit, problems of the sugar industry and the teething troubles encountered by the fertiliser project. (A fuller version appears on a later page in this week's issue of Capital.) The output and sales pattern visualised by the chairman is distinctly encouraging, mainly because of the substantial rise in the Company's own manufactures and the maintenance of sales at a satisfactory level. The group's net profit, before taxation, which amounted to £774,536 in 1960, declined to £690,130 in 1961. It has been further reduced to £648,473 in 1962. Mr. Iengar says that the profit has declined due to the rise in expenses. The directors anticipated the fall in profit due to a rise in expenses, so they created a dividend equalisation reserve out of the profits of 1958-59, to enable them to maintain the dividend at a satisfactory level. It is encouraging to note that dividends have been maintained without utilising any portion of dividend equalisation reserve, although the rate of corporate taxation was increased last year from 45 percent to 50 percent.

Discussing future profits, Mr. Iengar strikes a note of caution. In

the normal course, the Company's financial position was expected to improve substantially with the commissioning of the Ennore factory and the completion of the pottery expansion scheme. The chairman takes a cautious view of the future in view of the national emergency which will necessitate a sharp rise in defence expenditure and, consequently, in taxation. But the Government should not be obsessed with the immediate considerations of raising additional revenue, ignoring the long-term effects on the economy. Referring to company taxation, Mr. Iengar says that the fiscal burden on companies engaged in industrial production should not be so heavy as to discourage capital formation. The chairman refers to the burden imposed on companies by the Emergency Risks Insurance Acts. He urges the Government to take this into account in imposing taxes.

The chairman discusses the sugar industry's recurring problems and its future. He feels that the cumulative effect of various burdens may compel the Company to restrict its crushing season in Nellikuppam. The extra payment that the Company may have to make for sugarcane is estimated at around Rs. 7.5 lakhs and the increase in cess at about Rs. 10 lakhs. The chairman says that while the picture is somewhat gloomy, it is hoped that E.I.D.-Parry will be able to absorb the shocks by realising a higher price for sugar in coming months.

Referring to the fertiliser project, Mr. Iengar says that the earlier expectations that the factory will contribute in full measure to the group's profits in 1962-63, have not been wholly realised. The factory is a complex unit and teething troubles have had to be encountered. The difficulties were aggravated by the power shortage. The chairman, however, says that the major problems have now been overcome. The

factory is now in full production and will make a substantial contribution to the group's earnings during the current year.

The directors are considering expanding the Ennore fertiliser factory. They are also considering certain other projects. The Company has already applied for an industrial licence for manufacturing cryolite by using one of the by-products at the Ennore factory. The expansion of the pottery works in Ranipet with the collaboration of Doultons is expected to show substantial profits.

Madura Mills Maintains Dividend

THE directors of Madura Mills Co. Ltd have maintained the dividend at 15 percent gross for the year ended December 1962. According to preliminary figures, the net profit for 1962 amounts to Rs. 31.81 lakhs, after providing Rs. 65.67 lakhs for taxation, Rs. 9.70 lakhs for development rebate reserve and Rs. 10 lakhs for debenture redemption reserve. The previous year's net profit was Rs. 77.49 lakhs, after providing Rs. 69.40 lakhs for taxation and Rs. 10.78 lakhs for development rebate reserve. The transfer of Rs. 10 lakhs to debenture redemption reserve is a new provision in the 1962 accounts. The sharp fall in the profit led to a fall in Madura Mills shares to Rs. 30.75 c.d., from Rs. 31.37.

While the cause of the decline in the profit cannot be known before the receipt of fuller details of the profit and loss account for 1962, it may be noted that in the profit and loss account for 1961, the amount received for five quarters under the export incentive scheme amounted to Rs. 30.09 lakhs on the credit side. The corresponding figures under this head for 1960 and 1959 were Rs. 21.93 lakhs and Rs. 10.20 lakhs, respectively. As the accounts of 1961 in-

cluded Rs. 30.08 lakhs under the export incentive scheme for five quarters, it may be difficult to compare the actual working results of 1961 with those of 1962. In the absence of particulars of quarterly receipts during 1962. The directors have maintained the dividend at 15 percent in spite of the expansion programme and huge capital requirements. In assessing the working results of 1962 and comparing the same with those of the previous year, the under-provision of taxation of Rs. 10.02 lakhs for 1961, now appropriated out of the 1962 profits, the extra provision of Rs. 10 lakhs for debenture redemption reserve and the extent of receipts during 1962 under the export incentive scheme have to be taken into consideration. The balance-sheet, when published, will throw more light on working results.

Sandoz Plans New Drug

SANDOZ (India) Ltd, Bombay, which is already engaged in the manufacture of pharmaceutical preparations, both basic drugs as well as formulation, optical bleaching agents and dyes, has sought the Government's permission for the manufacture of active principles of podophyllin. Reliable reports indicate that the Government of India has approved the Company's manufacturing programme consisting of 24,000 kilograms of glycoside fractions and 30,000 kilograms of aglycone fractions in a single phase. The scheme visualises the extraction of active principles of podophyllin, a plant which grows in the higher altitudes of Himalayan range. In order to ensure the regular supply of this plant, the Company proposes to cultivate it systematically for which full facilities are likely to be provided by the Government. The Sandoz Research Laboratories in Basle have been working on the new drugs, which are now proposed to be manufactured in India, for the last ten years, and clinical trials have proved their usefulness in the treatment of certain forms of cancer.

Raw materials required for the project are methyl alcohol, dichlorethene, podophyllin, benzene, butanol, sodium hydroxide and hydrochloric acid. Of these, only methyl alcohol and dichlorethene will need to be imported which will cost about Rs. 9.40 lakhs a year. The entire project, it is estimated, will cost about Rs. 1.35 crores, of which Rs. 50 lakhs would be spent on the import of machinery, Rs. 10 lakhs for planning and development of the plant specially constructed for the purpose, and Rs. 75 lakhs for machinery to be locally purchased and other constructional work. The cost of imported machinery will be met from a loan of Rs. 50 lakhs from Sandoz Ltd, Basle. Finished products will be entirely exported which will earn about Rs. 30 lakhs to Rs. 40 lakhs a year. The Company has requested the Government of India that 60 percent of the value of exports should be made available to it for the import of raw materials for their existing manufacture.

Share Offer by Devidayal Tube

DEVIDAYAL Tube Industries Private Ltd, which is being converted into a public limited Company, is likely to enter the market shortly—in March or April—to raise capital through public subscription for financing its phased expansion programme for achieving the sanctioned annual capacity of 3,600 tons of seamless copper and brass tubes by the

special extrusion process. The firm is currently manufacturing 1,000 tons of such tubes annually. The Company has been permitted to issue equity capital of the order of Rs. 85 lakhs—all in equity shares of Rs. 100 each—of which the promoters will take up Rs. 41.91 lakhs and foreign collaborators, Delta Metal Company Ltd of the U.K., will be offered shares worth Rs. 2 lakhs in consideration for technical collaboration fees. The balance of Rs. 41.09 lakhs is to be offered for public subscription. The British firm, which is collaborating in the venture, is said to account for 65 percent to 70 percent of the total U.K. production of non-ferrous metal tubes, and controls as many as 68 subsidiaries in the U.K. and other parts of the world. Deltas have agreed to participate in further share capital and supply additional requisite machinery and equipment by way of financial collaboration. Shares worth about Rs. 20 lakhs may be issued to Deltas against the supply of machinery in future, subject to the Government's approval.

Incorporated in February 1962, Devidayal Tube Industries Private Ltd acquired the tube manufacturing unit of Devidayal (Sales) Private Ltd in July 1962 at a cost of Rs. 40.60 lakhs, representing the written down value of the assets. The plant had been set up in Bhandup, an industrial suburb of Bombay, at a cost of Rs. 54 lakhs and it went into production in May 1960. This unit earned a net profit of Rs. 16.12 lakhs in 1961, subject to taxation. The profit for 1962, it is said, will be higher because of the increase in production as well as sales following additions to the plant during the year.

The Company's proposed expansion scheme will involve a total capital outlay of about Rs. 51 lakhs and the plant is expected to reach its full capacity by June 1964. The Company's turnover is likely to increase from the present Rs. 80 lakhs to Rs. 2.50 crores a year after the plant has reached full capacity and the foreign exchange saving to the country will increase from Rs. 20 lakhs to Rs. 60 lakhs a year. The Company's order-books for 1963 are closed; it has secured defence orders to the tune of 100 tonnes of tubes and 50 tonnes of strips. The management seems hopeful of declaring a dividend for the year ending June 1963 after providing for depreciation, development rebate and preliminary expenses. The outlook for the Company is encouraging in that the supply of copper and brass tubes and strips is unlikely to catch up with the growing demand in the foreseeable future.

Phaltan Sugar Pays Less

THE directors of the Phaltan Sugar Works Ltd have reduced the dividend for the year ended September 1962 from 18 percent to 14 percent (from Rs. 9 to Rs. 7 a share) less tax. This is the third successive cut in the dividend. In 1958-59, the Company paid a dividend of 27 percent which was reduced to 24 percent in the following year and still further to 18 percent in 1960-61. The cut follows the Company's disappointing performance which reflects by and large the declining fortunes of the sugar industry. According to the preliminary report on the company's working during the year, the quantity of cane crushed fell from 133,300 tonnes to 125,378 tonnes, and the output of sugar was lower at 150,225 bags, against 157,019 bags. The recovery of sugar was slightly better at 11.94 percent, against 11.74 percent.

In spite of a setback in production, sales increased by nearly 40 percent from Rs. 1.24 crores to Rs. 1.73 crores. The profit before tax, however, is substantially down from Rs. 9.30

lakhs to Rs. 7.41 lakhs. The profit has been arrived at after providing Rs. 4.09 lakhs (against Rs. 4.14 lakhs) for depreciation. The provision for taxation has been raised from Rs. 3.80 lakhs to Rs. 6.43 lakhs, and the disposable surplus amounts to less than Rs. 1 lakh. Apparently, the directors have had to draw from the reserves to pay the reduced dividend of Rs. 7 a share which absorbs Rs. 7 lakhs, against Rs. 9 lakhs. The Rs. 50-paid share of Phaltan Sugar which had touched a high of Rs. 205 in 1960 has been steadily declining since then, and is currently quoted around Rs. 80, offering a gross return of a little over 9 percent.

Mahindra Alloy Steel Project

MAHINDRA and Mahindra Ltd has nearly completed all the arrangements for its proposed alloy steel project which is being undertaken in collaboration with Ugine of France. A new company known as Mahindra Ugine Steel Company Ltd has been formed to set up a factory in Maharashtra for the manufacture of 25,000 tonnes of special and alloy steels a year. This will be the first major alloy steel project in the country, and when completed, will help save a considerable amount of foreign exchange. The current demand for alloy steel is placed around 200,000 tonnes, which is being met almost entirely through imports because indigenous production is small. The foreign exchange requirements of the project will be met by long-term loans from the International Finance Corporation of Washington and the Industrial Credit and Investment Corporation of India. The Company will have an authorised capital of Rs. 10 crores. Details about the capital structure and the amount which is to be issued to the shareholders of Mahindra and Mahindra and the public are being worked out. The firm is expected to enter the market for raising the necessary funds after a few months.

India Star Lines Reorganisation

RELIABLE reports indicate that India Star Lines will soon be converted from a private company into a public limited company with the proviso that no Indian resident, barring the present three directors, will be permitted to contribute to the share capital. The Company's five-member board of directors consists of three residents of the country and two are non-resident Indians. It is proposed to increase the authorised capital of India Star Lines from the present Rs. 5 lakhs to Rs. 5 crores. Almost all the additional capital is to be raised in foreign exchange from Indians abroad in the U.S.A., Japan, West Germany, Africa, Malaya and Hongkong. A sum of Rs. 5 crores, it is reported, has been fully assured.

The Company, it is also reported, has secured the Government of India's permission to charter three vessels to operate on the India-U.K. route. It proposes to charter more vessels to run on the U.S. and Persian Gulf-Middle East routes and acquire three ships of 5,000 gross registered tons each for the coastal trade. Negotiations for the purchase of three coastal vessels are said to be almost complete; only the Government sanction about the specifications is awaited. Tramp services for Gulf and Middle East, it is expected, will start from April and fast cargo vessels will be put on the India-U.S. route in July. While the immediate programme of the Company is to operate overseas routes with chartered vessels, it has plans to purchase some ships in the

next few years. The Company has assured the Government that all its ships will be manned by Indian crew and that it will be fully controlled by Indians. An outstanding feature of the Company's scheme is that it does not seek any loan from the Government, nor does it ask for any release of foreign exchange for its vessels.

Madras Rubber Expanding

THE directors of the Madras Rubber Factory Ltd have recommended a taxable dividend of 45nP a share (Rs. 10-paid) for the period 1st January to 30th September, 1962, against 60nP a share for the full previous year. The preliminary report on the Company's working for the nine-month period shows a profit of Rs. 16.10 lakhs. After providing Rs. 2.26 lakhs for depreciation and deducting other charges, the net profit amounts to Rs. 13.20 lakhs. With amounts to Rs. 13.20 lakhs, the Company has brought forward from the previous year and dividend written excess provision for dividend to Rs. 18.10 lakhs. A sum of Rs. 10.45 lakhs has been transferred to development reserve, and the proposed dividend absorbs Rs. 5.63 lakhs, leaving a surplus of Rs. 2.02 lakhs to be carried forward. It is stated that the Company has been able to maintain its profit in spite of the considerable increase in expenditure. The Government of India has sanctioned substantial expansion of the production capacity of the factory by granting an additional capacity of 60,000 tyres and 60,000 tubes a year, bringing the total installed capacity to 360,000 tyres and 360,000 tubes.

C.D.F.C. Loan for Indian Tube

COMMONWEALTH Development Finance Co. Ltd has agreed to make a sterling loan of £300,000 to the Indian Tube Company (1953) Ltd of Jamshedpur, Bihar. The loan is a contribution towards the total cost, estimated at £2.54 million, required for the installation of a new Pretz Moon plant to manufacture welded steel tubes.

Results of State Bank Subsidiaries

IN spite of a substantial increase in deposits and in gross income, the working results of four of the eight subsidiaries of the State Bank of India—the State Bank of Travancore, Bank of Bikaner, Bank of Hyderabad and Bank of Jaipur—for the year 1962, which are now available, generally show a setback in profits. Only the State Bank of Travancore has made a slightly higher profit of Rs. 8.93 lakhs, compared with Rs. 8.35 lakhs in 1961; the profits are considerably lower in other cases. Bikaner's profit is down from Rs. 7.10 lakhs to Rs. 5.98 lakhs, Hyderabad's from Rs. 12.19 lakhs to Rs. 10.66 lakhs and that of Jaipur from Rs. 3.70 lakhs to a mere Rs. 1.51 lakhs. The working results have been adversely affected by the heavy increase in the salary bill due to the Desai Award, higher costs of deposits following the increases in the interest rates on deposits and the payment of premiums under the compulsory deposit insurance scheme. The Bank of Jaipur which returned to the dividend list in 1961 after a break of three years and paid at the rate of 6 percent, the other dividend for 1962; the other three have maintained their distribution, Travancore at 5 percent and

Bikaner and Hyderabad at 6 percent each. The rise in deposits is mainly accounted for by fixed and savings bank deposits.

State Bank of Travancore: The deposits of the State Bank of Travancore are up from Rs. 17.15 crores to Rs. 19.10 crores and advances have risen from Rs. 7.28 crores to Rs. 7.35 crores, giving a credit ratio of 38.5 percent, against 42.5 percent in 1961. Income from interest and discount, commission, exchange and brokerage has increased from Rs. 71.87 lakhs to a little over Rs. 1 crore. Investments are up from Rs. 5.31 crores to Rs. 7.25 crores. The liquidity ratio works out to 69.8 percent, against 65.7 percent in 1961, and it compares with the average of 42.7 percent for all the scheduled banks. On the expenditure side, interest paid has risen from Rs. 33.90 lakhs to Rs. 54.54 lakhs, and the salary bill has gone up from Rs. 23.67 lakhs to Rs. 32.92 lakhs. Out of the profit of Rs. 8.93 lakhs (against Rs. 8.35 lakhs), the directors have allocated Rs. 2 lakhs (against Rs. 2.32 lakhs) to the reserve fund and Rs. 1.80 lakhs (against Rs. 1.02 lakhs) for bonus to staff. The dividend absorbs Rs. 5 lakhs (the same).

State Bank of Bikaner: The deposits of the State Bank of Bikaner have risen from Rs. 15.79 crores to Rs. 18.59 crores, but advances are down from Rs. 9.8 crores to Rs. 8.94 crores and the credit ratio is down from 62 percent to around 48 percent. Gross income has increased from Rs. 97.48 lakhs to Rs. 1.22 crores. Expenditure under interest paid and salaries has gone up from Rs. 81.80 lakhs to Rs. 1.06 crores. The liquidity ratio is higher at 59.2 percent, against 47.8 percent. Investments have gone up from Rs. 5.48 crores to Rs. 6.13 crores. The profit is down from Rs. 7.10 lakhs to Rs. 5.98 lakhs. Allocation to the reserve fund has been reduced from Rs. 2.25 lakhs to Rs. 1.25 lakhs. The provision for bonus to staff is Rs. 1.75 lakhs, against Rs. 1.63 lakhs, and a further sum of Rs. 10,000 (against nil) has been set aside for staff welfare fund. The proposed dividend of 6 percent absorbs Rs. 3 lakhs.

State Bank of Hyderabad: The deposits of the State Bank of Hyderabad are up from Rs. 24.29 crores to Rs. 26.53 crores and advances have risen from Rs. 14 crores to Rs. 16.17 crores. The credit ratio has gone up from 57 percent to 62 percent. Investments have risen from Rs. 8.70 crores to Rs. 9.62 crores and the liquidity ratio works out to 47.6 percent, against 50.7 percent. The gross income is substantially higher at Rs. 1.46 crores, against Rs. 1.20 crores. The salary bill is up from Rs. 45.45 lakhs to Rs. 58.01 lakhs and interest paid amounts to Rs. 63.15 lakhs, against Rs. 50.03 lakhs in 1961. Out of the profit of Rs. 10.66 lakhs (against Rs. 12.19 lakhs), the directors have allocated Rs. 2.50 lakhs (against Rs. 4.15 lakhs) to the reserve fund, Rs. 4 lakhs (against Rs. 3.50 lakhs) for bonus to staff, Rs. 1.20 lakhs (the same) for pension fund and Rs. 75,000 (the same) for staff welfare fund. The proposed dividend absorbs Rs. 3 lakhs.

State Bank of Jaipur: The deposits of the State Bank of Jaipur are also much higher at Rs. 12.33 crores, against Rs. 10.54 crores, but advances are lower at Rs. 5.16 crores, against Rs. 6.17 crores. The advance-deposit ratio is down from 58.5 percent to 41.8 percent. The gross income has increased from Rs. 65.88 lakhs to Rs. 77.88 lakhs. Investments are almost unchanged at Rs. 4.19 crores, against Rs. 4.17 crores and the liquidity ratio has improved from Rs. 50.8 percent to 62.4 percent. The salary bill shows a marked increase from

New Capital Issues

THE Controller of Capital Issues has authorised eight companies to issue capital totalling Rs. 3.34 crores. Of these, one is a new company. One is a Central Government undertaking. Two companies are going to establish spinning mills. One company will issue bonus shares, five equities and one equity plus cumulative redeemable preference shares. The consent in all cases is valid for 12 months. The following are the details:

Kingsley Golaghat Assam Tea Company Ltd, Calcutta, will raise capital of Rs. 5,40,000, divided into 5,400 equity shares of Rs. 100 each, to be issued as fully paid-up bonus shares, on the capitalisation of Company's general reserve to a like extent, in the proportion of three shares for every two held.

Heavy Electricals (India) Ltd, Bhopal, a Central Government undertaking, is issuing further capital of Rs. 1.27 crores divided into 12,700 equity shares of Rs. 1,000 each, for cash at par.

Mukand Iron and Steel Works Ltd, Bombay, is to issue further capital of the value of Rs. 91,89,225, divided into 918,900 equity shares of Rs. 10 each for cash at a premium of Re. 1 a share to be made to existing shareholders in the ratio of one new share for every two held.

Investa Machine Tools and Engineering Company Ltd, Bombay, will issue capital of Rs. 25 lakhs in equity shares of Rs. 100 each for cash at par to be made to existing shareholders in the ratio of one share for every two held.

Usha Forgings and Stampings Ltd, a new company, will issue capital of Rs. 20 lakhs for the manufacture of forged hand tools, etcetera. The factory will be established in Badarpur in Delhi.

Paramount Meters (Private) Ltd, Jamnagar, is raising Rs. 15 lakhs capital in equity shares of Rs. 100 each to be issued for cash at par.

Ayyappan Textiles Ltd, Madras, is to issue capital of Rs. 15 lakhs in the form of equity shares of Rs. 50 each for cash at par. The capital will be used for the establishment of a spinning mill with an initial spindleage of 6,000.

The Magadh Textile Mills Ltd, Calcutta, will issue capital of Rs. 35 lakhs divided into cumulative redeemable preference shares of the value of Rs. 8.75 lakhs and equity shares of the value of Rs. 26.25 lakhs. The capital is required for the establishment of a spinning mill with 25,000 spindles in Chakradharpur, Bihar.

Empire and Presidency Jute Earn More

IN last week's issue of Capital, the heading for the item on the Empire Jute Co. and the Presidency Jute Co., published on page 153, should have read "Empire and Presidency Jute Earn More". The error is regretted.

The Challenge

Defence effort necessitates development of a great ability to produce weapons and equipment and to transport them. At the same time, adequate supplies of essentials for civilian consumption must be maintained. All this involves tremendous finance. But to meet the requirement, the less we have to depend upon deficit financing the better for our economy.

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PLEA TO BONUS COMMISSION BY TEXTILE MILLOWNERS

(FROM OUR BOMBAY CORRESPONDENT)

THE issue of bonus has long been plaguing industrial relations. Although most industries and business organisations are now paying bonus to their workers, questions are still being asked about the basic concept of bonus. Labour contends that bonus is a deferred wage, while employers maintain that it is an ex-gratia payment. The demand for bonus is known to have been entertained as an industrial claim when either the wages paid fell short of the living wage or the industry concerned made a considerable profit.

While agreements exist guaranteeing minimum bonus irrespective of whether or not the industry is making a profit, one view is that bonus is fundamentally a share in the surplus profit. This raises a host of complicated issues relating to the calculation of prior charges such as depreciation, taxes, return on capital, reserve for rehabilitation, etcetera. The position is further complicated by the wide differences in the working conditions not only in different industries located in different regions but also between the units of the same industry located in the same region. It is

thus difficult to arrive at any rigid formula for determining the quantum of bonus. The task before the Bonus Commission, which is at present examining the issue in all its aspects, is thus an extremely difficult one.

The 47-page supplementary memorandum submitted to the Bonus Commission by the Bombay Millowners Association and its earlier replies to the Commission's questionnaire provide a useful study of this complicated issue even though the Association has concerned itself primarily with the problems facing the cotton textile industry in Bombay. The memorandum asserts that labour should rank equally with capital and management in sharing the available surplus, arrived at after meeting all prior charges, and that it can claim no priority whatsoever over others. It is against the bonus of one undertaking being used for payment of bonus to the workers of another undertaking on the plea that the pooling of bonus militates against the sense of participation by the workers in the prosperity of the industrial undertaking. As for the question of maximum and minimum

bonus, the memorandum says that in no case should the bonus exceed 25 percent of the annual basic earnings of the employees. If, however, the surplus, after all prior charges have been deducted from gross profit, warrants a bonus of more than 25 percent, the excess of 25 percent should be carried forward as "set-on" for use in subsequent years if profits in those years happen to be inadequate.

Bonus Equalisation Fund

The size of the "set-on" should not exceed at any given time 25 percent of the annual wages and salaries bill of the industrial undertaking. This "set-on" is intended to serve as a bonus equalisation fund, that is, to ensure the payment of minimum bonus—the Association has suggested the figure of 5 percent—when the undertaking incurs a loss or no surplus is available. The minimum bonus is intended to avoid industrial disharmony that is likely to be caused by one unit not paying any bonus at all while another unit, may be a neighbouring unit, in the industry is paying high bonus. The advocacy of the minimum bonus, says

the memorandum, does not conflict with the dictum of "no bonus if there is no available surplus" because the minimum bonus is a sort of advance payment to be set off against the bonus payable in subsequent years when due to good profits higher bonuses would be payable.

For calculating the bonus, the Millowners Association has supported the Labour Appellate Tribunal's formula as enunciated by the Supreme Court in the Associated Cement Companies' case. The Association has also made the plea that all controversies which have arisen over the interpretation of the items like depreciation, return on capital, employed and rehabilitation reserve, embodied in the prior charges, should be eliminated. In that event, the formula will become extremely simple and it can be easily applied in order to find out what the available surplus is for purposes of determining labour's share from that by way of bonus. As for the ingredients of the formula, the memorandum has suggested that as against the notional normal depreciation visualised in the formula of the Supreme Court there should only be statutory depreciation as a prior charge.

The Association has emphasised the need for special consideration of the rehabilitation allowance which has assumed paramount importance in view of the present need to strengthen the country's foreign exchange resources. As for the return on capital, the memorandum observes that instead of separate returns on paid-up capital and on reserves employed, there should be a consolidated return on capital employed which should be defined to mean paid-up capital plus reserves minus non-trading investment as reduced by borrowings. For the cotton textile industry, the memorandum has suggested that the return on capital employed should not be less than 10 percent, free of tax. If, however, separate returns were envisaged, one for paid-up capital and the other for reserves employed in business, then the return on all paid-up capital should be at least 10 percent net, while on the rest of capital employed, the return should be at least a little over 7.5 percent—the rate at which the banks make industrial advances against securities.

Bonus and Wages

The memorandum contains a mass of statistics to show that the wages paid by the Bombay cotton mills are fair, averaging about Rs. 186 a month. In addition, workers have received, on an average, Rs. 2.3 crores a year by way of bonus between 1941 and 1961. Between 1953 and 1958, the Bombay mills made a net payment of Rs. 6.96 crores by way of bonus against the available surplus of Rs. 4.71 crores and the bonus for 1959 to 1961 amounted to Rs. 10.75 crores, against a surplus of Rs. 10.30 crores.

Labour has thus taken away as bonus not only the available surplus but also something more than that which must have gone out of reserves of the industry or out of its borrowings. The industry has been constantly denied a share in the profits for the purposes of rehabilitation and modernisation of plant and machinery. The return on net worth in the case of Bombay cotton mills, around 4.5 percent, is about the lowest compared with other industries, with the result that the industry is unable to attract the equity capital required for its expansion and modernisation. The Bombay Millowners Association has expressed itself in favour of a scheme of bonus based on production or productivity in place of the profit bonus, and it is willing to consider a concrete scheme which may be framed for this purpose.

CAPITAL, 7th February, 1963.

CAPITAL, 7th February, 1963.

E.I.D.-PARRY LIMITED CHAIRMAN, MR. H. V. R. IENGAR'S STATEMENT

The following statement has been circulated to Shareholders of E.I.D.—Parry Limited by the Chairman, Mr. H. V. R. Iengar.

The Sixty-fifth Annual General Meeting will be held on 27th February, 1963.

When I accepted the Chairmanship of the E.I.D./Parry group in May of last year, I was moved by three main reasons. In the first place, the group has, for generations, played a notable part in the industrial and commercial development of South India, and the name PARRY has become a household word, dating back to as long ago as 1788. I felt it would be an honour to be associated with a firm of this vintage and repute. Secondly, the late Mr. C. R. Srinivasan, the first Indian Chairman of the group, whom I knew well as a colleague on the Board of the Reserve Bank of India, and for whom I had great respect, was very keen that I should succeed him. Thirdly, the late Mr. Wontor, who had been Chairman of the group for several years and was, at the time, Vice-Chairman in London, and also the two British Managing Directors, Mr. Noel-Tod and Mr. Hadfield, told me, on behalf of the British interests in the group, that they would welcome my appointment. Now that I have been functioning as Chairman for some months, I would like to say that I am very happy at the decision that I took to join the group, not merely because of its reputation and the fact that it is expanding its activities in tune with the rising tempo of economic development in the country, but also for the reason that, by a combination of tradition and structural relationship with the United Kingdom, it forms a pattern of Indo-British collaboration which can only be of great benefit to both countries.

Historically, the E.I.D./Parry group was always British, ever since Thomas Parry landed on the shores of Madras in 1788. Many of you have probably read Hilton Brown's fascinating story of Parry & Company's fortunes during the British regime. The Directors, however, were keenly responsive to the winds of change that were sweeping across the country and, in 1947, two important steps in the Indianization of the group were taken.

Public Company

Firstly, Parry & Company Limited (then the Managing Agents of this Company) which was wholly owned by British nationals, converted itself into a Public Limited Company by an offer of shares made to the Indian public in February 1947, as a result of which 25 per cent. of the Ordinary Share Capital came into Indian hands. Secondly, immediately after independence, the control of this Company which had, up to that time, remained in London, was transferred to India; the circular issued to shareholders on this occasion explicitly stated that the change was felt to be in accordance with the changes in the Indian political scene. In addition to the change in the seat of control, the Board was re-constituted. In 1947, the Board consisted of five British and no Indians. The re-constituted Board consisted initially of 2 Indians and 2 British and now consists of 5 Indians and 3 British.

Further, in 1955, Mr. C. R. Srinivasan was appointed as the first Indian Chairman of this Company and, shortly thereafter, in March 1956 this Company acquired financial and executive control of Parry & Company Limited

by the purchase of the whole of its Ordinary Share Capital.

The structure of the Board is broadly in accordance with the structure of capital holding as between India and the U.K. Taking both the Preference and Equity capital into account, some 73 per cent. of the capital is in India and 27 per cent. in the U.K. It would not be correct, however, to think that the transfer of shares from U.K. to India has resulted in a reduction of the U.K. stakes in the group. In 1947 the U.K. investment in terms of nominal value of share capital held amounted to about £228,000, representing some 82 per cent. of the total share capital. Today, this has increased to about £362,000. In other words, although there has been a decisive structural change in that the majority of the share capital, nearly 73 per cent. is held by Indians, the interest of the U.K. group in terms of the amount of capital investment has actually increased by some £134,000.

British Investment

This should not be a matter for surprise, because it is in accordance with the whole tenor of the changes that have been taking place in the pattern of British investment in India since 1947. Naturally, the rapid development of industry that has been taking place in accordance with the Plans is, to a large part, attributable to is, to a large part, attributable to Indian effort in terms of both capital formation and entrepreneurial effort. As a corollary, in terms of percentage of total business investment in this country, British investment has recorded a drop. But the point of interest is that this drop is not indicative of any slackening of interest in Indian industrial development by British interests. On the contrary, British investment has recorded a substantial rise since 1947. According to the figures published by the Reserve Bank of India, at the end of June 1948 the outstanding foreign investment in the private sector amounted to Rs. 256 crores, of which the British share was over 75 per cent. At the end of December 1960, the corresponding figure was Rs. 567 crores excluding investment from official sources such as the World Bank; in other words, the investment in India by private individuals and groups overseas had more than doubled over the period. Of the total investment at the end of December 1960, including investment in the private sector by official institutions, the investment of the U.K. was far and away in the lead, being just about two-thirds. It is worth noting that the figures given are those of investment and not of market value, which, in many cases, has recorded a considerable increase over the actual investment.

An annual meeting of shareholders is scarcely the time to generalize on problems of international relationships, but I will permit myself two observations. In the first place, I cannot help recalling that, during the grave crisis created by the Chinese invasion of our northern frontiers, the response of the U.K. was both immediate and unqualified, showing that in the U.K. there exists an instinctive emotional feeling for the security of India. It is necessary that in the task of economic reconstruction as well, this feeling should be mobilised to the maximum extent. We are at a stage of economic development where we are in need both of foreign capital and of technological assistance. I do think that in this situation the existence of companies

such as E.I.D.—Parry, which have roots in both India and the U.K., must continue to provide a link which should be of great benefit, both politically and economically, to both countries. My second observation relates to the total quantum of capital attracted from abroad. Although, expressed as a percentage of rate of growth, the increase since 1948 is impressive, in absolute terms the quantum of foreign investment in India is almost insignificant. The average annual net outflow of long-term private capital in the last few years, from the main capital exporting countries, has been of the order of Rs. 1,750 crores. Out of this, India has been able to attract, net, only a little over Rs. 21 crores per year on the average, barely over 1 per cent. How to attract a larger inflow without creating, in future years, a serious imbalance in our external payments position is one of the important issues which Government would have to consider.

General Policy

A change in chairmanship offers a suitable opportunity for re-assessing the policies of the Company and its organisational efficiency for the carrying out of these policies; and this I have naturally done. In the speech delivered two years ago at the annual general meeting, Mr. C. R. Srinivasan stated as follows:—

"Progressively the emphasis on the Group's expansion has been on the industrial sector and, more and more, the pattern of our business is changing. As a result of this policy, we have been forced with great regret to disperse with some of our agency representations, in order to concentrate more of our finance and management resources on the administrative problems which are tied to the Group's industrial progress."

This policy of growing emphasis on manufacturing activities is undoubtedly correct, but I think it requires a little elaboration in so far as the trading sector is concerned. Sound trading is one of the essential requisites for the smooth running of our economy—it is unfortunately not as common in India as would be supposed—and it would be a great pity if the expertise acquired over generations by our group was to be lost to the country. I visualise therefore that, although our manufacturing activities will increase—and I hope, increase rapidly—our trading activities will be maintained at a satisfactory level. Necessarily, there will be a reduction in the trading of imported commodities, but I see no grounds for any reduction in the current level of our over-all trading activities. Taking the figures for the last three years, the sales of merchandise produced outside the group were as follows:—

1960	£4.8 million.
1961	£6.0 million.
1962	£6.3 million.

These figures are, of course, exclusive of the sales pertaining to the managed companies. The figures are also exclusive of sales upon which we merely earn a commission, that is to say, of goods which we sell on a consignment basis; and it is of interest to note that those sales in 1962 were approximately £5 million. Considering that we abandoned a number of agencies, the increase in our merchandising figures seems to be highly satisfactory. In regard to the sales of goods, manufac-

tured within the group, the figures are:—

1960	£6.4 million.
1961	£6.8 million.
1962	£6.8 million.

When Ennore is in full production, a point to which reference will be made subsequently, the sales of our own manufacture should record a very substantial rise. With the first phase of Ennore, the rise should be of the order of £2 million, and when we complete the second phase the increase should be of the order of £4 million. We are now actively engaged in the consideration of the problem of expanding the Ennore fertiliser factory; we have also under consideration certain other projects. We have already applied for an industrial licence for the manufacture of cryolite, making use of one of the by-products at Ennore. Shareholders will remember the reference in the Chairman's speech last year to the expansion of our pottery works in Ranipet and to our collaboration agreement with Doultons. This is going well. Although the financial investment, relatively to Ennore, is small, the profits from the pottery expansion should be substantial. Although, therefore, the pattern I visualise is that, while our own manufactures will show a substantial rise and therefore the sale of our own group products will form an increasingly large proportion of our total sales, our actual sales of merchandise produced outside the group, either on a commission basis or otherwise, should continue to be maintained at a satisfactory level.

Change of Name

This is the first Annual General Meeting under the new name of the Company, E.I.D.—Parry Limited. The old name suffered from the disadvantages that it did not adequately reflect the diversification of the Group's interests into the manufacture of Fertilisers, Pottery and Sanitaryware and its close association with Parry & Co., Limited, under whose trade mark "Parry's" the Company's sugar, chemicals, sanitaryware and fertiliser products are marketed.

The change of name to E.I.D.—Parry Limited involves no change in the constitution, management and policies of the Company or in that of Parry & Co. Limited.

Profits

In the year 1960 the group net profit before taxation amounted to £774,536. In 1961 this came down to £690,130 and in 1962 it has been further reduced to £648,473. As was explained last year, the reason for the reduction in the trading profit is primarily due to the expenses, including interest, in connection with the Ennore fertiliser project. This situation was always anticipated and, in fact, out of the profits of the year 1958-59 a dividend equalisation reserve was expressly created to enable the maintenance of dividend at a satisfactory level. It is gratifying that dividends have been maintained without the necessity to utilise any portion of the dividend equalisation reserve in spite of the fact that the rate of corporate taxation was increased last year from 45 to 50 per cent.

In the normal course, our financial position should improve substantially with the commissioning of the Ennore fertiliser factory and the completion of our pottery expansion. It is necessary, however, to utter a word of caution, at this stage, in regard to the level of future profits. A new situation has been created in the country by the invasion of our northern frontiers by China. Although, at the moment, there are no precise indications of the magnitude of extra liabilities in the field of defence, it appears, from statements made by responsible ministers, that the increase in defence expendi-

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ture would be very substantial and that the country must be prepared for substantial increases in taxation. Quite clearly, Government are in a difficult position, and all sections of the community must be prepared to bear additional burdens. I can only express a hope, however, that in regard to direct taxation, Government will not be moved merely by the immediate considerations of raising additional revenue, ignoring long-term effects on the economy. It is particularly important, for example, that in the matter of taxation of companies engaged in industrial production, the fiscal burden is not so heavy as to discourage capital formation, that is to say, the accumulation of adequate profits and ploughing them back into business. There is a danger that, in the pressure of a crisis, steps may be taken which might place in serious jeopardy the long-term strategy of industrial development. I will only add, in this context, that I hope Government, in deciding on their taxation policy, will also take into account the fact that the burden imposed on companies by the Emergency Risks Insurance Acts is itself quite substantial.

Sugar

It would seem that the problems of the sugar industry are never ending. Hardly is one set of difficulties solved before other problems, not of the industry's making, arise.

In his speech last year Mr. Noel-Tod referred to the cut of 10% in production imposed just before the start of the 1961-62 season. Your Company represented to the Government of India that the quota fixed for the Company would leave about 70,000 tonnes cane in the field without any means of disposal. In the event, the quota was increased to accommodate this cane and the Nellikuppam factory produced 35,395 tonnes sugar, incidentally, the highest on record for your Company. Since Government determine what quantity of sugar shall be sold each month and their policy was to release a season's production over 14 to 16 months, the carrying of this large stock together with the balance of the 1960-61 season's production posed problems of storage and finance. It was accordingly decided to offer for export 8,000 tonnes, over and above the export quota of 4,835 tonnes. The price realised on this voluntary export of 8,000 tonnes was approximately the controlled price fixed for U.P. and Bihar at which the Export Agency was then buying for export. Some other factories in the South, placed in the same position as ourselves, followed our example.

While this problem was solved reasonably satisfactorily, others have either not yet been solved or their solution is causing more difficulties.

The Government of India published the Tariff Commission's findings on the Price Linking Formula. The Tariff Commission has condemned the Formula. The Government of India have, nevertheless, decided that it would be "more appropriate, equitable and reasonable to apply the existing

formula in a modified form with a more precise determination of the share of the cultivator". The matter rests there and the industry is yet to be told how much more is to be paid to the grower in the four years from 1958-59. The Tariff Commission, after urging the abolition of the formula, recommended in its report that in future payment for cane should be made on the basis of its quality. Accepting this recommendation, the Government of India issued a Press Note on 3rd July that for the sugar year 1962-63 it had been decided to maintain the cane price at Rs. 1.62 per maund and to link it to a recovery of 9.8%. A discount or premium as the case may be would be allowed on this price at the rate of 1.5 nP. for every 0.1% fall or rise in the average recovery for a prescribed duration during the 1961-62 season, subject to a minimum price of Rs. 1.50 per maund for a recovery of 9% or less. The words "prescribed duration" were ominous and I regret to say that the fears of the industry—at any rate in the South—were confirmed when Government finally notified the price payable by each factory. The actual duration of the season at your Nellikuppam factory in 1961-62 was 201 days, from the start of the season on 19th November, 1961 to its close on 7th June, 1962. Instead of taking the recovery of 9.23% over a duration of 201 days, in which case the price would be Rs. 41-12 per tonne, the Government of India has taken the best part of the season—121 days from December, 1961 to March, 1962—as the "prescribed duration". The recovery for this period is 9.8% and the cane price works out to Rs. 43-40 per tonne. This bias in favour of the grower at the expense of the industry goes by the name of payment by quality. In effect, it means that the grower supplying low quality cane before December and after March gets the same price as the grower supplying the highest quality in the peak of the season. To your Company it means an extra cost of Rs. 7.5 lakhs on the anticipated crop in the 1962-63 season.

Cess on Sugarcane

Concurrently, the Government of Madras has increased the rate of cess on cane from Rs. 2 to Rs. 5 per tonne, the ostensible purpose being development of cane. Considering that only a fraction of even the present revenue from cess is spent on cane development, I cannot help feeling that the industry is being taxed once again without justification, for the purpose of increasing the general revenues of the State. With a sales tax of 3 per cent *ad valorem* and a cess of Rs. 5 per tonne, Madras has the distinction of charging the highest tax on cane in the country in terms of its incidence on the cost per tonne of sugar.

The cumulative effect of these imposts can well be serious and may compel us, at Nellikuppam, to consider restricting our crushing season. It would be with the greatest reluctance that we could take any such step because it would cause hardship to agriculturists and reduce the income of our own labour force. Other com-

panies may well find themselves in the same position. I do hope that this situation will not arise, but that would all depend on a more flexible approach by Government.

Representations have been made to the Government of India on the question of cane price and to the Government of Madras on cane cess and it remains to be seen what relief, if any will be afforded.

Now turning to the All-India picture, the cut of ten per cent resulted in a production of a little over 27 lakh tonnes in 1961-62 against 30 lakh tonnes in the previous season. Together with the carryover of 12 lakh tonnes on 31st October, 1961, 39 lakh tonnes were available of which 25.5 lakh tonnes went for domestic consumption, 3.3 lakh tonnes were exported, leaving a balance of 10.2 lakh tonnes as carryover on 31st October, 1962. A situation has now arisen whereby large-scale diversion of cane to jaggery and khandasari is taking place in U.P. and Bihar and in some places in the South. As a result, production in 1962-63 is expected to be not more than 25 lakh tonnes. The available quantity will therefore be 35 lakh tonnes of which 25 lakhs will be required for internal consumption, the country is committed to export 4 lakh tonnes and the balance 6 lakh tonnes will be the carryover. This is the normal carryover; and with judicious releases and distribution I see no reason why there should be any shortage of sugar, provided Government do not commit themselves to larger exports in 1963-64. Some statements made by those in authority have been very ambiguous on this point, and I hope Government will not commit themselves to additional exports before a reasonably accurate estimate of production in 1963-64 can be made.

You will see from this review how the fortunes of the industry can fluctuate from year to year and how difficult it is to plan for the future when the various factors influencing the industry are beyond its power to control. I have already indicated that we may have to pay an extra Rs. 7.5 lakhs for cane. The increase in cess will cost your Company another Rs. 10 lakhs. The cost of the compulsory Emergency Risks Insurance is likely to be Rs. 3.5 to Rs. 4 lakhs to be added to the cost of sugar as there is as yet no way of recovering it as a separate charge. While thus the picture is somewhat gloomy, I can only hope that we will be able to absorb these shocks by realising a higher price for sugar in the coming months. The prices we have been realising in the last few months have been even below the erstwhile controlled price as a result of heavy releases in quick succession and competition among factories anxious to unload on a market unwilling to commit itself except on a hand-to-mouth basis.

Fertilisers

In his speech at the Annual General Meeting last year, Mr. Noel-Tod referred to the new ammonium phosphate factory at Ennore and indicated

that the factory would be contributing in full measure to the Group's profits in 1962-63. This hope has not been wholly realised. The factory, as is well-known, is a complex unit, incorporating many new features in the manufacture of compound fertilisers and as is not uncommon with a highly complex modern chemical process, teething troubles have been encountered during the commissioning and running-in period. In no small measure these have been further aggravated by the inconsistent supply of electrical power, and, repeatedly, just as certain of the processes were about to be brought into balance, an interruption in electric supplies has upset conditions and almost a fresh start had to be made. As a result, instead of the Works being in full production at the commencement of the present financial year, as anticipated, there has been delay, but I am pleased to be able to tell you that the major problems appear to have been overcome and the factory is now in full production and will make a substantial contribution to the earnings of the group during the current year.

In Mr. Noel-Tod's speech last year, he referred to the issue of a licence by the Government of India to a consortium of two well-known American companies and your Company to erect a fertiliser factory at Visakhapatnam. This project is progressing as well as can be expected under the present conditions; there are still some matters on which Government's decision is awaited. I hope that these will be settled at an early date. It is essential that the Visakhapatnam project, which is one of the major projects included in the Third Plan, gets off to as early a start as possible.

Staff and Labour

Our relations with Staff and Labour have been good and I should like to thank all the employees of the Company for their co-operation during the year. As anticipated in the Chairman's speech last year, I am glad to be able to record that, after a series of direct negotiations with the Unions concerned, satisfactory long-term settlements have since been concluded, covering Terms of Service and Bonus, which will be effective until the end of 1965.

Mr. Noel-Tod

Mr. Noel-Tod is retiring from the Managing Directorship of E.I.D.—Parry Limited with effect from the 1st of April this year. I take this opportunity of paying a tribute to him for his distinguished service to the Company over the last 30 years. Some of the shareholders may be aware of the fact that his grandfather was Chairman of the Company when its headquarters was in London. Hilton Brown, in his book on Parry, quotes this as "yet another example of Kipling's devoted families, since Noel-Tod's father and three of his uncles spent their service lives in India." I am glad to be able to say that Mr. Noel-Tod will continue to be a Director and Vice-Chairman of the Company and will also be Managing Director of our London subsidiary, Parry Murray & Co. Limited so that his vast knowledge of the Company's affairs and his experience will be available to the group for some more years to come. I am sure the shareholders will wish to congratulate him on his being honoured with a C.B.E. in the recent Honours' list. It is an unusual occurrence that in the same year Mr. Edwards has also been honoured with an O.B.E.

Mr. M. J. Edwards, Deputy Managing Director, will become Managing Director, and Mr. John K. John, Deputy Managing Director, with effect from the 1st April.

The above statement is not a report of the proceedings of the Annual General Meeting, which will be held on 27th February, 1963.

The Stock Markets

TAX FEARS AFFECT TRADING IN CALCUTTA

Wednesday Evening.

AS expected, turnover has shrunk considerably in the Calcutta stock market during the past week due to Budget uncertainties. Operators have been reluctant to extend their commitments. Buyers are conspicuous by their absence; hence if anybody must sell he has to do so at below current prices. As bears have been keen on covering their positions before the Budget, there has been a fair number of transactions on this account. The resilience of the market has attracted attention. In spite of many adverse developments, it has stood up well, as is evident from the decline in selling pressure. The shortage of funds has been acutely felt and many holders have been forced to dispose of their shares on pressure from banks.

Although the breakdown of the Brussels negotiations concerning the U.K.'s entry into the Common Market may not immediately affect India's economy, its long-term implications should not be ignored. It is difficult to say whether the concessions given by the E.C.M. countries regarding India's exports will remain valid in the changed situation. It is also feared that the Aid-India Club may raise some difficulties in sanctioning aid to India.

Lyons Range is preoccupied with thoughts of the forthcoming Central Budget. It is generally felt that the Finance Minister will levy heavier taxes in order to meet the increased defence and plan expenditure. The stock market thinks that new taxation may seek to raise between Rs. 100 crores and Rs. 150 crores. In the last Budget, additional taxation was estimated at Rs. 70 crores for 1962-63. The question that is being asked is to what extent the corporate sector will be burdened with fresh levies. The emergency risks insurance premiums have already imposed heavy financial burdens on companies; there have also been voluntary contributions to the National Defence Fund. Since the fiscal policy cannot disregard incentives to production, the Finance Minister may find it difficult to increase the company tax further. The present rate of 50 per cent does not permit sufficient plough-back to finance expansion and modernisation. However, the stock market fears that taxes may cut corporate profits further. Operators have been speculating whether the development rebate will be whittled down or an excess profits tax imposed.

Steel shares have been neglected. The deliberations of the international symposium on iron and steel held in Jamshedpur last Monday have made no impression. Today's settlement passed quietly and carry-forward charges were about normal. Indian iron have been freely available around the minimum price. The production of pig iron by the Company rose from 116,804 tons in December to 120,068 tons in January. The output of steel ingots declined from 91,175 tons to 86,248 tons, but that of salable steel improved from 66,444 tons to 68,972 tons. Despatches fell from 80,395 tons to 70,408 tons. The managing agents of the Company say that 8,400 tons of finished steel could not be despatched due to the wagon shortage.

Except for Braithwaite, engineering shares have declined on balance. The decline in prices of jute shares seems to have increased the turnover some-

what. Selling pressure has abated due to some good reports. Coal shares have been subdued and prices have fallen due to predominance of sellers. Bank and sugar shares have been neglected. There has virtually been no interest in tea shares. Stray transactions have taken place at cut prices.

Miscellaneous shares have been quiet in the absence of buyers. Hindustan Motors, Dunlop Rubber and Alkali Chemical have been transacted. Electric Construction have enjoyed influential support on hopes of a rights issue. In the paper section, Titagur have recovered somewhat. The recent issue of rights shares by the Company at a premium of Rs. 5 a share has been fully subscribed.

Government securities have been quiet. Business has been difficult to negotiate in the absence of buyers. Prices of all dated loans have declined. State loans have been difficult to sell even by discounting current prices. The 3 per cent Conversion loan 1986 has been barely steady around Rs. 63.

Tata Steel Output

Messrs Tata Industries Private Limited, managing agents for the Tata Iron and Steel Company Ltd, report that the approximate production of iron and steel at the steel works in Jamshedpur during January 1963 was: iron 151,700 metric tons; steel ingots 159,100 metric tons and salable steel 126,500 metric tons.

Bombay

POOR TURNOVER IN DALAL STREET

BUDGET FEARS WORRY INVESTORS

Wednesday Evening.

THE Bombay stock market has been subdued during the past week. Turnover has been very thin and the trend has generally been downward. Buyers have stayed out, so share prices fall whenever sellers appear. Operators and investors have been worried by fears of heavier taxation in the next Central Budget. The emergency risks insurance premiums have already eaten into the funds of companies. If fresh taxes are imposed on them, the outlook for profits and dividends will be very unfavourable. Except for stray support to selected shares such as Tata Locomotive, Gokak, Morarjee and Voltas, there has been a predominance of sellers. Carry-forward charges were higher in the past settlement as the clearing period has been extended up to the Budget.

Tata Steel have been freely sold at the minimum price. The decline in the Company's production during January has restrained activity. In the engineering section, Tata Locomotive were bought at a lower price. The rights issue of New Standard Engineering at a premium of Rs. 20 a share has been fully subscribed.

Mukand Iron have met with scattered buying on prospects of expansion. The Company may soon issue rights shares in the proportion of one new ordinary share for every three held, at a premium of Re. 1 a share. Among motor-vehicle shares, Hindustan Motors were barely steady, but Premier Automobiles were quieter.

In the cotton mill section, turnover has been difficult in the absence of buyers. Although the minimum price of Century has been cut further, the scrip have been sold freely. Kohinoor, Bombay Dyeing, Simplex and India United ordinary have been weaker.

Miscellaneous shares have fallen in line with the general trend. Sugar, mining and cement shares have been offered freely without attracting support. In steamship company shares, Scindia Steam have reacted sharply, although the scrip have recovered somewhat at the close on short-covering. Rayon shares have been easier on a predominance of sellers. Bombay Burmah have declined on pressure. Voltas have been quiet in spite of the repetition of a taxable ordinary dividend of 15 percent. The cash section has been very quiet. T. Maneklal have met with interested buying because of the expansion plans. The Company proposes to set up a second factory near Ahmedabad for producing rubber and ebonite

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rollers. Bank and electric company shares have lost further ground.

Tata Steel have been quoted at Rs. 117, Mukand Iron at Rs. 16, Century at Rs. 515, Bombay Dyeing at Rs. 58.80, Bombay Burmah at Rs. 624, Scindia Steam at Rs. 9.88, National Rayon at Rs. 380, Voltas at Rs. 238 and Ahmedabad Electric at Rs. 92.

Madras

PRICES FLUCTUATE NARROWLY

ELECTRIC SHARES ATTRACT BUYERS

Tuesday Evening.

SHARE prices have fluctuated narrowly in the Madras stock market during the past month. Turnover has been small and operators have stayed out due to various uncertainties. The prospect of heavier taxation, combined with the growing shortage of funds, has restrained activity. Even in clearing shares, transactions have been few. There has virtually been no outside support.

Government securities have been dull and prices of State loans have

declined further. Bank shares have been neglected, but selected electric company shares have been bought due to attractive yields. Vellore and Salem-Erode have been transacted. In the sugar section, Andhra have paid a taxable ordinary dividend of 16 percent and E.I.D. a final taxable ordinary dividend of 14-2/7 percent, making a total of 21-3/7 percent for the year. But the latter scrip have met with selling pressure on a cautious statement made by the Company's chairman.

Except for scattered support to planting companies producing tea and coffee, there has been virtually no buying. Among composite companies, Kil Kotagiri and Nilgiri have been taken. Prices of other planting shares have declined on balance. Anapalai have paid a taxable ordinary dividend of 10 percent, Mercara an interim taxable ordinary dividend of 15 percent and Devashola an interim taxable ordinary dividend of 7.5 percent on the increased capital. Turnover has been negligible in textile shares, although Rayalaseema have met with scattered support on paying a taxable ordinary dividend of 15 percent. Madura have repeated a taxable ordinary dividend of 15 percent. Miscellaneous shares have fallen all round and buyers have been difficult to locate. Mysore Lamp have declared an interim taxable ordinary dividend of 8 percent. The authorised capital of the Company

has been increased from Rs. 10 lakhs to Rs. 1 crore. Madras Rubber have paid a taxable ordinary dividend of 45nP a share.

Deccan Sugar have been transacted at Rs. 9.25, Blue Mountain at Rs. 2.20, Consolidated Coffee at Rs. 15.60, Madura at Rs. 30.50, South India Viscose at Rs. 124, Aluminium Industries at Rs. 23.15, Ashok Leyland at Rs. 7.72 and Mettur Chemical at Rs. 13.05.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla—Rs. 28/87—28/87—28/37—28/37—
(33/62).
Burrakur—Rs. 15/00—15/06—15/00—
15/06—(17/62).
Dunlop Rubber—Rs. 35/75—35/75—
35/50—35/50—(41/87).
Guest, Keen, Williams—Rs. 33/00—33/00—
33/00—33/00—(41/12).
Hindustan Motors—Rs. 16/50—16/94—
16/47—16/56—(21/00).

GOVERNMENT SECURITIES

3 % Loan (1986)—Rs. 62/95—63/06—
62/95—63/06.
3 % " (1964)—Rs. 98/90—98/90—
98/90—98/90.
3 % " (1963-65)—Rs. 99/00—99/00—
99/00—99/00.
3 % " (1966-68)—Rs. 96/13—96/23—
96/13—96/23.
3 % " (1970-75)—Rs. 85/30—85/30—
85/30—85/30.
3 % U.P. (1961-66)—Rs. 93/10—93/10—
93/10—93/10.
3 1/2 % Loan (1964)—Rs. 99/05—99/05—
99/05—99/05.
3 1/2 % " (1965)—Rs. 98/80—98/80—
98/80—98/80.
3 1/2 % " (1967)—Rs. 99/10—99/10—
99/10—99/10.
4 % " (1979)—Rs. 98/33—98/33—
98/33—98/33.
4 % " (1972)—Rs. 99/00—99/00—
99/00—99/00.
4 % Bihar (1968)—Rs. 95/65—95/65—
95/65—95/65.
4 1/2 % Orissa (1974)—Rs. 96/25—96/25—
96/25—96/25.
4 1/2 % U.P. (1974)—Rs. 96/20—96/20—
96/20—96/20.

BANKS

Punjab National—Rs. 18/94—19/00—
18/94—19/00—(22/10).
United Bank of India (Rs. 10/- Paid)
Rs. 7/75—7/75—7/31—7/50—(7/1)
Do. (Rs. 20/-) (Rs. 10/- Paid)—Rs.
—7/25—6/94—7/25.
United Commercial—Rs. 74/00—74/00—
74/00—74/00—(104/75).

RAILWAY

Dehri Rohtas—Rs. 13/50—13/50—13/1
13/50—(19/56).

TEXTILES

Bharat Commerce—Rs. 22/75—22/75—
22/75—22/75—(28/37).
Basanti—Rs. 13/87—13/87—13/25—13/25
(7/19).
Cawnpore—Rs. 6/62—6/69—6/56—6/56—
(9/81).
Dunbar—Rs. 26/25—26/50—26/12—26/50
(34/62).
Elgin—Rs. 19/87—19/94—19/87—19/94—
(22/44).
Jay Shree—Rs. 13/50—13/87—13/50—
13/87—(16/25).
New Victoria—Rs. 1/25—1/25—1/25—
1/25—(1/81).
Shree Madhusudan (Pref.)—Rs. 69/00—
69/00—69/00—69/00.
Victoria—Rs. 18/25—18/25—18/25—18/25

COALS

Amalgated—Rs. 24/19—24/37—24/19—
24/25—(22/00).
Bengal—Rs. 294/00—295/00—290/00—
290/00—(360/00).
Central India—Rs. 9/87—10/00—9/69—
9/69—(12/44).
Guzdar Kajora—Rs. 2/03—2/03—2/03—
2/03—(2/75).
New Beerbhoom—Rs. 19/75—20/12—
19/69—20/12—(21/00).
Pench Valley—Rs. 19/19—19/19—19/06—
19/06—(16/12).
Shree Mahakali—Rs. 2/19—2/19—2/12—
2/12.

JUTES

Agarpara—Rs. 10/31—10/31—10/19—
10/19—(10/19).
Alliance (Pref.)—Rs. 68/00—68/00—
68/00—68/00—(62/00).
Anglo-India (Pref.)—Rs. 91/00—92/00—
91/00—92/00—(91/00).
Barnagore—Rs. 185/00—187/00—185/00—
187/00—(133/00).
Budge Budge—Rs. 160/00—160/00—
160/00—160/00—(129/00).

CAPITAL, 7th February, 1963.

Howrah Jute—Rs. 18/06—18/31—18/06—
18/31—(21/00).
Indian Aluminium—Rs. 30/00—30/50—
29/69—29/69—(37/75).
Indian Cables—Rs. 33/12—33/12—33/00—
33/09—(36/62).
Indian Copper—Rs. 4/22—4/26—4/19—
4/19—(4/90).
Indian Iron & Steel—Rs. 21/00—21/00—
21/00—21/00—(25/23).
Jaipur Udyog—Rs. 10/34—10/50—10/19—
10/37—(12/94).
J. K. Cotton Spg. & Wvg.—Rs. 13/25—
13/25—13/25—13/25—(20/50).
Kesoram Industries—Rs. 21/00—21/00—
21/00—21/00—(35/19).
Orient Paper—Rs. 34/90—35/00—34/40—
34/40—(42/10).
Orissa Cement—Rs. 15/00—15/12—15/00—
15/12—(18/37).
Rohtas Industries—Rs. 11/50—11/50—
11/50—11/50—(16/50).
Shree Gopal—Rs. 22/25—22/50—22/19—
22/37—(25/75).
Textile Machinery—Rs. 19/85—19/85—
19/35—19/35—(20/65).

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187/00—(133/00).
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160/00—160/00—(129/00).

CAPITAL, 7th February, 1963.

Champdany—Rs. 136/50—136/50—135/00—
135/00—(125/00).
Clive (7% Pref.)—Rs. 66/00—66/50—
66/00—66/50—(66/00).
Dalhousie—Rs. 132/00—132/50—132/00—
132/50—(124/00).
Delta—Rs. 168/00—171/00—166/00—
169/00—(162/00).
Ganges—Rs. 13/12—13/31—13/12—13/25—
(13/00).
Gondalpara—Rs. 17/94—18/00—17/87—
17/87—(35/00).
Gourepore (Pref.)—Rs. 86/50—87/00—
86/50—87/00—(81/50).
Hukumchand (Pref.)—Rs. 91/50—92/00—
91/50—92/00—(90/00).
India—Rs. 17/81—17/81—17/81—17/81—
(15/56).
Kankannarrah—Rs. 125/00—125/00—125/00—
125/00—(83/00).
Kelvin—Rs. 185/00—185/00—185/00—
185/00—(173/00).
Kinnison—Rs. 144/00—145/00—144/00—
145/00—(157/00).
Megna—Rs. 13/19—13/19—13/31—13/31—
(11/81).
New Central—Rs. 12/75—12/81—12/50—
12/56—(16/75).
Nellimarla—Rs. 12/06—12/12—10/94—
11/00—(10/25).
Rameshwara—Rs. 9/25—9/37—9/25—
9/37—(7/06).
Waverley—Rs. 5/94—5/94—5/94—5/94—
(3/90).

MININGS

Assam Sillimanite—Rs. 7/25—7/25—7/25—
7/25.
Metal Corporation—Rs. 8/00—8/12—
8/00—8/12—(11/19).

CEMENTS

Bengal Potteries—Rs. 5/37—5/50—5/37—
5/50—(7/00).
Dalmia (Bharat)—Rs. 12/94—13/12—
12/94—12/94—(12/56).
Sone Valley—Rs. 4/00—4/00—3/90—3/90—
(4/78).

INSURANCE

Concord of India—Rs. 11/00—11/00—
11/00—11/00—(10/87).

CHEMICALS

Calcutta Chemical—Rs. 18/75—18/75—
18/00—18/00—(17/62).
Kanoria—Rs. 3/87—4/00—3/81—4/00.

ELECTRICS

Calcutta Electric—Rs. 14/50—14/56—
13/94—14/00—(14/87).
U.P. Electric—Rs. 119/00—119/00—119/00—
—119/00—(115/00).

ENGINEERING

Bharat Ball Bearing—Rs. 13/87—13/87—
13/87—13/87.
Binani Metal—Rs. 10/06—10/12—10/00—
10/50.
Braithwaite—Rs. 36/25—36/37—36/12—
36/19—(42/12).
Do. (Pref.)—Rs. 104/00—104/00—
104/00—104/00.
Burn (6% Pref.)—Rs. 101/00—101/00—
101/00—101/00—(99/50).
Calcutta Steel—Rs. 13/75—13/75—13/62—
13/62.
Dalmia Iron—Rs. 11/44—11/56—11/44—
11/50—(12/06).
Indian Iron & Steel (Pref.)—Rs. 83/00—
84/00—83/00—84/00—(88/00).
Jessop & Co.—Rs. 22/12—22/12—22/06—
22/06—(23/06).
Kumardhubi—Rs. 7/00—7/06—7/00—7/06—
(7/87).
Marshalls—Rs. 3/41—3/50—3/31—3/34—
(3/44).
National Iron—Rs. 4/44—4/50—4/25—
4/34—(5/31).
Wellman Incandescent—Rs. 5/44—5/56—
5/44—5/56.

MISCELLANEOUS

Aluminium Corp.—Rs. 14/00—14/00—
14/00—14/00—(17/81).
Angelo Brothers—Rs. 24/12—24/37—
24/12—24/25—(23/12).
Asiatic Oxygen—Rs. 9/25—9/31—9/19—
9/25.
Assam Hardboard—Rs. 1/97—1/97—1/97—
1/97.
Associated Battery—Rs. 26/44—26/44—
26/37—26/37—(35/06).
Birds Investment—Rs. 11/50—11/50—
11/50—11/50—(12/62).
British India Corp.—Rs. 9/06—9/12—
9/00—9/12—(11/44).
British Paints—Rs. 19/31—19/31—18/62—
18/75—(26/44).
Bararee Coke—Rs. 21/00—21/00—21/00—
21/00—(16/00).

Clive Row—Rs. 8/06—8/19—8/06—8/15—
(8/56).
Calcutta Tramways—Rs. 11/12—11/12—
11/00—11/00—(11/50).
Dr. Paul Lohmann—Rs. 15/12—15/37—
15/12—15/37.
Dunlop Rubber (1st Pref.)—Rs. 104/50—
104/50—103/50—103/50—(107/00).
Electric Construction—Rs. 13/50—13/62—
13/44—13/62—(13/47).
Gwalior Rayon—Rs. 43/50—43/50—43/50—
43/50.
Hoare Miller—Rs. 6/31—6/31—6/31—
6/31—(6/25).
Hindustan Lever—Rs. 44/12—44/12—
43/75—43/75—(62/50).
Hindustan Aluminium—Rs. 13/44—
13/69—13/30—13/56.
Hindustan Pilkington Glass—Rs. 18/44—
19/00—18/25—18/37—(30/75).
Hindustan (New)—Rs. 17/50—17/50—
17/37—17/37.
Hindustan Wire Products—Rs. 15/62—
15/62—15/62—15/62.
Hindustan Development—Rs. 4/25—
4/25—4/19—4/19.
Imperial Tobacco—Rs. 10/25—10/25—
10/12—10/25—(12/44).
Indian Wood Products—Rs. 30/75—30/75—
30/62—30/62—(32/06).
Indian Oxygen—Rs. 28/25—28/25—28/00—
28/00—(40/75).
Indian Tax & Nail—Rs. 12/75—12/75—
12/75—12/75.
Isaac Holden—Rs. 15/00—15/06—14/87—
14/87—(18/25).
Jardine Henderson—Rs. 72/00—72/00—
72/00—72/00—(77/00).
J. K. Synthetics—Rs. 10/81—10/81—
10/00—10/50.
Jay Shree Tea & Industries—Rs. 15/81—
15/81—15/62—15/87—(19/75).
Kesoram Industries (2nd Pref.)—Rs. 91/00—
91/00—91/00—91/00—(104/00).
Martin Burn—Rs. 29/56—29/56—29/25—
29/37—(32/37).
Metal Box—Rs. 51/00—51/00—50/75—
50/75—(61/00).
Metal Distributors—Rs. 4/62—4/81—4/62—
4/70.
National Rolling—Rs. 18/94—19/00—
18/94—19/00—(19/75).
National Pipe & Tubes—Rs. 29/25—
29/25—29/25—29/25—(29/94).
Rallis India—Rs. 129/00—129/00—129/00—
129/00—(154/00).
Rohtas Industries (B) Pref.—Rs. 52/00—
52/00—52/00—52/00—(54/00).
Shaw Wallace—Rs. 18/56—18/56—18/56—
18/56—(21/69).
Do. (Pref.)—Rs. 56/00—56/00—56/00—
56/00—(59/50).
Sirsil—Rs. 8/00—8/00—8/00—8/00—
(10/69).
Union Carbide—Rs. 42/00—42/00—42/00—
42/00—(51/37).

OIL

Indo-Burma Petroleum—Rs. 23/94—
23/94—23/31—23/31—(27/69).

PAPERS

Bengal—Rs. 31/44—31/56—31/44—31/56.
India Paper Pulp—Rs. 18/44—18/44—
18/44—18/44—(17/06).
Sirpur Paper—Rs. 10/75—10/84—10/62—
10/75—(16/37).
Titaghar—Rs. 16/75—16/75—16/50—
16/50—(35/44).

REAL PROPERTY

Midnapore Zemindary—Rs. 10/00—10/06—
10/00—10/06—(10/75).

SHIPPING

India Steamship—Rs. 6/00—6/69—5/87—
5/87—(7/19).

SUGARS

Balrampur—Rs. 2/00—2/07—2/00—
2/07—(2/50).
Dyer Meakin Breweries—Rs. 29/00—
29/00—28/37—28/50—(41/00).
Carew—Rs. 12/56—12/56—12/56—12/56—
(13/00).
Shree Krishna Gyanoday—Rs. 8/00—
8/00—8/00—8/00—(10/50).

TEAS

Barduar Tea & Timber—Rs. 8/50—8/50—
8/50—8/50—(8/50).
Brooke Bond—Rs. 11/62—11/62—11/62—
11/62—(15/62).
Do. (Pref.)—Rs. 55/00—55/00—55/00—
55/00—(59/25).
Kallinugger & Khoreel—Rs. 87/00—
87/00—87/00—87/00—(86/00).
Pussimbing (Pref.)—Rs. 89/00—89/50—
89/50—89/50—(90/00).
Sapoi—Rs. 19/87—19/87—19/87—19/87—
(18/37).
Tezpur—Rs. 15/56—15/56—15/56—15/56—
(16/89).

Tukvar—Rs. 6/00—6/00—6/00—6/00—
(7/36).

DEBENTURE

6 1/2 % Bengal Paper (Convertible Notes)—
Rs. 257/50—257/50—257/50—257/50.

London

POST-BRUSSELS RISE IN EQUITIES

GILT-EDGED STEADY

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		1-2-63	25-1-63	2-2-62
Liabilities—				
Notes in Banking Dept. ...		18,31.64	20,67.74	11,08.89
Notes in Circulation ...		21,66.68.19	21,64.85.03	19,93.47.65
Total Notes Issued ...		21,84.99.83	21,85.72.77	20,04.76.45
Assets—				
A Gold Coin and Bullion ...		1,17.76.10	1,17.76.10	1,17.76.03
Foreign Securities ...		88.08.43	88.08.43	1,26.86.97
Total of A ...		2,05.84.53	2,05.84.53	2,44.62.10
B Rupee Coin ...		1,20.73.09	1,21.45.70	1,20.94.29
Rupee Securities ...		18,58.42.21	18,58.42.54	16,39.20.06
Total ...		21,84.99.83	21,85.72.77	20,04.76.45

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up ...		5,00.00	5,00.00	5,00.00
Reserve Fund ...		89,00.00	89,00.00	89,00.00
National Agricultural Credit (Long Term Operations) Fund ...		61,00.00	61,00.00	50,00.00
National Agricultural Credit (Stabilisation) Fund ...		7,00.00	7,00.00	6,00.00
Deposits—				
(a) 1. Central Govt. ...		79,16.61	61,73.99	68,69.87
2. State Govts. ...		13,58.97	20,01.24	17,28.56
(b) Banks—				
(i) Scheduled Banks ...		74,19.68	75,76.68	75,61.06
(ii) State Co-operative Banks ...		1,76.87	1,65.62	...
(iii) Other Banks ...		3.69	2.38	...
(c) Others ...		1,63,55.17	1,61,10.15	1,49,03.37
Bills Payable ...		32,47.75	32,86.34	26,80.50
Other Liabilities ...		60,52.42	57,53.30	53,32.28
Total ...		5,78,30.26	5,63,49.70	5,31,15.54
Assets—				
Notes ...		18,31.64	20,67.74	11,08.89
Rupee Coin ...		8.56	2.13	3.07
Small Coin ...		2.21	2.26	3.02
National Agricultural Credit (Long Term Operations) Fund ...		...	...	...
(a) Loans and Advances to—				
(i) State Govts. ...		23,75.98	23,76.13	...
(ii) State Co-operative Banks ...		10,90.79	10,97.00	...
(iii) Central Land Mortgage Banks ...		...	...	...
(b) Investment in Central Land Mortgage Bank Debentures ...		2,34.88	2,34.88	...
National Agricultural Credit (Stabilisation) Fund ...		...	...	...
Loans and Advances to State Co-operative Banks ...		...	...	...
Bills Purchased and Discounted—				
(a) Internal ...		...	...	...
(b) External ...		...	...	...
(c) Govt. Treasury Bills ...		52,39.28	47,76.81	20,20.80
Balances Held abroad ...		7,09.30	7,38.12	11,15.49
Loans and Advances to Govt. ...		16,55.41	16,79.29	60,75.88
Loans and Advances to—				
(i) Scheduled Banks ...		36,09.80	33,57.10	1,38,85.95
(ii) State Co-operative Banks ...		1,33,10.19	1,33,17.17	...
(iii) Others ...		1,46.57	1,36.37	...
Investments ...		2,41,87.96	2,36,53.14	2,41,91.80
Other Assets ...		33,97.69	33,30.37	27,10.85
Total ...		5,78,30.26	5,63,49.70	5,31,15.54

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		25-1-63	18-1-63	20-1-62
(i) Demand Liabilities—				
(a) Demand Deposits ...		49,55.73	49,94.33	47,99.29
(b) From others ...		8,18,90.86	8,22,18.92	7,40,04.89
(c) Borrowing from Banks ...		25,91.58	24,28.26	23,18.30
(d) Others ...		56,54.95	56,45.38	55,10.54
(ii) Time Liabilities—				
(a) Time Deposits ...		20,29.99	19,43.16	19,98.48
(b) From Banks ...		12,29,79.86	12,20,08.90	11,10,77.47
(c) From others ...		18,52.93	15,90.99	15,35.79
(d) Borrowing from Banks ...		10,77.57	10,90.16	24,65.57
(e) Others ...		...	...	...
(iii) Borrowing from State Bank—				
(a) Demand Liabilities ...		3,88.54	5,07.72	6,07.56
(b) Time Liabilities ...		11,14.53	11,80.90	7,09.00
(c) From others ...		23,96.45	27,26.20	74,04.80
(d) Borrowing from Reserve Bank ...		50,37.02	54,82.39	46,74.41
(e) Cash ...		73,48.13	76,78.97	79,86.74
(f) Balances with the Reserve Bank ...		19,32.71	18,39.72	16,97.55
(g) Balances with other Banks in current account ...		51,72.30	50,96.53	44,88.52
(h) Money at call and short notice ...		6,49,62.90	6,42,19.91	5,90,00.65
(i) Investments in Central and State Govt. Securities ...		12,53,78.20	12,47,28.81	11,17,28.89
(j) Loans, Cash credits and Overdrafts ...		9,24.74	9,97.93	7,18.34
(k) Inland Bills purchased and discounted ...		1,64,07.15	1,63,69.22	1,51,29.03
(l) Foreign Bills purchased and discounted ...		52,68.86	51,89.80	46,87.11
(m) Total of K, L and M ...		14,78,79.75	14,72,63.56	13,22,63.37

THE BRITISH INDIA CORPORATION LTD., KANPUR

BRANCHES DIVISION:

Cawnpore Woollen Mills Branch Cooper Allen Branch
New Egerton Woollen Mills Branch North West Tannery Branch

London Office:

BEGG SUTHERLAND DIVISION:

Secretaries & Treasurers:

The Elgin Mills Co. Limited Cawnpore Sugar Works Ltd.
Cawnpore Textiles Ltd. Champaran Sugar Co. Ltd.
Brushware Limited Saran Engineering Co. Ltd.

Secretaries for: Beta Picker Co., Ltd.

Agents for: The Oriental Fire & General Insurance Co., Ltd.

Money

THE CALCUTTA MONEY MARKET
FAIR INCREASE IN ADVANCES

Wednesday, 6th February.

THERE has been a fair increase in advances in the Calcutta money market during the past week. The requirements of jute mills have increased the most, but more credit has also been given to the sugar mills and to the iron, steel and engineering industries. Advances for cotton, foodgrains and seeds remain almost unchanged. In the inter-bank market, conditions have been tight and the call rate has moved up to 5½ percent.

The exchange market has been extremely active. At first, tea bills predominated, but subsequently there has been a large supply of gunny bills also. The demand for remittance is keen towards the close. Sterling has lost ground against all the major currencies, except the Canadian dollar and the Swedish krona.

IN THE CALCUTTA BULLION MARKET, only ready silver was transacted. The price closed steady around Rs. 228 due to good speculative support. The price was quoted at 107½d in London and at 125.6 cents in New York.

DURING THE WEEK ENDED 1st FEBRUARY, Government of India Treasury bills for Rs. 87,33,75,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 5th February. The total amount offered was Rs. 2.50 crores. Tenders at Rs. 99.410 percent were accepted and allotted approximately 80 percent. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.360 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 11th February.

IT IS STATED THAT 91-DAY INTER-MEDIATE Treasury bills will be sold from 6th February to 9th February at Rs. 99.426 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills, sold from 30th January to 2nd February, amounted to Rs. 17.25 lakhs.

THERE WAS A RISE OF Rs. 1.83 CRORES to Rs. 2,166.68 crores in active notes, according to the return of the Reserve Bank of India during the week ended 1st February, 1963, while the total note issue was Rs. 73 lakhs smaller at Rs. 2,185 crores. Notes held in the Banking Department consequently fell by Rs. 2.56 crores to Rs. 18.32 crores. Deposits of the Central Government rose by Rs. 17.43 crores to Rs. 79.17 crores, but other Government accounts fell by Rs. 6.43 crores to Rs. 13.58 crores. Balances of scheduled banks declined by Rs. 1.57 crores to Rs. 74.20 crores. Balances held abroad fell by Rs. 29 lakhs to Rs. 7.09 crores. The investment portfolio was Rs. 5.13 crores bigger at Rs. 241.88 crores. Loans to scheduled banks rose from Rs. 23.57 crores to Rs. 36.10 crores of which advances against usance bills were Rs. 23.68 crores, against Rs. 15.44 crores. Ways and means advances stood at Rs. 16.55 crores, against Rs. 19.79 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 25th January, 1963, shows a rise of Rs. 10.34 crores to Rs. 568.53 crores in total deposits. Investments in Government securities are up by Rs. 7.71 crores to Rs. 254.60 crores, while other authorised investments are down by Rs. 1 lakh to Rs. 10.56 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have increased by Rs. 3.30 crores to Rs. 287.71 crores. Cash and balances are, in consequence, shown at Rs. 25.56 crores or Rs. 70 lakhs higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 25th January, 1963, shows Demand and Time liabilities at Rs. 948.90 crores (Rs. 25.92 crores on account of borrowings from banks) and Rs. 1,279.34 crores (Rs. 18.53 crores), compared with Rs. 951.87 crores (Rs. 24.28 crores) and Rs. 1,266.39 crores (Rs. 15.91 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have declined by Rs. 4.45 crores and Rs. 3.31 crores to Rs. 50.37 crores and Rs. 73.48 crores, respectively. There is a rise of Rs. 7.63 crores to Rs. 649.83 crores in investments. Advances and bills discounted at Rs. 1,479.80 crores show an increase of Rs. 6.94 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence shown at 5.5 percent and 66.4 percent, against 5.9 percent and 66.4 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 8-2-63.

Issue Date	Maturity Date	Amount (00's Rs.)	Average Acceptance Rate
8-2-63	11-5-63	2,00.00	Rs. 2.360%
1-2-63	4-5-63	2,00.00	Rs. 2.355%
25-1-63	28-4-63	2,00.00	Rs. 2.355%
18-1-63	21-4-63	2,00.00	Rs. 2.355%
4-1-63	7-4-63	2,00.00	Rs. 2.355%
11-1-63	14-4-63	2,00.00	Rs. 2.355%
21-12-62	24-3-63	2,00.00	Rs. 2.355%
14-12-62	17-3-63	2,00.00	Rs. 2.355%
7-12-62	10-3-63	2,00.00	Rs. 2.350%
30-11-62	3-3-63	2,00.00	Rs. 2.345%
23-11-62	24-2-63	2,00.00	Rs. 2.350%
16-11-62	17-2-63	2,00.00	Rs. 2.360%
9-11-62	10-2-63	2,00.00	Rs. 2.360%
(Monthly Maturities 00's omitted)			
February 1963		6,00.00	
March 1963		6,00.00	
April 1963		8,00.00	
May 1963		4,00.00	
Total		26,00.00	

CLEARING HOUSE RETURNS

Week ended	Calcutta	Bombay
1-2-63	98.81	106.29
25-1-63	91.47	105.35
18-1-63	61.84	92.28
11-1-63	94.15	112.52

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New Delhi

INDIA SORRY ABOUT BREAKDOWN IN BRUSSELS

(FROM OUR NEW DELHI CORRESPONDENT)

INDIA has reacted sharply to the breakdown of the talks at Brussels. The official reaction is one of sorrow and sympathy for Britain. India feels sad because with the U.K.'s entry into the European Common Market, she would have improved her trade with the "Six". She sympathises with the U.K. because it is largely over the safeguards for the Commonwealth trade that the talks have broken down. Although the final British proposals did not fully meet India's needs, the Government of India gives full credit to the U.K. Government for the stand it took, particularly to safeguard India's trade interests. The official view is that the situation which has now developed should be examined afresh. India's trade with the Common Market shows a big adverse balance against India. This makes it necessary that India should enter into trade negotiations with the E.C.M.

Originally, the negotiations were to follow the U.K.'s entry into the latter. India's stand in such negotiations will now be different. With Britain as a member of the E.C.M., India would have asked for compensation for the loss of trade preferences. She will now seek a balance in trade with the European Common Market countries. The need for a long-term trade agreement with the Common Market is, therefore, regarded as imperative. To meet the growing needs of development and defence, India is anxious to import a larger volume of goods from the Common Market countries provided her exports also rise simultaneously.

In the course of its negotiations with the European Common Market organisation, the British Government was able to reach the following agreement in relation to India, Pakistan and Ceylon. The agreement said that the enlarged Community would seek to negotiate comprehensive trade agreements with India, Pakistan and Ceylon, at the latest by the end of 1966. The objective of these agreements would be to develop trade with a view to maintaining and increasing the foreign currency earnings of these countries and to facilitate the implementation of their development plans. The means by which this could be done would include tariff, quota and export policies and measures to facilitate the promotion of private investment and the provision of technical assistance. An agreement was reached on the abolition of the existing common external tariff of 18 percent on tea.

Cotton Textiles: The common external tariff, it was agreed, could not be applied to these imports in accordance with the normal time-table but in four stages. The first step of 20 percent was to be taken on the accession of the United Kingdom to the Community; a second step of 20 percent 18 months later; a third step of 30 percent a year thereafter; and the final step of 30 percent when the common external tariff applied throughout the Community. As, in the main, the rate of duty in the common external tariff is 18 percent, the rates applied by the United Kingdom in the first three stages would have been about

3½ percent, 7 percent and 12½ percent ad valorem.

It was agreed that until the conclusion of the trade agreements referred to above, or the end of 1966, the enlarged Community would take steps without delay to restore the situation if, as a result of the progressive application of the common external tariff by the United Kingdom, exports to the Community were to decline. Such a decline would be measured in relation to a base level for such exports to the Community which would be established before the accession of the United Kingdom. It would be at least the average tonnage of imports into the member countries of the enlarged Community during 1959 and 1960. Provision for certain additions in accordance with the Geneva arrangement was also agreed in principle as far as the markets of the present Community are concerned. The United Kingdom was to restrict its imports from India and Pakistan to about the present limit.

Arrangements were agreed that during the period when exports to the United Kingdom of Indian or Pakistani grey cloth pay a rate of duty lower than that represented by the common external tariff, control should be exercised over exports of goods made from this material from the United Kingdom to other members of the Community in the event of difficulties arising in the latter's markets.

Other manufactured goods and processed foodstuffs: Agreement was reached that the common external tariff should be abolished in the case of some minor sports goods. As for the remainder of products under this heading, it was agreed that there should be a substantial delay in the normal time-table for the application of the common external tariff. The agreement provides for the application of the tariff in the following stages: 15 percent of the appropriate rate on Britain's accession; 15 percent on 1st July, 1965; 20 percent on 1st January, 1967; 20 percent on 1st July, 1968 and the final step on 1st January, 1970.

Jute goods: The provisional proposals provided for the progressive application of the common external tariff. The United Kingdom was to establish a quota for goods (other than heavy jute goods) from other member States of 3,000 tons, increasing annually by 700 tons. Quantitative restrictions were to be abolished on 1st January, 1970, at the latest.

Tropical products: A suspension of duties (under Article 28) was agreed for a number of items including cashewnuts and handloom products (the latter subject to an agreement on Customs definition). The treatment of other tropical products, including coffee, which are also of interest to associates of the Community, was to be considered at a later stage.

Items for further discussion: The British Government's proposals for nil duties on East India kips, coir mats and mattings certain heavy jute goods and hand-knotted carpets were to be discussed further. The Common Market Organisation had also agreed to enter into negotiations with India for a long-term trade

agreement, immediately after the United Kingdom had become its member. India's request for the postponement of tariffs pending the agreement was, however, refused.

It is obvious that the concessions agreed upon for India were subject to the U.K.'s becoming a member of the Community. In other words, concessions were given because India was

		(In Rs. lakhs)						
		1956	1957	1958	1959	1960	1961	April-Sept. 1962
Exports to Indonesia	...	781	570	287	382	430	607	292
Imports from Indonesia	...	189	381	331	383	395	187	60
		+ 592	+ 189	- 44	- 1	+ 35	+ 420	+ 232

a member of the Commonwealth. Thus India will now have to enter into negotiations, this time through its representative, not on the basis of the agreement already reached, but from scratch, seeking certain safeguards for her trade.

FOREIGN AID

Offers Made

Negotiations between the U.S.A. and India for development aid and, in particular, untied aid are in an advanced stage. According to earlier expectations, India should get untied aid of \$200 million to \$250 million almost immediately. This will not be new aid but the unused part of \$1,000 million offered for the first two years of the third five year plan.

The Netherlands has offered \$30 million as aid to India spread over three years. It will not be tied to any specific project, but the understanding is that purchases in relation to the aid will be made from Holland. Of this, 65 percent is a Government-to-Government loan and the remaining 35 percent will be an export guarantee loan. The credit will be made available in the ratio of 40 percent each in the third and fourth years of the plan, and the remainder in the last year of the plan. As far as the Government-to-Government loan is concerned, it will be advanced by the Dutch Bank of Development and Reconstruction.

The \$10-million credit offered by the Belgian Government is being suitably used, it is stated here.

INDONESIA

Trade Talks End

The preliminary talks between an Indian delegation led by Mr. Manubhai Shah, Central Minister for International Trade and an Indonesian delegation led by Mr. Umarjadi, Assistant Foreign Minister for Economic Affairs in Indonesia, ended here according to a Press note issued last week. An aide memoire containing the gist of discussions between the two delegations was exchanged. A long-term trade agreement between the two countries was agreed upon in principle.

Both the delegations reiterated their desire to expand trade and economic relations between the two countries. A list of projects in which India could assist Indonesia by supplying goods, machinery and

technical know-how was indicated. Both India and Indonesia will increase their purchase of goods from each other in a variety of products. Indonesia may purchase industrial machinery, machine tools, electrical and engineering goods, pharmaceuticals and drugs besides cotton textiles, jute goods and other traditional items. India will purchase from Indonesia larger quantities of items like rubber, non-ferrous metals, crude oil and petroleum products.

Mr. Manubhai Shah conveyed through the Indonesian delegation the cordial invitation of the Government of India for the visit to this country of a trade delegation led by the Indonesian Minister for Trade and Industry. The Indonesian delegation is expected here shortly.

The following table shows the position of India's trade with Indonesia:

		(In Rs. lakhs)						
		1956	1957	1958	1959	1960	1961	April-Sept. 1962
Exports to Indonesia	...	781	570	287	382	430	607	292
Imports from Indonesia	...	189	381	331	383	395	187	60
		+ 592	+ 189	- 44	- 1	+ 35	+ 420	+ 232

While petroleum products account for the bulk of India's imports, the major items of India's exports to Indonesia are cotton textiles of cheap quality and bed tickings, voils and drills, etcetera. In addition to cotton textiles, India also exports a considerable quantity of jute goods to Indonesia. The Indonesian Government has severely restricted the imports of commodities which do not fall under the categories of "food and clothing", "most essential industrial raw materials" and "mechanised appliances required for developing projects". This is on account of the foreign exchange shortage which Indonesia is facing. The present trend indicates that this policy will continue for some time to come. However, the main difficulties in trading with Indonesia arise from the uncertainty on the granting of import quotas and licences.

The fact, however, is that Indonesia has no foreign exchange to pay for her imports and has been demanding a system of deferred

London

U.K. REACTIONS TO FAILURE OF BRUSSELS TALKS

(FROM OUR LONDON CORRESPONDENT)

BRITAIN last week was formally refused entry into the European Economic Community. The Foreign Ministers of West Germany, Italy, and the Benelux countries accepted the fact that the French Government was determined to veto the British application for membership. Whatever may happen all over the world, there was bitter regret in Brussels. The Dutch and Belgians said that the Community would not be the same again, and the Italians said they were deeply disappointed.

Mr. Edward Heath, the leader of the British delegation, put his view plainly: "We entered these negotiations 16 months ago in good faith and have endeavoured strenuously to reach a successful conclusion. Five countries and the Commission have said publicly that all the remaining problems in the negotiations were capable of solution. I share that view. The five Governments and ourselves all wished to continue the negotiations and bring them to a successful conclusion. The high hopes of so many have thus been thwarted for political reasons at the will of one man. The end of the negotiations is a blow to the cause of that wider European unity for which we have been striving".

Since July 1961, when Mr. Macmillan told the House of Commons that Britain would apply for negotiations for entry into the Community under the terms of the Treaty of Rome, Government policy—economic, foreign and defence—has been directed on the assumption that Britain would enter the Community. Mr. Macmillan had to persuade the Commonwealth Prime Ministers and his own Party that this was a proper course for the Government to follow. Now the Government faces the vast disturbance of a readjustment of policies and Mr. Macmillan, after his many meetings with President de Gaulle, must take the full responsibility of his complete identification with the policy of Britain's entry.

Two Main Conclusions

The Government has apparently drawn two main conclusions from the events in Brussels:

(1) The political necessities of the western alliance compel Britain to maintain all existing links with western Europe.

(2) The economic inducement to Britain to make her industries com-

petitive, which membership of the Common Market would have given, must be replaced by domestic inducements.

Mr. Macmillan in a broadcast to the nation said that the U.K. is not going to let the break-down of the E.E.C. negotiations weaken her resolve to master her own problem. This was to expand the economy, to get growth, to maintain full employment without inflation. "That means that we must rely on our own determination, our own vigour, our own resources. We must be ready to accept change, to modernise, to adapt, to get rid of obsolete plant and perhaps more important, obsolete ideas—wherever they are: to work together, all of us".

Was this a gloomy or grim prospect, he asked? Not at all. It is the kind of situation in which Britain has always done best in the past, and so it will be again. Why had the negotiations broken down? Mr. Macmillan said: "Not because they were failing, but because they were succeeding. This seems a strange paradox, but it is true". In spite of assurances to the contrary, the only explanation was that the French Government hoped that the thing would break down for one reason or another—"either because the Commonwealth conference would not accept it, or because I would not be able to carry it through the Conservative Party conference, or that the arguments would go on for so long that the talks would sort of run in to the sand and never reach the end. But when in the last few weeks, it had become clear that the remaining points were about to be settled quite quickly, then the French Government brought the negotiations firmly and rather brutally to an end."

"What happened at Brussels on Tuesday (of last week) was bad: bad for us, bad for Europe, bad for the whole free world. There was no disguising that a great opportunity had been missed."

French Ambition

Mr. Macmillan said that before explaining what the U.K. should do now, "we ought to look at what we were trying to do". Europe, although the cradle of civilisation, had been the scene of some bitter struggles. He added: "This was generally brought about by attempts of one nation, or sometimes one man, to dominate the whole of Europe to create a kind of sham united Europe not by agreements, or by partnership, or co-operation, but by power. We want to stop this happening again by developing a strength and prosperity which would spread to a whole world". France, or at least the present French Government, was looking backwards not forwards: they seemed to think one nation could dominate Europe and that Europe could live alone without friends and allies.

Mr. Macmillan said: "Of course we must co-operate with the rest of the world, the Commonwealth and United States in equal and honourable partnership. That is why we in Britain are determined to stand by the Atlantic alliance". The U.S. had given Europe the chance to "pull ourselves together" after the war

and had thwarted the advance of communism by the creation of N.A.T.O. and the Atlantic Alliance. "What folly it is for anyone now to try to put all this at risk". Membership of the E.E.C. would have opened new prospects for the Commonwealth countries in a prosperous and expanding European market. "We had hoped by creating an enlarged market in Europe to create a great community, equal in strength to Russia on the one side or America upon the other. Our idea of it wasn't that Europe should be a kind of inward-looking, protected fortress. It should be outward-looking, helping the trade of the world, helping particularly the other poorer countries, the developing, the undeveloped, the new countries coming into being—and have come into being since the war".

What was the alternative? "There is no alternative in the sense of a ready-made plan better than the one we have been pursuing. If it had been possible to create a common market inside the Commonwealth we would have done it years ago. It would have been very attractive to us because of reasons of history and sentiment. But there is a lot we can do and must do. We must be creative and constructive not vindictive. What we do must be in harmony with our purpose, our theme and our aim".

Contact with Allies

All through the negotiations close contact had been maintained with the Commonwealth. "Now we must take counsel with them again and with the E.F.T.A. countries and the U.S.A. We must work for a lowering of tariffs all round as one of the best ways we can hope to increase world trade".

The immediately predominating reaction in the Commonwealth to the break-down of the Brussels negotiations will be one of relief that the British market will remain open with the continuation of Commonwealth preferences. Had Britain joined the European Economic Community she would have been obliged gradually to abolish Commonwealth preferences and to impose the common external European tariff on imports from non-members. This would have reversed Commonwealth preference into European preference. On the other hand, Commonwealth countries will not now qualify for many benefits that Britain had negotiated for them in Europe. Another offer which will not now materialise is that of associate status for Commonwealth countries in Africa and the Caribbean, and for various colonies.

Britain's exclusion from the E.E.C. will mean a dramatic increase in direct investment in Europe by British firms. Many projects for new manufacturing plant on the continent, in abeyance while negotiations continued, will now go ahead. The suspension of negotiations involves firms and industrial organisations, which have been gearing their whole outlook towards the likelihood of European entry, in yet another reappraisal of their future. One expected development was foreshadow-

ed recently by the British Employers Federation, which said: "The most important incentive to expand on the Continent would be provided by a decision not to enter the Common Market". In the four years to the end of 1961 British companies invested £60 million, excluding the oil and insurance fields, in E.E.C. countries. The figure is now expected to increase considerably, as more firms decide to extend production facilities from Britain into Europe in order to manufacture goods actually made inside the tariff wall.

Another sequel to Britain's exclusion from the Common Market will be that U.K. firms will have to intensify their efforts to export to E.E.C. markets. Tariff barriers will rise against British goods, but this is a challenge to be taken up and met. In this connection, the report on the first two years of the Export Council for Europe's work provides an interesting pointer.

The Council has been encouraged by the achievement of British industry in Europe. Although these have not been traditional markets for Britain, last year they took no less than £1,500 million of British goods, more than 39 percent of the U.K.'s total exports. Moreover, these exports had grown by 16 percent in 1961 and by another 12½ percent in 1962. Sales to the Common Market countries alone had risen even more, by 18 percent and 17 percent, respectively.

Sir William McFadzean, the chairman, commenting on the report, stresses that in Europe to-day there are "the most dynamic markets in the world, sophisticated, competitive, technically demanding". He refers to the continental countries outside the Iron Curtain which the Council was set up to deal with. In spite of the great progress made in the last two years, Britain's share of these markets is still only 8 percent overall and less than 6 percent in the E.E.C. countries. This indicates the great opportunities for further growth.

European Industry

Much of European industry is, however, not only highly efficient, but is becoming more and more closely co-ordinated in many ways. Great strides forward are being made in the means and organisation of transport. For Britain to be competitive and to succeed, she must not only be as efficient in manufacture but also in financing services and in each sector of transport and shipping, including the ports and Customs services. The Export Council has been particularly successful in getting a large number of small firms which had never before exported to enter this field. A series of regional conferences organised by the Council to explain the scope for selling in Europe has led to striking results. Many small firms have been helped to form export groups to share selling agents and other services.

Commenting on the recent slowing down in shipments to Europe, especially to the Common Market, Sir William said that exports of capital goods had probably become more difficult as the investment boom in Europe was slowing down, but there was immense scope for expanding sales of consumer goods. The Council was convinced that Britain had the right kind of goods to offer at the right prices and that her competitive position had greatly improved as a result of the relative stability in costs during the last year or so while many continental countries had seen their costs shoot up rapidly.

Jute

NEW CROP LIKELY TO BE AS BIG AS CURRENT ONE

ONE of the gratifying features of the jute goods market during the past week has been the recovery, albeit slight, of sacking prices towards the close. The rise is due to speculative activity rather than genuine business. The earlier fall was the result of overproduction, and sacking prices are still low in spite of the fact that many mills have been transferring looms from sacking to hessian manufacture. There seems to be little justification for the low prices that have existed for some time. If there is any substance in the contention that low prices are necessary for increasing the consumption of jute goods, there should be an early rise in demand.

During the period from May to August 1962, there was much uneasiness among certain speculators about the increase in sacking stocks. Although the increase was rather more than could normally be expected at that time of year, it was to some extent seasonal. It was pointed out that, unless there was a large increase in production or fall in demand, stocks would decline in the "buying season" from October to December. Stocks did actually decline, as was then predicted, but were left at a figure which was very nearly double that of December 1961. Now, the stock figures for the end of January 1963 are eagerly awaited.

New Crop Prospects

As the time for sowing the new jute crop approaches, it is appropriate to study the prospects. So far, there is no indication of a sharp decline in supplies, and enquiries in the districts have brought the information that there is only a little less jute available than at this time last year. The availability of Daissee and Tossa is strictly limited. But nearly all other grades, with the exception of high-quality jute, are plentiful. Stocks with mofussil balers consist mainly of low-grade fibre, and fairly large stocks are in the hands of well-to-do middlemen. These stocks, however, are held by people who are not pressed to sell as their cash position is quite good. A fall in prices at present would, therefore, probably cause them to delay sales until the prospects for the new crop are clearer.

Before examining the outlook for 1963-64, it is necessary to review the factors that may influence the size of the crop. The average price of jute in the mofussil areas so far this season is below what it was in the corresponding period of the last season. So the ryots have received rather less a maund this season than they did in 1961-62 until just before the time of sowing. On the other hand, many have had more jute to sell this season. With notable exceptions due to the recent emergency, some have already received more hard cash, and still have jute in hand. This is an important point, because in many districts jute is the only cash crop, and it is the actual amount of hard cash received rather than the rate a maund that influences them.

Reports from the districts indicate that the farmers intend to sow as large a crop this year. They are influenced in this by the minimum price scheme, and the knowledge—mistaken or otherwise—that help will always be available through buffer stock or S. T. C. purchases. Jute cultivation

tors to sow a big crop is the knowledge that local mills are still producing their maximum, while export demand has not diminished. The fact that mills here and abroad still have large stocks does not count with the farmers. They cannot see these stocks and, as long as buyers go on buying jute, the stocks do not have any obvious effect on prices. A cessation of buying, accompanied by a fall in rates at sowing time, would tend to reduce the size of the next crop. But if prices rise, as they seem to be doing now, adverse weather would be the only danger.

THE JUTE MARKETS

Manufactured Goods: With the due date settlement figuring largely in the day-to-day business, prices eased at the opening last Thursday. This was particularly noticeable in the sacking section, where February B Twills dropped to Rs. 113.25 with July-September shipment at Rs. 112.85. Hessian opened slightly better at Rs. 51.35 for February shipment. During the day, rumours of a Government tender for February-March shipment caused prices to firm up, but after the initial excitement, prices did not really show any signs of rising until Saturday, when the losses in sacking were made up. Confirmation of business over the week-end saw a further rise, so February B Twills advanced to Rs. 113 and 40in. 10oz. to Rs. 51.45. Reports of an Indonesian tender at this stage kept the market steady and fractional gains were recorded in both sections. But hessian was quiet and moved only in sympathy with sacking.

Opening quotations on Wednesday morning were as follows:

	Feb.	Mar.	April-June	July-Sept.
40in. 7oz.	38.85	38.25	37.50	36.85
40in. 8oz.	41.50	41.00	40.25	39.35
40in. 10oz.	50.80	50.20	49.60	49.10
B Twills	114.55	114.55	114.35	114.10
Corn sacks	117.00	117.00	117.00	116.50
Heavy Cees (Plain)	113.00	113.75	114.00	114.00
A Twills	140.50	140.00	138.00	138.00
Liverpools	128.00	128.00	128.00	128.00

Raw Jute: The fibre market ruled firm throughout the past week. Daissee and Tossa were very strong, and sellers were reserved, business being reported up to Rs. 33.50 basis Bottoms. Mills continued to buy steadily against quotas, but Assam white jute and mesta were comparatively neglected, although their prices were raised. High-grade jute passed at premium rates, and offers were very small. Upcountry prices were still quoted above Calcutta parity, and it was difficult in most cases to show a profit at present levels. Stockists released some jute at the higher rates, but only in small lots. In Cossipore, arrivals amounted to 430 wagons. Arrivals of jute on an all-India basis were estimated to be about 60,000 maunds daily.

Opening quotations on Wednesday were as follows:

	Current Price	T.S.D. Minimum Price
	Rs. Rs.	Rs. Rs.
	A Ql. A Md.	A Ql. A Md.
Assam-Agartala	76.36	28.50
Jute	76.36	28.50
Northern Jute	76.36	28.50

Western Desal	72.34	27.00	73.68	27.50
Selected Daissee	38.41	33.00	35.73	32.00
Assam-Agartala				
Tossa	87.07	32.50	83.05	31.00
Mesta:				
Assam-Northern	71.00	26.50	72.34	27.00
Local Daissee	72.34	27.00	72.34	27.00
Desal	73.68	27.50	73.68	27.50
Bihar Dist.	65.64	24.50	66.98	25.00
Pakistani N. C.	90.00	a bale, Feb.-March		

THE U.K. JUTE MARKETS

FIBRE REMAINS DULL

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market remained quiet in Pakistan during the past week. Shippers continued to make offers at current E.P.C. levels, but this was not attracting buyers. The position in the U.K. remains weak as a large quantity of jute is available on spot and also afloat, and that at a time when spinners are holding considerable stocks of raw material. Holders of these parcels are anxious for business and although some low prices are being named, very little movement is taking place. Approximately 15,000 bales of raw jute were destroyed in a fire at the Dundee harbour at the end of last week, but with so much fibre available ex-warehouse here, it has made no difference to the market. In fact, spinners are in no hurry to cover this loss as they expect prices to fall still further.

There appears to be ample jute available from the present crop to meet all requirements, but there has been a definite shortage of good quality material. Very few offers of the higher grades of both white jute and Tossa are being made and there can be no improvement in the position until fibre from the next crop becomes available.

Offers were irregularly made. Mill Lightnings ranged from £111 to over £120. Mill Hearts were lowest at £93 10s and Grade Hearts at £80, c.i.f. U.K., for February-March shipment. Grade Tossa-2/3 was named at £128 10s and Grade Tossa-4 at £112 with Output Tossa-2/3 at £97 15s and Output Tossa-4 at £87 15s, February-March. Offers of cuttings were not being so freely made as previously. The price asked for S.N.C. was £54

and for N.C. £46 15s. There were very few sellers of Siam jute and supplies were difficult to obtain. Grade A was at £82, grade B at £76 and grade C at £70, delivered mill Dundee for February-March shipment.

The Calcutta goods market was steady. Some buying interest was shown in the U.K. Quotations were at 77s 9d for 40in. 10oz and at 59s for 7½oz. a 100 yards f.o.b. Calcutta for February shipment, at 76s 9d and 58s 3d March and at 75s 9d and 57s 3d April-June. B Twills were at 173s 9d, 173s 6d and 173s for the respective shipment periods. Although spinners and manufacturers were still very busy in Dundee and have orders in hand for delivery several months ahead, less buying interest was shown during the past week. This could be due to the quieter raw material market and the possibility of lower rates being brought into force.

THE PAKISTANI JUTE MARKETS

E.P.C. PRICES REDUCED

(FROM OUR Dacca CORRESPONDENT)

THE fibre market is dull and inactive. The only thing with which traders can occupy their minds in this dull period is the coming crop, although it is too early for anything but pre-rain preparation of the land. There is, however, speculation on what growers intend to do. The consensus of opinion from widely different parts of the country produces one trend of thought. This appears to be that size of the next crop will not be affected at all by Government restrictions or otherwise and that if there is good weather during the sowing period, the crop is likely to be well sown. If during the next month or so, prices rise, growers will sow extensively. Sowings of the next crop must be closely watched since the only factor which might push the market up is the report that a small crop is going to be sown.

This apart, it would appear that overseas buyers are well bought to resist any serious rise.

Locally, the market is as dull as overseas, only slightly more active at much lower prices than are being paid overseas. In sympathy, the E.P.C. prices were reduced in the higher grades. Dundee Tossa 4s were reduced by £2, Mill Firsts by £3 and Export Firsts, Dacca Tossa 5s, Output Tossa 2/3s and 4s and Dundee Tossa 2/3s were all reduced by £4. This still puts the E.P.C. levels above the sale values. It is unlikely that the reduction will induce any increase in business, but it may bring out some delayed registrations.

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N.C.D.C. COAL SALES POLICY HITS SMALL TRADERS

(BY A SPECIAL CORRESPONDENT)

THE small coal trader forms an important link in the whole arrangement of coal supplies prevailing at present. The trader who may be referred to as the middleman has varied functions to perform. To guarantee regular payments from the consumers is only one of his many functions. It is also his function to get the programmes and the bulks issued regularly and get amendments made in case of any mistake. It is again his function to arrange for regular tenders by collieries and secure allotments by the railways. In case of any difficulty, which is a normal feature, he has to arrange for special allotments. He has to ensure the quality of supplies, proper loading, etcetera. He ensures proper performance by the supplying colliery and arranges for transfer in the event of any failure.

All these measures are necessary to ensure regular supplies to the consumer. It is in consideration of these vital functions that the middleman in coal has come to play an important role. A very useful link between the producers and consumers, he is already being threatened, and his very existence is becoming precarious due to the policy being followed by the National Coal Development Corporation, a Government of India undertaking.

The N.C.D.C., besides engaging itself in production of coal, also sells the commodity produced in its collieries. It is as a seller of coal that its policy needs to be modified in the interest of the small trader. Its present sales policy and the rules governing it are too rigid and tend to create monopolies of a few big traders to the exclusion of a large mass of small traders in the coal trade. This situation as created by the N.C.D.C. is highly undemocratic, and against the declared objectives of the Government to support the small man.

Demand for Bank Guarantee

Under the present set-up governing the middleman, the N.C.D.C. insists

that the party concerned should furnish a bank guarantee for twice or thrice the value of the monthly supply desired. It is clear that this is a very harsh condition and tends to favour only a few selected big traders who are in a position to afford a bank guarantee. The inevitable result is that the entire business of the N.C.D.C. is getting concentrated in the hands of a few selected big traders and thereby monopolies are created, while the highest in the Government have deprecated, and rightfully so, the monopolistic tendencies in business.

What should be important from the point of view of the N.C.D.C. is the creditworthiness of the consumer concerned and not that of the middleman. As for the latter, what is important is his capacity to ensure regular payments by the consumers. Therefore the N.C.D.C. can at best demand an undertaking from the consumer concerned instead of a bank guarantee by the middleman through whom the supply is routed. The N.C.D.C. may also standardise the period of credit which is normally one month from the presentation of the bills. An undertaking by the consumer, especially those registered under the Industrial Development and Regulation Act, to pay the bills direct to the N.C.D.C. within the stipulated period of one month should provide the necessary solution and security for the N.C.D.C. However, in case of consumers not registered under the said Act, the N.C.D.C. may do well to ask for a bank guarantee covering the value of one month's supply only.

Commission for Traders

In the matter of commission too, the N.C.D.C. should set itself up as a model for every one in the coal industry including the private sector collieries. It must agree to give a minimum commission of 6 annas a tonne on all grades of coal and from all fields. It should also firmly lay

down that all business transactions will be placed through middlemen and that no orders for supplies will be entertained direct from any consumer. This should be another essential feature of the N.C.D.C.'s policy and should be implemented forthwith without any exception.

The N.C.D.C. at present entertains orders for supplies from any one particular consumer from only one middleman. This presents difficulties for all, the N.C.D.C. included. This procedure, if followed by a small private sector colliery having a limited clientele, is understandable, but the N.C.D.C. is a vast corporate organisation operating a large number of collieries in different parts of the country. If a middleman draws supplies from any one of the N.C.D.C.'s collieries, it should not preclude consumers from drawing supplies from the rest of its collieries through some other middleman. In the absence of this, the consumer is put to difficulties. This is also not in the best interest of the N.C.D.C. which is precluded from making larger supplies to the consumers concerned. It tends to create monopolies ousting small middlemen from the business.

Supply through Middlemen

In actual practice, large consumers have found it necessary to draw supplies from different collieries through different middlemen. This practice helps guard against any force majeure. For State undertakings it has been provided that they should draw their requirements from Government collieries. But this they have found impracticable to follow in actual practice. For better supplies, they have found it advantageous to distribute the supplies over a number of collieries in the public as well as the private sectors and through different middlemen. It is, therefore, necessary in the interest of all that the N.C.D.C.

CAPITAL, 7th February, 1963.

also permit supplies to the same consumer through different middlemen and from different collieries. This modification is considered essential in the interest of small middlemen and will be a definite step against creation of monopolies in the coal trade.

It is common knowledge that the N.C.D.C.'s production is in a very large proportion in the lower grades of coal. The middleman plays an important rôle in the disposal of such grades of coal. To encourage small middlemen is, therefore, in the interest of the N.C.D.C. itself. The N.C.D.C. is at present engaged in expanding production in outlying fields where there is considerable demand for coal and is likely to go up steadily in the years to come. Transport facilities vital for stepping up coal production are also readily available in these areas. For the purpose of expanding output, the N.C.D.C. is acquiring small pockets from small lease-holders. These are no other than the small traders who are gradually being thrown out of their traditional business. It is desirable for the N.C.D.C. to initiate suitable measures to rehabilitate these small traders.

Approach by Big Traders

Reports are current that some big traders are approaching the N.C.D.C. for sole selling rights concerning their newly developed collieries for certain regions. It will be highly disadvantageous for the corporation to accede to such requests in so far as it would lead to complete elimination of the small trader. The small trader has a special significance in arranging supplies in the outlying fields. Road transport not being so developed in these areas as in the north, the entire supplies even in smaller lots are made by wagons. It will be unfortunate if the N.C.D.C. were to take any step which would tend to eliminate these traders or sap their initiative. They have to be maintained and encouraged in the interest of all concerned. The smaller trader has already been eliminated from various lines. It is essential in the interest of employment that the Government should prevent the same thing from happening in the coal trade as well.

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Commodity Markets

PROGRESS OF PLANTATION LABOUR HOUSING PLANS

(BY OUR SOUTH INDIAN CORRESPONDENT)

THE working group on housing set up by the Central Government visited south Indian plantations recently to study the problems of plantation labour housing. When the Plantation Labour Act came into force in 1954, rules were framed with a view to ensuring that the total labour dwellings in the plantation industry were brought up to prescribed standards at the annual rate of 8 percent of total requirements. That was a year of unprecedented boom in the tea and coffee industries. So the burden imposed on the plantation industry for labour housing was accepted by the management without much of a protest. The situation, however, changed within a few years and planters started complaining that investment required to satisfy the standards prescribed for labour housing is becoming unbearable. But the planters started constructing labour quarters without seeking any assistance from the Government. The achievements in the past eight years deserve better public notice than they have so far received, the planters claim.

According to one estimate, the south Indian plantation industry has to provide at least 100,000 houses for its workers according to Plantation Labour Act specifications. Provision of housing is a statutory obligation laid on the industry. Consequently, estate owners have to make substantial investments on labour quarters. A tea estate in south India, it is estimated, will have to spend Rs. 900 a worker to fulfil this obligation. It is said that 60 percent of the existing labour quarters are of the prescribed standard. The remaining 40 percent require improvement. The plantation industry in India will have to spend a huge amount to discharge its obligations under the Plantation Labour Housing Rules. The cost of production of the industry is mounting and the tax burden imposed on it is increasing. These factors are reducing the industry's capacity to discharge its obligations to workers. Besides, prices of building materials are going up, and there is a shortage of some of the items like cement. So there is a genuine case for fresh thinking on plantation labour housing.

Emergency Insurance

Emergency risk insurance has been clamped on the south Indian plantations. This is said to be rather unnecessary because plantations in the south do not face any immediate threat of war unlike their counterparts in Assam which asked for this type of protection when confronted with Chinese aggression. There is no provision in the Act to adjust the premium rate according to the difference in danger from the war threat. The north Indian plantations, which are in the danger zone, and the south Indian plantations which are far away from the area of war are to pay the same rate of premium. So the south Indian planters are unhappy about this situation.

Black pepper has lost most of its recent gains which were sudden and unexpected. American replacement buying, which was responsible for the recent upward spiral in pepper prices, was short-lived. According to latest reports from New York, the demand is negligible in spite of the reductions made by sellers in their quotations. It is stated that both America and

Russia are not interested in Indian pepper at present prices which are substantially lower than in the last year. The undertone, therefore, continues to be uncertain.

Boom in Coconut Oil

Coconut oil, on the other hand, is enjoying a price boom. It touched a new peak recently at Rs. 315 a quintal on the Alleppey market which is the principal terminal market in India for this commodity. The price is now firm around Rs. 310 a quintal, against Rs. 225 a quintal at this time of last year. Market circles are puzzled over this, since normally prices tend to come down during this time of year on account of increased arrivals of the new indigenous crop. The present firmness is attributed to the cornering of stocks by big millers, increased consumption and smaller production. Another factor is the delayed arrivals caused by an unfavourable weather this year. Import also is comparatively small, according to reports.

The technological sub-committee of the Indian Central Coconut Committee, which met recently in Madras, has reported considerable progress in the wet extraction of coconut oil and proteins in the Central Food Technological Research Institute. The extraction efficiency has increased from 75 percent to 90 percent. According to experts serving on the committee, proteins in coconut are superior to those in other oilseeds and are good for the manufacture of infant food, etcetera. Dr. V. Subramanian, chairman of the sub-committee, said that the formulation of infant foods and weaning foods based on coconut proteins could supplement milk and other infant foods. The work carried out at the Central Food Technological Research Institute in this direction had attracted the attention of different U.N. bodies like the Food and Agriculture Organisation, the World Health Organisation, and the protein advisory group of the United Nations International Children's Emergency Fund. Dr. Subramanian further pointed out that the U.K. was keenly interested in purchasing substantial quantities of high grade desiccated coconut processed at the Central Food Technological Institute.

Further Cut in Export Duty on Tea Urged

(BY A SPECIAL CORRESPONDENT)

WITH the Central Budget due for presentation at the end of February, speculation continues as to what new imposts will be levied on various commodities. Considering the need to increase exports to help pay for development and defence expenditures, it is obvious that there should be no interference with the despatch or shipment of any commodity which adds to India's foreign exchange earnings. In view of the marked improvement in tea exports since the reduction of exports last year, the industry port duty last year, the industry will undoubtedly benefit from a further reduction of the duty. Taxes are already too high now. Additional imposts will only add to costs which are already much too high. So there is a clear case for not imposing further taxes in the immediate future.

From time to time, this correspondent has drawn attention to the importance of cultivating the North American markets in order to earn more dollar exchange. Although in December 1961, the original Tea Council of the U.S.A. faced the possibility of being disbanded, a reconstituted Council was fortunately set up to serve the tea interests of Ceylon, India, Indonesia and the U.S.A. By the end of January 1962, the Council was an established fact and its committee welcomed the tea delegation from the India which visited the United States early in 1962. The original Council received the steadfast support of only eight firms whereas today 33 firms are extending their support to the reconstituted Council. The latter also enjoys the support of Ceylon, India and Indonesia. The new Council has also prepared some programme for areas where there is no brand promotion activity. The management of the Council believes that by propaganda in new areas, an infinite variety of promotional and educational opportunities will be found to be available. The drink-more-tea campaign will be committed to an all-out drive to woo young Americans. This drive is being made to the student community and a booklet entitled *Guide to Physical Fitness* is being published recommending tea to them. Other forms of advertising are also receiving careful attention. This year, the propaganda campaign will be more intensive. It looks as if tea consumption in the U.S.A. will continue to gain ground.

more favourable during the 1963 growing season and sufficient fertilisers are made available, the country may be compelled to import a few million lbs of tea. Production last year was reported down by about 7 million lbs. As a result, sales during January 1963 have opened with a firm undertone. But it remains difficult to assess the outlook for the 1963-64 season until up-to-date figures of production and consumption for 1962-63, are available.

Planters in Ceylon are reported to have advised their Government that India had profited at Ceylon's expense by last year's reduction in export duties. The industry, therefore, requested the Government to effect a similar reduction on low-grown teas, but the Government is reported to have advised them that in view of the present state of the country's finances, no reductions could be considered.

Costs in U.S. Synthetic Rubber Industry Rise

THE recent indications of rising costs in the U.S. synthetic rubber industry are taken as hopeful signs that the natural rubber industry may have to face less severe competition. According to some market observers, while the price of natural rubber may continue its long-term decline, depreciation will be slower than had hitherto been expected. Developments in the U.S. market during 1962 also suggest that although natural rubber continues to satisfy a smaller share of the demand for new rubber, this need not necessarily involve any loss of markets. Its share of the total demand for new rubber was 27 percent in 1962, against 28 percent in 1961. As a matter of fact, the U.S. rubber manufacturing industry took 422,500 tons of natural rubber in the first 11 months of 1962, compared with 390,000 tons in the same period in 1961.

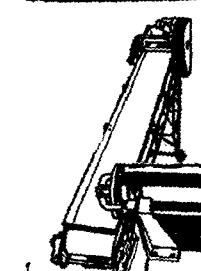
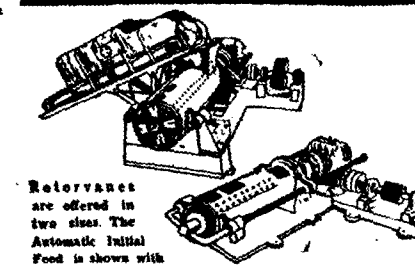
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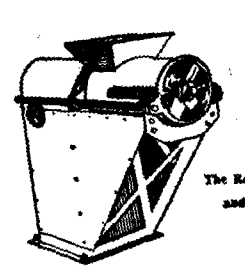


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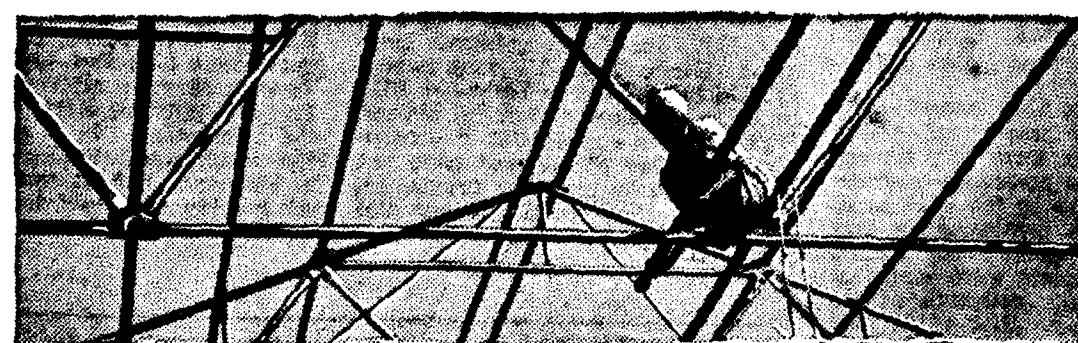
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S. T. SADASIVAN,
GENERAL MANAGER.

COMPANY AND PUBLIC NOTICES

THE HOWRAH-AMTA LIGHT RAILWAY COMPANY LIMITED NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Wednesday the 27th February, 1963, at 3-30 p.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

RESOLVED that this General Meeting having taken under consideration the contracts now exhibited to the meeting and whose material terms are set forth below for the sale, purchase or supply of any property, movable or immovable, or for the supply or rendering of any service, other than that of a managing agent, between the Company and its managing agents, Martin Burn Limited, and their associates, such as (1) Burn & Co. Ltd., (2) The Indian Standard Wagon Co. Ltd., (3) The Hooghly Docking & Engineering Co. Ltd., (4) Saugor Electricity Supply Co. Ltd., (5) Upper Jumna Valley Electricity Supply Co. Ltd., (6) Robert Hudson (India) Ltd., do approve of all these contracts.

PROVIDED that so far as the said contracts relate to the supply or rendering of any service other than that of a managing agent, this resolution shall be subject for its effectiveness to the approval of such contracts by the Central Government.

MATERIAL TERMS

GOODS AND SERVICES:—All such as may be dealt in or rendered or required by the seller or buyer for the time being and from time to time.

PRICE:—Such as shall be ruling with the seller or supplier at the date of requirement or such as shall

be currently in force and be otherwise reasonable.

DELIVERY:—According to Buyers' requirements specified in relevant Advice Notes.

PAYMENT:—As specified in acceptance. Provided that for any property supplied or sold, or any services supplied or rendered, payment shall be made by the Buyer within one month from the date of such supply, sale or rendering as the case may be.

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

By Order of the Board,
MARTIN BURN LIMITED,
S. GUPTA,
Managing Director,
Secretaries & Treasurers.

Registered Office,
12, Mission Row,
Calcutta-1.

Dated, 31st January, 1963.

Note: An Explanatory Statement is annexed to the convening notice issued to members of the Company.

THE SHAHDARA (DELHI)-SAHARANPUR LIGHT RAILWAY COMPANY LIMITED NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Wednesday the 27th February, 1963, at 3-40 p.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

RESOLVED that this General Meeting having taken under consideration the contracts now exhibited to the meeting and whose material terms are set forth below for the sale, purchase or supply of any property, movable or immovable, or for the supply or rendering of any service, other than that of a managing agent, between the Company and its managing agents, Martin Burn Limited, and their associates, such as (1) Burn & Co. Ltd., (2) The Indian Standard Wagon Co. Ltd., (3) The Hooghly Docking & Engineering Co. Ltd., (4) Saugor Electricity Supply Co. Ltd., (5) Upper Jumna Valley Electricity Supply Co. Ltd., (6) Robert Hudson (India) Ltd., do approve of all these contracts.

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DELIVERY:—According to Buyers' requirements specified in relevant Advice Notes.

PAYMENT:—As specified in acceptance. Provided that for any property supplied or sold, or any

ment shall be made by the Buyer within one month from the date of such supply, sale or rendering as the case may be.

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

By Order of the Board,
MARTIN BURN LIMITED,
S. GUPTA,
Managing Director,
Secretaries & Treasurers.

Registered Office,
12, Mission Row,
Calcutta-1.

Dated, 31st January, 1963.

Note: An Explanatory Statement is annexed to the convening notice issued to members of the Company.

THE HOWRAH-SHEAKHALLA LIGHT RAILWAY COMPANY LIMITED NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Wednesday the 27th February, 1963, at 3-35 p.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

RESOLVED that this General Meeting having taken under consideration the contracts now exhibited to the meeting and whose material terms are set forth below for the sale, purchase or supply of any property, movable or immovable, or for the supply or rendering of any service, other than that of secretaries and treasurers, between the Company and its secretaries and treasurers, Martin Burn Limited, and their associates, such as (1) Burn & Co. Ltd., (2) The Indian Standard Wagon Co. Ltd., (3) The Hooghly Docking & Engineering Co. Ltd., (4) Saugor Electricity Supply Co. Ltd., (5) Upper Jumna Valley Electricity Supply Co. Ltd., (6) Robert Hudson (India) Ltd., do approve of all these contracts.

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A member entitled to attend and vote at the Meeting is entitled to

CAPITAL, 7th February, 1963.

instead of himself and a proxy need not be a member.

By Order of the Board,
MARTIN BURN LIMITED,
S. GUPTA,
Managing Director,
Secretaries & Treasurers.

Registered Office,
12, Mission Row,
Calcutta-1.

Dated, 31st January, 1963.

Note: An Explanatory Statement is annexed to the convening notice issued to members of the Company.

THE ARRAH-SASARAM LIGHT RAILWAY COMPANY LIMITED NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Wednesday the 27th February, 1963, at 3-45 p.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

RESOLVED that this General Meeting having taken under consideration the contracts now exhibited to the meeting and whose material terms are set forth below for the sale, purchase or supply of any property, movable or immovable, or for the supply or rendering of any service, other than that of secretaries and treasurers, between the Company and its secretaries and treasurers, Martin Burn Limited, and their associates, such as (1) Burn & Co. Ltd., (2) The Indian Standard Wagon Co. Ltd., (3) The Hooghly Docking & Engineering Co. Ltd., (4) Saugor Electricity Supply Co. Ltd., (5) Upper Jumna Valley Electricity Supply Co. Ltd., (6) Robert Hudson (India) Ltd., do approve of all these contracts.

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By Order of the Board,
MARTIN BURN LIMITED,
S. GUPTA,
Managing Director,
Secretaries & Treasurers.

Registered Office,
12, Mission Row,
Calcutta-1.

Dated, 31st January, 1963.

Note: An Explanatory Statement is annexed to the convening

CAPITAL, 7th February, 1963.

HE FUTWAH-ISLAMPUR LIGHT RAILWAY COMPANY LIMITED NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Wednesday the 27th February, 1963, at 3-50 p.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

RESOLVED that this General Meeting having taken under consideration the contracts now exhibited to the meeting and whose material terms are set forth below for the sale, purchase or supply of any property, movable or immovable, or for the supply or rendering of any service, other than that of secretaries and treasurers, between the Company and its secretaries and treasurers, Martin Burn Limited, and their associates, such as (1) Burn & Co. Ltd., (2) The Indian Standard Wagon Co. Ltd., (3) The Hooghly Docking & Engineering Co. Ltd., (4) Saugor Electricity Supply Co. Ltd., (5) Upper Jumna Valley Electricity Supply Co. Ltd., (6) Robert Hudson (India) Ltd., do approve of all these contracts.

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By Order of the Board,
MARTIN BURN LIMITED,
S. GUPTA,
Managing Director,
Secretaries & Treasurers.

Registered Office,
12, Mission Row,
Calcutta-1.

Dated, 31st January, 1963.

Note: An Explanatory Statement is annexed to the convening notice issued to members of the Company.

THE CHAPARMUKH-SILGHAT RAILWAY COMPANY LIMITED NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Wednesday the 27th February, 1963, at 3-55 p.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

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By Order of the Board,
MARTIN BURN LIMITED,
S. GUPTA,
Managing Director,
Secretaries & Treasurers.

Registered Office,
12, Mission Row,
Calcutta-1.

Dated, 31st January, 1963.

Note: An Explanatory Statement is annexed to the convening notice issued to members of the Company.

SAUGOR ELECTRICITY SUPPLY COMPANY LIMITED NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Monday the 25th February, 1963, at 3-35 p.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

RESOLVED that this General Meeting having taken under consideration the contracts now exhibited to the meeting and whose material terms are set forth below for the sale, purchase or supply of any property, movable or immovable, or for the supply or rendering of any service, other than that of secretaries and treasurers, between the Company and its secretaries and treasurers, Martin Burn Limited, and their associates, such as (1) Burn & Co. Ltd., (2) The Indian Standard Wagon Co. Ltd., (3) The Hooghly Docking &

STATE BANK OF INDIA NOTICE

THE Eighth Annual General Meeting of the Shareholders of the State Bank of India will be held at the Bank's Local Head Office at Apollo Street, Bombay, on Thursday, the 7th March, 1963, at 4 P.M. (Standard Time) for the transaction of the following business:—

To receive the Central Board's Report, the Balance Sheet and Profit and Loss Account of the Bank made up to the 31st December, 1962 and the Auditors' Report on the Balance Sheet and Accounts.

B. VENKATAPPAIAH,
Chairman.

Calcutta, the 21st January, 1963.
1st Magha 1884 (Saka)



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(ESTD. 1911)
H.O. FORT, BOMBAY 1
K. K. KARANJIA
Managing Director

AGRA ELECTRIC SUPPLY COMPANY LIMITED

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Monday the 25th February, 1963, at 3-50 p.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

RESOLVED that this General Meeting having taken under consideration the contracts now exhibited to the meeting and whose material terms are set forth below for the sale, purchase or supply of any property, movable or immovable, or for the supply or rendering of any service, other than that of a managing agent, between the Company and its managing agents, Martin Burn Limited, and their associates, such as (1) Burn & Co. Ltd., (2) The Indian Standard Wagon Co. Ltd., (3) The Hooghly Docking & Engineering Co. Ltd., (4) Sauror Electricity Supply Co. Ltd., (5) Upper Jumna Valley Electricity Supply Co. Ltd., (6) Robert Hudson (India) Ltd., do approve of all these contracts.

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

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

Registered Office,
12, Mission Row,
Calcutta-1.

Dated, 29th January, 1963.

Note—An Explanatory Statement is annexed to the convening notice issued to members of the Company.

CAPITAL

Founded in 1888, is India's oldest and most widely read financial newspaper. It gives its readers in all parts of the world the most up-to-date service in Indian economic intelligence and information of any newspaper in the daily or weekly field, and includes a complete list of all shares and securities dealt in on the Calcutta Stock Exchange together with full details of latest balance sheets.

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JUBBULPORE ELECTRIC SUPPLY COMPANY LIMITED

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Monday the 25th February, 1963, at 3-55 p.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

RESOLVED that this General Meeting having taken under consideration the contracts now exhibited to the meeting and whose material terms are set forth below for the sale, purchase or supply of any property, movable or immovable, or for the supply or rendering of any service, other than that of a managing agent, between the Company and its managing agents, Martin Burn Limited, and their associates, such as (1) Burn & Co. Ltd., (2) The Indian Standard Wagon Co. Ltd., (3) The Hooghly Docking & Engineering Co. Ltd., (4) Sauror Electricity Supply Co. Ltd., (5) Upper Jumna Valley Electricity Supply Co. Ltd., (6) Robert Hudson (India) Ltd., do approve of all these contracts.

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

Registered Office,
12, Mission Row,
Calcutta-1.

Dated, 29th January, 1963.

Note—An Explanatory Statement is annexed to the convening notice issued to members of the Company.

BAREILLY ELECTRICITY SUPPLY COMPANY LIMITED

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Monday the 25th February, 1963, at 3-30 p.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

RESOLVED that this General Meeting having taken under consideration the contracts now exhibited to the meeting and whose material terms are set forth below for the sale, purchase or supply of any property, movable or immovable, or for the supply or rendering of any service, other than that of secretaries and treasurers, between the Company and its secretaries and treasurers, Martin Burn Limited, and their associates, such as (1) Burn & Co. Ltd., (2) The Indian Standard Wagon Co. Ltd., (3) The Hooghly Docking & Engineering Co. Ltd., (4) Sauror Electricity Supply Co. Ltd., (5) Upper Jumna Valley Electricity Supply Co. Ltd., (6) Robert Hudson (India) Ltd., do approve of all these contracts.

PROVIDED that so far as the said contracts relate to the supply or rendering of any service other than that of secretaries and treasurers, this resolution shall be subject for its effectiveness to the approval of such contracts by the Central Government.

MATERIAL TERMS

GOODS AND SERVICES—All such as may be dealt in or rendered or required by the seller or buyer for the time being and from time to time.

PRICE—Such as shall be ruling with the seller or supplier at the date of requirement or such as shall be currently in force and be otherwise reasonable.

DELIVERY—According to Buyers' requirements specified in relevant Advice Notes.

PAYMENT—As specified in acceptance. Provided that for any property supplied or sold, or any services supplied or rendered, payment shall be made by the Buyer within one month from the date of such supply, sale or rendering as the case may be.

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

By Order of the Board,
MARTIN BURN LIMITED,
S. GUPTA,
Managing Director,
Secretaries & Treasurers.

Registered Office,
12, Mission Row,
Calcutta-1.

Dated, 29th January, 1963.

Note—An Explanatory Statement is annexed to the convening notice issued to members of the Company.

EASTERN INVESTMENTS LIMITED

THE Board of Directors has decided to recommend to the forthcoming Annual General Meeting of the members of the Company the following Final dividends for the year ended 31st December, 1962, subject to deduction of tax—

On the taxable cumulative Preference Shares @ 4.1625% per annum less Interim dividend @ 2.08% already paid.

On the Issued Ordinary Shares @ 12% per annum.

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,
Secretaries.

Registered Office:
Chartered Bank Buildings,
Calcutta, 29th January, 1963.

THE INDIAN IRON & STEEL COMPANY LIMITED

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Thursday the 28th February, 1963, at 11-00 a.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

RESOLVED that this General Meeting having taken under consideration the contracts now exhibited to the meeting and whose material terms are set forth below for the sale, purchase or supply of any property, movable or immovable, or for the supply or rendering of any service, other than that of a managing agent, between the Company and its managing agents, Martin Burn Limited, and their associates, such as (1) Burn & Co. Ltd., (2) The Indian Standard Wagon Co. Ltd., (3) The Hooghly Docking & Engineering Co. Ltd., (4) Sauror Electricity Supply Co. Ltd., (5) Upper Jumna Valley Electricity Supply Co. Ltd., (6) Robert Hudson (India) Ltd., do approve of all these contracts.

PROVIDED that so far as the said contracts relate to the supply or rendering of any service other than that of a managing agent, this resolution shall be subject for its effectiveness to the approval of such contracts by the Central Government.

MATERIAL TERMS

GOODS AND SERVICES—All such as may be dealt in or rendered or required by the seller or buyer for the time being and from time to time.

PRICE—Such as shall be ruling with the seller or supplier at the date of requirement or such as shall be currently in force and be otherwise reasonable.

DELIVERY—According to Buyers' requirements specified in relevant Advice Notes.

PAYMENT—As specified in acceptance. Provided that for any property supplied or sold, or any services supplied or rendered, payment shall be made by the Buyer within one month from the date of such supply, sale or rendering as the case may be.

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

By Order of the Board,
MARTIN BURN LIMITED,
F. G. LIVERSEDGE,
Managing Director,
Managing Agents.

Registered Office,
12, Mission Row,
Calcutta-1.

Dated, 29th January, 1963.

Note—An Explanatory Statement is annexed to the convening notice issued to members of the Company.

BENARES ELECTRIC LIGHT & POWER COMPANY LIMITED

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Monday the 25th February, 1963, at 3-40 p.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

RESOLVED that this General Meeting having taken under consideration the contracts now exhibited to the meeting and whose material terms are set forth below for the sale, purchase or supply of any property, movable or immovable, or for the supply or rendering of any service, other than that of a managing agent, between the Company and its managing agents, Martin Burn Limited, and their associates, such as (1) Burn & Co. Ltd., (2) The Indian Standard Wagon Co. Ltd., (3) The Hooghly Docking & Engineering Co. Ltd., (4) Sauror Electricity Supply Co. Ltd., (5) Upper Jumna Valley Electricity Supply Co. Ltd., (6) Robert Hudson (India) Ltd., do approve of all these contracts.

PROVIDED that so far as the said contracts relate to the supply or rendering of any service other than that of a managing agent, this resolution shall be subject for its effectiveness to the approval of such contracts by the Central Government.

MATERIAL TERMS

GOODS AND SERVICES—All such as may be dealt in or rendered or required by the seller or buyer for the time being and from time to time.

PRICE—Such as shall be ruling with the seller or supplier at the date of requirement or such as shall be currently in force and be otherwise reasonable.

DELIVERY—According to Buyers' requirements specified in relevant Advice Notes.

PAYMENT—As specified in acceptance. Provided that for any property supplied or sold, or any services supplied or rendered, payment shall be made by the Buyer within one month from the date of such supply, sale or rendering as the case may be.

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

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

Registered Office,
12, Mission Row,
Calcutta-1.

Dated, 29th January, 1963.

Note—An Explanatory Statement is annexed to the convening notice issued to members of the Company.

UPPER JUMNA VALLEY ELECTRICITY SUPPLY COMPANY LIMITED

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Monday the 25th February, 1963, at 4-00 p.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

RESOLVED that this General Meeting having taken under consideration the contracts now exhibited to the meeting and whose material terms are set forth below for the sale, purchase or supply of any property, movable or immovable, or for

the supply or rendering of any service, other than that of secretaries and treasurers, between the Company and its secretaries and treasurers, Martin Burn Limited, and their associates, such as (1) Burn & Co. Ltd., (2) The Indian Standard Wagon Co. Ltd., (3) The Hooghly Docking & Engineering Co. Ltd., (4) Sauror Electricity Supply Co. Ltd., (5) Robert Hudson (India) Ltd., do approve of all these contracts.

PROVIDED that so far as the said contracts relate to the supply or rendering of any service other than that of secretaries and treasurers, this resolution shall be subject for its effectiveness to the approval of such contracts by the Central Government.

MATERIAL TERMS

GOODS AND SERVICES—All such as may be dealt in or rendered or required by the seller or buyer for the time being and from time to time.

PRICE—Such as shall be ruling with the seller or supplier at the date of requirement or such as shall be currently in force and be otherwise reasonable.

DELIVERY—According to Buyers' requirements specified in relevant Advice Notes.

PAYMENT—As specified in acceptance. Provided that for any property supplied or sold, or any services supplied or rendered, payment shall be made by the Buyer within one month from the date of such supply, sale or rendering as the case may be.

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

By Order of the Board,
MARTIN BURN LIMITED,
S. GUPTA,
Managing Director,
Secretaries & Treasurers.

Registered Office,
12, Mission Row,
Calcutta-1.

Dated, 29th January, 1963.

Note—An Explanatory Statement is annexed to the convening notice issued to members of the Company.

THE UNITED PROVINCES ELECTRIC SUPPLY COMPANY LIMITED

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Monday the 25th February, 1963, at 3-45 p.m. at the registered office of the Company at 12, Mission Row, Calcutta, to consider and if thought fit to pass the following resolution as a special resolution:

RESOLVED that this General Meeting having taken under consideration the contracts now exhibited to the meeting and whose material terms are set forth below for the sale, purchase or supply of any property, movable or immovable, or for the supply or rendering of any service, other than that of a managing agent, between the Company and its managing agents, Martin Burn Limited, and their associates, such as (1) Burn & Co. Ltd., (2) The Indian Standard Wagon Co. Ltd., (3) The Hooghly Docking & Engineering Co. Ltd., (4) Sauror Electricity Supply Co. Ltd., (5) Upper Jumna Valley Electricity Supply Co. Ltd., (6) Robert Hudson (India) Ltd., do approve of all these contracts.

PROVIDED that so far as the said contracts relate to the supply or rendering of any service other than that of a managing agent, this resolution shall be subject for its effectiveness to the approval of such contracts by the Central Government.

PROVIDED that so far as the said contracts relate to the supply or rendering of any service other than that of a managing agent, this resolution shall be subject for its effectiveness to the approval of such contracts by the Central Government.

MATERIAL TERMS

GOODS AND SERVICES—All such as may be dealt in or rendered or required by the seller or buyer for the time being and from time to time.

PRICE—Such as shall be ruling with the seller or supplier at the date of requirement or such as shall be currently in force and be otherwise reasonable.

DELIVERY—According to Buyers' requirements specified in relevant Advice Notes.

PAYMENT—As specified in acceptance. Provided that for any property supplied or sold, or any services supplied or rendered, payment shall be made by the Buyer within one month from the date of such supply, sale or rendering as the case may be.

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

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

Registered Office,
12, Mission Row,
Calcutta-1.

Dated, 29th January, 1963.

Note—An Explanatory Statement is annexed to the convening notice issued to members of the Company.

The Company meetings and dividends table appears on page 201.

BOOKS RECEIVED

Life's Value in Cash. By Leon Zeitlin. (Published by Oswald Wolff (Publishers) Ltd, 12 Fitzroy Street, London W.1. Price 10s 6d, pages 102. Review copy received from Rupa and Company, 15 Bankim Chatterjee Street, Calcutta 12.)

A Century of Bank Rate. By R. G. Hawtrey. (Published by Frank Cass and Co. Ltd, 10 Woburn Walk, London, W.C.1. Price 45s, pages 328. Review copy received from Rupa and Co., 15 Bankim Chatterjee Street, Calcutta 12.)

The Art of Central Banking. By R. G. Hawtrey. (Published by Frank Cass and Co. Ltd, 10 Woburn Walk, London, W.C.1. Price 63s, pages 464. Review copy received from Rupa and Co., 15 Bankim Chatterjee Street, Calcutta 12.)

A Discourse upon Usury. By Thomas Wilson. (Published by Frank Cass and Co. Ltd, 10 Woburn Walk, London, W.C.1. Price 48s, pages 392. Review copy received from Rupa and Co., 15 Bankim Chatterjee Street, Calcutta 12.)

You Can Double Your Money in Stocks and Shares. By P. G. C. Fletcher. (Published by Elliot Right Way Books, Kingswood Building, Kingswood, Surrey. Price 7s 6d, pages 223.)

Facts about Plantations in South India. (Issued by the United Planters Association of Southern India, "Glen View", Coonoor. Pages 53.)

"CAPITAL" STOCK AND SHARE LIST THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

BANKS

Wednesday, 6th February, 1963.

Paid-up Capital Ordinary	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Account closed	NAMES	Dividends per cent	Paid-up per share	Latest Market Quotations as available until	A year ago
Ra.	Ra.	Ra.	Ra.	Ra.			1959 1960 1961	Ra.	6-2-63 29-1-63	Ra.
67.50,000	1,23,75,000	27,37,97,908	13,24,414	6,09,614	12	Allahabad Bank P.	18 18 18	100	398/00 398/00	329/00
1,50,00,000H	1,81,24,560	33,09,58,958	87,63,195	3,02,553	12	Bank of Baroda	14 17 17	50	93/50 93/00	118/50
3,00,00,000H	3,28,00,000	33,83,61,910	1,10,31,508	28,16,350	12	Bank of India	16 20 20	50	111/00 110/50	148/00
2,62,50,000H	3,68,08,634	79,29,75,001	1,93,04,910	18,61,470	12	Central Bank of India	17-1/5 20 2/5	25	60/00 59/00	69/50
26,600,000	27,150,000	214,890,310	2,990,238	2,940,648	12	Chartered Bank	15 15 15	21	sh. 56/6 sh. 55/7 1/2	sh. 56/-
1,25,00,000H	10,00,000	3,44,38,609	13,78,857	13,261	12	Hindustan Commercial	NIL NIL NIL	50	17/12 17/12	20/00
50,00,000H	2,85,000	94,21,660	1,68,130	28,888	12	Hindustan Mercantile	NIL NIL NIL	50	15/62 15/62	17/50
HK\$79,046,125	215,000,000	218,691,749	HK\$43,315,439	HK\$2,340,534	12	Hong Kong & Shanghai	23 23 23	HK\$25	217/4 217/4	219/4
80,80,000	83,01,884	19,38,59,978	36,84,210	80,143	12	Indian Bank	15 15	100	173/50 173/50	180/00
22,40,000										
75,00,000	78,36,660	14,65,00,072	43,80,498	2,22,933	12	Indian Overseas Bank	12 14 14	100	159/00 161/00	200/00
5,00,00,000	74,41,264	2,23,84,659	7,80,776	21,25,000	12	Industrial Finance Corp.	12 12 12	50	15 15	15
25,703,000	24,780,400	2105,373,912	2,644,273	2,311,105	12	National & Grindlays Bank	12 13 14	sh 15 sh 36/1 1/2 sh 36/1 1/2	sh 35/6	
1,99,36,910	2,10,93,691	69,22,46,887	1,18,39,595	10,37,738	12	Punjab National Bank	20 20 20	10	19/00 19/37	22/19
60,00,000	43,00,000	10,42,69,664	14,75,220	1,14,551	12	Union Bank of India	12 12 12	5	6/28 6/28	8/32
2,68,84,370	90,74,000	25,80,78,402	20,50,008	2,39,694	12	United Bank of India	4.3 4.3 4.3	10	7/50 7/62	7/03
2,00,00,000	2,35,00,000	36,83,34,071	72,80,557	2,07,428	12	United Commercial Bank	11 12 12	50	74/00 82/50	104/75

* Excluding taxation.

** Per share on increased capital.

† Guaranteed.

JUTE MILLS

Paid-up Ordinary Capital	No. of Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Account closed	NAMES	Dividends per cent	Paid-up per share	Latest Market Quotations as available until	A year ago
Ra.		Ra.	Ra.	Ra.	Ra.	Ra.			1959 1960 1961	Ra.	6-2-63 29-1-63	Ra.
60,00,000	879	99,19,361	66,42,500	3,92,646	59,794	79,587	12	Agarpara P.	5 10 2 1/2-2 1/4*	10	10/19 10/37 10/19	
6,00,000	446	26,70,981	18,59,900	4,22,325	2,57,931	1,40,179	3	Alexandra P.	15 44 15	100	305/00 305/00 265/00	
30,00,000	1,264	48,84,147	8,04,850	5,70,976	11,43,880	58,837	5	Alliance P.	NIL 6 NIL-10*	100	117/00 117/00 93/00	
49,20,700	2,561	1,04,15,434	89,25,000	63,22,567	20,80,953	2,75,227	8	Anglo-India P.	12 1/2 20 7-10*	100	229/00 229/00 202/00	
40,00,000	610	61,70,400	26,57,703	4,56,210	-5,54,726	-5,02,872	3	Auckland P.	20 27 12-10*	100	153/00 153/00 165/00	
20,00,000	959	57,59,081	35,02,335	12,05,050	60,074	3	Bally P.	10 25 25-25*	100	280/00 280/00 254/00		
2,275,000	1,389	2,410,570	2,828,859	2,53,073	-2,89,218	21,042	3	Barnagore P.	10 30 10-10*	25	187/00 188/00 133/00	
45,00,000	800	29,61,854	15,46,700	8,93,663	5,85,851	1,33,355	6	Bengal P.	5 5 5	100	10/25 10/25 9/00	
1,59,56,210	1,373	5,25,85,505	3,35,31,987	90,84,701	96,85,712	1,08,070	10	Birdie P.	10 15 15-15*	10	28/37 29/06 33/62	
36,00,000	991	51,27,514	10,40,080	1,47,954	-9,36,084	-9,36,084	10	Budge Budge P.	15 10 NIL	100	169/00 168/00 129/00	
7,47,380	602	12,59,646	4,17,958	1,73,320	61,970	48,481	6-12	Calcutta P.	12 12 5	10	8/00 8/00 10/50	
18,00,000	616	38,29,710	28,17,882	36,75,352	1,72,998	11,777	11	Caledonian P.	7 10 5-NIL*	100	220/00 220/00 145/00	
59,16,400	1,400	1,01,67,080	82,28,226	2,49,069	-25,39,624	-24,02,338	3	Champdany P.	7 10 5-NIL*	100	135/00 138/00 125/00	
38,58,250	530	65,15,022	53,20,094	2,47,272	-16,01,287	1,21,444	11	Cheviot P.	12 1/2 5 NIL	100	22/69 25/69 15/56	
30,15,500	500	51,67,235	12,41,633	1,55,556	-8,26,605	-7,86,279	7	Chitavalah P.	15 6 NIL	100	10/69 10/69 11/94	
16,00,000	959	13,80,489	25,12,433	1,35,556	1,51,574	18,947	3	Clive P.	10 1 1-NIL*	100	8/37 8/37 9/85	
81,49,200	766	52,19,772	12,23,514	3,87,222	-81,738	-82,456	3	Dalhousie P.	NIL 1 7 1/2	100	132/50 165/00 124/00	
58,00,000	779	1,24,93,482	51,28,797	3,06,994	-9,12,181	-8,96,543	11	Delta P.	14 7 1/2	100	169/00 179/00 162/00	
15,00,000	500	35,23,149	39,20,700	9,41,963	7,02,055	40,327	7	Empire P.	12 12 7 1/2-12 1/2*	100	17/19 17/19 17/37	
63,00,000	1,884	1,68,88,474	87,08,518	7,02,017	26,14,782	14,938	3	Fort Gloster P.	20 25 10-12 1/2*	100	412/00 412/00 391/00	
21,00,000	1,614	48,31,680	24,95,369	12,66,910	4,99,648	1,03,3	3	Fort William P.	15 22 1/2-10*	100	26/12 26/12 23/19	
84,32,100	1,709	1,20,88,547	40,95,282	5,26,122	41,38,028	1,89,764	3	Ganges P.	NIL 10 10-15*	100	13/25 13/37 13/00	
43,20,000	907	62,13,502	35,56,215	6,51,479	49,518	17,596	12	General Industrial	40 40 10	100	17/87 18/00 35/00	
24,00,000	1,394	1,02,44,323	74,30,537	45,41,712	12,24,172	49,518	3	Gorepore P.	25 30 25-20*	100	487/00 487/00 458/00	
40,00,000	1,078	70,83,987	9,23,473	53,86,439	6,68,002	1,01,636	3	Hastings P.	6 6 6-6*	100	132/00 128/00 114/00	
18,80,000	720	28,41,207	25,26,234	12,67,575	38,329	3	Howrah P.	6 10 10	100	20/00 20/00 22/00		
85,82,500	1,940	72,72,179	42,62,842	8,05,642	-10,94,477	-13,61,583	3	Hukumbhand P.	10 12 10-NIL*	100	18/31 18/50 21/00	
52,50,000	2,272	1,31,00,000	38,55,000	23,48,290	27,19,471	67,366	3	India P.	9 1/2 14 12-8*	12 1/2	26/12 26/12 25/75	
67,30,000	790	93,29,345	38,24,567	36,11,862	7,44,969	3,18,900	12	Kamrath P.	20 5 NIL	100	173/00 173/00 144/00	
43,20,000	1,797	56,25,350	27,20,329	6,75,226	-17,20,161	-17,20,161	12	Kankarnagar P.	NIL NIL NIL	100	125/00 130/00 83/00	
54,00,000	1,527	58,83,106	9,43,776	5,58,086	-13,35,527	-30,50,212	12	Kelvin P.	14 15 15-5*	100	185/00 185/00 173/00	
28,00,000	703	53,93,372	59,73,900	13,28,826	45,353	47,758	5	Khardah P.	20 20 5-12 1/2*	100	18/25 18/25 16/12	
54,00,000	1,550	85,81,985	20,08,764	5,41,356	16,20,587	59,933	3	Kinnison P.	10 20 7-NIL	100	145/00 146/00 157/00	
49,00,000	1,250	70,14,561	46,11,711	24,80,797	-22,50,826	-21,89,282	3	Lansdowne P.	NIL NIL NIL-NIL*	100	120/00 120/00 122/00	
24,48,000	931	33,87,827	NIL	3,63,702	-15,64,671	-15,64,671	3	Lawrence P.	2 7 15-10*	100	124/00 124/00 117/81	
28,00,000	840	22,22,259	1,36,90,180	42,99,026	7,57,111	1,38,282	3	Megna P.	10 12 12 1/2	100	13/31 12/94 83/00	
81,63,200	1,294	1,26,96,079	34,55,037	3,47,488	-17,83,515	-17,83,515	3	Naihati P.	10 10 10	100	90/00 90/00 83/00	
29,98,900	815	76,99,875	12,04,575	2,94,057	10,35,634	-13,08,719	4-10	Nasik P.	10 10 10	100	12/25 12/25 12/25	
20,00,000	425	10,79,854	15,55,000	26,11,429	3,36,343	17,816	4-10	National P.	7 1/2 NIL 10	100	25/50 25/50 22/25	
35,00,000	852	95,53,012	48,90,516	8,25,999	-8,31,518	-8,31,518	10	Nellimarla P.	14 3 6	100	11/00 11/25 10/25	
22,25,000	816	36,08,542	33,13,272	10,37,040	5,54,299	5,54,299	3	New Central P.	15 15 15-10*	100	12/56 13/06 16/75	
5,56,00,000	1,765	8,09,96,118	2,42,19,122	20,20,221	-18,53,066	-18,53,066	3	Northbrook P.	12 1/2 30 30-20*	100	31/50 31/50 32/75	
16,79,880	661	51,13,896	51,70,911	4,66,761	10,14,322	32,189	3	Nudde P.	6 8 6	100	57/00 57/00 66/25	
66,79,500	1,092	1,00,63,618	42,83,296	5,77,174	4,25,754	37,324	7	Presidency P.	10 8 6-10*	5	5/15 5/15 5/12	
25,00,000	309	44,84,547	12,61,704	7,07,186	7,54,830	-3,60,855	3	Rameswara P.	NIL NIL NIL	100	9/37 9/37 7/09	
80,00,000	305	44,84,547	2,09,013	11,54,653	3,36,282	-3,60,855	3	Relliance P.	NIL NIL NIL-NIL*	100	8/75 8/75 10/90	
49,50,000	1,276	67,25,150	NIL	24,98,321	7,31,817	25,40,896	12	Sammugger P.	10 6 6	21	10/50 10/50 10/50	
2,000,000	2,013	21,452,330	21,182,334	2,270,476	-2,77,716	-2,77,716	12	Shree Ambica P.	25 25 25	100	25/00 25/00 22/69	
30,00,000	811	87,28,390	30,03,004	2,58,889	6,54,003	16,678	3-9	Shree P.	10 10 10	21	25/25 25/25 21/56	
14,00,000	401	23,28,975	15,86,900	14,20,017	5,87,568	16,186	12	Sooah P.	10 6 NIL	21	10/50 10/50 10/50	
55,88,600	1,794	21,331,626	2,996,938	37,88,568	2,355,826	-2,57,609	12	Titagar P.	10 20 6	100	165/00 165/00 170/00	
2,400,000	1,326	37,99,632	37,88,568	11,91,543	1,70,129	19,317	3	Union P.	20 25 6-NIL	100	105/00 105/00 10/90	
2,400,000	1,331	21,328,471	27,47,577	2,198,161	-2,92,489	-2,92,489	12	Victoria P.	10 6 NIL	21	10/50 10/50 10/90	
2,50,000	485	6,47,472	8,20,000	6,95,642	6,79,756	66,272	5	Waverley P.	25 30 30-60*	1	5/94 6/12 3/90	

* 1962

CAPITAL, 7th February, 1963.

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until	Quotations as available until	
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.			1959	1960	1961	Ra.	6-2-63	29-1-63	A year ago
25,50,000	58,52,284	43,77,800	3,90,484	16,40,057	39,096	6-12	Amalgamated	15	10	12½-15*	10	24/25	24/87	22/00
1,20,00,000	3,15,46,304	2,44,30,490	36,03,088	86,68,875	10,42,254	3	Bengal P.	25	25	21	100	290/00	294/00	360/00
4,49,350	4,37,882	1,30,132	91,796	43,397	4,471	10	Bengal Bhattee	10	10	21	10	3/48	3/48	3/48
2,25,000	3,06,216	5,45,835	5,19,015	1,55,638	16,129	12	Bengal Nagpur	Nil	10	20	10	22/00	22/00	20/19
15,97,000	23,27,321	4,87,308	63,982	2,62,417	21,275	12	Bhailgore	10	10	20	10	5/00	5/00	4/75
40,00,000	67,23,620	2,75,000	21,19,881	11,80,816	1,120	3	Bharat Collieries P.	10	10	10	10	3/53	3/53	3/69
7,15,000	14,96,845	11,02,672	64,329	-3,06,406	-4,92,536	6	Bhulanbararee	10	10	10	10	12/00	12/00	4/06
16,00,000	38,87,275	16,18,636	7,185	1,21,336	-79,196	12	Bokaro & Ramgur	10	10	10	10	11/19	11/19	14/06
7,50,000	19,13,792	22,77,003	12,32,438	5,26,414	33,647	12	Boree P.	10	15	15	10	23/87	23/87	23/31
90,92,480	2,32,19,287	1,46,53,383	10,70,740	37,97,832	90,688	6	Burakur P.	13	10	13-13*	10	15/06	15/00	17/62
49,97,000	50,93,751	6,86,120	6,35,532	16,11,088	3,58,023	3	Central India	6	6	10-10*	10	9/66	9/87	12/44
8,00,000	18,69,439	12,97,430	98,040	6,351	214	12	Central Kurkand P.	10	10	10	10	8/00	8/00	7/00
6,00,000	1,55,159	8,08,072	8,08,072	6,351	7,043	12	Churulia	10	10	10	10	3/06	3/06	3/06
16,00,000	25,01,705	Nil	19,429	-6,45,261	-5,39,034	12	Churni Main	Nil	10	10	10	5/94	5/94	6/94
22,40,000	2,86,390	2,501,905	2,13,858	2,288,462	2,63,234	4	East Indian	10	10	10	10	46/25	46/25	33/12
29,83,700	1,42,23,054	1,18,76,889	37,65,725	10,14,185	33,594	12	Equitable P.	7½	15	15-20*	10	25/87	25/87	23/50
10,00,000	6,74,708	2,07,486	32,923	12,979	24,844	3	Ghusick & Musella	10	10	10	10	15/00	15/00	14/00
8,50,000	4,21,847	Nil	12,025	10,670	-14,705	12	Guzdar Kajora	10	10	10	10	2/03	2/05	2/75
4,00,000	5,43,022	11	16,702	-10,172	-3,65,025	12	Hurrladib	Nil	10	10	10	8/12	8/12	14/37
15,00,000	23,47,952	27,81,955	39,74,704	3,95,071	1,40,029	12	Karanpura Developmen	5	5	5	100	11/75	11/75	16/69
5,00,000	34,15,535	9,86,018	3,72,692	8,92,065	82,810	2	Karanpura Collieries P.	5	5	5	10	18/00	18/00	19/04
20,00,000	20,68,761	16,01,825	8,75,590	8,29,962	1,11,842	1	Katras Jherria	85	95	40-25*	10	48/75	48/75	49/00
1,48,460	6,75,000	93,000	11,80,294	49,776	1,918	6-12	Khar Kajora P.	10	10	10	10	18/70	18/70	18/70
5,65,750	5,95,833	Nil	9,780	-1,60,535	-16,47,497	3	Mundulpur	10	10	10	10	2/69	2/69	2/62
7,49,240	3,46,525	2,50,000	7,62,941	1,28,839	94,963	12	Nazira	10	10	10	10	5/75	5/75	6/50
31,87,210	61,58,848	34,47,233	3,39,307	9,75,812	93,645	10	New Beerbhoom P.	15	10	10	10	20/12	20/62	21/00
9,90,340	9,04,373	5,21,710	75,374	4,12,216	43,822	3	New Manbhoom	5	7½	9-12*	10	13/75	13/75	15/62
15,00,000	7,05,719	4,31,409	40,364	1,44,042	15,045	12	North West	15	20	20	10	19/75	19/75	22/19
57,500	1,33,788	13,22,645	22,85,077	1,91,515	45,060	12	Ondal P.	7	6	7	10	18/00	18/00	20/25
7,50,000	23,69,066	1,52,212	64,50,022	1,79,344	589	12	Parasae P.	6 1/5	11	11	10	13/00	13/00	14/40
8,34,000	32,83,192	24,39,125	4,11,055	5,41,674	54,253	3	Pench Valley	10	10	10	10	16/00	16/00	17/88
15,75,000	5,62,405	1,500	11,530	2,003	16,581	6-12	Pure Sitapur	10	10	10-10*	10	19/00	19/00	17/88
2,50,000	50,26,723	40,85,000	1,26,141	11,54,576	35,781	3	Raneegunge	10	10	10	10	8/00	8/00	8/00
33,58,900	25,32,135	20,80,190	16,89,318	13,18,197	41,323	12	Rewa	10	15	17-17*	10	15/00	15/00	15/00
37,50,000	14,36,430	38,81,070	1,69,086	12,37,914	26,993	12	Samla	Nil	10	10	10	10/00	10/00	10/00
2,50,000	4,47,534	74,281	10,748	-19,279	-4,27,596	1	Searole	Nil	Nil	Nil-Nil*	2½	1/9	1/9	1/9
2,80,000	10,74,006	12,23,716	10,17,267	5,13,147	97,308	12	Seebore P.	42 6/7	42 6/7	42 6/7	7	45/00	45/00	45/00
8,00,000	6,203	13,04,576	76,390	1,540	-1,54,124	12	Sendra	3½	6	6	10	5/00	5/00	5/00
17,50,000	26,80,253	9,25,630	40,202	-1,74,305	38,938	8	South Karanpura	10	24	Nil	10	7/00	7/00	7/00
8,00,000	1,30,001	15,48,889	26,78,285	1,84,925	12,106	12	Standard	15	15	10	10	16/00	16/00	13/31
37,50,000	4,36,300	3,23,000	36,680	1,37,978	1,77,952	12	Union	10	10	10	10	10/37	10/37	10/00
2,50,000	63,57,150	6,09,053	2,69,620	1,12,192	1,19,182	3	Western Bengal	10	10	10	10	8/75	8/75	9/50
49,98,000	28,06,335	Nil	47,091	-6,51,403	-6,23,711	12	West Jamuria	Nil	10	10	10	9/37	9/37	9/37

TEA COMPANIES

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

Outturn and Average Price per Kg./lb. realised for crop										Estimate	Net Profit including taxation		Accounts Closed	Net Assets		NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until	Quota- tions as available until
Paid-up Capital Ordinary		Net Block Accounts	Reserve & other Funds	Accrue under Tax	1960		1961		1962	Ra		Accounts Closed	Ra		Me. Assets Surpluses etc.		1959	1960	1961			
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.
ASSAM GARDENS																						
4,45,700	15,18,849	15,50,949	879	308,034	5,24	424,104	4,81	442,700	3,53,680	12	165	Anandabag	15	Nil	10	10	30/00	20/00	25/50	24/50	25/50	
7,00,000	12,88,670	8,07,423	501	321,178	6,85	311,077	6,58		3,99,567	12	88	Amuluckie P.	174	30	324	10	33/25	33/25	23/50	23/50	23/50	
5,50,000	15,79,312	14,43,241	573	260,179	5,87	353,284	5,32	362,900	45,553	12	165	Bahmari	15	Nil	15	10	18/50	18/50	20/81	20/81	20/81	
1,80,000	3,62,618	1,69,284	315	123,685	1,56				78,494	12	349	Barduat Tea	Nil	Nil	6	8/50	8/50	8/50	8/50	8/50	8/50	
7,65,000	15,19,743	10,56,055	1541	264,700	7,21	313,600	6,01	290,000	4,49,454	12	2	Basmatia	30	35	25	27/25	27/25	26/50	26/50	26/50		
4,95,900	6,75,519	5,67,320		335,928	4,25				2,93,848	12	345	Bateh	30	30	45	18/00	18/00	18/00	18/00	18/00	18/00	
6,40,000	11,89,778	11,78,262	610	415,786	6,82	408,269	6,56		538,924	12	88	Bejan	25	40	45	32/62	32/62	28/44	28/44	28/44		
33,00,000	40,22,021	18,08,333	1,077	1,375,572	5,95	18,30,448	5,80	15,47,300	1,67,609	12	279	Bishnauth	13	13	13	17/25	17/25	23/00	23/00	23/00		
6,00,000	10,99,605	4,27,428	479	154,572	6,30	2,23,909	5,90	2,43,125	2,07,619	12	202	Bokakhat	8	Nil	12	13/70	13/70	13/70	13/70	13/70		
7,50,000	11,90,141	10,08,535	450	299,916	5,58	303,665	5,00	3,13,900	2,34,694	12	165	Borman Jan P.	124	15	15	18/12	18/12	15/12	15/12	15/12		
4,50,000	7,82,300	2,32,500	234	210,026	5,39	265,021	8,25	2,90,300	78,333	12	279	Bor Pukhuri	Nil	Nil	10	11/75	11/75	15/62	15/62	15/62		
35,00,000	68,10,893	13,07,736	1,163	12,15,847	5,31	14,26,351	5,27		5,94,471	6	127	Brooke Bond P.	124	15	10	11/82	11/82	49/25	49/25	49/25		
1,20,000	1,81,585	8,10,481	307	118,319	5,30	173,277	5,19	192,300	1,13,632	12	165	Deoee Valley	40	15	20	14/25	14/25	15/27	15/27	15/27		
8,40,000	12,97,869	7,95,318	540	276,082	5,70	543,624	5,68	515,318	541,972	12	128	Dewanji & Purbuttia	Nil	Nil	10	11/62	11/62	11/62	11/62	11/62		
17,53,440	22,29,324	10,53,350	179	294,761	6,64				3,54,091	12	214	Dheikhat	20	124	10	20/00	20/00	21/00	21/00	21/00		
7,00,000	19,16,176	7,90,000	553	591,938	5,32	632,799	4,58	627,000	2,12,986	12	165	Obunseri P.	23	20	15	15/00	15/00	15/00	15/00	15/00		
4,50,000	15,91,840	15,10,975	458	293,229	6,61	3,05,738	6,23	3,12,100	303,585	12	165	Dibrugarh	30	40	40	32/50	32/50	29/56	29/56	29/56		
4,73,400	10,12,800	7,43,000	675	283,650	6,19	301,383	5,81	308,000	2,25,939	12	279	Dimakusa P.	30	25	20	21/87	21/87	23/12	23/12	23/12		
7,00,000	14,27,900	13,39,500	286	388,343	6,18	464,799	5,77	454,000	393,106	12	279	Dumkhar	35	25	25	27/87	27/87	30/50	30/50	30/50		
10,00,000	20,53,400	9,88,000	479	366,144	5,68	525,798	5,76	539,000	188,604	12	279	East India	10	Nil	Nil	18/87	18/87	18/25	18/25	18/25		
5,03,760	13,75,770	6,44,277	191	344,520	4,95	3,58,797			1,94,850	12	354	Gillapukri	25	25	20	25/44	25/44	25/50	25/50	25/50		
8,76,000	12,89,800	8,77,500	224	220,227	6,19	254,919	5,81	2,62,000	93,109	12	279	Gohpur	10	Nil	5	13/31	13/31	13/08	13/08	13/08		
23,29,085	55,18,400	35,83,224	1,034	975,452	5,54	1,079,309	4,98	11,321	63,288	12	202	Grob	14	6	6	8/06	8/06	10/06	10/06	10/06		
6,00,000	10,51,765	7,53,498	197	307,199	4,79	3,58,885			1,82,327	12	354	Hoograjuli (Assam)	25	20	20	27/12	27/12	24/81	24/81	24/81		
8,70,000	24,12,514	14,38,299	542	463,500	5,69	483,000	5,69	525,000	87,730	12	2	Hoolungoree	20	10	74	190/00	190/00	185/00	185/00	185/00		
9,00,000	15,74,647	10,51,189	949	506,563	6,52	5,39,472	5,99		5,82,815	12	88	Jutibari	10	30	30	32/00	32/00	34/06	34/06	34/06		
2,40,000	18,48,698	15,08,170	490	4,36,672	5,39				3,43,662	12	238	Kingsley Golaghat P.	35	35	100	212/00	212/00	210/00	210/00	210/00		
1,80,000	17,88,233	23,50,000	491	440,797	5,11	524,469	4,69	520,000	2,19,061	12	63	Kotamullai P.	Nil	Nil	10	10/31	10/31	10/31	10/31	10/31		
5,00,000	10,99,938	3,02,818	140	150,866	5,81	1,73,581	5,29	1,86,000	94,422	12	47	Krishna Behari	10	15	8	10/50	10/50	10/12	10/12	10/12		
2,00,000	1,81,000	21,000	71	228,767					5,15,158	12	236	Kyang Tea	Nil	Nil	10	8/06	8/06	8/06	8/06	8/06		
6,50,000	12,30,327	8,50,278	268	228,767	5,53	279,777	5,15	285,000	153,230	12	63	Ledo	Nil	Nil	10	14/81	14/81	15/25	15/25	15/25		
8,00,000	11,91,513	1,50,098	144	228,767	5,53	279,777	5,15	285,000	153,230	12	63	Ledo	74	10	74	14/81	14/81	15/25	15/25	15/25		
10,00,000	15,48,292	13,75,000	261	285,908	6,00	382,580	5,68	384,674	3,87,218	12	202	Maud Tea & Seed	15	8	14	18/50	18/50	18/50	18/50	18/50		
4,80,000	9,43,489	30,000	286	68,951	4,59				36,789	12		Moheema	10	Nil	10	11/50	11/50	11/81	11/81	11/81		
1,50,000	2,71,599	13,65,825	135	68,951		83,921			72,274	12	138	Mothola	25	30	30	507/00	507/00	507/00	507/00	507/00		
1,76,000	14,31,493	8,49,447	158	122,300	5,87	182,900	6,01	200,000	2,22,943	12	2	Murphulan (Assam)	20	5	15	26/50	26/50	24/50	24/50	24/50		
2,00,000									2,22,943	12	2	Murphulan (Assam)	25	10,63	20,63	28/75	28/75	28/75	28/75	28/75		
4,00,000	6,99,355	6,84,758	554	337,198	4,63	319,104	4,51	345,000	2,07,239	12	143	Naga Hills	5	10	10	22/69	22/69	18/81	18/81	18/81		
5,35,000	9,31,834	3,98,379	447	246,382	4,79				1,78,991	12	165	Namburnadi	16	12	10	14/56	14/56	14/00	14/00	14/00		
5,00,000	7,84,180	1,35,500	298	163,289	6,34	290,979	5,98	240,000	3,02,969	12	83	New Cinnatollah	Nil	Nil	100	450/00	450/00	10/07	10/07	10/07		
6,00,000	12,46,354	7,17,592	157	187,100	6,00	216,800	5,31	216,800	1,75,136	12	2	Raigarh	25	40	134	21/37	21/37	23/25	23/25	23/25		
9,00,000	23,07,580	2,66,937	429	531,473	4,73	632,808			2,97,941	12	354	Sapor	20	224	20	19/87	24/48	18/37	18/37	18/37		
2,49,000	6,24,100	5,35,000	207	203,694	6,24	242,697	5,58	220,000	1,31,236	12	279	Seajuli	174	224	15	20/75	20/75	22/87	22/87	22/87		
6,88,000	16,84,283	14,42,974	500	350,366	5,70	373,286	4,98	390,100	1,43,989	12	165	Telofan	25	25	25	27/75	27/75	27/25	27/25	27/25		
6,00,000	11,92,725	6,72,053	540	339,133	6,88	548,111	6,59		4,81,762	12	88	Tengpani	174	30	80	38/00	38/00	35/00	35/00	35/00		
19,82,800	33,61,363	16,92,483	2,407	2,816,569	2,17	2,972,880	1,92	249,800	1,76,259	12	236	Tepore P.	20	20	124	13/56	13/56	16/69	16/69	16/69		
7,50,000	13,02,677	4,34,925	363	267,677	4,53				1,22,530	12	95	Tongani	Nil	Nil	10	6/50	6/50	8/44	8/44	8/44		
6,20,000	35,29,595	27,60,165	1,050	480,745	5,90	590,423	5,14	638,700	1,73,399	12	165	Tycoon	30	10	15	34/37	34/37	38/00	38/00	38/00		
CACHAR																						
3,00,000	3,31,837	5,000	348	93,975	4,42				4,314	12		Arcuttipore	Nil	Nil	10	7/00	7/00	7/00	7/00	7/00		
4,00,000	6,54,409	3,37,709	190	158,348	4,45				25,985	12	35	Baitakhal	5	24	10	6/59	6/59	8/69	8/69	8/69		
11,00,0																						

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	NAME	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			1955	1956	1957	Rs.	Rs.	Rs.	Rs.
CHEMICAL INDUSTRIES														
62,00,000	5,26,30,153	1,97,50,273	5,43,473	1,41,28,376	1,16,274	9	121 Alkali & Chemical Corpn or (I)	9%	12	15	10	36/37	36/37	43/94
2,48,00,000A	18,48,048	15,681	5,958	-2,50,346	-8,53,539	12	442 Bathgate & Co Ltd P	Nil	Nil	..	5	0/84	0/84	0/81
15,00,000	76,41,341	68,84,605	21,11,440	18,06,052	1,30,717	3	245 Bengal Chemical & Pharm P.	7	9	10	100	101/00	101/00	104/00
22,54,700B	36,34,102	22,82,885	19,49,050	12,04,892	6,978	6	377 Calcutta Chemical P.	18	18	18-18*	10	18/00	19/31	17/62
15,00,000	99,022	Nil	41,554	72,146	2,560	2	128 Frank Ross P.	..	..	3/25	6	3/25	3/25	3/25
4,95,000	11,71,034	16,07,251	9,33,133	11,60,256	92,801	6	191 Smith Stanistreet P.	25	25	25-25*	5	15/50	15/50	16/25
ELECTRIC LIGHTING POWERS														
19,99,300	1,15,72,761	51,20,893	27,74,213	4,56,810	52,889	3	32 Agra Electric Supply	10	11	11-11*	100	120/00	120/00	125/00
9,00,000	29,33,899	15,51,892	8,09,008	2,00,631	25,623	3	32 Bareilly Electric Supply	10	11	11-11*	10	11/75	11/75	12/25
17,00,000	1,03,03,450	52,26,411	19,58,483	4,34,454	47,298	3	32 Benares Electric Supply	10	11	11-11*	10	12/44	12/44	12/00
5,91,360	15,65,473	807,902	2,70,659	1,36,558	41,730	3	202 Bhagalpur Electric Supply	5	8	10-8*	8	6/08	6/08	6/03
24,262,646	221,040,641	210,815,240	217,698	21,599,019	21,00,524	3	90 Calcutta Chemical P.	7	7	7-7*	21	14/00	14/50	14/87
6,80,040	22,18,493	7,17,141	32,607	151,465	63,899	3	202 Cuttack Electric Supply	6	7	10-1*	10	12/62	12/62	12/62
43,20,000	66,87,445	29,73,446	41,87,140	14,42,862	4,27,783	3	2 Dishaigarh Power Supply P.	7	10	10-10*	100	88/00	88/00	93/00
1,34,640	17,29,086	96,513	95,409	65,283	3,590	3	168 Jhansi Electric Supply	61/5	..	..	10	5/90	5/90	6/00
22,49,550	66,50,848	29,21,749	5,35,563	2,69,909	33,302	3	32 Jubbulpore Electric Supply	91/5	10	10-10*	10	11/37	11/37	11/75
4,95,000	6,70,324	2,24,148	1,08,770	46,495	39,015	3	258 Mirzapur Electric Supply	5	..	..	9	12/00	12/00	7/00
5,82,390	24,50,815	6,87,284	3,48,986	2,22,292	22,259	3	202 Muzafferpore Electric Supply	10	12	12-12*	10	12/25	12/25	11/75
6,99,700	13,47,574	1,14,377	2,15,991	83,864	18,888	3	328 Muttra Electric Supply	8	..	..	10	11/12	11/12	9/85
35,07,380	98,50,374	48,67,675	3,95,468	12,96,460	1,27,547	3	202 Patna Electric Supply	7	10	10-10*	10	10/81	10/81	10/87
9,10,000	8,77,208	2,86,692	3,19,022	1,58,697	17,201	3	202 Shahjahanpur Electric P.	5	6	11-6*	10	7/00	7/00	6/75
16,80,000	24,13,949	16,03,685	9,75,497	458,680	3,975	3	21 Silua (Jharkhand) Electric	7	10	9-9*	10	9/00	9/00	8/87
59,00,000	2,03,16,819	80,84,613	25,53,868	11,08,426	92,879	3	32 United Provinces Electric	10	11	11-11*	100	119/00	120/00	115/00
5,00,000	21,74,345	14,00,467	7,69,903	1,92,745	33,674	3	32 Upper Jumsna Valley Electric	12	13	13-13*	10	15/25	15/25	14/65
ENGINEERING & METAL														
6,00,000	6,61,485	63,426	1,48,213	2,83,398	-1,52,122	12	300 Arthur Butler (Muzafferpore) P.	..	..	..	10	14/50	14/50	14/00
50,00,000	37,72,507	31,83,221	1,07,272	12,85,503	46,989	12	31 Bharia Electric Steel	15	10	10	10	14/19	14/19	10/31
1,00,00,000	1,03,33,194	61,14,305	10,96,741	5,81,414	5,914	12	289 Braithwaite India	22	25	25	10	36/19	36/25	42/12
12,00,000	36,81,140	40,28,897	7,66,530	18,96,673	1,82,241	12	24 Bridge & Root	30	30	30	10	52/25	52/25	52/25
19,58,670	33,56,748	1,09,796	1,86,939	1,80,146	-811,196	12	192 Britannia Building & Iron P.	6	Nil	Nil-Nil*	10	3/65	3/65	3/15
50,00,000	97,94,575	47,45,365	11,48,142	1,11,267	1,11,267	12	165 Britannia Engineering P.	10	10	10	10	10/06	10/06	12/62
15,00,000	12,12,276	14,63,600	14,598	12,02,402	94,447	12	24 British India Electric Cons.	25	45	20	10	33/12	33/12	38/85
84,00,000	3,32,64,591	2,76,84,425	40,25,787	1,39,62,242	1,08,751	4	32 Burn P. (Engineering)	28	28	28-28*	100	500/00	500/00	537/00
1,00,00,000	59,09,200	12,29,727	6,51,964	24,04,847	3,67,903	3	437 Calcutta Steel	5	15	15	10	13/62	14/00	12/00
80,00,000	1,12,20,938	24,09,000	2,06,672	22,94,248	1,09,021	3	434 Dalmia Iron	..	10	10-10*	10	11/50	11/44	12/00
4,00,00,000	6,44,65,941	6,76,06,738	2,02,29,683	1,04,26,284	..	12	227 Guest, Keen, Williams	24	10	14	10	33/00	34/45	41/12
12,50,000	19,90,579	23,65,648	47,073	-20,18,457	..	12	32 Hooghly Docking	12	Nil	Nil	50	102/00	102/00	105/00
12,44,08,990	63,85,01,942	27,24,83,378	21,19,83,872	9,18,78,416	24,72,163	3	32 Indian Iron & Steel P.	10	15	16-16*	10	21/00	21/50	25/28
3,85,00,000	11,52,812	14,001	1,82,994	-4,15,836	-4,03,294	3	223 Indian Malleable Casting	7	Nil	..	50	6/00	6/00	6/00
1,54,00,000D	49,44,739	95,69,160	43,31,087	67,96,336	78,603	3	32 Indian Standard Wagon P.	28	28	28-28*	10	30/50	30/50	..
96,79,740C	3,27,37,933	2,72,79,486	1,63,11,480	39,84,802	2,31,048	3	122 Indian Steel & Wire Products	16	23	24-23*	100	49/00	49/00	47/15
12,00,070	8,18,350	1,41,916	2,530	61,51,54	45,149	12	24 Industrial Containers	..	Nil	..	10	22/00	22/00	..
1,51,83,863	2,75,25,083	1,27,78,829	11,63,784	56,79,346	9,036	3	443 Jay Engineering	12	17	20-17*	10	24/25	24/25	19/54
40,00,000	59,72,635	35,85,700	10,46,960	20,45,860	66,647	6	132 J. K. Steel P.	12	20	20-10*	10	15/25	15/25	19/54
2,04,00,000	2,86,54,899	1,98,14,815	76,78,724	1,16,61,943	91,571	10	290 Jessop & Co. P.	8,58	8,58	8,58	10	22/06	22/31	23/00
27,84,800	54,66,353	48,98,269	1,31,289	7,79,896	13,579	11	21 Kumardhubi Engineering P.	10	10	11	8	7/06	7/16	7/81
10,50,000	4,02,051	19,21,798	4,45,599	3,25,891	-6,63,688	6	170 Marshall Sons (India)	10	Nil	Nil	2	3/34	3/31	3/44
49,96,000	61,94,985	13,58,398	3,83,036	2,56,716	-4,42,917	3	192 National Iron and Steel	6	Nil	Nil-Nil*	10	4/34	4/75	5/31
6,00,000	10,13,254	18,86,375	1,40,370	6,90,089	11,859	3	25 Saran Engineering	7	8	10-12*	4	11/12	11/12	9/75
14,00,070	8,20,458	8,56,154	25,99,99	12,24,473	77,799	12	24 Steel Containers	..	80	20	10	19/75	19/75	..
1,50,00,000	2,73,21,766	61,37,433	13,28,341	62,01,525	62,642	12	22 Textile Machinery	20	10	10	10	19/35	19/80	20/65
SUGAR BREWERIES ETC.														
29,23,537	17,29,860	10,85,148	39,573	1,10,785	15,763	6	371 Balrampur Sugar	8	8	8-4*	2	2/07	2/34	2/50
14,00,000	25,29,299	11,36,627	10,02,614	5,72,506	3,552	9	294 Belandur Sugar	18	18	10	7	9/62	9/62	11/15
32,00,000	5,64,327	13,51,513	18,14,343	1,94,561	2,390	1	316 Bharat Sugar P.	..	..	..	10	13/00	13/00	16/50
32,00,000	45,72,835	43,34,048	27,81,820	33,71,567	3,71,540	1	89 Carew (Sugar) P.	Nil	Nil	Nil-Nil*	10	12/56	13/12	13/00
30,00,000	82,18,328	75,62,480	7,45,201	27,872	-3,70,213	10	25 Cawnpore Sugar P.	Nil	Nil	Nil	10	12/37	12/87	12/81
18,00,000	28,05,357	52,45,390	3,03,419	18,674	18,674	6	25 Champaran Sugar	15	15	12	10	15/87	15/87	16/87
26,00,000	26,75,847	31,58,160	24,30,790	1,00,50,837	12,804	3	116 Durbhanga	20	4	Nil	10	8/81	8/81	10/10
27,56,355	1,31,99,222	1,76,30,095	24,30,790	1,00,50,837	12,804	3	116 Dyer Maslin (Breweries)	10	25	30	5	28/50	29/06	41/00
11,00,000	6,45,722	3,75,000	10,90,564	95,437	52,306	6	140 New Savan Sugar and Gur	..	..	..	10	6/25	5/25	6/71
9,00,000	19,47,931	23,02,870	2,05,743	2,86,458	4,006	10	400 Purtabpur Sugar P.	Nil	..	..	10	11/50	11/50	11/81
16,59,820	38,07,078	54,06,559	2,977	22,97,804	61,008	9	402 Ramnagar Cane & Sugar P.	213/7	90	35	10	30/37	30/37	28/15
65,00,000	49,62,874	33,85,845	14,85,332	4,86,145	34,557	10	25 Raza Guland	12	12	10	10	10/15	10/15	10/35
1,00,00,000	22,10,161	15,54,067	2,09,165	-3,24,407	-2,20,853	6	25 Ryan Sugar P.	..	..	..	10	8/06	8/06	8/05
39,99,000	67,63,908	25,93,824	21,94,755	16,75,858	34,776	6	385 Samastipur Central Sugar	15	15	..	10	9/62	9/62	10/11
1,94,500	13,54,858	11,65,175	1,90,087	7,991	6	140 Shree Krishna Gyanodaya Sugar P.	15	15	..	10	8/05	8/75	10/54	
9,99,550	17,83,543	67,398	2,82,356	-6,97,343	-8,89,998	6	94 Shree Sitaram Sugar	..	..	..	10	7/12	7/12	7/11
16,00,000	18,38,740	1,81,652	3,86,436	1,66,053	63,568	9	341 United Provinces	15	15	..	10	10/62	10/62	16/00
8,00,000	90,57,769	67,09,675	37,10,125	25,765	6	316 Upper Ganges Sugar P.	72	72	72-72*	10	70/00	70/00	77/00	

*1962

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	NAME	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	1955	1956	1957
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	Rs.	Rs.	Rs.

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & Other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including Taxation	Carry forward	Accounts Closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotation as available until	A-ven			
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			1959	1960	1961	Rs.	Rs.	Rs.	
MISCELLANEOUS—(Contd.)														
60.00.000	6.74.367	66.56.943	85.18.613	12.27.365	2.77.718	12	Octavius Steel P.	12 1/2	10	100	28/12	28/12	36/1	
2.20.00.000	1.65.64.981	63.83.140	25.36.442	66.19.852	1.43.404	12	Philips India	12 1/2	12	10	28/12	28/12	24/1	
2.86.200	31.000	5.62.800	2.80.533	4.74.296	82.858	3	Publicity Society	37 1/2	10	75-75*	129/00	150/00	154/1	
2.25.00.000	86.77.634	14.24.127	1.33.25.578	44.48.355	3.23.563	8	Rallis India P.	Nil	4	81-81*	11/50	11/75	16/1	
5.00.00.000	8.03.38.621	2.57.80.000	1.14.05.940	49.28.459	5.08.029	8	Rohas Industries P.	15	20	10-8*	8/00	8/40	10/6	
94.27.380	5.55.68.835	Nil	14.04.497	3.60.253	37.513	9	Sirsik P.	Nil	8	10	18/87	18/87	22/5	
70.00.000	2.25.52.451	61.94.790	29.78.780	21.56.585	1.622	9	Sen Raleigh Industries P.	13	15	10	18/56	19/87	21/6	
75.00.000	1.05.26.889	41.88.000	1.77.92.109	47.78.759	8.97.298	12	Shaw Wallace P.	14	24	2	0/94	0/94	1/4	
3.00.000	3.33.174	23.149	90.501	17.483	1.739	12	Spencer's Hotel	18	18	10	42/00	43/25	51/3	
2.80.00.000	5.97.89.163	2.48.69.275	24.48.825	83.20.569	42.35.839	12	Union Carbide	15	30	30	2/25	2/25	2/5	
2.10.20.000	5.18.268	24.12.476	10.86.208	13.99.207	3.87.027	12	Walford Transport	20	20	20	3/31	3/31	3/5	
8.40.80.000														
INSURANCE COMPANIES														
13.50.000	6.47.527	54.93.120	1.31.72.690	6.70.637	78.475	12	Concord of India	20	20	20	11/00	11/50	10/6	
24.00.000	65.903	82.46.577	1.27.34.470	16.71.945	3.93.660	12	Hercules	20	22 1/2	26 1/2	25/00	25/00	24/1	
32.00.000	7.51.382	1.15.82.907	2.08.14.578	12.75.071	4.95.149	12	Ruby General	10	10	13 1/2	9/60	9/60	8/3	
8.00.000		21.62.372	27.92.606	51.493	12.241	12	Standard General	45	45	50	131/00	131/00	134/0	
5.75.000	25.990	73.52.563	99.05.303	7.07.189	1.95.530	12	Triton							
FLOUR MILLS														
12.00.000	4.80.900	26.61.133	10.62.993	7.30.069	1.68.614	12	Bengal P.	45	40	25	34/25	34/25	38/6	
5.60.000	6.51.040	2.47.028	2.17.808	1.05.473	1.26.880	10	Delhi P.	12 1/2	11	11	14/00	14/00	14/0	
48.90.137	47.18.433	77.72.310	56.85.368	33.61.767	4.07.338	9	Ganesh P.	27 1/2	15	Nil	19/75	19/75	19/7	
9.00.000	4.38.798	4.52.392	24.041	6.269	4.336	12	Hooshy	52 1/2	35	10	30/00	30/00	38/0	
5.00.000	2.92.235	6.61.791	3.26.246	1.14.534	10.571	11	United							
OIL COMPANIES														
22.900.001	22.383.591	21.700.442	25.07.508	21.073.511	2.100.742	12	Attock Oil	13 1/2	13 1/2	13 1/2	21 sh 30/1 1/2	sh 30/7 1/2	sh 23/1	
282.419.080	235.843.356	212.750.000	213.148.421	218.446.093	2.582.661	12	Burmab Oil P.	25	30	25	21 sh 48/3	sh 45/4 1/2	sh 31/1	
1.00.00.000	56.10.826	2.56.15.353	3.11.16.369	63.36.353	5.00.220	12	Indo-Burmah Petroleum P.	22	30	35	10	28/00	28/00	24/0
6.00.000	2.79.005	9.89.137	5.10.244	4.10.168	92.708	10	Tide Water Oil							
PAPER MILLS														
45.00.000	1.00.03.801	62.77.149	4.73.511	41.43.085	1.40.204	12	Bengal P.	32	32	27 1/2	31/56	32/25	31/0	
88.20.000	1.18.96.097	84.80.934	10.29.515	23.47.414	46.493	3	India Paper Pulp	10	15	13-12*	18/44	18/87	17/0	
1.57.83.688	6.50.00.000	3.92.78.014	59.38.470	1.41.20.011	2.25.579	3	Orient Paper P.	15	22 1/2	22 1/2*	10	34/45	35/45	42/1
1.25.51.920	4.31.23.657	1.49.74.473	71.97.660	58.83.929	31.55.867	12	Shree Gopal Paper P.	17 6/7	17-6/7	17-6/7	10	22/37	23/25	25/1
2.18.55.240	4.62.89.369	72.10.000	6.79.140	33.33.899	99.729	6	Sirpur P.	6 1/2	6 1/2	6 1/2	10/75	10/75	16/3	
50.00.000														
10.00.000A	3.54.48.618	851.143	4.35.589	703.201	3.97.323	9	Star Paper P.	3	Nil	..	10/00	10/00	10/4	
4.37.500PO														
68.00.000AO	4.96.82.144	3.30.31.629	21.85.452	11.38.443	58.939	8	Titagarh P.	10	10	13-13*	24PO	3/78	3/78	
68.04.800BO														
1.50.00.000C	4.95.97.051	85.00.000	1.73.752	58.44.198	17.196	6	West Coast P.	25	25	20-10*	10AO	16/53	17/12	
PRESSING COMPANY														
4.30.000	1.81.531	1.45.000	5.34.786	65.294	24.928	7	Camperdown	11	11	11	150/00	100/00	101/1	
REAL PROPERTY STORAGE														
10.00.000A														
1.25.000B														
2.00.000C	14.81.415	69.980	6.16.177	1.00.777	4.504	4-10	Bengal Bonded Warehouse	11	8-8*	A500	610/00	610/00	585/0	
25.000D														
7.42.150	11.68.346	4.23.135	33.823	81.259	3.142	8	Calcutta Safe Deposit	8 1/2	8	..	100	7/25	7/25	11/0
1.00.00.780C	19.85.068	9.01.590	13.43.272	8.81.779	1.33.593	9	Humayan Properties P.	12 1/2	Nil	..	100	11/00	11/00	35/6
2.00.00.000Dd														
7.99.00.000	13.373	Nil	13.17.910	85.757	1.21.89.035	4	Midnapore Zemindary P.	Nil	Nil	Nil-Nil*	10/06	11/12	10/7	
TRAMWAYS & STEAMER														
20.00.000	29.74.805	27.13.587	10.28.987	8.59.472	11.785	10	Bengal Assam Steamship P.	8	7 1/2	7 1/2	100	106/00	106/00	118/8
6.25.000	6.95.186	6.22.000	4.23.387	1.34.197	16.331	10	Calcutta Landing & Shipping	10	10	..	10	49/50	49/50	13/0
12.80.000	27.83.012	14.32.970	10.189	1.76.141	11.110	4	Calcutta Steam Navigation	10	10	Nil	10	8/87	8/87	12/8
2.700.000	2.23.97.714	21.560.682	2.315.682	2.105.509	21.407	12	Calcutta Tramways P.	8 1/2	..	..	21	11/00	11/00	11/8
6.04.880	6.97.987	6.56.706	33.440	1.25.098	4.337	3	Fraser	Nil	Nil	..	10	10/00	10/00	10/0
2.655.580	2.197.808	2.432.856	2.419.213	2.80.988	2.84.854	8	India General Nav Railway P.	Nil	Nil	..	210	68/50	68/50	74/8
2.47.50.000	16.80.59.821	1.57.51.789	1.36.10.394	41.42.006	41.42.006	3	India Steamship P.	10	10	Nil-Nil*	10	5/87	6/19	7/8
14.08.220	13.94.804	74.870	7.551	62.391	4.09.480	12	Port Shipping	Nil	Nil	Nil	10	12/06	12/06	11/0



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POOR PROSPECTS FOR THE NEW GOVERNMENT LOANS

THE gilt-edged market has greeted with relief the news that the Central and State Governments are going to centralise their borrowing programmes for the coming financial year, 1963-64. The idea of centralised borrowing is not new; it was given a half-hearted trial some years ago. It was revived last November, shortly after the Chinese invasion, and has now been formally accepted. The decision is welcome because the methods adopted by certain State Governments for achieving their borrowing programmes in recent years have had a strongly adverse effect on the securities market. It is true that the States have managed to raise all the money they wanted, but the success has usually been achieved at heavy cost. Often, for instance, certain State loans have been sold under pressure to unwilling subscribers; the subscribers have thereafter taken the first opportunity to get rid of their holdings even by discounting prices. Sometimes the discounts have been so large that the morale of the gilt-edged market as a whole has suffered. During the current year, the stage has been reached where a number of State Government securities are almost unsaleable, so their prices are merely nominal. From the point of view of the market, therefore, the centralised borrowing programme which has now been decided upon will be a major improvement. As all loans will be issued by the Government of India, the open market operations of the Reserve Bank will become easier and more effective.

The idea of centralised borrowing has admittedly been accepted not as a matter of choice, but under the compulsion of circumstances. One such compulsion comes from the fact that the Government will have to borrow very large sums during 1963-64 if its requirements are to be adequately met. Apart from the new money that has to be raised, the redemption of the issues which are nearing maturity has to be provided for. It is estimated that the redemption of Central and State loans during the coming financial year may total up to Rs. 209.28 crores. About Rs. 58.06 crores of the 3½ percent 1963-65 loan has to be repaid. Approximately Rs. 116.17 crores is outstanding on account of the 3 percent 1963-65 loan; although the Government is not obliged to redeem this during the coming financial year, many feel that the repayment will be done then, since the redemption of loans maturing in the 1964-65 financial year will be even heavier. For the current year, 1962-63, the Central Government borrowed a gross amount of Rs. 250 crores, while the State Governments borrowed Rs. 100 crores. On this basis, it is estimated that the Centre will want to borrow a net amount of at least Rs. 150 crores during the coming year and the State Governments will want to borrow Rs. 100 crores. If the requirements of both are to be fully met, the gross borrowings of the Governments may total up to Rs. 500 crores.

Raising such a huge sum of money will represent a formidable task for the Central Finance Minister. But exactly how formidable it will be, will be known only when the Central Budget is presented in a fortnight's time. The present state of the gilt-edged market does not inspire the hope that the total sum can be borrowed easily. The interest of individuals in Government securities has been declining steadily over the years and is only marginal now. They seem to feel that the returns from gilt-edged are unattractive when compared with the returns from other investments. Furthermore, the capital depreciation suffered as a result of the decline in security values has been too great; over the past year, for instance, the index for Government and semi-Government securities (base year 1952-53 equals 100) has dropped from 100.7 to 99.2. The attention of personal investors now seems to be confined mainly to the small savings schemes sponsored by the Government.

The support from individuals being limited, the Government will have to rely heavily on the funds it can attract from the institutions. But the banks are unlikely to be able to contribute liberally; under the law, they are compelled to invest a certain minimum proportion of their funds in Government securities, but after that minimum has been invested, the surplus remaining for further investment in gilt-edged is very small. The banks' difficulties will be accentuated by the fact that the growth of deposits (excluding the transfer of P.L. 480 funds) has been sluggish in recent months. In contrast to banks, considerable support will no doubt be forthcoming from the Life Insurance Corporation. The interest of the provident funds will also be substantial. It is likely, however, that even after all these contributions have been added up, a shortfall will remain. Part of it could perhaps be covered by the investment of P.L. 480 counterpart funds. But most of the remainder will presumably have to be taken up by the Reserve Bank, as has been the case in recent years.

Any loans the Reserve Bank takes up, however, are of little practical significance unless they can be disposed of speedily through open-market operations. If they cannot be, the Reserve Bank's contribution is almost indistinguishable in its effects from deficit financing. The difficulties in completing a borrowing programme of almost Rs. 500 crores during the coming year are likely to be so great that the Government might be compelled to lengthen the subscription period considerably and keep the loans "on tap". The prospect is not one which private industry will relish; even if it is allowed the opportunity, it will not find it easy to raise capital in the open market while the official loans are on sale.

In the gilt-edged market, many people are seriously wondering what the rates of interest on the new loans are likely to be. For the 1962-63 borrowing programme, the Central and State Governments offered higher interest rates than in the previous year. Now, over the past six months, interest rates in the money and capital markets have risen further. Not only have the commercial banks increased their advance rates; they also have to pay more on any money they borrow from the Reserve Bank. The Reserve Bank itself has supported the introduction of the dearer money policy by increasing its Bank rate from 4 percent

to 4½ percent with effect from 2nd January, 1963. The result of the general move towards higher interest rates is that the prices of Government securities have fallen quite sharply.

But nobody can say for certain yet whether the fall fully discounts the new interest rate structure. It is noteworthy, for instance, that the redemption yields on medium-dated Central Government loans are more than 4½ percent, while in the case of the 4½ percent 1974 State loans, they range up to a little short of 5 percent. The figures suggest that the Government might have to pay more interest on the new loans it floats later this year than it did on the ones floated in 1962-63. But there is one consolation: it is that some State Governments, if they were to borrow on their own, would probably have had to pay prohibitive rates of interest. Now, under the new scheme for centralised borrowing, the Central Government will be able to raise their requirements more cheaply. The centralisation of borrowing also means that the

range of potential investors will be broader. For example, it would include provident funds which have hitherto generally been prohibited from investing in State Government loans.

It is conceivable, however, that certain important difficulties might arise as the scheme for centralised borrowing begins to be implemented. One difficulty might centre on State Governments' jealousies about how the sums raised through the new loans are to be shared. No indication has been given whether the shares of individual State Governments will be decided on the basis of subscriptions, or population, or other criteria. There is a danger that if the sharing is not done on the basis of subscriptions, the State Governments will lose the incentive to ensure success for the borrowing programme. Whatever the principle of sharing might be, the Central and State Governments will need to make co-ordinated and vigorous efforts if the new loans are to be successful.

BRITAIN AFTER BRUSSELS

THE dream of hegemony in Europe has occurred to French rulers before General de Gaulle. And it has invariably resulted in years of war and generations of chaos to follow. This time there is a difference. The President's design is peaceful enough; and it gains strength from being based on some sound aspirations of economic unity and progress. But it is precarious nevertheless. States other than Britain might challenge France's right to European leadership, especially when its main motivation appears to be distrust of the United States and the assertion of outdated nationalist pride. The French President paid Britain a frank compliment when he castigated her as a "Trojan horse" which could wreck such plans. But in doing so he clearly denigrated the other members of the Common Market Six who, by implication, he appears to consider as likely to be more compliant with his illusions of French grandeur. In this he might well be wrong. The main result of his decision to veto British membership of the Common Market could be to wreck the European Community. Not all the remaining five members share General de Gaulle's dream of France's destiny. Enthusiastic for economic and political fedecacy, they may still draw the line at empire. The risk is a real one, and in laying himself open to it the French President could unwittingly have ensured that Britain's membership will eventually become an indispensable necessity for the survival of European unity. In other words, in showing his cards the way he has done, he might in time prove to have overplayed his hand.

That is why, although the negotiations in Brussels have failed, the ultimate accession of Britain to the Community remains a distinct possibility for the more distant future. Each needs the other, and the realisation of this fact has grown in proportion as the difficulty of the negotiations has increased. Talk has been heard about the "historical inevitability" of it all. That is as may be: the more concrete fact is that in an increasingly inter-dependent world, not only is the unity of western Europe and Britain a logical development of current trends, but so, eventually, is that of the whole Atlantic community. General de Gaulle may have set his face against this concept, but he has as good as admitted that it is unavoidable when he is out of the way. Such an admission only underlines the irrationality of his present stand, a fact which has not been lost on his critics. The present disturbing state of European unity is, therefore, the responsibility of one man. It cannot be expected to go on like this for ever.

The possibility of Britain's joining Europe ultimately does not, however, solve the immediate economic problems arising from the breakdown of the Brussels negotiations. So many of Britain's hopes for ending the present phase of stagnation in her economy have been based on entry to the Common Market. Now the hunt for alternatives is on. There is no shortage of these, especially in the long run. But, in the short period, there has to be a substitute for the "shot in the arm" which it was hoped membership would bring. An immediate expansion of the present programme for stimulating the British economy would seem to be indicated, including possibly a Budget deficit and mas-

sive public spending. Failure at Brussels must complicate the problem of revitalising the British economy, and even cause considerable delay; but there is no reason why it should wreck the chances altogether. The main difficulty will be to find a substitute for the international, and especially American, investment which it was hoped membership would attract to Britain. One only slightly less important will be to revive the confidence of British industry itself, where practically all investment plans drawn up during the past two years have taken Common Market membership for granted.

It is the question of exports which is likely to present the main and most immediate difficulty now that Britain has not succeeded in negotiating an early entry into the Common Market. The plan for growth, which is being considered by Britain's National Economic Development Council, provides for an annual rate of export expansion of 5.8 percent to support an overall growth rate of 4 percent. Last year—a good one—British exports increased by no more than 3 percent. It was hoped the Common Market would provide the necessary scope. If that is not now possible, then other opportunities will have to be investigated. It is doubtful whether the Commonwealth can substitute; freer trade is scarcely a practicable possibility in the circumstances in which most Commonwealth countries other than Britain find themselves at the moment. A world trade conference has been suggested, and the calling of one might well be among the first results of the failure at Brussels. But perhaps the best hope for Britain at the moment is, in association with the United States, firstly to negotiate a reciprocal reduction of tariffs between the two large blocks from which Britain could benefit, and secondly to investigate the possibilities of wider Atlantic trading co-operation.

A closer association with the United States has always been regarded in Britain as one possible consolation for the breakdown at Brussels. To what

extent the idea is justified is difficult to assess. The United States has all along been anxious to secure Britain's membership of the Common Market, and General de Gaulle's action has been as much a slap in the face for President Kennedy as it has been for Mr. Macmillan. Whether this will persuade the United States to grant Britain improved access to her own internal market when there is so little to offer on a reciprocal basis, is another matter. Certainly there is nothing in the history of America's attitude towards trade protection to suggest that it will, whatever the compelling economic reasons. The whole question must wait on a new initiative from Mr. Kennedy whose interest in a strong Britain and a low common tariff is obvious. Other expedients at Britain's disposal for increasing exports are, of course, a revision of the tax system so as to provide some much-needed incentives. This is something which might be expected of Mr. Maudling when he announces his first Budget next April.

The failure at Brussels leaves Britain with the short-term necessity of planning her economic expansion during the next few years without the benefits of Common Market membership, and the long-term one of working towards increased western unity and closer co-operation with the Commonwealth. In this, her efforts will inevitably be circumscribed by the attitude of the United States, whose enthusiastic initiative in any Atlantic-Commonwealth trading arrangement would be indispensable to success. In other words, the eventual aims of British policy should be much the same whether the country enters the Common Market or not. The logical extension of west European unity is Atlantic unity, a fact which has already been recognised by almost every European statesman except General de Gaulle. Clearly, the French President is not going to stand permanently in the way of progress towards this objective, provided of course there is no change in the present forces working towards unity. Britain can safely base her long-term policies on this incontrovertible axiom, and indeed appears already to be doing so.

So far, very little thinking seems to have been done on the problem of what effect the failure at Brussels will have on the Commonwealth. If one were to judge purely from what was said at the Commonwealth Prime Ministers conference in London last September, all the important member-countries would merely experience relief that their present trading arrangements are to remain unchanged. In fact, this is not the case. They know that even if Mr. Macmillan's warning about curtailing access to the British market is not to be taken too seriously, there remains the fact that the opportunities offered by the Common Market might be lost to them. To compensate for these, the Commonwealth would also be well advised to turn its attention to the general problem of expanding world trade. In doing so, there is no reason why it should sacrifice its present claims for protection, although the more these can be modified, the better for all concerned. The main thing is to recognise that the expansion of world trade, by whatever expedient, is the only answer to the general growth of protectionism and economic exclusiveness which threatens to take place in the European Common Market.

THE STEEL SYMPOSIUM

(BY A SPECIAL CORRESPONDENT)

THE International Symposium on Iron and Steel Making, which concluded in Jamshedpur last week, undoubtedly helped to clarify ideas on a number of major issues. In some ways, the most interesting feature was the widespread support for proposals about setting up new steel plants along the coast based on imported coal. The visitors' point of view was summed up by Sir Charles Goodeve, head of the British Iron and Steel Research Association, when he said that if Japan could build a large and viable steel industry importing both ore and coal, there was no reason to assume that the import of coal alone for suitably located Indian steelworks would be uneconomic. Sir Charles suggested organising an exchange of iron ore for coal, using large 45,000-ton bulk carriers. The ships could carry a revenue-earning pay-load both ways and thus help to reduce not only the delivered cost of coal to India but also the

price at which ore from this country could be placed on world markets. Something like this is already under way; New Delhi has permitted the setting up of a plant in the private sector to process Goa ore into pellets for export to the United States in exchange for American coal. Perhaps more such two-way deals will be organised, on a long-term basis.

Britain and West Germany, both large producers of coking coal, are seriously considering the import of cheaper American coal in the hope of gaining an advantage in the international steel trade. Indian coal producers recognise the need for imports, and one may note here that the idea of imports was mooted by the chairman of the Indian Mining Association three years ago, only to be rejected out of hand by the then Minister for Steel, Mines and Fuel. Undoubtedly, the foreign

exchange aspect will require careful thought (put forward as an objection to imports by Mr. S. K. Nanavati, general manager of the Tata Iron and Steel Company at the Jamshedpur symposium). But in making a rational assessment one would need to balance the outgo against the import-saving made possible by the additional production of steel. One would also have to take into account the gains in terms of higher productivity of the capital investment obtained for setting up any new plants. It is hardly a serious objection that a plant based on imported ore will be subject to the logistic uncertainties of a long supply line in the event of a major war. Where would Japan be in a similar situation? She imports 90 percent of the ore and 40 percent of the coal needed by her steel industry. The United States, so well endowed by nature, imports some 35 million tons of iron ore each year from Africa and Latin America over long ocean routes. India herself depends on imports of crude oil, rubber and non-ferrous metals for a major part of the requirements of her industries.

Once the idea of importing coal is accepted in principle, several issues follow. Must imports be confined to what a future coastal plant may need, or should the idea be extended to existing steel plants where productivity is suffering because of high ash in the coals used? Admittedly, four of the five steel plants are not organised today to use imported coal because of the lack of blending equipment. More important, port facilities and railway capacity will pose serious difficulties. But some say that the difficulties could be overcome if it were shown that definite advantages would accrue by the use of imported coal. This is a question which calls for careful examination, but one may note here the technical arguments put forward in favour of the idea by Dr. M. N. Dastur, the steel consultant.

Dr. Dastur recognises that it is technically possible to wash Indian coals to get any given percentage of ash, but it may not prove practical to go below 16 percent or 17 percent, the current norm, because the yield of clean coal comes down precipitously beyond this level, upsetting the economies of washing. Economies apart, the total reserves of coking coal are limited and the need to conserve resources would make such a course unwise in the national interest. Noting that the output of better grades of coking coal has remained at the level of about 7 million tons—much the same as it was ten years ago—Dr. Dastur takes the stand that washing by itself may not help to overcome the difficulties faced by the steel plants because of the intractable problem of ash. While there is no need to rush into any decisions, it will obviously be necessary to take this viewpoint into account in charting the long-term course of steel development.

Another feature of the Jamshedpur symposium was the support given to the idea of dispersing the steel industry by siting small integrated plants at convenient locations throughout the country. Two British papers presented at the conference show that a small plant need not cost any more a ton of annual capacity than, say, a one-million-ton unit provided the former is not required to roll either sophisticated end-products like sheets or too wide a range of categories. Operating costs would certainly be higher in a small plant but the margin of difference could be offset by savings in freight. It was in reviewing this argument that Sir Charles Goodeve made the suggestion that the economies of such plants would depend on a careful comparison of the delivered cost of a product from an alternative source of supply, existing or potential, and using the means of transport available today or likely to be in use within the foreseeable future. He had in mind the specific case of small plants in south India which might find themselves deprived of their economic justification if large units based on imported coal came up, as proposed, in Goa or in the Visakhapatnam area.

As all technical participants in the symposium took pains to emphasise, large and small plants are not mutually exclusive. India might need both on account of her sub-continental dimensions, which make the freight element an important part of the delivered cost, even if this is today obscured by the uniform railroad price introduced in 1957. The case for small plants is strengthened by the possibility of local manufacture of much of the equipment. A large British engineering group is believed to have offered its assistance; so has

another enterprise connected with some of the most famous names in West German heavy industry. The stage is thus set for purposeful planning in the context of the rising demand for steel, which large works are unlikely to be able to meet in full even after their current expansion programmes are completed. No time need be wasted in debating the merits of alternative technological processes for iron-making. Sufficient work has been done to evaluate the choices available in relation to particular locations.

In one way, however, the Jamshedpur symposium proved disappointing. Little was heard on the possibilities of using non-coking coal for metallurgical purposes, an issue of great importance because of the abundance and the wide geographic dispersal of such coals in India on the one hand,

and the shortage and concentration of coking coal deposits in a small area on the other. In an informal discussion with journalists in Calcutta on Monday, technical members of the U.K. delegation still seemed uncertain about the feasibility of using lignite deposits, but gave their qualified approval to the idea when it was suggested that the Indian proposal was to use lignite to generate power for electric smelting after the ore had been pre-reduced with lignite coke. In relation to the Salem-Neyveli plant, the question is really one of either using lignite in some such manner or doing without a steel nucleus at all in that area. The final decision may, therefore, depend—as suggested in a different context by Sir Charles—on the locations proposed for new coastal plants and their economic marketing zones.

Current News and Comment

Pepper Futures in Bombay

Persistent efforts by the Pepper and Ginger Merchants Association, Bombay, to seek recognition under the Forward Contracts (Regulation) Act to transact business in transferable specific delivery contracts have at long last borne fruit. Forward trading in black pepper was resumed from 7th February. Mr. R. Doraiswami, the outgoing chairman of the Forward Markets Commission, inaugurated it. The Commission had recommended a futures market for Bombay four years ago, but the Government of India did not favour the proposal, mainly because of the objections raised by the India Pepper and Spice Trade Association, Cochin, and the Kerala Government. The Cochin traders had expressed serious misgivings that certain concessions allowed under the by-laws of the Pepper and Ginger Merchants Association would cause a diversion of the trade from the producing region. In order to allay these fears, the by-laws of the Association in Bombay have been suitably amended to make them more or less similar to those of the Cochin association. Bombay had been agitating for a futures market on the plea that the lack of hedging facility was a great handicap to local exporters who handle nearly 60 percent of the total exports in black pepper which is an important foreign exchange earner. Furthermore, Bombay acts as an important distributing centre for north Indian markets.

According to Mr. Vallabhdas V. Mariwala, president of the Pepper and Ginger Merchants Association, the resumption of futures trading in Bombay will broaden the trade in the commodity and help promote exports. Bombay will not be a rival to Cochin, Mr. Mariwala said. Much has often been made of the need for hedging facility for stimulating exports. But the existence of futures markets in groundnut, linseed and castorseed has done little to promote vegetable oil exports. On the contrary, informed opinion is that in an economy characterised by shortages, speculation tends to push up prices thereby undermining export prospects. The export performance depends on the competitive position of the commodity concerned and speculation cannot in any way improve the competitive position. There are few items figuring in the country's export list in which speculation is permitted and nobody has ever suggested that hedging facilities will boost the export trade. Exports of black pepper have recorded an impressive rise from 10,960 tonnes in 1959-60 to 17,264 tonnes in 1960-61 and further to 23,225 tonnes in 1961-62. If additional hedging facilities can help promote exports, the resumption of futures trading in Bombay will have been well justified.

According to the latest estimate made by the U.S. Department of Agriculture, world production of black and white pepper during 1963 is expected to be higher than in 1962 when 160.7 million lbs were produced. Bumper crops are forecast for India and Indonesia which together account for two-thirds of the world supply of pepper. In 1962, the output in India—the world's largest producer—amounted to 67.2 million lbs, 7.5 percent more than in 1961. Indonesia's output at 40 million lbs was, however, some 25 percent below the 1961 figure.

Sarawak, Africa and Brazil are the other important producers of pepper.

A few words about the terms and conditions of the contract seem necessary. The basis of the transferable specific delivery contracts in Bombay will be Malabar ungarbled black pepper dried and free from oil wash and packed in new single gunny bags of 48in. x 26½in., containing not more than 7 percent of light or hollow pepper. The extraneous matters such as dust, chaff, and pickings, are not to exceed 2 percent. There are to be eight contracts during the year and the unit of trading will be a minimum of 25 quintals. In addition to Bombay, delivery can be effected in three up-country producing centres, namely, Cochin, Alleppey and Kozhikode. There will be weekly clearings on every Thursday. The delivery order rate will be fixed on the last day of trading—"poornima". Business will come to an automatic standstill whenever the price rises or falls by more than Rs. 12 a quintal from the previous day's closing rate. The first 50 quintals in a contract will be exempted from margin but beyond that, members will have to pay a margin at the rate of Rs. 30 a quintal on the highest outstanding business on any working day of the week. The Chaitra contract, which started at Rs. 297 a quintal on 7th February, was marked down to Rs. 286 on the following day.

Trends in Commonwealth Trade

Commonwealth trade accounts, on average, for about a quarter of the total international transactions. The rapid increase in world trade in 1960 slackened in 1961, but Commonwealth exports kept pace with the general trend of expansion. Although imports fell slightly during the year, the Commonwealth's share in world trade as a whole was maintained because of the rise in exports. In a memorandum which it has just issued, the Commonwealth Economic Committee has analysed the various movements in Commonwealth trade in 1961 and in the first half of 1962, in relation to its transactions with the rest of the world as well as within itself. The memorandum shows that in spite of the continued downward trend in the prices of primary commodities, which account for a large part of Commonwealth exports, these countries sold goods worth about £10,000 million, representing nearly 24 percent of the value of the world total. However, following very heavy purchases in 1960, a number of Commonwealth countries

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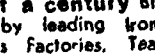
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had the time and the sense. And Colonel Mahdawi was a disaster. Is it possible that the successor, Colonel Aref (who will no doubt soon be a General, if not a Field-Marshal), will bring Iraq closer to Egypt, which still calls itself the U.A.R.? Even after the Syrian débâcle, President Nasser would perhaps like such a consummation; he could do with Iraq's oil, something Egypt hasn't got. But oil is an inflammable commodity in more senses than one; and I can see trouble ahead. What seems depressingly certain is that whoever wins the future the people of Iraq won't.

THERE IS AN OLD LAW OF MOTION WHICH SAYS THAT if you go round and round, you stand an excellent chance of ending where you began. Perhaps the main consequence of the Indo-Pakistani talks on Kashmir so far is that the law has once again been reaffirmed: both sides have spent their time singing their way round the mulberry bush, with the result that their achievement has been almost precisely nil. The mulberry bush is, of course, the question of Kashmir Valley; and there is no dearth of evidence that on this point neither India nor Pakistan is prepared to make any concessions at all. If the discussions have instead got bogged down on "principles"—i.e., theoretical possibilities as far divorced from reality as political convenience will allow—the fact cannot be entirely surprising. Even on "principles", perhaps the only, somewhat nebulous achievement is that Pakistan may be beginning to see that there could be a solution other than a plebiscite for Kashmir; and India, in turn, is preparing to recognise that Pakistan has a certain genuine political and economic interest in the area. In that sense, I suppose there is some substance in the claim that the two countries have acquired "a better understanding" of each other's point of view. But my optimism about such well-worn phrases might be greater if experience did not show that, for writers of *communiqués*, they are the traditional disguise for disagreements which are not only polite but also complete. One often hears it said that the Chinese threat makes it more necessary than ever that the subcontinent should resolve its differences; and with the plea as such, couched in general terms, I would not for a moment disagree. Yet the suspicion remains that the Chinese action has made a reconciliation between India and Pakistan not less, but more, difficult. I do not set much store by Rawalpindi's flirtations with Peking; they represent opportunism of a sort not unknown to Indian diplomacy. For India, however, the crux of the matter is that if Ladakh is to be defended, the main access must necessarily be through Kashmir Valley. Woolly talk of condominium notwithstanding, no one has yet suggested a way in which that access might be guaranteed.

WITH MOST OF THE NORTHERN HEMISPHERE shivering through several feet of snow, I suppose we should be grateful that Calcutta is already entering the season of shirt-sleeves. Indeed, no; for many years can I remember enjoying a pleasanter spell of cold-weather in this city than the one now ending. The temperatures have been uniform, with a regular nip in the evening air the occasional winter clouds have mercifully stayed away; and the warm, sunny days have induced a languor reminiscent of the glorious Mediterranean summer. Perhaps one's major regret is that the city looks rather more parched than in former years. The verdure on the Maidan is fading; in trees, nature's sentinels against urban ugliness are dying away. I remember there was a great furore some years ago about the marauders who stole the bark for firewood from the Maidan. But now, even Alipore, once Calcutta's nearest boast to a suburban garden, wears a dishevelled look. The *bustees* remain; new mansions are rising; but there seems to be not the faintest attempt to preserve the fresh, green look for which it was once remembered. A famous Ditcher once wrote of parts of the city where "the shady roads, overhung by a variety of fine trees, are a joy to every passer-by; and when in the month of May the branches are ablaze with flowers, those streets may perhaps be the most gorgeous in the world." That was seventeen years ago: how far down the road of shabbiness has Calcutta gone today.

THE DITCHER

Guide for Investors

SUGAR SHARES NEGLECTED ON BAD WORKING RESULTS

(BY A SPECIAL CORRESPONDENT)

SUGAR shares have remained dull in the Calcutta stock market for quite some time now. It has become almost impossible to transact business even by discounting current prices. Only the shares of those companies which produce liquor have met with stray support, since the outlook for them is considered fairly encouraging on hopes that Prohibition may be relaxed. The reports of sugar companies for 1961-62 have generally been disappointing. Most companies have either passed the dividend or reduced it. The working results have been affected by the poor quality of sugarcane resulting in a smaller recovery. Production costs have increased sharply as wages have risen following the Sugar Wage Board's recommendations. Freight charges have been higher and prices of various raw materials have risen. Factories have had to pay heavy interest charges due to the accumulation of sugar stocks. Besides, the increase in corporate taxation has reduced profits.

Investors are scared since most of these unfavourable trends continue to operate during the current season also, especially in the case of Bihar and U.P. mills. Most of the shares transacted in the Calcutta stock market represent companies operating in these areas. The outlook for the current season has also deteriorated due to fears that the total output in 1962-63 may not exceed 2.5 million tons, against 2.7 million tons in 1961-62. Not only has sugarcane supply been smaller and poorer in quality; there has also been considerable diversion of cane from sugar mills to gur and khandasari manufacturers, especially in Bihar and U.P. The cane shortage is due to the fact that at the time of sowing, the 10-per cent cut in sugar production was continued. When the cut was restored at the beginning of the current season, it was too late to encourage the cultivation of a bigger acreage. The quality has also been affected by floods and bad weather.

Due to smaller production during 1962-63, unit production costs have increased. But the accumulation of stocks is likely to be relieved in the next few months. The 1962-63 season started with a carryover of more than 1 million tons. Domestic consumption is expected to be 2.5 million tons during the current season.

the sugarcane cess. But it is unfortunate that only a small portion of the cess collected has been spent for cane development so far. The object of the cess is to raise money for cane development, but the funds have been used liberally for other purposes.

Ramnugger Cane Cuts Dividend

IN their report for the year ended August 1962, the directors of the Rammugger Cane and Sugar Co. Ltd say that during the current season, the factory has been crushing 1,200 tons of sugarcane a day but the cane supply has started declining. Supply of cane is reported to be inadequate because of reduced planting, following the sugar production cut imposed during the 1961-62 season and the poor yields caused by insufficient rainfall. Besides, cane supplies have been diverted to gur manufacture since the price of gur has increased sharply. To meet this competition, the Company has been paying higher price for cane. During the current season, the price of cane has been linked with the recovery of sugar. The Government will also set up machinery for determining the additional amounts payable for cane supplied to north Indian factories during previous years. The quantity of cane crushed by the Company so far during the current season amounts to 87,627 metric tonnes and the recovery is 9.54 percent.

The taxable ordinary dividend has been cut from 35 percent for 1960-61 to 30 percent for 1961-62, which is covered one-and-a-half times. The yield works out to 0.9 percent at the present price of Rs. 30.37 a share of Rs. 10 each. The profit has declined from Rs. 12.99 lakhs to Rs. 8.47 lakhs, after cutting depreciation from Rs. 3.93 lakhs to Rs. 3.75 lakhs. Taxation is allocated Rs. 8.80 lakhs (against Rs. 9.90 lakhs) and development rebate reserve Rs. 16,530 (against Rs. 6,570). The carry-forward is Rs. 79,042, against Rs. 61,005 brought in. The cash crush was 1.2 million quintals with a recovery of 10.35 percent, against 1.4 million quintals with a recovery of 9.62 percent. A quantity of 1,594 metric tons of sugar was tendered for export below the market price.

include depreciation Rs. 5.7 lakhs (against Rs. 3.65 lakhs), development rebate reserve Rs. 2.25 lakhs (against Rs. 1.84 lakhs), taxation Rs. 8.80 lakhs (against Rs. 5.75 lakhs), general reserve Rs. 2.80 lakhs (against Rs. 1.50 lakhs) and dividend Rs. 6.09 lakhs. After making all these adjustments, there remains Rs. 12,311 to be carried forward, against Rs. 8,374 brought in.

The directors say that the demand for the Company's products has been steadily increasing. In view of the Government's move to raise the third plan target for generation of electricity by 1 million kilowatts, the directors are optimistic about the Company's future. Most of the Company's products are required for the transmission of power. It is hoped that the development of the industry will continue unhampered in spite of the national emergency created by the Chinese aggression. After initial teething troubles, the Company's Vizag factory is now working in full swing. The switchgear and lift manufacturing unit in Budge Budge commenced production from November 1962 according to schedule. Due to unusual delay in the receipt of import licences for equipment, the meter factory project could not be implemented in 1962. Construction work for the project in Hyderabad is now in progress and the factory is expected to go into production towards the latter part of the current year.

The Company proposes to set up a factory for manufacturing transformers and switchgears in Sonapat, Punjab, for which an industrial licence is awaited. In view of the marked increase in the Company's activities and the expansion plans on hand, Electric Construction's financial requirements have increased considerably. The Company proposes to raise Rs. 31 lakhs through the issue of 15,500 9.5 percent cumulative redeemable preference shares of Rs. 100 each and 155,000 equity shares of Rs. 10 each, both at par. The permission from the Controller of Capital Issue has already been secured, and the Company will soon take a decision on the issue of rights shares. The Rs. 10-paid ordinary shares of the Company are currently quoted around Rs. 13.62.

South Karanpura Coal to Expand

THE Government of India has approved the project report of the South Karanpura Coal Co. Ltd. for expansion during the third plan. The World Bank has allotted the Company foreign exchange worth Rs. 12.45 lakhs for importing equipment. Most of the equipment will be delivered before June 1963, and will help to increase the raisings considerably. The Company has made a profit of Rs. 1.57 lakhs during the year ended August 1962, after providing Rs. 20,323 for taxation, Rs. 89,000 for development rebate reserve and Rs. 1.87 lakhs (against Rs. 1.63 lakhs) for depreciation. But the dividend has again been passed. After making all adjustments, a balance of Rs. 2,926 has been carried forward. There was a loss of Rs. 1.74 lakhs in 1960-61.

Shalimar Wires to Diversify

Raisings increased from 192,666 tons to 208,133 tons and despatches from 187,082 tons to 206,787 tons. The output was affected by power and wagon shortages.

THE Shalimar Wires and Industries Ltd proposes to manufacture "Fourdrinier" wiremesh in collaboration with a Norwegian firm. Used in the manufacture of paper, it is now entirely imported. The new project has already made some progress. Land, building and power house have been acquired in Uttarpurra, near Calcutta. Production is expected to begin soon but full-scale production will be achieved only a year hence. The licensed capacity is 396,000 square feet of mesh a year on single-shift basis. The issued ordinary share capital of the Company is Rs. 8 lakhs divided into shares of Rs. 10 each. It is proposed to issue further 220,000 ordinary shares, of which the directors have agreed to subscribe for 72,500 shares. The remaining 147,500 shares will be offered to the public for subscription in the near future.

Ravalgaon Sugar Fares Well

RAVALGAON Sugar Farm Ltd reports encouraging results for the year ended September 1962, which is in pleasant contrast to the performance of most other sugar companies. Sales of sugar, confectionery, etcetera, are up by about 16.5 percent from Rs. 1.62 crores to Rs. 1.89 crores, and the gross profit has shot up by as much as 73 percent from Rs. 10.19 lakhs to Rs. 17.65 lakhs. Lower cost of raw materials and a smaller salary and wage bill, higher recovery of sugar and better results from the confectionery division—all these have contributed to the improvement in the Company's profits. After providing Rs. 7.90 lakhs (against Rs. 8.25 lakhs) for depreciation and Rs. 4.25 lakhs (against nil) for taxation, the net profit amounts to Rs. 4.54 lakhs, against Rs. 1.69 lakhs in 1960-61. With Rs. 16,591 brought forward from the previous year and including Rs. 1.04 lakhs, being refunds and provisions made in previous years but now no longer required, and transferring Rs. 2.30 lakhs from the investment reserve, the disposable surplus amounts to Rs. 7.88 lakhs. Allocation to the development rebate reserve has been raised from Rs. 13,559 to Rs. 43,260, and a sum of Rs. 2.48 lakhs has been set aside for taxation relating to years up to September 1958. Contingency reserve gets Rs. 50,000 (against nil).

After providing for the ordinary dividend of 10 percent (the same), deferred dividend of 7 percent (the same) and the usual preference dividend which absorbs Rs. 4.38 lakhs, there remains a small surplus of Rs. 25,451 to be carried forward. The factory crushed during the year 121,000 tonnes of sugarcane, producing 143,000 bags of sugar at an average recovery of 11.63 percent. The corresponding figures for 1960-61 were 143,000 tonnes of cane, 152,000 bags of sugar and 10.48 percent recovery. The production of confectionery, however, rose from 1,653 tonnes to 1,737 tonnes, and sugar candy output was also substantially higher at 910 tonnes, against 850 tonnes.

The directors state that as a result of the Maharashtra Agricultural Land (Ceiling on Holdings) Act, 1961, the agricultural profits of the Company would vanish. It owns 6,424 acres of land and has taken 2,147 acres on lease. Besides, the Maharashtra Government has recently passed the Maharashtra Agricultural Income Tax Act, 1962, whose object is to replace

the sugarcane cess since declared *ultra vires* by the Supreme Court. The Act is deemed to come into force from 1st April, 1962, and covers the agricultural profits for the previous year. However, it is encouraging to note that the Company has entered the field of machinery and offers a number of items for the sugar industry. The diversification of the Company's activities is expected to yield good results. It has an equity capital of Rs. 30 lakhs which is supported by free reserves amounting to Rs. 43.16 lakhs. The Rs. 50-paid share of the Company is currently quoted around Rs. 55 cum-dividend, offering a gross return of about 10 percent on fresh investment.

Kirloskar Brothers Share Offer

KIRLOSKAR Brothers Ltd is offering for public subscription 60,000 9 percent redeemable cumulative preference shares of Rs. 25 each at par and 40,000 equity shares of Rs. 25 each at a premium of Rs. 12 a share. The entire issue has been underwritten, half by the Life Insurance Corporation and half by a stock-brokers' firm. The subscription list will open soon. The entire amount on preference as well as equity shares, including the premium, is payable on application. The prefer-

ence shares will be redeemable at any time after 31st July, 1976, but not later than July 1981. The new shares will be entitled to a proportionate dividend as may be declared for the year ending July 1963.

The additional funds are required for financing the Company's expansion schemes. Kirloskar Brothers is already engaged in manufacturing power-driven pumps and agricultural implements at its factory in Dewas, Madhya Pradesh. In 1958, the Company entered into a collaboration agreement with the Swiss firm of Sulzer Brothers Ltd for manufacturing pumps. It now proposes to undertake the manufacture of machine tools, namely, vertical turret lathes and horizontal boring machines in collaboration with Bullard Company, Connecticut, U.S.A. The Company has also obtained licences to manufacture hermetically sealed compressor units, hoists, lifting gears and cranes, keyway milling machines, column, pillar and turret drilling machines, controlled slip couplings, adjustable speed electric drives and reduction gears. The total capital outlay on the expansion programme is estimated at around Rs. 58.48 lakhs which will be met by the proposed issue of Rs. 29.8 lakhs (including the premium on equity shares), internal resources and borrowings from banks. The Rs. 25-paid share of Kirloskar

Brothers is currently quoted around Rs. 41.

Kerala Electricals: A New Venture

SPONSORED by Mr. N. J. Nair, managing director of the Textile Supplies Syndicate (Private) Ltd of Bombay, the Kerala Heavy Electricals Ltd is a new Company which proposes to set up a factory in Ankamali, Kerala, for manufacturing power transformers of the range of 1,000 kVA to 50,000 kVA for H.T. voltages of 33 kV to 132 kV. The factory will have a capacity of 600,000 kVA a year of power transformers. The well-known Japanese firm, Hitachi Ltd, is collaborating in the venture. The project is estimated to cost Rs. 1.10 crores. This is proposed to be met by the issue of share capital. The Company will have an authorised capital of Rs. 2.20 crores in equity shares of Rs. 10 each. The issued capital will be Rs. 1.10 crores. The Government of Kerala has agreed to subscribe for shares worth Rs. 28.60 lakhs and a like amount is being taken up by Hitachi Ltd of Japan. The promoters, directors and their friends have agreed to subscribe for shares worth Rs. 5.80 lakhs. The balance of the issue amounting to Rs. 47 lakhs is to be offered for public subscription.

The Company is expected to enter the market within two or three months for raising the funds. The outlook for the heavy electrical industry is promising. The demand for power transformers is fast increasing, and it is expected to improve further in view of the stress on power development in the third plan. The bulk of power transformers of the capacity which the Company proposes to manufacture is at present being imported. Textile Supplies Syndicate (Private) Ltd is proposed to be appointed as secretaries and treasurers of the new Company.

Arunoday Mills Share Issue

ARUNODAY Mills Ltd which proposes to set up a textile mill, comprising 12,000 spindles and 324 looms, in Morvi, is expected to enter the market shortly to raise Rs. 17.5 lakhs through public subscription. The spinning unit will be put up in the first stage and the installation of looms will be taken up at a later stage. The project, it is estimated, will involve an outlay of about Rs. 8 lakhs, of which Rs. 27 lakhs will be spent on machinery—indigenous as well as imported. The Company has received the essentiality certificate from the Textile Commissioner for the import of machinery worth about Rs. 10 lakhs from the U.S.A. and

Japan, against credits granted by these countries.

The Government, it is stated, has agreed to allow the Company to import machinery worth Rs. 5 lakhs against foreign participation in the Company's equity share capital. The construction of the factory is likely to start by the end of April, and the mill is expected to go into production by about the middle of next year. The cost of the project is to be met by raising Rs. 30 lakhs through the issue of share capital and the balance by borrowing. The capital issue will be made up of Rs. 25 lakhs in equity shares and Rs. 5 lakhs in preference shares. The promoters, directors and their friends have agreed to take up equity shares of the value of Rs. 12.5 lakhs. The balance of Rs. 12.5 lakhs in equity shares and Rs. 5 lakhs in preference shares is to be offered for public subscription. Mr. Chinubhai Chimanlal, an industrialist of Ahmedabad, will be chairman of the Company.

Usha Refrigeration to Raise Capital

USHA Refrigeration Industries Ltd—a Shri Ram group enterprise—which proposes to set up a factory for the manufacture of sealed units for domestic airconditioners and refrigerators in technical collaboration with the Westinghouse Electric International Company of the U.S.A., will, it is expected, enter the market before the end of March for raising Rs. 24.5 lakhs through public subscription. The factory will be located in Sanath Nagar, an industrial suburb of Hyderabad, for which the Company has already acquired about 100 acres of land. The factory is expected to be ready for production before the end of this year, but full capacity is likely to be reached in about three years. Sealed units for airconditioners and refrigerators are not manufactured in substantial quantities in the country at present, and their inadequate imports because of the difficult foreign exchange position have been impeding the progress of the domestic industry.

The requirements of domestic air-conditioners and refrigerators in India, it is officially estimated, will rise to 120,000 by 1965. The foreign exchange requirements of the project are placed at Rs. 18 lakhs. Import licences have been obtained, one for Rs. 12.17 lakhs under I.L.F. credit, and the other for Rs. 5.90 lakhs for imports from the rupee payment area. The collaboration agreement with the U.S. firm which has already been approved by the Government, provides for technical assistance and the right of use of the U.S. firm's patents for the manufacture of sealed units. Under the agreement which, in the first instance, will be in force for ten years, Westinghouse is to be paid \$50,000 in three instalments, of which two have already been paid. In addition, the U.S. firm will be paid a royalty of 4 percent on domestic sales and 5 percent on exports, subject to Indian income tax. The Company has an authorised capital of Rs. 10 2 crores in equity shares of Rs. 10 each, of which Rs. 50 lakhs is being issued for the present. Out of this, shares worth Rs. 25.5 lakhs have been reserved for allotment to the promoters, directors and their friends. The balance of Rs. 24.5 lakhs is being offered for public subscription.

Milk Products From Creamery Company

AGAINST the third plan target of 30,000 tons, the current output of milk powder—skimmed and whole—is placed at no more than 1,000 tons. The position concerning condensed

milk and cheese is even less satisfactory. The plan target for condensed milk is 6,000 tons, while the current output is hardly around 250 tons and the production of cheese is almost negligible against a target of 4,000 tons. There are some 18 firms which have so far been permitted to undertake the manufacture of milk powder, condensed milk and cheese of which hardly three firms are said to be in actual production. These are: Kaira District Co-operative Milk Producers Union, Anand, Food Specialities Private Ltd of Moga and Aarey Milk Colony, Bombay. In order to promote the development of the dairy industry on scientific lines, the Central Government is likely to introduce a Bill during the current Budget session empowering State Governments to form statutory milk boards. The Bill has been prepared along the lines suggested by the Gujarat Government, which has been pressing the Centre to allow it to form a statutory milk board with a capital of about Rs. 1 crore.

According to reliable reports, Mr. G. S. Bhandari has sought the Government of India's permission to set up a new undertaking in Madhya Pradesh in collaboration with the well-known British firm of Cow and Gate for the manufacture of milk products. The proposal is to manufacture 2,400 tons of skimmed milk, 600 tons of cheese, 900 tons of butter and 900 tons of ghee a year. The plant will be located in Makshi in Shajapur District (Madhya Pradesh). The project will be implemented by a new Company to be known as Creamery Company of India Private Ltd which will have an authorised capital of Rs. 70 lakhs, of which Rs. 45 lakhs, it is proposed, will be issued at the beginning.

Plant and machinery are estimated to cost about Rs. 18.33 lakhs, of which Rs. 13.33 lakhs will be spent on imported equipment and Rs. 5 lakhs on indigenous machinery. Requirements of foreign exchange, it is proposed, will be met from capital partnership of Cow and Gate of the U.K. The scheme, it is said, has been approved in principle by the Government as there exists scope for licensing further capacity.

Trichy Steel Share Offer Soon

THE subscription list for the Rs. 22-lakh public issue—all in equity shares of Rs. 10 each—of the Trichy Steel Rolling Mills Ltd will open soon. The entire public issue has been underwritten, partly by the Madras Industrial Investment Corporation, and partly by stockbrokers and the Canara Bank. The Company is setting up a steel rolling mill in Tiruchirappalli (Madras State) for the manufacture of iron and steel bars, rods, angles, channels, sheets, hoops, wires, wirenails, etcetera. At a later stage, the Company proposes to erect an arc furnace for manufacturing billets which will enable the mill to meet part of its own raw material requirements. It also has plans to manufacture some of the special steel sections required for the motor-vehicle industry. These are not being manufactured in the country at present.

With the accelerated construction activity covering both industrial and housing development, the demand for building materials, and, in particular, of round bars for reinforcement, wire rods for wire drawing and other purposes, special light sections of mild steel for the fabrication industry, has outgrown available supplies. The land has been purchased, and the construction of the factory buildings has been completed. The Company is now proceeding with the erection of plant and machinery, most of which have arrived at the factory site. It

is expected that the plant will go into production by about the middle of this year. The project is estimated to cost about Rs. 69 lakhs, of which Rs. 40 lakhs will be spent on plant, machinery and buildings. Working capital requirements are estimated at around Rs. 27 lakhs. The Company proposes to obtain Rs. 37 lakhs in the form of share capital. It proposes to meet the balance of the requirements, through medium and short-term borrowings from financing institutions and banks.

The Company has an authorised capital of Rs. 50 lakhs made up of Rs. 40 lakhs in equity shares of Rs. 10 each and Rs. 10 lakhs in redeemable cumulative preference shares of Rs. 100 each, carrying an interest of 10 percent, subject to tax. The issued capital will be Rs. 37 lakhs in equity shares, of which shares worth Rs. 15 lakhs have been taken up by the promoters, directors and their friends and the remaining 22,000 shares will be offered for public subscription. The board of directors includes Mr. T. S. Krishna (chairman), Mr. V. S. Tyagaraja Mudaliar, Mr. S. B. Sankar, Mr. A. Somasundara Reddiar and Mr. S. Ravindran. Sree Sankar and Company will be the managing agents.

Plastics Machinery from Windsor India

A NEW Company known as R. H. Windsor India Private Ltd has been formed in Maharashtra to undertake the manufacture of the well-known Windsor range of plastics injection moulding and extrusion machines. The Company takes its name after the reputed British firm of R. H. Windsor Ltd, Chessington, Surrey, England, which has promoted the enterprise in collaboration with Indian partners. The factory is being constructed in Thana—an industrial suburb of Bombay—and it is likely to be completed by September. Production is expected to start early next year. The initial production will comprise smaller capacity machines. This will be gradually extended to larger machines in keeping with the growth of the industry, particularly in the technical and trade moulding field. The British firm will supply the majority of machine tools as part of its capital contribution. No royalties are involved. Windsor machines are known for their high quality, and the promoters are optimistic about exporting the machines from India. The authorised capital of the Company will be Rs. 30 lakhs.

Bombay Potteries Maintains Dividend

IN spite of an impressive increase of 21.7 percent in production, sales of Bombay Potteries and Tiles Ltd for the year ended September 1962, show only a modest rise from Rs. 41.75 lakhs to Rs. 42.37 lakhs. The gross profit is down by about 15.4 percent from Rs. 18.46 lakhs to Rs. 15.99 lakhs. The profit margin has been badly squeezed, as the Company has had to reduce the prices of its products to meet growing competition in the face of a rise in production costs. After providing Rs. 2.71 lakhs (against Rs. 1.79 lakhs) for depreciation and Rs. 6.85 lakhs (against Rs. 7.50 lakhs) for taxation, the net profit amounts to Rs. 6.43 lakhs, against Rs. 9.17 lakhs in 1960-61. The ordinary dividend has been maintained at 15 percent, less tax, absorbing Rs. 2.13 lakhs. The preference dividend accounts for Rs. 63,434, against Rs. 57,002. The allocation to reserves has been reduced from Rs. 6.64 lakhs to Rs. 2.72 lakhs, but Rs. 24,960 has been provided on account of short provision for bonus for 1960-61 and Rs. 13,926

towards short provision for taxation for the same year.

The directors say in their report that while the total output rose from 2,217 tonnes in 1960-61 to 2,696 tonnes in 1961-62, there was a slight fall in the production of refractories and vitreous tiles at the Darukhan factory due to a 50-percent fall in coal supplies. In order to maintain uninterrupted production, Bombay Potteries is contemplating converting the furnaces at the Darukhan factory into oil-fired ones. Under the expansion programme, the Company's new furnace was commissioned in June 1962, raising the capacity of glazed tiles from 900 tonnes to 1,800 tonnes. Bombay Potteries has been unable to avail itself of the foreign exchange loan sanctioned by the Industrial Credit and Investment Corporation of India in the absence of the requisite import licence from the Government which insists that the Company must guarantee exports to the extent of the value of the import licence. The directors are not optimistic about the export outlook. The Rs. 100-paid share of the Company is currently quoted nominally around Rs. 197.50 cum-dividend.

Bank of Rajasthan Repeats

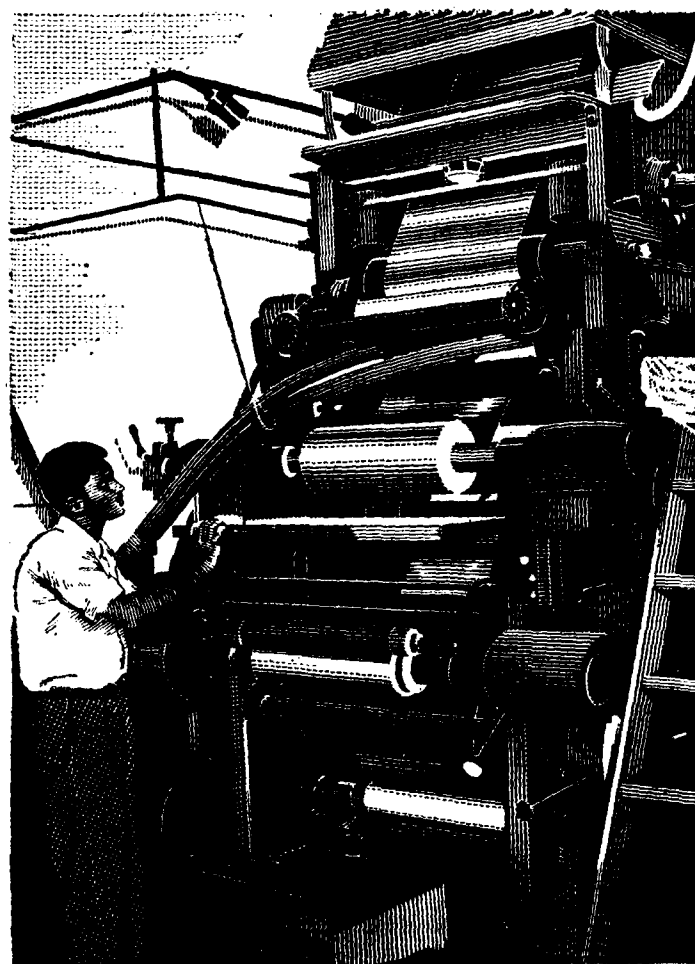
ALTHOUGH the State Bank of Rajasthan has maintained the dividend at 10 percent, less tax, the preliminary report on the working results for 1962 shows a sizable setback, compared with the previous year's performance. Deposits have been barely maintained at Rs. 6.27 crores, against Rs. 6.24 crores at the end of 1961. The net profit is substantially lower at Rs. 2.34 lakhs, against Rs. 3.50 lakhs in 1961. The directors have transferred Rs. 47,475 (against Rs. 71,000) to the reserve fund and provided Rs. 90,000 (against Rs. 87,000) for taxation. The proposed dividend absorbs Rs. 92,410. The bank's working funds have recorded a small increase from Rs. 7.42 lakhs to Rs. 7.67 lakhs.

Bank of Saurashtra Skips Dividend

IN spite of a 10 percent increase in deposits from Rs. 13.57 crores to Rs. 14.94 crores and a much larger increase of about 21.5 percent in advances from Rs. 7.28 crores to Rs. 8.85 crores, the State Bank of Saurashtra has made a substantially smaller profit in 1962, compared with the previous year. The bank's income is up from Rs. 78.38 lakhs to Rs. 83.47 lakhs, but the profit, after providing for taxation, has declined from Rs. 7.15 lakhs to Rs. 4.73 lakhs. Out of this, bonus to staff absorbs Rs. 2.10 lakhs and Rs. 2.50 lakhs has been transferred to general reserve. The dividend has been skipped.

Bank of Indore Earns Less

THE preliminary report on the working of the State Bank of Indore for 1962 shows a fall in its profit, although both deposits and advances have recorded a rise. Deposits have increased from Rs. 10.86 crores to Rs. 11.99 crores and advances are up from Rs. 6.15 crores to Rs. 7.04 crores. The profit, after providing for taxation, is down from Rs. 6.61 lakhs to Rs. 5.14 lakhs. A sum of Rs. 1.48 lakhs has been set aside for bonus to staff and Rs. 1.10 lakhs have been transferred to general reserve. The 8 percent taxable dividend absorbs Rs. 2.80 lakhs.



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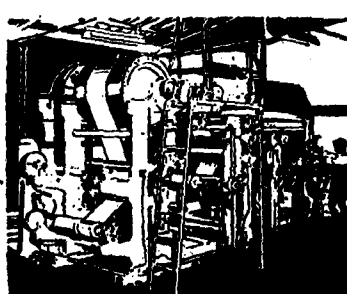
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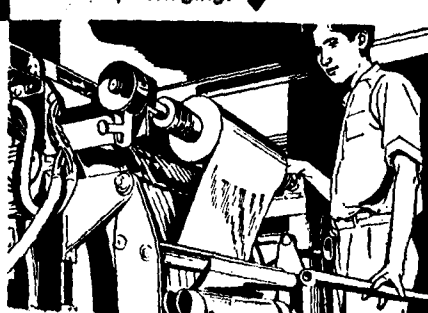


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TURNOVER IMPROVES IN LYONS RANGE

Wednesday Evening.

THE Calcutta stock market has been steadier during the past week. Turnover has been bigger and a wide range of scrip have been transacted in the trading ring after a long interval. There has been a great deal of short-covering, but fresh purchases have been restricted. Bears have been forced to cover because of an appreciable recovery in Dalal Street. As some investors think that prices have fallen too far, they are making replacement purchases.

Meantime, the political situation has become less unfavourable. The fact that the last conference between India and Pakistan over the Kashmir issue did not break down is being interpreted by the stock market as a somewhat favourable factor. In spite of the recalcitrant attitude of China, it is believed that she will eventually accept the Colombo proposals. In any case, there is no immediate prospect of a fresh flare-up on the Sino-Indian border.

Although the possibility of heavier taxation in the next Budget has been taken for granted, the stock market has been veering round to the view that the Finance Minister, Mr. Morarji Desai, may not put too great a burden on companies. The Stock Exchange Directorate of the Finance Ministry has taken great interest in ensuring the stability of the market during recent months. This suggests that the Government will do nothing to spoil the investment climate.

Trade and industry have already been forced to bear heavy burdens since the corporation tax was raised from 45 percent to 50 percent in the last Budget. Besides, there has been a substantial rise in the cost of labour, raw materials and transport. The payment of premiums for emergency risks insurance has greatly strained the finances of companies. Preliminary reports about these premiums indicate that they may amount to more than seven or eight percent of the pre-tax profits of companies. The burden may prove too much, especially for new companies. Since normally they do not start making profits before four or five years, they cannot afford to pay these premiums. Hence it should be considered whether the new companies can be exempted from the emergency risks insurance scheme. Even in the case of other companies, the premiums should be cut.

This apart, many companies have already volunteered to contribute a portion of their profit to the National Defence Fund. It should also be borne in mind that the trend of profits has been downward during recent months. Since the emergency, many industries have switched over to defence production and further tax burdens may affect their working. In the circumstances, the scope for a further rise in the corporation tax is virtually nil.

The levy of an excess profits tax also seems unwarranted. Since profits are unlikely to move up in the near future, such a tax cannot yield much revenue. But its adverse effects can be far-reaching. Whether the Finance Minister will try to raise more revenue from the corporate sector by whittling down

the development rebate is anybody's guess. Even if he were to withdraw this concession, he must take care to ensure that incentives to development do not suffer.

Indian Iron have been quoted above the minimum price after a fairly long time. Among engineering shares, interest has been taken in Braithwaite, Indian Standard Wagon, Burn and Jessop. Scattered support has been forthcoming for Britannia Engineering, Kumardhubi, Texmaco and Dalmia Iron. Selected coal shares have been bought. Burrakur, Bengal and Amalgamated have gained fractionally. Interest has also been taken in Central India. South Karanpura have attracted interest on prospects of an improvement in raisings. The Company will soon import equipment under the World Bank loan.

Turnover has increased in jute shares on account of some good reports. The profits of jute companies are expected to be substantial for the current year and satisfactory dividends will be paid. Birla, Gourepore, Northbrook, Union, Anglo-India, Barnagore, Kamarhaty and Reliance have been taken. Kelvin have gained on reports of good working. Chitavalisah and Nellimarla have improved on paying bigger dividends.

In the cotton mill section, support has been confined to Dunbar and Jay Shree Textiles. Bank shares have been neglected. Sugar shares have lacked interest on reports that many factories may have to close down soon because of the shortage of cane. Tea shares have been offered freely without attracting support since it is feared that the dividends for 1962 may fall below expectations. Talk about the amalgamation of Hantapara with Birpara has created no interest in these scrip.

Miscellaneous shares have gained because of the absence of selling pressure. Among clearing shares, Hindustan Motors, Dunlop Rubber, Jaipur Udyog, Indian Copper and Indian Cable have been transacted. Goodyear India have been maintained on prospects of a rights issue. Interest has been taken in Alkali Chemical, British Paints, Associated Battery and Angelo Brothers. Among managing agency shares, Martin Burn have improved. In paper shares, Titagur have gained.

In Government securities, scattered support has been forthcoming for short-dated stocks but medium and long-dated loans have been easier. Prices of State Government loans have been depressed.

Bombay

PRICES IMPROVE IN DALAL STREET SECOND THOUGHTS ON THE BUDGET

Wednesday Evening.

THERE has been a marked improvement in the Bombay stock market during the past week. Short-covering, combined with replacement purchases, has helped raise share prices all round. Bears have covered their open positions in view of the

forthcoming Central Budget. Some institutional buying has also taken place because current prices are considered sufficiently attractive. There is a general feeling that new taxes in the next Budget may not be as high as was feared earlier. Most of them may be in the form of indirect ones. The current account will close on 21st February. At the close, share prices have reacted due to profit-taking, but selling pressure has been conspicuous by its absence.

Tata Steel have improved to Rs. 117.50 and Indian Iron to Rs. 21.16. Among engineering shares, support has been extended to Tata Locomotive at Rs. 281, to Mukand Iron at Rs. 15.92 and to Larsen and Toubro at Rs. 24.24. Among motor-vehicle shares, Hindustan Motors have been taken at Rs. 17.20 and Premier Automobiles at Rs. 104. Although cotton mill shares have been dealt in cautiously, prices improved fractionally on balance. Century have come to hand at Rs. 521, Bombay Dyeing at Rs. 58.80, Kohinoor at Rs. 278, Gokak at Rs. 176.50, Svadeshi at Rs. 250 and Morarjee at Rs. 451.

In the miscellaneous section, sugar shares have been subdued on fears of a big decline in production during the current year. Belapur have been available at Rs. 200 and Walchandnagar Industries at Rs. 141. In cement shares, Associated Cement have been bought at Rs. 140.75 and Digvijay at Rs. 171. Steamship company shares have lacked interest, and Scindia Steam have been transacted at Rs. 10.08. Among mining shares, B. B. Petrol have been fairly steady around Rs. 440 on hopes of reorganisation. Bombay Burmah have recovered to Rs. 634 on short-covering. In rayon shares, National Rayon have recovered to Rs. 380 and Gwalior Rayon to Rs. 45.50. Baroda Rayon have met with demand at Rs. 114 on the news that the factory has started production in full swing. Chemical shares have been quiet, and Tata Chemical have been done at Rs. 13.12. Voltas have lacked interest around Rs. 248 due to the decline in profits. There has been little interest in cash shares, but Permanent Magnets have improved to Rs. 200 on the news that the factory has started production. The Company also proposes to go in for further expansion.

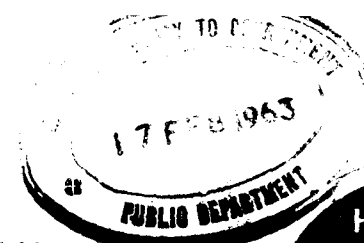
Small business has been done in bank and insurance shares. Central Bank have been quoted at Rs. 59.50 and Bank of Baroda at Rs. 94.50. New India Assurance have come to hand at Rs. 54.50. Among electric company shares, Ahmedabad have been dealt in at Rs. 92.70 and Tata Power at Rs. 1,052.50.

Madras

INVESTORS REMAIN CAUTIOUS TAX FEARS AFFECT TURNOVER

Tuesday Evening.

ALTHOUGH sentiment has improved in the Madras stock market during the past week and selling pressure has declined, sup-



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port has been forthcoming on a very small scale. Investors have been disturbed by the prospects of heavier taxation in the next Central Budget. They are also worried about the growing shortage of funds. As the call rate has been quoted at a higher level than in the corresponding period of 1961, it is feared that the flow of bank credit into stocks and shares will be restricted.

Bank shares have been neglected, and nominal business has been done in Canara and Indian Overseas. Canara Bank has declared a taxable ordinary dividend of 15 percent. In electric companies, scattered interest has been taken in Vellore at Rs. 13.60 and in Negapatnam at Rs. 11.40. Planting shares have shown mixed trends. Selected tea and coffee shares have been bought on crop reports, but rubber shares have been sold freely. Interest has largely been confined to Blue Mountain at Rs. 2.37, to Cochin Malabar at Rs. 6.36, to Consolidated Coffee at Rs. 15.55, to Periakaramalai at Rs. 3.02, to Nelliampathy at Rs. 2.73 and to Peermade at Rs. 22.50. Sugar shares have been easier on a predominance of sellers, although scattered support has been extended to E.I.D. around Rs. 39.10.

Cotton mill shares have been offered freely without attracting support, although sellers have become fewer on reports of an increase in the price of yarn. Bangalore Woollen have weakened to Rs. 228, South India Viscose to Rs. 125 and Travancore Rayon to Rs. 26.75. Interest has been taken in Madura at Rs. 30.75.

Turnover has declined considerably in miscellaneous shares. Aluminium Industries has issued 350,000

rights ordinary shares of Rs. 10 each at a premium of Rs. 3.50 a share, in the proportion of one new share for every 3.5 shares held. The scrip have been quoted at Rs. 22.85. Metallur Chemical have come to hand at Rs. 12.05 and Madras Rubber at Rs. 18.50. Mysore Paper has been dealt in at Rs. 14.25 and Parry's Confectionery at Rs. 3.50. Government securities have been weaker, and prices of State Government loans have fallen in the absence of buyers. The trend is not expected to improve in view of rising interest rates.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla—Rs. 28/75—29/69—28/50—29/69—(35/00).
Burrakur—Rs. 15/00—15/44—15/00—15/44—(17/50).
Dunlop Rubber—Rs. 35/50—35/75—35/00—35/00—(42/50).
Guest, Keen, Williams—Rs. 33/00—33/10—33/00—33/00—(42/56).
Hindustan Motors—Rs. 16/50—17/28—16/50—17/25—(20/75).
Howrah Jute—Rs. 18/12—18/50—18/12—18/50—(21/00).
Indian Aluminium—Rs. 29/81—31/75—29/69—31/75—(37/81).

Indian Cable—Rs. 33/00—33/12—33/00—33/00—(36/94).
Indian Copper—Rs. 4/27—4/38—4/22—4/38—(4/90).
Indian Iron & Steel—Rs. 21/00—21/25—21/00—21/12—(25/26).
J. K. Cotton Spg. & Wvg.—Rs. 13/44—13/75—13/31—13/75—(20/37).
Jaipur Udyog—Rs. 10/50—11/25—10/50—11/25—(13/56).
Kesoram Industries—Rs. 21/00—21/25—21/00—21/12—(35/44).
Orient Paper—Rs. 35/00—35/31—35/00—35/00—(41/30).
Orissa Cement—Rs. 15/00—15/50—15/00—15/50—(19/44).
Robtas Industries—Rs. 11/50—11/56—11/50—11/56—(17/69).
Shree Gopal Paper—Rs. 22/62—22/62—22/31—22/50—(25/62).
Textile Machinery—Rs. 19/55—20/30—19/55—20/25—(20/55).

GOVERNMENT SECURITIES

3 % Loan (1970-75)—Rs. 85/30—85/41—85/30—85/30.
3 % " (1986)—Rs. 63/05—63/05—63/05—63/05.
3 % " (1963-65)—Rs. 99/03—99/03—99/00—99/00.
3½ % " (1963)—Rs. 99/90—99/90—99/90—99/90.
3½ % " (1966)—Rs. 98/95—98/95—98/95—98/95.
3½ % " (1969)—Rs. 97/00—97/00—97/00—97/00.
4 % " (1972)—Rs. 99/05—99/05—99/05—99/05.
4 % " (1973)—Rs. 99/10—99/10—99/10—99/10.
4 % " (1979)—Rs. 98/33—98/33—98/33—98/33.
4 % " (1980)—Rs. 98/33—98/33—98/33—98/33.
4½ % West Bengal (1974)—Rs. 97/95—97/95—97/95—97/95.
4½ % Behar (1974)—Rs. 96/12—96/12—96/12—96/12.
4½ % Orissa (1974)—Rs. 96/22—96/50—96/22—96/30.

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4½ % U.P. (1974)—Rs. 96/30—96/30—96/30—96/30.

BANK

United Bank of India (Rs. 10 paid)—Rs. 7/87—7/87—7/25—7/25—(6/94).

RAILWAY

Dehri Rohas—Rs. 13/50—13/50—13/50—13/50—(20/00).

COTTONS

Aditya Mills (Fully paid)—Rs. 9/00—9/00—9/00—9/00.
Bharat Commerce—Rs. 22/62—22/62—22/50—22/50.
Basanti—Rs. 12/87—12/87—12/87—13/06—(7/19).
Bengal Nagpur—Rs. 2/50—2/50—2/50—2/50—(3/25).
Bowreah—Rs. 23/00—23/00—23/00—23/00—(40/00).
Cawnpore—Rs. 6/37—6/50—6/37—6/50—(10/50).
Dunbar—Rs. 26/87—26/87—26/87—26/87—(25/82).
Elgin—Rs. 19/87—19/87—19/87—19/87—(25/82).
Jay Shree Textile & Industries—Rs. 13/87—14/56—13/69—14/44—(16/87).
Muir Mills—Rs. 135/00—135/00—135/00—135/00—(87/00).
Do. (Pref.)—Rs. 130/00—130/00—130/00—130/00—(101/00).
New Victoria—Rs. 1/34—1/44—1/31—1/44—(1/81).
Victoria—Rs. 18/50—18/50—18/50—18/50—(10/50).

COALS

Amalgamated—Rs. 24/25—24/75—24/12—24/37—(22/00).
Bengal—Rs. 286/00—290/00—286/00—290/00—(360/00).
Central India—Rs. 9/84—9/87—9/81—9/81—(12/44).
East India—Rs. 37/00—37/00—37/00—37/00—(37/00).
New Beerboom—Rs. 19/94—19/94—19/94—19/94—(21/00).
South Karanpura—Rs. 6/94—6/56—6/81—6/56—(7/44).
Western Bengal—Rs. 8/81—8/91—8/75—8/75—(9/56).

JUTES

Agarpara—Rs. 10/25—10/31—10/25—10/31—(10/75).
Alliance—Rs. 111/00—112/00—110/00—110/00—(93/00).
Do. (Pref.)—Rs. 68/50—68/50—68/50—68/50—(68/50).
Anglo-India—Rs. 217/00—217/00—217/00—217/00—(215/00).
Chandpary—Rs. 135/00—137/00—135/00—136/00—(127/00).
Cheviot—Rs. 22/50—22/50—22/50—22/50—(17/37).
Do. (Pref.)—Rs. 91/00—91/50—91/00—91/50—(91/50).
Chitavalsah—Rs. 10/62—11/00—10/50—11/00—(12/81).
Delta—Rs. 168/00—169/00—168/00—168/00—(171/00).
Daihouise—Rs. 136/00—136/00—136/00—136/00—(126/00).
Ganges—Rs. 13/25—13/44—13/25—13/44—(13/25).
Gourepare—Rs. 24/00—24/00—24/00—24/00—(24/00).
Hooghly (Pref.)—Rs. 10/50—10/50—10/50—10/50—(10/56).
India—Rs. 17/75—17/75—17/75—17/75—(16/19).
Kelvin—Rs. 186/00—196/00—184/00—196/00—(195/00).
Megna—Rs. 13/31—13/31—13/19—13/31—(12/62).
New Central—Rs. 12/56—13/00—12/12—13/00—(13/00).
National—Rs. 25/37—25/37—25/37—25/37—(22/87).
Presidency—Rs. 4/81—5/03—4/81—5/03—(5/50).
Rameshwara (Pref.)—Rs. 10/25—10/37—10/00—10/00—(8/66).
Reliance—Rs. 6/44—6/56—6/25—6/56—(6/44).
Do. (Pref.)—Rs. 88/00—90/50—88/00—90/50—(83/00).
Union—Rs. 163/00—163/00—163/00—163/00—(162/00).

MININGS

Assam Sillimanite—Rs. 7/12—8/75—7/12—8/75—(8/75).
Karanpura Development—Rs. 11/75—11/75—11/82—11/82—(16/69).
Metal Corp.—Rs. 8/00—8/25—8/00—8/25—(12/06).

CEMENTS

Asoka Cement—Rs. 7/37—7/44—7/37—7/37—(8/62).
Bengal Potteries—Rs. 5/50—5/66—5/50—5/66—(6/87).
Dalmia (Bharat)—Rs. 13/25—13/31—13/12—13/31—(13/00).
Sone Valley—Rs. 4/00—4/19—3/91—4/19—(5/12).

CHEMICALS

Alkali & Chemical—Rs. 35/06—35/12—35/00—35/12—(45/10).

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Calcutta Chemical (4½ % Pref.)—Rs. 6/50—6/50—6/50—6/50—(6/50).
Do. (Ord.)—Rs. 18/00—18/00—18/00—18/00—(18/00).
Kanoria Chemical—Rs. 3/94—4/00—3/87—3/94—(3/94).

ELECTRICS

Calcutta—Rs. 14/06—14/31—14/06—14/31—(14/87).
Do. (Pref.)—Rs. 8/25—8/37—8/25—8/37—(8/37).

ENGINEERING

Binani Metal—Rs. 10/31—10/56—10/19—10/56—(12/94).
Britannia Eng.—Rs. 10/12—10/31—10/06—10/25—(13/25).
Braithwaite & Co.—Rs. 36/19—36/19—36/19—36/19—(45/12).
Burn & Co.—Rs. 490/00—490/00—490/00—490/00—(545/00).
Bharat Ball Bearing—Rs. 13/19—13/37—13/19—13/37—(13/19).
Bhartia Electric Steel—Rs. 13/94—14/00—13/87—14/00—(10/50).
Calcutta Steel—Rs. 13/50—13/75—13/50—13/75—(16/00).
Dalmia Iron—Rs. 11/75—11/75—11/75—11/75—(12/31).
Hindustan Wire—Rs. 10/00—10/06—10/00—10/06—(10/06).
Indian Iron & Steel (Pref.)—Rs. 83/50—84/00—83/50—84/00—(88/00).
Indian Standard Wagon—Rs. 29/81—29/81—29/50—29/50—(22/00).
Jessop & Co.—Rs. 22/00—22/56—22/00—22/56—(23/06).
Kumardhubi—Rs. 7/12—7/12—7/06—7/12—(7/97).
Machinery Mfg.—Rs. 18/25—18/50—18/25—18/50—(18/50).
Do. (Pref.)—Rs. 49/50—50/00—49/50—50/00—(50/00).
Marshall's—Rs. 3/37—3/41—3/19—3/31—(3/44).
National Screw & Wire Prod.—Rs. 9/00—9/00—8/94—8/94—(8/94).
National Iron—Rs. 4/31—4/37—4/19—4/19—(5/56).
Wellman Incandescent—Rs. 5/60—5/81—5/60—5/81—(5/81).

MISCELLANEOUS

Albion Plywood—Rs. 9/50—9/50—9/50—9/50—(9/50).
Aluminium Corp. (5 % Pref.)—Rs. 61/25—62/00—61/25—61/50—(70/00).
Do. (Ord.)—Rs. 14/00—14/00—14/00—14/00—(14/00).
Asian Refractories—Rs. 6/75—6/75—6/50—6/62—(6/62).
Asiatic Oxygen—Rs. 9/25—9/50—9/25—9/37—(9/37).
Associated Battery—Rs. 26/50—26/94—26/50—26/62—(35/00).
Assam Hardboard—Rs. 3/50—3/50—3/50—3/50—(3/50).
Angelo Bros.—Rs. 24/37—24/44—24/37—24/44—(23/06).
British India Corp.—Rs. 9/00—9/25—9/00—9/25—(12/25).
Britannia Biscuits—Rs. 44/12—44/12—44/00—44/12—(43/00).
Cherra Chhatrak Ropeway—Rs. 5/75—5/75—5/75—5/75—(6/75).
Clive Row Investment—Rs. 8/19—8/19—8/19—8/19—(8/69).
Calcutta Tramways—Rs. 11/00—11/00—11/00—11/00—(12/06).
Dr. Paul Lohmann—Rs. 15/00—16/12—14/94—16/12—(14/50).
Dunlop Rubber (1st Pref.)—Rs. 104/00—104/50—103/50—103/50—(107/00).
Electric Construction—Rs. 13/00—13/75—13/00—13/75—(15/62).
East Anglia—Rs. 10/23—10/87—10/19—10/69—(30/50).
Gillanders—Rs. 13/62—13/62—13/62—13/62—(14/66).
Goodyear India—Rs. 37/87—37/87—37/87—37/87—(40/37).
Hindustan Aluminium—Rs. 13/50—13/94—13/44—13/75—(15/69).
Hindustan Development—Rs. 4/25—4/31—4/25—4/31—(7/12).
Hindustan Pilkington Glass—Rs. 18/25—18/25—18/25—18/25—(32/12).
Do. (New)—Rs. 17/50—17/50—17/50—17/50—(17/50).
Hindustan Twyford—Rs. 13/50—13/50—13/50—13/50—(16/81).
Hindustan Lever—Rs. 44/00—44/00—44/00—44/00—(70/37).
Hindustan Wire Pro.—Rs. 15/75—15/75—15/75—15/75—(15/75).
Imperial Tobacco—Rs. 10/31—10/31—10/19—10/23—(12/62).
India Carbon—Rs. 20/87—21/31—20/75—21/31—(21/31).
Indian Aluminium (Pref.)—Rs. 66/50—67/37—66/50—67/37—(70/00).
Indian Oxygen—Rs. 27/75—28/50—27/75—28/50—(41/44).
Indian Tack & Nail—Rs. 12/37—12/37—12/37—12/37—(12/37).
Indian Wood Products—Rs. 30/50—30/50—30/50—30/50—(30/75).
Isaac Holdens—Rs. 15/00—15/00—15/00—15/00—(18/12).
Jay Shree Industries—Rs. 15/19—15/19—15/19—15/19—(15/19).

India Paper Pulp—Rs. 18/44—18/56—18/31—18/56—(17/50).
Orient (1st Pref.)—Rs. 87/00—87/50—87/00—87/50—(87/50).
Do. (2nd Pref.)—Rs. 62/00—62/00—62/00—62/00—(16/69).
Sirpur—Rs. 10/94—11/94—10/94—11/81—(16/69).
Straw Products—Rs. 8/62—8/75—8/62—8/75—(9/50).
Titagur Paper—Rs. 16/56—17/44—16/25—17/44—(43/25).

London

UNSETTLED TREND IN PRICES SHIPPINGS RISE ON FREIGHT INCREASE

London, 13th February.

THE London stock market remained unsettled during the past week with operators still unable to take a definite line in view of the many uncertainties. The January gold figures helped to some extent, and there were one or two other satisfactory economic pointers. But with unemployment likely to reach the 900,000 level when the figures would be announced next week and the uncertainty about exports, in spite of the U.K. Government's moves in this direction, there was a fairly general reluctance of buyers of enter into fresh commitments. There was a poor market for gilt-edged and prices wilted under persistent small selling. With Wall Street also unsettled, dollar shares drifted lower. The feature of foreign rails was the sharp rise in Costa Rica second debentures, on the interest arrears' scheme. A feature in equities was the strength of shipping shares following the sharp rise in the tanker freight rates.



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C. I. PRESSURE PIPES BY IISCO

IISCO-STANTON Cast Iron Spun Pipes

Made to BS6 1211 of 1958 and Vertically Cast Pipes to BS6 76 of 1958. IISCO pipes are used throughout the length and breadth of the country. Among the big projects that have already used IISCO pipes are: the Mattancherry Project at Ernakulam, 8,62,000 Rft; the Water Supply and Drainage Scheme in Madras State, 48,02,000 Rft and the Ajmer Water Supply Scheme, Rajasthan, 3,69,000 Rft. Today, IISCO pipes are being again employed at:

Patratu Water Supply Project, A/c. Chief Engineer, P.H.E.D., Bihar, Patna.	4" to 30" Spun Pipes	1,36,050 ft.	5355 tonnes approx.
Coal Mines Water Supply Scheme A/c. National Coal Development Corporation Ltd.	14" to 27" Spun Pipes	1,25,591 ft.	5456 "
Municipal Corporation of Delhi.	24" to 36" Spun & V.C. Pipes	5,676 ft.	11943 "
Ahmedabad Municipal Corporation.	60" V.C. Pipes	5,676 ft.	2345 "
Fertilizer Corp. of India Ltd., Namrup Project.	16" to 24" Spun Pipes	22,674 ft.	1461 "
The Chief Engineer, L.S.G.E.D., Lucknow.	15" to 27" Spun Pipes	25,695 ft.	1448 "
Corporation of Madras.	21" to 33" Spun & V.C. Pipes	23,766 ft.	2135 "
The Executive Engineer, P.H., Visakhapatnam.	14" to 18" Spun Pipes	16,405 ft.	196 "
The Public Health Engineer, P.H. Bhopal.	30" to 36" Spun & V.C. Pipes	10,454 ft.	1375 "
Maharashtra State Electricity Board.	21" Spun Pipes	21,000 ft.	1761 "

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WORKS: BURNPUR & KULTI

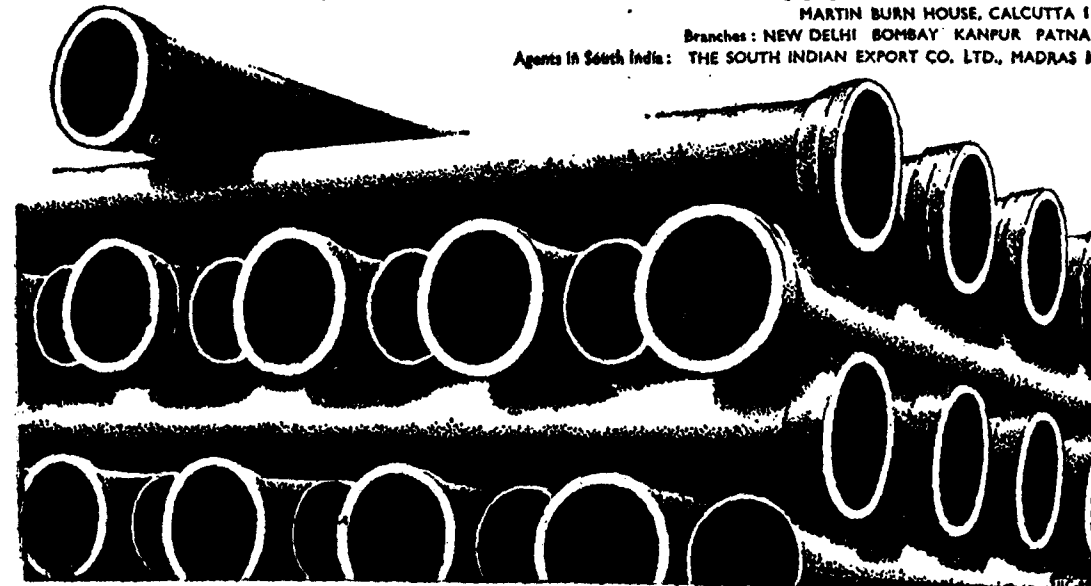
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RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		8-2-63	1-2-63	9-2-62
Liabilities—				
Notes in Banking Dept. ...		16,01.11	18,31.64	17,76.50
Notes in Circulation ...		22,10,81.71	21,66,68.19	20,34,79.30
Total Notes Issued ...		22,26,82.82	21,84,99.83	20,52,56.10
Assets—				
A. Gold Coin and Bullion ...		1,17,76.10	1,17,76.10	1,17,76.03
Foreign Securities ...		88,08.43	88,08.43	1,26,88.07
Total of A ...		2,05,84.53	2,05,84.53	2,44,62.10
R. Rupee Coin ...		1,17,56.08	1,20,73.09	1,18,74.00
Rupee Securities ...		19,03,42.21	18,58,42.21	16,89,20.00
Total ...		22,26,82.82	21,84,99.83	20,52,56.10
BANKING DEPARTMENT				
Liabilities—				
Capital Paid-up ...		5,00.00	5,00.00	5,00.00
Reserve Fund ...		80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund ...		61,00.00	61,00.00	50,00.00
National Agricultural Credit (Stabilisation) Fund ...		7,00.00	7,00.00	6,00.00
Deposits—				
(a) 1. Central Govt. ...		89,30.92	49,94.03	
2. State Govts. ...		7,98.56	13,58.97	21,52.40
(b) Banks ...		73,41.90	74,19.68	75,53.24
(i) Scheduled Banks ...		1,62.55	1,62.55	
(ii) State Co-operative Banks ...		5,22	5.89	
(iii) Other Banks ...		1,62,75.35	1,63,55.17	1,47,13.68
(c) Others ...		25,71.46	32,47.75	23,82.73
Bills Payable ...		59,52.63	60,52.42	58,90.27
Other Liabilities ...		5,73,36.59	5,78,30.26	5,11,86.35
Total ...		5,73,36.59	5,78,30.26	5,11,86.35
Assets—				
Notes ...		16,01.11	18,31.64	17,76.50
Rupee Coin ...		3.31	8.56	2.19
Small Coin ...		2.49	2.21	3.01
National Agricultural Credit (Long Term Operations) Fund				
(a) Loans and Advances to—				
(i) State Govts. ...		23,75.98	23,75.98	
(ii) State Co-operative Banks ...		10,85.60	10,90.79	
(iii) Central Land Mortgage Banks ...				
(b) Investment in Central Land Mortgage Bank Debentures ...		2,84.88	2,84.88	
National Agricultural Credit (Stabilisation) Fund				
Loans and Advances to State Co-operative Banks ...				
Bills Purchased and Discounted—				
(a) Internal ...				
(b) External ...				
(c) Govt. Treasury Bills ...		75,13.87	52,39.28	31,65.98
Balances Held Abroad ...		10,66.49	7,09.30	9,59.34
Loans and Advances to Govt. ...		24,50.99	16,55.41	16,55.41
Loans and Advances to—				
(i) Scheduled Banks ...		43,71.93	36,09.80	
(ii) State Co-operative Banks ...		1,32,93.53	1,33,10.19	
(iii) Others ...		1,45.57	1,46.57	
Investments ...		1,97,25.54	2,41,67.96	1,96,67.89
Other Assets ...		34,15.70	33,97.89	29,29.67
Total ...		5,73,36.59	5,78,30.26	5,11,86.35

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		1-2-63	25-1-63	2-2-62
(I) Demand Liabilities—				
(a) Demand Deposits ...		47,60.26	49,52.73	47,58.19
(1) From Banks ...		8,18,82.39	8,16,90.86	7,37,53.40
(2) From others ...		20,05.75	25,91.58	23,19.07
(b) Borrowing from Banks ...		60,96.63	56,54.95	54,60.24
(c) Others ...				
(II) Time Liabilities—				
(a) Time Deposits ...		22,09.43	20,23.99	18,62.61
(1) From Banks ...		12,18,44.89	12,29,79.06	11,16,44.78
(2) From others ...		18,87.89	18,52.93	14,60.62
(b) Borrowing from Banks ...		11,25.54	10,77.57	24,58.54
(c) Others ...				
(III) Borrowing from State Bank—				
(a) Demand Liabilities ...		5,44.62	3,88.54	7,15.05
(b) Time Liabilities ...		9,98.50	11,14.53	6,94.00
(iv) Borrowing from Reserve Bank ...		35,93.30	23,96.45	29,97.00
(v) Cash ...		49,27.70	50,37.02	44,97.11
(vi) Balances with the Reserve Bank ...		85,80.98	73,48.13	75,82.30
(vii) Balances with other Banks in current account ...		18,53.55	19,32.71	17,06.07
(viii) Money at call and short notice ...		42,97.15	51,72.30	42,58.36
(ix) Investments in Central and State Govt. Securities ...		6,37,02.64	6,49,82.90	5,96,74.67
(x) (a) Loans, Cash credits and Overdrafts ...		12,68,94.24	12,53,79.20	11,31,71.76
(b) Due from Banks ...		10,96.61	9,24.74	8,03.13
(xi) Internal Bills purchased and discounted ...		1,70,79.42	1,64,07.15	1,55,79.61
(xii) Foreign Bills purchased and discounted ...		52,14.67	52,68.66	46,48.71
(xiii) Total of X, XI and XII ...		15,02,84.94	14,79,79.75	13,42,03.21

Money

THE CALCUTTA MONEY MARKET

INTERBANK CONDITIONS VERY TIGHT

Wednesday, 13th February.

THE general level of advances in the Calcutta money market has shown a fair increase during the past week. Most of the increase is accounted for by the iron, steel and engineering industries. But the requirements of the jute and sugar mills, and of the foodgrains and seeds trade, have also risen. Cotton credit remains almost unchanged. In the interbank market, conditions have been very tight and the call rate is between 6 percent and 6½ percent.

The exchange market has been less active. The supply of tea bills has been fair, but there have been very few gunny bills. The demand for remittance is poor. Sterling has eased in relation to all the major currencies except the Danish and the Swedish kroners.

THE CALCUTTA BULLION MARKET transacted only ready silver during the past week. The price was quoted around Rs. 268.75 for ready delivery. No forward business was reported. The London and New York prices were 108d and 125.6 cents.

DURING THE WEEK ENDED 8TH FEBRUARY, Government of India Treasury bills for Rs. 66,70,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 12th February. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.405 percent and above were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.365 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 18th February.

IT IS STATED THAT 91-DAY INTER-MEDIATE Treasury bills will be sold from 13th February to 16th February at Rs. 99.426 percent, subject to the conditions previously announced that sales can be stopped at any time without notice if the Government thinks it necessary. These bills, sold from 6th February to 9th February, amounted to Rs. 78,00,000.

RISES OF Rs. 41.83 CRORES TO Rs. 2,226.83 crores in the total note issue and of Rs. 44.41 crores to Rs. 2,210.82 crores in active notes were notable features of the return of the Reserve Bank of India during the week ended 8th February, 1963. The currency expansion was covered by increasing rupee securities of the paper currency reserve by Rs. 45 crores to Rs. 1,903.42 crores. This was done by transferring securities from the Banking Department in which investments fell by Rs. 44.42 crores to Rs. 197.26 crores. Deposits of the Central Government were Rs. 10.14 crores larger at Rs. 89.31 crores, presumably due to the payment of emergency risks insurance premiums while those of State Governments fell by Rs. 5.59 crores to Rs. 7.99 crores. Balances of scheduled banks at Rs. 73.42 crores showed a decline of Rs. 78 lakhs. Balances held abroad rose by Rs. 3.57 crores to Rs. 10.66 crores. Loans given to scheduled banks increased from Rs. 36.10 crores to Rs. 43.72 crores.

res, of which advances against usance bills were Rs. 27.72 crores, against Rs. 23.68 crores. Ways and means advances stood at Rs. 24.51 crores, against Rs. 16.55 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 1st February, 1963, shows a drop of Rs. 8.43 crores to Rs. 560.10 crores in total deposits. Investments in Government securities and other authorised investments are down by Rs. 9.97 crores and Rs. 52 lakhs to Rs. 244.63 crores and Rs. 10.04 crores, respectively. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have increased by Rs. 6.95 crores to Rs. 294.66 crores. Cash and balances are, in consequence, shown at Rs. 21.29 crores or Rs. 4.27 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 1st February, 1963, shows Demand and Time liabilities at Rs. 947.45 crores (Rs. 20.06 crores on account of borrowings from banks) and Rs. 1,270.68 crores (Rs. 18.88 crores), compared with Rs. 948.90 crores (Rs. 25.92 crores) and Rs. 1,279.34 crores (Rs. 18.53 crores), respectively, in the previous week. Cash has declined by Rs. 1.09 crores to Rs. 49.28 crores, while balances with the Reserve Bank have increased by Rs. 12.33 crores to Rs. 85.81 crores. There is a drop of Rs. 12.80 crores to Rs. 637.03 crores in investments. Advances and bills discounted at Rs. 1,502.85 crores show an increase of Rs. 23.05 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 6.1 percent and 67.8 percent, against 5.5 percent and 66.4 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 15-2-63.				
Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate	
15-2-63	18-5-63	2,00.00	Rs. 2.365%	
8-2-63	11-5-63	2,00.00	Rs. 2.360%	
1-2-63	4-5-63	2,00.00	Rs. 2.355%	
25-1-63	28-4-63	2,00.00	Rs. 2.355%	
18-1-63	21-4-63	2,00.00	Rs. 2.355%	
4-1-63	7-4-63	2,00.00	Rs. 2.355%	
11-1-63	14-4-63	2,00.00	Rs. 2.355%	
21-12-62	24-3-63	2,00.00	Rs. 2.355%	
14-12-62	17-3-63	2,00.00	Rs. 2.355%	
7-12-62	10-3-63	2,00.00	Rs. 2.350%	
30-11-62	3-3-63	2,00.00	Rs. 2.345%	
23-11-62	24-2-63	2,00.00	Rs. 2.350%	
16-11-62	17-2-63	2,00.00	Rs. 2.350%	
(Monthly Maturities 000's omitted)				
February 1963		4,00.00		
March 1963		8,00.00		
April 1963		8,00.00		
May		6,00.00		
Total		26,00.00		

CLEARING HOUSE RETURN

Week ended	Calcutta	Bombay
8-2-63	1,00.00	1,06.22
1-2-63	88.81	1,06.35
25-1-63	91.47	1,06.35

New Delhi

AGRICULTURAL PROGRESS REMAINS DISAPPOINTING

(FROM OUR NEW DELHI CORRESPONDENT)

SPEAKING at the meetings of the panel on agriculture last week, experts said that India's food production had been disappointing. There is a gap of about 4 million acres between the irrigation potential of major and medium projects and the actual area irrigated. The Planning Commission examined this problem nearly four years ago. The main reasons for the gap are still almost the same: field channels and water courses are lacking, the prevailing system of inundation irrigation is wasteful, and suitable crop patterns are not demonstrated. A large number of old irrigation works originally belonging to zamindars or village communities have suffered on account of neglect, it was reported.

Soil conservation and dry farming are being given a high priority. The targets for these have recently been raised by the National Development Council from 11 million and 22 million acres to 16.5 million and 50 million acres, respectively. The Council has also said that it will remove the financial bottlenecks. An additional allocation of Rs. 72 lakhs was sanctioned for 1962-63. The actual achievement during the first two years has, however, been slow—only 2.8 million acres (1.3 million acres in 1961-62 and 1.5 million acres in 1962-63). The target for 1963-64 has been fixed at 2.41 million acres, excluding the additional targets to be undertaken with the help of extra allocations for the year outside the plan ceiling.

The third plan envisages an increase of 148 million acres in the area under improved seeds of food grains, resulting in 3.5 million tons of additional production. Seed multiplication farms numbering 3,616 were set up during the second plan period. Four hundred and sixty-one are proposed to be set up during the third plan. The total additional area likely to be brought under improved seeds by the end of 1963-64 is 41 million acres or 27.7 percent of the third plan target. Poor irrigation facilities, the absence of pucca threshing floors, want of proper seed stores, inadequate and untimely supplies of nucleus seeds, poor arrangements for technical supervision of the farms and the lack of technical know-how have hindered the progress of these farms.

Apart from making up the deficiency in the institutional structure for the distribution of improved seeds by setting up more seed stores, the system of distribution to scattered farmers calls for a change of approach, namely, the areawise coverage by supplying improved seeds to all farmers in a village or group of villages in a particular year so that the entire stock of that village is replaced and the danger of mixture reduced. Furthermore, barring a few areas, the programme of improved agricultural implements, on which a large number of improved practices depend has not made much headway. As, for the consumption of chemical fertilisers, the plan target of 1 million tons, in terms of nitrogen, for the consumption of nitrogenous fertilisers in 1965-66 was based on the assumption that the consumption in 1960-61 was about 300,000 tons. The actual consumption in that year was, however, 210,000 tons of nitrogen. The two

problems hampering the increased consumption of chemical fertilisers are: (i) non-availability of adequate quantities of fertilisers, mainly due to the tight foreign exchange position, and (ii) consumer resistance to new types of nitrogenous fertilisers (e.g., calcium ammonium nitrate and urea) and slow acting phosphatic fertilisers.

Against the membership target of about 37.3 million for co-operatives by the end of the third plan, the present membership is about 20.8 million, against 17 million at the end of the second plan. Against the third plan target for short and medium-term credit of Rs. 530 crores, it is estimated that in 1961-62 the loan advanced amounted to Rs. 232 crores. Only a small rise is expected in 1962-63. Without a special drive to develop co-operative marketing, it will be extremely difficult to reach the plan target. The position concerning medium-term credit, for which the target is Rs. 110 crores, remains unsatisfactory. Similarly, for long-term credit, loans outstanding in June 1962 are estimated at about Rs. 45 crores, against the target of Rs. 150 crores.

The programme for rural godowns, which is intimately connected with co-operative marketing and with the distribution of agricultural supplies and consumer goods in rural areas, is lagging behind. Against the plan target of 9,199 godowns, only 1,350 godowns were completed during 1961-62 and 1,185 are expected to be completed during the current year, the target for 1963-64 being only 1,111 godowns. Furthermore, the organisation of co-operative marketing societies and the volume of turnover are much below the mark. The measures calculated to speed up the progress of co-operative credit, storage and marketing needs to be considered by the panel.

The present state of affairs, it is clear, is a matter for concern. The position cannot improve unless the responsibility for the poor performance is fixed. The Central Minister for Community Development, Mr. S. K. Dey, has put the blame squarely on State Governments. Last year, he criticised politicians and public workers. But the obsession with Defence Labour Banks—the latest brainmove of the Ministry—is unlikely to raise agricultural production. How to fix responsibility is the basic issue. The Government has made it impossible to fix responsibility since it has created too many organisations and functionaries. Although such subjects as agriculture, education, health, irrigation, social services, co-operatives, panchayati raj and community development were transferred to the States in 1921, the Government of India has created its own organisation to deal with them. Mr. S. K. Dey may put the blame on the States, but he should first state the achievements of his own organisation. A great deal of public money was spent about five years ago, when a gap between the irrigation potential and its actual utilisation was discovered. The Planning Commission sent out teams to find out the reasons for the gap. The results were nicely printed. Solemn directives were issued to the States in

terms similar to those proposed to be issued now, namely:

"Obligations resting upon beneficiaries to construct the field channels should be enforced. Where the necessary legislation does not exist, in the present emergency it would be appropriate to undertake legislation as soon as possible and in anticipation of this, if necessary, an ordinance should be issued or other appropriate action taken."

"Responsibility for securing the observance of obligations on the part of beneficiaries and for utilisation of the available irrigation should be placed on panchayati raj institutions, specially panchayat samitis and village panchayats. Where the beneficiaries fail to carry out their obligations, the works should be undertaken by these bodies, funds available under the block budget being utilised for the purpose. Where masonry works are required for speeding up the construction of field channels, these should be undertaken on behalf of the Irrigation Department by panchayat samitis and panchayats."

CEMENT

New Plant for Gujarat

The Government has decided to grant an industrial licence to a co-operative cement plant to be set up in Sri Amargarh, Gujarat. Its installed capacity is placed at 600 tons a day.

TRACTORS

Making Spare Parts

Caterpillars of the U.S.A. are negotiating an arrangement for manufacturing spare parts for tractors in India. It will be the first manufacturing venture of Caterpillars in India.

POLAND

Trade Expert in India

Mr. Komdirowsky of the Polish Government's foreign trade enterprise, Cekop, is now in New Delhi. He is discussing some collaboration arrangements. The discussions include proposals for setting up a coal washery manufacturing plant and a coal mining machinery manufacturing plant under the State-owned Heavy Engineering Corporation of Ranchi.

OIL REFINERY

New Body Set Up

The Union Cabinet has set up a three-man committee, consisting of Mr. S. S. Khara, Secretary to the Cabinet, Mr. L. K. Jha, Secretary to the Department of Economic Affairs in the Central Ministry of Finance, and Mr. Damle, Secretary to the Central Ministry of Mines and Fuel, to examine the various proposals for building a refinery in south India. There have been at least two proposals for a refinery in the south, one from Phillips Petroleum and the other from Burmah-Shell. The committee has mainly been set up to compare the costs of the two proposals. It is claimed that

the price quoted by Phillips Petroleum is on the high side—more than double that quoted by Burmah-Shell.

Two advantages are claimed for the proposal made by Phillips Petroleum. One is that it will be in the public sector "which will cause no outflow of foreign exchange". The other is that "the earnings from the export of motor spirit will fully pay for the crude oil imports and its share of profits that Phillips will be entitled to remit abroad." Under the proposal, Phillips Petroleum and its Indian associates will hold 49 percent of the equity capital. But some say that such a venture cannot be regarded as a public-sector enterprise. The negotiating committee which has been set up will probably have to enquire whether a similar set-up will be acceptable to Burmah-Shell.

FERTILISERS

Probe by U.S. Expert

The vice-chancellor of the University of Buffalo, Dr. Ewell, is paying another visit to this country. He is surveying the fertiliser industry with reference to the fourth plan. His visit has been sponsored by the Ford Foundation.

FOREIGN EXCHANGE

E.C.A.F.E. Report

India's foreign exchange reserves are at present at an alarmingly low level. This is due to the fact that, unlike in normal years, there has been no seasonal rise in the reserves this winter. How such a low level of reserves will be able to stand the withdrawals in the summer is anybody's guess. The unsatisfactory state of affairs is primarily due to India's exports not rising sharply, in spite of the various measures adopted for their promotion.

An E.C.A.F.E. report discusses the rôle of foreign trade in economic development of the region. The report says that "the fact that most countries of the region plan to import at the same rate as they increase their national income need not in itself suggest any conclusions as to the soundness of the plans themselves or of their foreign trade programmes. With some foreign trade-oriented economies, it might reflect only a continuing dependence on imports."

"The planned rates of growth of exports appear to indicate that the picture is somewhat mixed, with some countries such as Ceylon, China (Taiwan), Japan and South Korea aiming at higher rates and others such as India, Pakistan and the Philippines lagging behind the growth of national income. Even these export targets will depend for their realisation upon substantial increases in agricultural, mineral and industrial production and effective external demand."

"The efforts at import substitution under the plans involve either one or a combination of the following measures: increased domestic production of a number of food and agricultural products which are presently being imported in large quantities; domestic production of a variety of manufactured goods (largely consumer goods) and light industry products not locally produced or produced in insufficient quantities; and capital goods, machinery and basic industrial materials at present predominantly imported. Most programmes combine the above measures in varying degrees, depending on the extent of their self-sufficiency in foodgrains, the level of industrial development, availability of resources and the

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order of priorities in economic development.

"Most countries have also programmes to increase their production of other non-food agricultural products—in many cases to curtail imports and in some cases to increase exports as well; for example, cotton (Burma, India, South Korea and Pakistan); jute (Burma, India and Pakistan); rubber (India and the Philippines, not to mention the principal exporters, namely, Ceylon, the Federation of Malaya, Indonesia and Thailand).

"Import substitution is also planned to be achieved in varying degrees by different countries in relation to a wide range of manufactured goods (particularly consumer goods) and light industry products. Examples of such goods are textiles, drugs, and pharmaceuticals, leather goods, plastics, paper, glass, wood products, etcetera. The establishment of industries to produce relatively simple manufactures is generally recognised as the first step in industrial development, and since most of these industrial units can be established on an economic scale or a national basis, import replacement in such items should be regarded as both desirable and inevitable. Due to the lack of adequate data, it is not possible to assess the extent to which the countries of the region will be able to meet their own requirements for these products by the time their current developmental plans are completed. But it seems that, except for some countries, notably India, Pakistan and to a somewhat lesser extent Formosa and the Philippines, their domestic production programmes are relatively modest. (Japan is, however, in a special position.) Even these limited programmes will affect those imports from regional as well as non-regional sources. But, in general, international opinion recognises that this is inevitable and, what is even more important, that the developing countries should be given encouragement to develop exports of

these products to the developed countries.

"As for capital goods, machinery and industrial raw materials, it is quite evident from the plans that most countries will continue to import their requirements. Japan is in a special category—it plans not only to import but also to export large quantities of machinery and finished goods. Next to Japan, India has the largest programmes for the domestic production of these goods, but again the imports required for the installation of these facilities are considerable indeed. While there will be import substitution of a number of items, additional imports will be needed for many others.

"Import substitution—in the context of the dynamics of development—does not necessarily mean a reduction in imports, as the secular factors such as the growth of population together with the income-generation implicit in developmental investment and the movement towards higher standards of living generally tend to raise import requirements to a level higher than what they would otherwise be.

"The development plans of the countries of the region bring out that a very substantial increase in the volume of imports of all types of capital goods and industrial raw materials is likely to be needed for the implementation of the plans. Not all the published plans contain detailed or even rather general quantitative estimates of such requirements. But available data indicate a shift in the composition of imports, resulting in a higher proportion of developmental imports. For instance, under the Ceylon plan, capital goods imports are expected to rise from 9.1 percent to 22.5 percent of total imports, and intermediate goods from 33.1 percent to 33.5 percent, whereas consumer goods imports are expected to decline from 57.8 percent to 40 percent of total imports. The Indian plan assumes a total volume of imports of

Rs. 6,243 crores, of which the preponderant portion will consist of machinery, metals and other industrial materials.

"The large increase in the volume and relative importance of capital goods and industrial materials visualised in the plans clearly implies an immediate and corresponding increase in the region's imports from countries outside the region, which are the largest suppliers of such goods. Their main regional supplier is Japan and, under its export programme which foresees a sharp increase in exports of machinery, durable consumer goods, transport equipment, etcetera, the share of south-east Asian countries is expected to show a decline."

JUTE

Trade Prospects

Referring to developmental plans and the trade prospects for jute, the E.C.A.F.E. report says: "Most countries in the region which grow jute and allied fibres have programmes for expanding production. The Pakistani plan aims at increasing the production of jute from 972,000 tons to 1,324 million tons, namely, a 36 percent increase by 1964-65. The Indian plan aims at a 45 percent increase in output to reach 1,125 million tons of jute and 236,000 tons of mesta by 1966. China: Taiwan does not have any definite target in its plan; its future production will depend on the world demand and the availability of land for jute cultivation. The Burma plan provides for an increase in the production of jute from 3,500 tons in 1960-61 to about 20,000 tons by 1964-65. On a longer-term basis over the next ten years, Burma appears to be aiming at 100,000 tons of jute, mainly for export. Thailand, which has achieved a remarkable increase in production in recent years (from 21,000 tons in 1957 to 340,000 tons in 1961), does not pro-

vide for any definite target in its plan; obviously, production can be raised according to the world demand. South Viet-Nam also has programmes to increase jute production.

Against these estimates of increased production, the estimates of world requirements for jute and jute products should be considered. According to F.A.O. projections, taking the main industrial countries as a whole, the consumption of jute manufactures in 1970 might lie somewhere between -15 percent and +20 percent of the 1957-59 level, on various assumptions. On the other hand, in the primary producing and developing countries jute is not likely to be replaced in packaging to the same extent as in the developed countries and the total requirements of jute in the Far East is estimated to rise by some 35 percent or 50 percent between 1957-59 and 1970. On balance, the probability appears to be that a jute surplus might emerge in 1970 although a continued and substantial increase in the import demand of the centrally planned economies for jute might help to alleviate it.

"The extent to which the countries of the E.C.A.F.E. region will export jute manufactures instead of raw jute will depend on the quota and tariff policies of the jute manufacturing countries of western Europe and on the growth of the jute manufacturing industry in the Asian countries themselves. If a surplus of jute emerges as estimated, this might have the effect of reducing intra-regional trade in the E.C.A.F.E. region to some extent and increasing the competition among the countries of the region in selling their raw jute and/or processed jute goods in the E.C.A.F.E. region as well as in other areas."

EMERGENCY INSURANCE

Date for Paying Premiums

The Government of India has been receiving a number of representations

for an extension of the date for paying premiums in relation to the first quarter ending 31st March, 1963, under the two emergency risks insurance schemes. The representations have come from persons who are liable to insure their property under the schemes and also from chambers of commerce and other organisations.

According to the schemes already notified, these payments were to be made by 31st January, 1963. The schemes and other connected notifications and forms were given extensive publicity all over the country both before and after they were brought into force. Necessary facilities for complying with the provisions of the law were available to the general public for a whole month. Premiums amounting to several crores of rupees were paid within the prescribed period of 30 days. But considering the difficulties which have been reported in the valuation of property for purposes of insurance under the two schemes and others which may have been experienced by certain owners or occupiers, the Government of India has continued to allow the payment of the premiums and the issue of policies covering the first quarter, in spite of the expiry of the time-limit prescribed for the payments.

After reviewing the position, the Government has now decided that premiums for the first quarter will not be accepted, even as a matter of grace, after 28th February, 1963. Persons who are liable to insure their property under the emergency risks insurance schemes, or under either of them, are, therefore, advised, in their own interests, to complete all the formalities for complying with the provisions of the law before the end of this month.

If any person liable to insure his property is found to have evaded this responsibility or to have insured his property for an amount lesser than that for which it is required to be insured, he will be liable—after the end of this month—to be assessed for the amount which he has failed to pay and also to be prosecuted, if necessary, in accordance with the provisions of the law.

HANDICRAFTS

Raising Exports

The Government of India has revised and enlarged the scope of the export promotion scheme for handicrafts with a view to boosting their exports. Handicrafts against the export of which import entitlements will be allowed are: items of copper and of copper and zinc alloys; manufactures of coral; manufactures of ivory, ivory inlay articles, ivory boxes, etcetera; manufactures of alabaster; zari goods and embroidered articles, imitation jari; manufacture of mother of pearls, natural coral trees, coloured Brazilian stones, broken pearls, demi-pearls and ocean pearls; woollen carpets, rugs and druggets.

The list of import entitlements to be allowed against specified export items, includes: copper, zinc, unprepared coral, unmanufactured ivory, ivory scrap, metal fittings, piano keys, etcetera, raw alabaster, glass beads and chattons, copper, art silk yarn and raw silk, synthetic fibres, guilting chemicals, mother of pearls, natural coral trees, Brazilian stones, broken pearls, demi-pearls and ocean pearls, permissible dyes and chemicals, wool tops, shoddy wool and raw wool.

The scheme will be administered by the All India Handicrafts Board, New Delhi, and will be applicable to

exporters registered with the Board for the purpose of the scheme.

SHEET GLASS

Selling Prices Fixed

The Government of India has considered the Tariff Commission's report on the fair selling prices of sheet glass. It has decided to fix the selling prices of the commodity with certain modifications. The fair ex-works selling prices will be as follows:

Thickness of sheet glass	Fair ex-works price Rs. 10 a square metre
2 mm.	41
3 mm.	58
4 mm.	83
4.8 mm.	107
5.5 mm.	119

These prices will be exclusive of excise duty and State and local levies. As the production patterns of various sheet glass units differ, it is left to the manufacturers to work out the prices of the various cut-sizes produced by them in each thickness group within the average ex-works selling price worked out for that group and obtain the Government's approval for the same. Retail prices should not exceed 20 percent of the corresponding ex-works selling prices.

These prices will remain in force till 31st March, 1964, when the industry's position will be reviewed.

COMMUNICATIONS RECEIVERS

New Pact Signed

To meet the rising demand in India for electronic communications receivers, Racial Electronics Ltd. of Bracknell, Berkshire, England, has concluded a licensing agreement with Bharat Electronics Ltd., Bangalore, for manufacturing Racial R.A. 17 communications receivers. Racial will supply a number of complete units of the equipment, followed by sub-assemblies and later kits of components to Bharat Electronics in accordance with a phased programme. Ultimately, a large proportion of the components will be made in India by Bharat Electronics. Apart from supplying manufacturing information, Racial will aid the Indian firm by providing technical assistance. It will also offer training facilities for Indian engineers in Britain.

CHEMICALS

Fisons Executives in India

The chairman of Fisons Overseas Ltd., Mr. G. V. K. Burton, the managing director, Mr. C. Merrick, and the joint managing director of Whiffen and Sons Ltd. (Fisons' industrial chemical subsidiary), Mr. A. P. Lowes, are on a 15,000-mile tour of India. They will visit all Fisons' subsidiary and associate companies in India and concern themselves with extending the range of Fisons' activities in India's chemical industry. The firm is building a large agricultural distributive organisation throughout India, a scheme which started with Tata-Fison Ltd. A major topic for discussion will be the combining of the interests of Fisons with Fisons' 45-percent holding in Rallis India Ltd., which was acquired last year.

RAILWAY BRIDGES

Order for B.I.C.C.

In order to construct three railway bridges, the Government of India has ordered unit parts from British Insulated Callender's Construction Co. Ltd., London.

The order is worth more than £100,000. The units are for three

single-span bridges, one of 155 feet and two of 260 feet.

AGRICULTURE

U.S. Grants Announced

The U.S. Government has given grants totalling Rs. 26 lakhs for conducting research on five agricultural projects in India. Of these grants, the Indian Council of Agricultural Research, New Delhi, is the largest recipient. The Council has received more than Rs. 20 lakhs for conducting research on maize diseases in India; for determining the effect of different agricultural practices on the production of maize; and for studying the distribution, importance, and seasonal life cycles of insect pests which attack maize. The fourth programme to be conducted at the Government Agricultural College and Research Institute, Ludhiana, relates to the evaluation of groundnut varieties, to select those which not only produce protein of high biological value and oil of good quality, but also give high yield an acre and can be grown under varied climatic and soil conditions.

For this, 100 selected varieties from among 2,000 included in the U.S. collection and a similar number of varieties from the collection maintained in Ludhiana will be grown in Tifton, Georgia, U.S.A. and in Ludhiana, Punjab.

The fifth project relates to research on the microbial destruction of cotton fibres and fabrics by organisms indigenous to the Bombay area. To be conducted at the technological laboratory of the Indian Central Cotton Committee in Bombay, the study will provide information needed for the development of satisfactory protective treatments for cotton fabrics.

CALCUTTA

Survey of Water Supply

A beginning of the survey of water supply resources of Greater Calcutta was marked by the arrival of Mr. Chester Cohen in Calcutta on 5th February. Mr. Cohen will take up the post of resident-engineer of the World Health Organisation (W.H.O.), the executing agency for the United Nations Special Fund in the project for which the fund has allocated

about \$324,000 to the Government of India. According to the plan of operation, the project will extend over a maximum period of three years from the arrival of the W.H.O. resident-engineer.

The purpose of the project, the first of its kind to be financed by the U.N. Special Fund, is to advise West Bengal on current and future works and plans for the solution of the water supply and related sewerage and drainage problems of the Calcutta metropolitan area. In drawing up the plan for the giant project, the W.H.O. has entered into a contract with a consortium of consulting engineers, Metcalf and Eddy Ltd. of Toronto, Canada, and Engineering Science Incorporated of Arcadia, California, U.S.A.

As resident-engineer, Mr. Chester Cohen will represent the W.H.O. in Calcutta and provide liaison between the consulting engineers and the numerous Governmental agencies which will be assisting in the collection and analysis of data required for the project. Representatives of the W.H.O. consulting engineers, responsible for making the blueprints, will arrive in Calcutta shortly.

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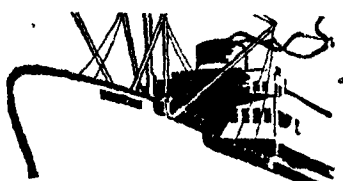
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the fire in Dundee which destroyed 15,000 bales. The Czech goodwill mission bought 4,185 bales and the Philippines bought 2,250 bales. India bought only 590 bales.

In the local pucca bale market, limited business was reported last week except that there was some local business in new crop for September-October delivery at about £4 10s a ton below the current market rates. This underlines the general fear that the current crop is much larger than expected and that the new crop will not be smaller and will have to contend with a fairly large carryover. Some of the bears maintain that the carryover from the 1961-62 crop was 1.2 million bales with growers and 600,000 bales with the balers. They maintain that the 1962-63 crop should amount to 6 million bales. It appears, therefore, that there will be a large carryover into the 1963-64 crop. What appears likely is a crop of 5.7 million bales instead of 6 million bales and a total carryover not exceeding 1 million bales.

In the loose jute market, arrivals are now exceedingly small. This has induced growers to try to get better prices but interest is so limited that loose jute prices remain at the minimum.

In the last report, it was wrongly stated that the E.P.C. prices for Outport Tossa 2/3s and 4s had been reduced by £5. This is incorrect, since E.P.C.s for these grades are already at the minimum; reference was to Crack Tossa 2/3s and 4s.

THE U.K. JUTE MARKETS FIBRE FALLS DUE TO LARGER SUPPLIES

(FROM OUR DUNDEE CORRESPONDENT)

RAW jute prices were easier during the past week. Dealers say there is a possibility that this trend will continue. The Pakistani market is quiet. Although many shippers are still offering at the current E.P.C. levels, it is evident that buyers are unwilling to purchase on a large scale. The market in Dundee is weak because a substantial quantity of jute is available on the spot. More unsold parcels will be arriving shortly. With spinners already holding large raw material stocks, the demand is still small, so business has had to be transacted at low prices. Sellers are anxious to dispose of their holdings, but they may have to reduce their prices still further to attract buyers.

Afloat parcels are being offered at a considerable discount, compared with the current shipment rates. At the end of last week, Mill Lightnings were sold afloat at £111. But there are now sellers at £109 10s, compared with the lowest shipment rate of £118.

Offers are being made at £146 10s for Mill Firsts, at £118 for Mill Lightnings, at £92 10s for Mill Hearts and at £79 for Grade Hearts, c.i.f. U.K. for February-March shipment. Grade Tossa-2/3 is available

at £127 10s, Grade Tossa-4 at £110 10s. Outport Tossa-2/3 at £97 and Outport Tossa-4 at £87 5s, for February-March shipment. On average, this is a fall of about £1 a ton. Cuttings are steady with little change in price with S.N.C. at £53 15s and N.C. at £46.

Offers of Siamese jute are still scarce, and the prices quoted are irregular. Grade A is quoted at £83, grade B at £78 and grade C at £71, delivered mill Dundee for February-March shipment. The first direct shipment of Siamese jute to Dundee is expected early next month with a consignment of 4,816 bales.

The Calcutta goods market was firm last week for both hessians and sackings. Quotations were at 78s for 40in. 10oz. and at 60s for 74oz. a 100 yards, f.o.b. Calcutta, for February shipment, at 77s and 59s March and at 76s and 57s 9d April-June. B Twills were at 177s 3d, 177s and 176s 9d for the respective shipment periods.

Although there has been less fluctuation in yarns and cloth at the Dundee market, orders are still being received for forward delivery. The decline in demand appears to be solely due to the easier raw material supplies and the fact that producers can only enter into new business for forward delivery. Business has been taking place in sackings and other heavy cloth for delivery into June, and the position remains satisfactory.

Books

STOCK EXCHANGES IN THE ECONOMY

Stock Exchanges in a Developing Economy. By Kersi Doodha. (Published by the Registrar of the University of Bombay, Fort, Bombay 1. Price Rs. 9.50, pages 162.)

Dr. Doodha's book is an example of how gyrations in the stock market can make even a painstaking work completely out of date. As Senior Research Officer in the Money and International Trade Section of the Department of Economics, University of Bombay, he studied the character of the stock market boom which started in 1958 and continued in full force right up to the first few months of last year. The subsequent depression has, however, deprived much of his analysis of validity. There is no discussion, for example, of how the collapse in Wall Street on "Blue Monday," towards the end of May last year, affected sentiment in both London and India, although the increase in corporate taxation in the last Central Budget and the prophecies of doom on account of the conjunction of eight planets did not affect the enthusiasm of operators.

It is true that many of the recent developments could not be anticipated even by inveterate Cassandras, much less by research investigators. Few, for example, could foresee that the Chinese would invade India and that development activities would be geared to defence. Nor, for that matter, could one predict with certainty that the foreign exchange shortage would deteriorate further and affect industrial expansion. Stock market sentiment has apparently been affected by both internal and external factors, including shortages of raw materials, power, transport and foreign exchange. The author's discussion of speculation in the stock exchanges has become out of date, not only because of the ban on forward trading in shares, but also because of the fixing of minimum prices due to the abnormal slide in share values. Under the circumstances, there are more sellers than buyers, and even veterans are beginning to think whether it would not be wise to change their avocation for something more worth while. The new issue market, meanwhile, has virtually dried up.

The author's approach is defective in so far as he has taken a partial view of stock market behaviour. Moreover, his analysis indicates an economist's obsession for the saving, investment and multiplier principles. It is small wonder, therefore, that the book lacks the professional touch and cannot be classified among the many competent monographs, which are in the nature of guides for investors. But the work is not without its merits. It shows how painstaking the author has been in marshalling a large mass of facts and figures. Dr. Doodha has also made a number of suggestions for improving the working of stock exchanges. If certain chapters are revised and the mechanism of stock market trading is more fully explained, the book may serve a more worthwhile purpose.

ANNUAL NUMBERS

The Eastern Economist Annual Number, 1963. Edited by J. G. Gadkari. (Published by the Eastern Economist Ltd, United Commercial Bank Building, Parliament Street, New Delhi. Price Rs. 10, pages 237.)

The annual numbers of the *Eastern Economist* are always notable for

their imaginative and enterprising choice of subjects. The subject chosen this year—"India after the Emergency"—is clearly topical, and it has called for a great deal of hard work considering the dearth of facts and statistics. The work was apparently undertaken immediately after the declaration of the state of emergency when newspapers had to be cautious in presenting news and views so that strategic information was not passed on to the enemy. The annual number, one has to concede, has been varied subjects as planning, food-grains production, trade unionism, State finances and foreign trade, but the emphasis is on the effects of the present emergency on India's third plan. There are a number of well-

present crisis and much besides. A novel feature in the latest annual is the inclusion of two guest contributors' articles—one on "Chinese invasion, its genesis and aims" by Sir N. Raghavan Pillai and the other on the "financial implications of the present crisis" by Mr. H. V. R. Iengar, former Governor of the Reserve Bank. Although Part II of the annual is largely confined to a summary of developments in the sphere of agriculture, industry, transport, foreign trade, etcetera, the imprint of an analytical mind is noticeable in many sections.

Commerce Annual Number, 1962. Edited by S. V. Rayan. (Published by Commerce (1935) Ltd, Brady House, Veer Nariman Road, Bombay 1. Price Rs. 10, pages 220.)

The latest annual number of *Commerce*, in keeping with an old tradition, is extremely useful. It contains a large number of articles on such varied subjects as planning, food-grains production, trade unionism, State finances and foreign trade, but the emphasis is on the effects of the present emergency on India's third plan. There are a number of well-

written articles on the subject, the most notable one being on "economic mobilisation and the third plan" by Mr. Tarlok Singh. Apart from analysing the consequences of mobilisation for India's balance of payments, the author examines the prospects and possibilities of harnessing internal resources in the context of the changes in plan priorities. In another useful article, Dr. P. S. Lokanathan discusses the economic implications of the state of emergency and arrives at the conclusion that heavy additional taxation will be inevitable for making the defence effort successful. The annual, like its predecessors, contains reviews of the major industries, and also of petrochemicals, engineering, paint and pharmaceuticals.

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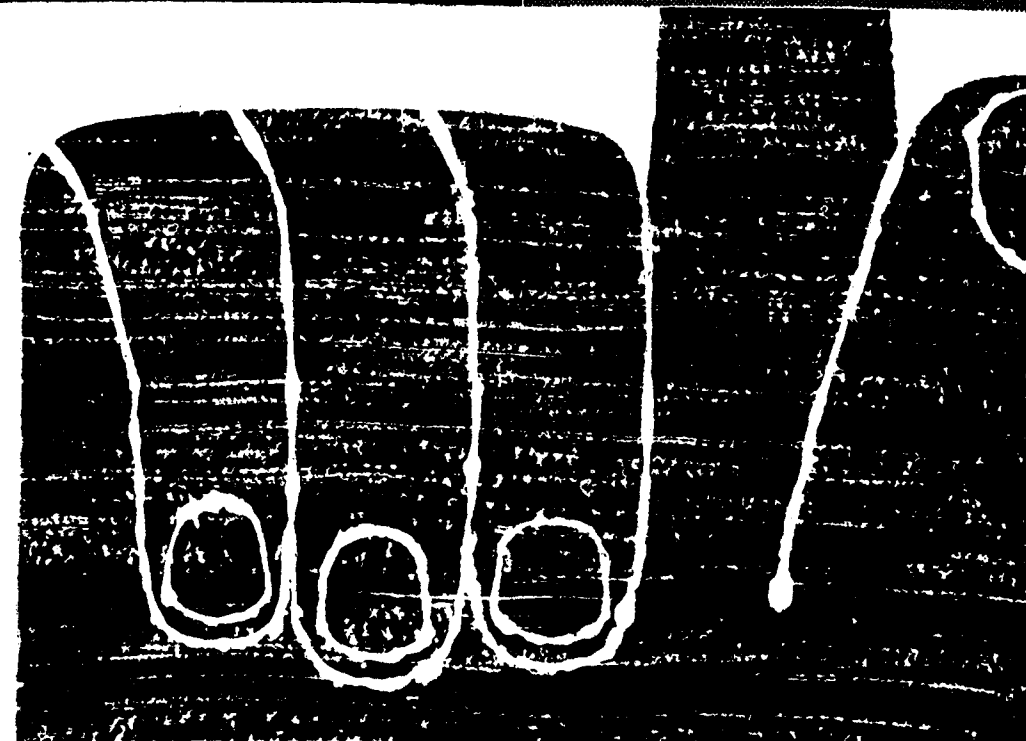
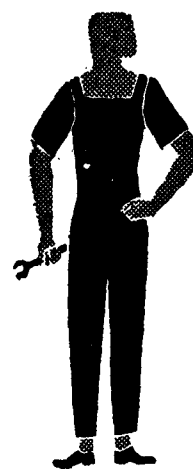
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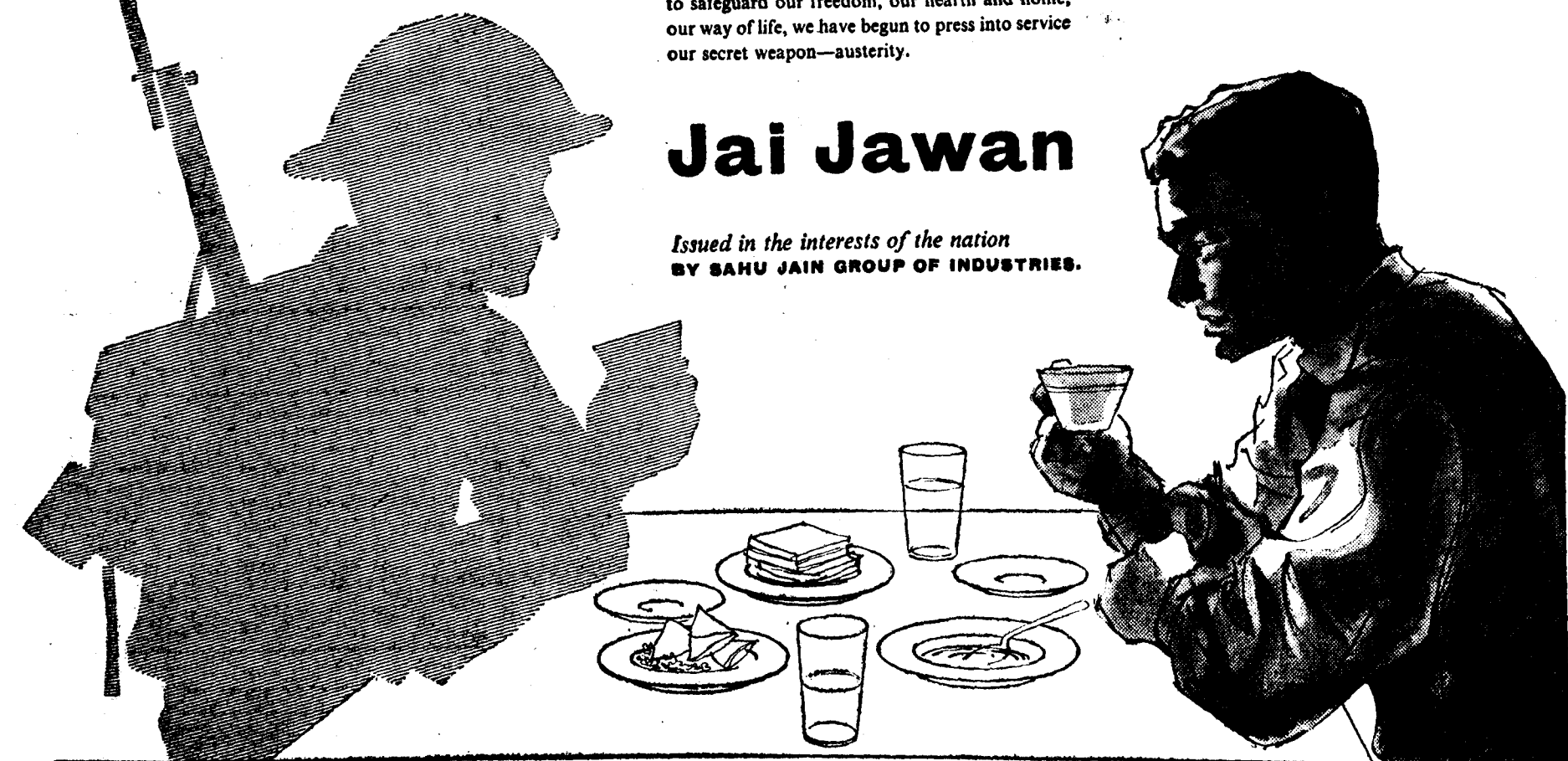


An adventure
with austerity

Little things count a lot. A small self-denial here, a certain measure of austerity there, and we have the moral weapons that it takes to throw back the Chinese aggression. Even sitting at table for lunch or dinner can in itself turn out to be a quaint adventure with austerity. To feel the presence of an unknown, nameless, but nevertheless courageous jawan sitting with us to share our meal can be an exalting experience. Even if we personify our entire defence effort in one such individual, feel his presence intensely, realise the lengths to which he is prepared to go to safeguard our freedom, our hearth and home, our way of life, we have begun to press into service our secret weapon—*austerity*.

Jai Jawan

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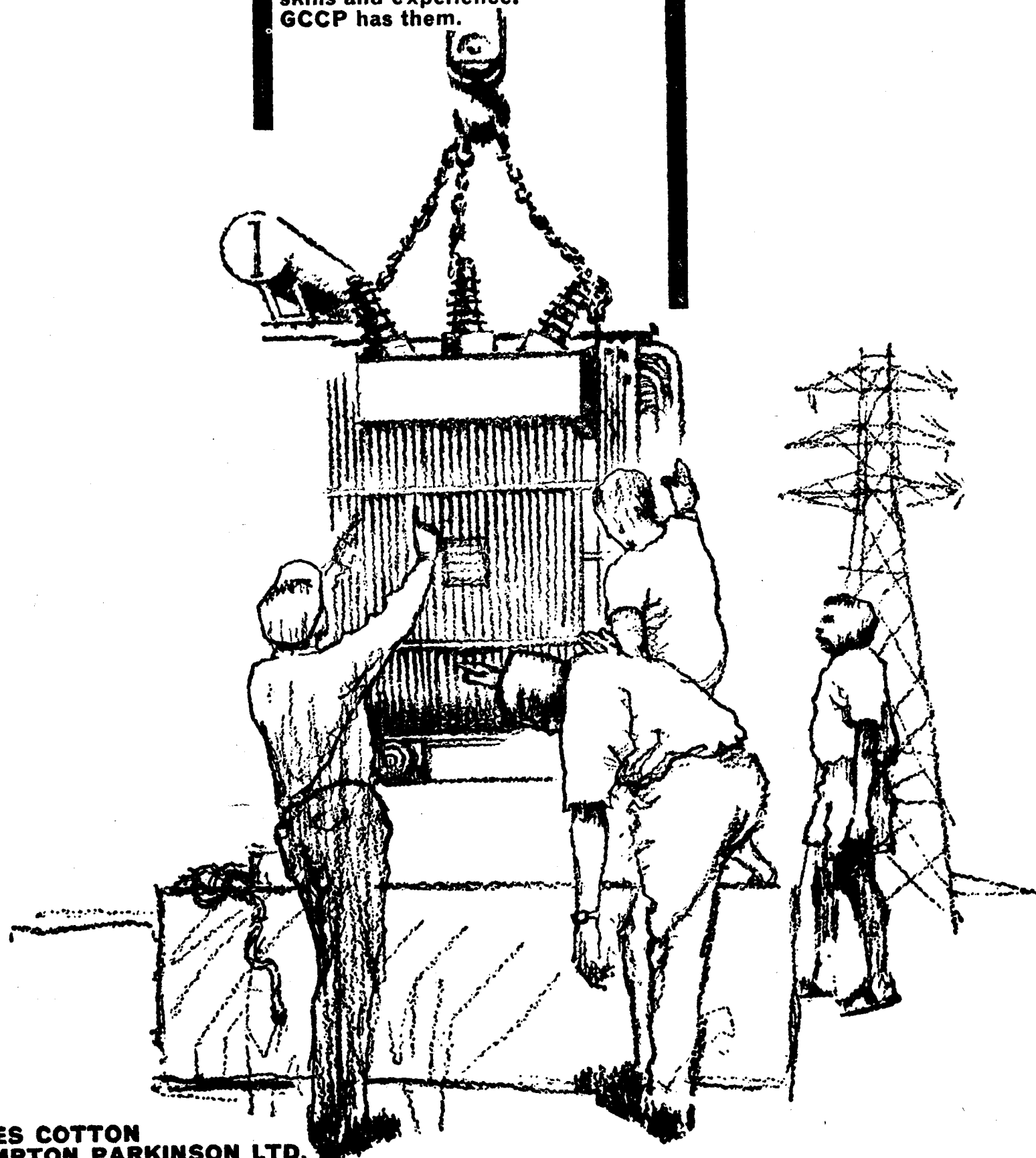
SOUND INSTALLATION— A VITAL ASPECT

Much money and time is spent on electrical planning and equipment. Often, all this effort is jeopardized by contracting for cheap installation. The result: shoddy work, breakdowns which stop machines and hamper production, constant repairs and a generally unhappy situation. The correct installation of electrical equipment calls for a concentration of specialized skills and experience. GCCP has them.

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Commodity Markets

INCREASE IN RAW RUBBER OUTPUT PLANNED

(BY OUR SOUTH INDIAN CORRESPONDENT)

INDIA had to spend about Rs. 10 crores in foreign exchange last year on raw rubber imports to meet the requirements of the manufacturing industry. Imports in 1962 were 20,729 tonnes of natural rubber, 11,224 tonnes of synthetic rubber and 5,000 tonnes of reclaimed rubber. The consumption of locally produced natural rubber showed a nominal increase on the previous year's, actual quantities being 30,325 tonnes in 1962 and 29,992 tonnes in 1961. Producers complained that in spite of the acute shortage of natural rubber, the quantity produced was not readily absorbed by manufacturers and that it was difficult to sell the commodity at the statutory price of Rs. 162.60 a 50 kilograms. This was due to the liberal issue of the import quota, growers and dealers in south India argued. Manufacturers, on the other hand, maintained that import licences were issued by the Government only to meet the "minimum requirements" of the industry as in the past. Besides, they had no special attraction for imported rubber because the difference between the controlled price and the import price was payable to the Rubber Board. The world price, on average, ruled at 123 a 100 lbs, against the Indian controlled price of Rs. 155.75 a 100 lbs.

The rubber growing industry in south India is conscious of the manufacturing industry's rapid growth and the increased consumption of rubber. So it is taking active measures to increase production both by bringing larger areas under cultivation as well as by raising the yield an acre by using high yielding clones. The Government is giving subsidies as incentives for replanting and loans for new planting. There were 350,000 acres under rubber in south India in 1962. A scheme to bring another 100,000 acres has been in operation. There is also a programme for replanting an equivalent acreage at a cost of Rs. 12 crores spread over a period of ten years. The synthetic rubber plant, which is being set up in Bareilly, is expected to go into production from this year. It will make available 30,000 tons of S.B.R. a year. While these will help to some extent in meeting the rubber requirements of the manufacturing industry, the consumption which is normally expected to reach well above 100,000 tons by the end of the third plan, will still need an import of 30,000 tons of rubber a year by 1965, manufacturers say.

Two more factories for the manufacture of reclaimed rubber are expected to be set up shortly. One of them will be in Kerala and the other in West Bengal. The demand for reclaimed rubber, which was to the tune of 7,000 tons in 1962, is expected to reach 16,000 tons by 1965. In order to produce this quantity locally, there should be a total installed capacity of 22,000 tons a year. Up to the end of last year, a production capacity of 16,320 tons had been licensed, of which one unit with a capacity of 1,200 tons had already gone into production. The Rubber Development Wing had supported the licensing of the two units to meet the balance capacity.

Price Cutting in Coffee

There are reports of a price-cutting bid by Brazil, the world's largest producer of coffee, in Europe, India's traditional market for the commodity.

It is said that if the Brazilian Coffee Institute continues its price-cutting tactics, the world coffee market will be faced with a depression. It is said that Brazilian producers are quoting prices to European distributors with special discounts since December last. If this situation continues, it is likely to undermine the International Coffee Agreement which has recently been given a longer life and larger coverage. Meanwhile, world coffee supply in 1962-63 will be smaller than what it was in the previous year. According to the latest estimate of the U.S. Department of Agriculture, the world crop will amount to Rs. 65,550,000 bags, 8 per cent lower than the 1961-62 crop of 71,190,000 bags. Exportable surplus is placed at 52,140,000 bags, against 57,947,000 bags in the 1961-62 season. Brazil does not seem to be affected by the bad weather that has hit several other South American producers who are having smaller crops. The total South American crop is placed at 37,097,000 bags, against 45,217,000 bags in the last season.

The United States, which accounts for 50 percent of the world import of coffee, has not yet ratified the new long-term International Coffee Agreement drawn up in September last within the framework of the United Nations, although many countries have ratified it or promised to do so. The U.S. Government is not likely to ratify the agreement until the Senate gives its approval. The agreement requires the signatures of ten countries accounting for 80 percent of the imports, and another 20 supplying 80 percent of exports. India is one of the producing countries which has agreed to join the new International Coffee Agreement. The new agreement is to be inaugurated in April next according to the present programme. The U.S. approval is expected before that time. There were three coffee group meetings recently in Washington. The board of directors of the existing international agreement met to discuss the operation of the existing quotas; the nine-nation consultative committee set up to organise the transition and the 34-nation study group set up in 1958 to study the short and long-term problems of the coffee industry also met. Although comfort is generally drawn from the progress of the International Coffee Agreement, the world price of coffee remains low.

India will have a crop of 53,000 tons this season, according to the latest estimate, against the last season's 45,650 tons. Of this, the home market will require at least 35,000 tons. If India is determined to take full advantage of the export quota of 21,000 tons which she has got under the new International Coffee Agreement, the home market will have to face a coffee shortage.

Enquiry on Cardamom

The Government of India has set up an advisory committee with the Coffee Board chairman, Mr. Sitarama Reddy as the chief to examine the ills of the cardamom growing industry and suggest measures for their remedy.

Revising Tea Wages

The Tea Wage Board had a three-day sitting in Madurai last week. It

heard representations from employers' and workers' organisations in south India. The board's next sitting will be in Calcutta early next month when employers in the tea industry in north India will be examined. After the sitting in Calcutta, the enquiry part of the work of the Board will be over. It will then begin the compilation of the report.

Outlook for Tea Company Earnings

(BY A SPECIAL CORRESPONDENT)

TEA share quotations are considerably lower than a year ago. The outlook for the Dooars companies, many of which have manufactured more tea and sold it at higher prices, seems reasonably good. The majority should have no difficulty in maintaining their 1961 dividend payments. Assam and Darjeeling gardens have also sold

their produce at better rates. If the current prices can be maintained until the end of the season, which looks probable, then companies with properties in these areas should show profits comparable to those of 1961.

Dealings in tea shares in the Calcutta market remain subject to the minimum prices. Most operators feel that political worries will not affect share values in the immediate future. Nevertheless, the index for the ordinary shares (base year 1952-53 equals 100) is down from 154.7 to around 141. The question arises whether the index at 141 is too high in comparison with 100 in 1952-53. The answer is "no", because 1952 was one of the most disastrous years for tea in recent memory.

A second point is: how do the prospects compare today with the outlook a year ago? This correspondent thinks the situation is more

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"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY **

The Capital Index of Indian Industrial Activity (Base: 1953) has now been brought up to February 1962. Compared with the preceding month, there were decreases in sugar 35.32

points, tea 1.35 points, jute 8.15 points, yarn 12.28 points, cloth 9.86 points, cement 10.35 points, coal 4.49 points, pig iron 27.50 points, finished steel 14.42 points, paper 23.47 points, tyres

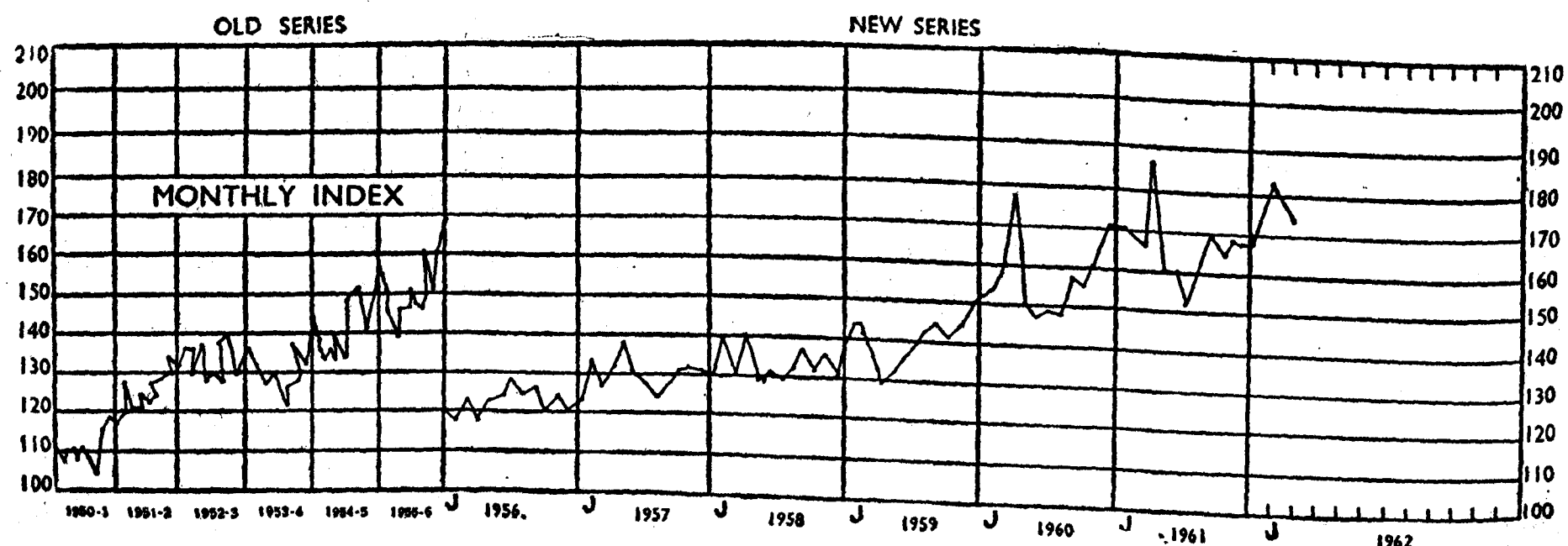
24.16 points, motor-cars 11.81 points, electricity 19.03 points and railway ton-miles 12.23 points. Bicycles increased by 38.31 points.

Combining all the factors, the Capital Index of Indian Industrial Activity declined by 8.4 points during February 1962.

	Sugar	Tea	Jute	Yarn	Cloth	Cement	Coal	Pig Iron	Finished Steel	Paper & Board	Tyres	Motor-cars	Bicycles	Electricity	Railways ton-miles	General Index	General Adjusted for
Weights	6.63	1.90	4.11	1.76	19.36	1.54	6.01	1.91	3.61	1.27	4.13	1.46	0.45	2.11	36.60	107.6*	
1948-49																107.6*	
1949-50																109.4*	
1950-51																110.8*	
1951-52																125.7*	
1952-53																132.4*	
1953-54																130.4*	
1954-55																141.3*	
1955-56																181.2*	
New Series																	
1954	78.07	105.91	106.77	103.72	102.41	116.35	102.56	104.32	121.46	110.8	112.11	103.9	140.9	112.26	108.74	105.8	
1955	123.51	109.86	118.23	108.35	104.41	118.73	106.59	108.22	123.39	132.3	122.74	165.5	185.9	115.90	123.46	116.9	
1956	143.77	109.86	125.85	111.06	108.77	130.48	110.01	110.27	136.71	138.5	138.46	231.4	251.7	145.08	124.46	122.8	
1957	160.15	109.45	118.54	118.23	108.99	148.31	121.47	107.63	131.47	150.41	149.73	229.35	302.53	163.48	145.16	132.1	
1958	154.54	115.78	122.21	111.97	100.99	161.78	126.43	118.28	128.90	181.10	171.62	190.73	343.60	184.75	181.90	134.6	
1959	165.33	116.32	113.00	114.47	101.96	181.71	131.21	172.35	168.68	210.41	200.15	280.92	373.63	219.24	153.72	141.6	
1960	198.49	113.74	124.79	115.39	103.48	204.96	145.64	227.44	213.24	249.20	225.76	371.18	400.38	247.30	173.10	158.42	
1961	230.68	125.51	111.68	126.32	104.85	217.74	156.44	280.05	278.68	262.78	238.69	386.22	397.70	287.78	173.69	166.16	
1962																	
December	330.11	42.21	133.29	124.37	107.86	165.84	138.90	139.86	138.57	198.94	180.64	233.88	379.09	202.82	159.99	148.51	139.1
1959																	
January	413.20	20.32	127.21	119.99	105.79	158.63	138.79	122.09	141.96	196.13	210.04	257.93	332.27	208.89	161.34	150.91	145.0
February	382.15	17.55	115.47	108.99	96.37	158.98	131.87	134.19	143.96	185.87	190.05	201.64	351.36	200.77	152.55	141.23	139.0
March	349.81	20.32	115.08	112.81	99.82	165.81	132.41	130.74	153.11	199.15	181.79	230.69	357.27	211.59	152.55	142.73	130.0
April	161.99	57.99	116.97	111.54	100.09	191.11	133.38	188.38	143.49	164.25	195.83	175.95	331.82	213.12	132.41	128.35	132.2
May	30.02	112.03	119.99	108.85	99.69	188.22	134.42	175.14	153.69	167.79	198.91	223.97	324.55	224.37	149.89	132.24	136.4
June	0.19	144.77	114.23	108.19	98.64	181.78	127.72	169.69	160.14	194.49	196.27	259.31	372.27	217.32	155.78	134.30	139.5
July	4.18	189.34	123.76	116.64	104.69	178.41	129.23	185.14	172.33	232.24	220.52	285.71	408.00	218.20	153.74	141.40	142.2
August	8.64	214.60	120.03	114.81	99.30	169.90	125.54	190.00	186.05	228.57	220.25	303.97	367.73	224.89	152.39	143.13	145.5
September	9.57	220.51	127.90	116.07	101.34	177.82	131.77	175.68	187.59	226.19	213.32	285.09	405.45	232.72	151.83	139.78	145.8
October	18.59	208.28	121.14	117.68	101.30	185.08	120.79	184.05	177.84	234.24	149.29	280.17	354.55	229.33	154.52	139.92	145.8
November	166.64	141.42	121.55	112.81	96.05	194.79	126.78	176.49	189.80	238.17	209.95	290.43	406.36	223.68	155.05	144.87	149.3
December	400.37	48.72	129.28	123.26	106.87	210.16	143.79	188.51	212.19	256.38	214.56	378.18	474.06	235.60	164.20	162.31	152.9
1960																	
January	403.10	20.51	121.69	114.96	102.77	206.29	137.80	162.97	205.97	239.74	200.36	326.21	368.64	234.81	172.58	161.76	155.9
February	440.05	17.75	120.72	110.66	99.10	187.65	143.82	228.24	190.00	249.90	204.70	357.33	397.27	228.71	176.75	162.08	159.9
March	412.55	21.30	127.90	111.46	100.92	220.44	146.10	245.54	207.38	255.72	223.45	397.16	465.90	239.80	243.69	188.44	175.7
April	248.58	78.11	127.82	109.06	100.36	201.14	146.74	228.38	196.41	259.78	231.00	325.43	438.64	239.15	142.75	146.69	150.5
May	71.10	82.05	128.59	110.58	100.95	211.30	145.70	212.50	196.71	249.49	237.83	328.36	348.64	251.19	137.99	143.81	148.0
June	2.70	156.61	125.14	113.85	103.51	200.73	138.63	201.89	189.67	239.01	222.65	375.52	323.64	249.82	154.88	142.78	148.0
July	4.93	182.33	121.96	117.99	106.16	193.84	135.86	191.08	208.68	244.67	238.54	370.09	378.64	246.35	161.79	146.69	167.5
August	14.96	208.97	132.04	119.67	106.95	196.34	140.74	234.53	211.49	247.49	254.80	400.60	409.09	254.25	167.43	155.07	147.7
September	16.06	208.09	125.41	116.40	104.46	185.87	141.01	234.66	223.79	238.84	207.82	380.43	350.00	247.24	170.86	153.17	137.5
October	36.24	223.27	118.64	113.21	100.50	218.81	145.26	256.01	220.16	256.59	186.14	359.22	385.43	257.52	173.93	155.56	156.9
November	222.12	138.51	120.58	119.34	105.11	204.28	155.27	262.50	245.02	248.18	252.57	416.46	479.09	247.60	177.28	169.45	161.3
December	452.51	47.70	127.21	127.48	110.98	232.83	170.71	271.01	260.73	261.12	249.29	437.32	459.55	273.04	177.28	178.38	169.0
1961																	
January	503.08	19.70	120.99	123.65	107.42	222.44	171.98	282.50	279.84	262.12	230.02	435.69	410.45	268.39	172.56	175.88	170.9
February	466.36	22.62	108.56	116.08	100.46	211.97	174.02	261.28	260.61	259.62	235.79	444.22	428.64	253.49	176.75	169.88	167.5
March	469.80	25.91	122.79	120.70	103.75	225.02	184.83	286.48	308.56	270.86	249.64	469.40	440.45	265.60	243.69	201.85	189.2
April	387.45	66.23	111.19	120.11	103.55	217.62	151.99	274.12	251.23	253.52	232.95	404.74	383.05	281.77	143.75	156.31	160.1
May	198.68	101.54	109.94	121.31	105.84	225.02	153.97	278.51	245.13	264.46	213.41	406.91	406.18	292.02	157.99	156.70	160.9
June	40.96	164.71	92.95	107.21	102.21	203.65	140.00	267.70	264.71	247.65	247.16	385.78	383.73	289.66	154.89	150.20	155.4
July	7.71	202.88	88.95	132.20	109.53	196.95	139.27	280.61	271.04	260.36	264.74	347.16	393.77	292.76	161.79	153.93	154.7
August	135.69	239.17	108.15	131.99	108.52	215.05	146.27	284.26	286.64	262.91	260.21	396.98	317.00	297.18	167.43	168.68	169.1
September	15.89	237.43	105.11	130.01	104.44	214.03	153.73	271.28	290.04	258.80	264.30	356.98	385.14	292.97	170.80	161.02	164.7
October	42.94	232.48	107.32	130.40	104.74	214.63	143.45	292.23	296.59	277.48	168.05	316.72	356.68	293.10	178.22	162.19	167.9
November	110.78	149.18	129.42	126.70	100.23	230.86	154.17	279.86	297.54	260.42	247.16	279.22	434.45	294.64	174.46	163.08	167.5
December	389.78	44.28	134.81	135.22	107.51	233.62	163.51	301.82	302.22	275.18	252.66	390.95	432.95	311.76	181.85	176.41	167.0
1962																	
January	506.50	20.20	133.56	132.46	107.36	220.80	166.65	297.56	335.40	275.17	248.04	446.12	406.50	316.67	192.28	188.30	182.4
February	471.18	18.85	125.41	120.18	97.50	210.25	162.16	270.06	320.98	251.70	223.88	434.31	444.81	297.64	180.05	176.15	174.0

**Revised in December 1957.

General Index figures from 1950-51 to 1955-56 are taken from old series.



favourable. At this time in 1962, the statistical position indicated a considerable surplus, which resulted in low prices. Today the statistical position appears to be sound because in 1962 the main producers are estimated to have manufactured 1,367.5 million lbs, compared with 1,379 million lbs in 1961—a fall of 11½ million lbs. Meantime, world consumption is estimated to be slightly higher than a year ago. Therefore, there may be no surplus to carry into the 1963-64 marketing season.

Furthermore, a year ago the available supply was augmented by exports of 8.4 million lbs from Pakistan. But this quantity is not likely to be available now because the Pakistanis can consume their entire output. World consumption is likely to rise further, and during 1963 the extra supply from new areas is not likely to be much more than 20 million lbs, which the market should be able to absorb. Thus, so far, the calculations support the view of the Indian Tea Board that the surplus expected by the U.N. Food and Agriculture Organisation will not materialise in the immediate future.

Tea continues to meet with ready buyers in Calcutta, while the freight markets report a strong demand for shipping space to the U.K. where, in spite of fairly heavy shipments, stocks were actually down during the week ended 1st February from 144½ million lbs to 143½ million lbs. This is well below the figures for the end of January in 1961 or 1960. In 1959, the U.K. figure was 192½ million lbs. But the quantity afloat today at over 42 million lbs, is comparatively large and could explain why prices at the Mincing Lane auctions have recently shown some irregularity. The weekly average price is 50.42d a lb, against 52.38d a lb a year ago.

It is reported that the Ceylon Tea Board is seeking to co-operate with the Indian Tea Board for the purpose of a joint "drink more tea" campaign—Canada, the U.S.A. and West Germany being specially mentioned. Ceylon also appears to have an eye on the U.K. market. Any unimproved move to boost world consumption would be helpful. As Ceylon is reported to have spent about £650,000 a year during the past two seasons on propaganda, the suggestion will doubtless receive careful consideration.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta Bombay, Madras, London Stock

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Exchange Associations and other sources.

Wednesday, 13th February, 1963.

Figures given after stroke (/) mean Naye Paise.

CAPITAL, 14th February, 1963.

BANKS

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

Paid-up Capital Ordinary	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	NAMES	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Ra.	Ra.			1959 1960 1961	Ra.	13-2-63 6-2-63 A year ago Ra.
67.50.000	1,23,75,000	27,37,97,908	13,24,414	6,09,614	12	Allahabad Bank P.	18 18 18	100	396/00 396/00 329/00
1,50,00,000H	1,81,24,569	33,09,58,958	67,63,185	3,02,553	12	Bank of Baroda	14 17 17	50	94/50 93/50 119/50
3,00,00,000H	3,28,00,000	33,83,61,910	1,10,31,508	29,16,350	12	Bank of India	16 20 20	50	112/00 111/00 148/50
2,62,50,000H 52,50,000	3,68,08,634	79,29,75,001	1,83,04,910	18,61,470	12	Central Bank of India	17-1/5 20 2/5	25	59/50 60/00 69/80
£6,600,000	£7,150,000	£141,890,310	£990,238	£540,648	12	Chartered Bank	15 15 15	£1	sh. 60/- sh. 56/6 sh. 57/6
1,25,00,000H	10,00,000	3,44,38,609	13,78,657	13,261	12	Hindustan Commercial	Nil Nil Nil	50	17/12 17/12 20/50
50,00,000H	2,85,000	94,21,660	1,68,130	28,888	12	Hindustan Mercantile	Nil Nil Nil	50	15/62 15/62 17/50
HK\$79,046,125	£15,000,000	£165,691,749	HK\$43,315,459	HK\$2,340,534	12	Hong Kong & Shanghai	£3 £3 £3	HK\$25	£16 1/4 £17 1/4 £18 1/4
60,60,000 22,40,000	83,01,884	19,38,59,976	36,84,210	80,143	12	Indian Bank	15 15	100	174/50 173/50 180/00
75,00,000	78,36,660	14,65,60,072	43,80,498	2,22,933	12	Indian Overseas Bank	12 14 14	100	156/00 159/00 200/00
5,00,00,000	74,41,264	2,23,84,659	7,90,776	21,25,000	12	Industrial Finance Corp.		50	
£5,703,000	£4,760,400	£105,373,912	£644,273	£311,105	12	National & Grindlays Bank	12 13 14	sh. 15	sh. 36/1 1/2 sh. 36/1 1/2 sh. 37/-
1,99,36,910	2,10,93,691	69,22,46,887	1,18,39,595	10,37,738	12	Punjab National Bank	20 20 20	10	19/00 19/00 22/50
60,00,000	43,00,000	10,42,69,664	14,75,220	1,14,551	12	Union Bank of India		5	6/52 6/28 8/52
2,68,84,370	90,74,000	25,80,78,402	20,50,008	2,39,694	12	United Bank of India	4.3 4.3 6	10	7/25 7/50 6/94
2,00,00,000	2,35,00,000	36,83,34,071	72,60,557	2,07,428	12	United Commercial Bank	11 12 12	50	74/00 74/00 105/50

* Excluding taxation.

** Per share on increased capital.

† Guaranteed.

JUTE MILLS

Paid-up Capital Ordinary	No. of Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	NAMES	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Ra.		Ra.	Ra.	Ra.	Ra.	Ra.			1959 1960 1961	Ra.	13-2-63 6-2-63 A year ago
60,00,000	879	99,19,361	66,42,500	3,92,646	2,57,931	1,40,179	12	Agarpara P.	5 10 21-21*	10	10/31 10/19 10/75
6,00,000	446	26,70,981	16,59,900	4,22,325	2,57,931	1,40,179	12	Alexandra P.	15 44 15	100	305/00 305/00 265/00
30,00,000	1,264	48,84,147	8,04,550	5,70,976	11,43,880	58,837	12	Alliance P.	Nil 6 Nil-10*	100	110/00 117/00 93/00
49,20,700	2,561	1,04,15,434	89,25,000	63,22,567	20,60,933	2,75,227	12	Anglo-India P.	12 20 7-10*	100	217/00 229/00 215/00
40,00,000	810	61,70,400	26,57,703	4,56,210	-5,54,726	-5,02,872	12	Auckland P.	20 27 12-21*	100	153/00 153/00 165/00
20,00,000	459	57,59,081	35,02,335	12,05,050	13,67,235	60,074	12	Bally P.	10 25 25-25*	100	280/00 280/00 237/00
2,00,00,000	959	1,04,10,570	£28,85,59	£53,073	£28,85,59	£1,042	12	Barnagore P.	10 30 10-10*	25	187/00 187/00 140/00
2,275,000	1,869	29,61,854	15,46,700	9,93,863	5,85,851	1,33,355	6	Bengal P.	5 5 15-15*	10	10/25 10/25 9/00
45,00,000	600	5,25,85,505	3,35,31,987	90,84,701	98,65,712	1,08,070	12	Birga P.	15 15 15-15*	100	29/69 28/37 35/00
1,59,56,210	1,313	51,27,514	10,40,080	1,47,854	-9,36,084	-9,36,084	12	Budge Budge P.	10 10 Nil	100	160/00 160/00 130/50
36,00,000	991	12,59,648	4,17,958	1,73,320	1,72,996	48,461	6-12	Calcutta P.	12 12 5	100	220/00 220/00 160/00
18,00,000	616	38,26,710	28,17,862	36,75,352	-25,39,624	-24,02,338	3	Champdany P.	7 10 5-Nil*	100	136/00 135/00 127/00
59,16,400	1,400	1,01,67,080	52,28,226	2,47,272	-18,01,287	1,21,444	11	Cheviot P.	12 Nil 5	100	22/50 23/69 17/37
38,56,250	530	65,15,022	40,65,400	13,38,874	12,49,444	61,455	7	Chitavalah P.	15 6 Nil-5*	10	11/00 10/69 12/81
30,15,000	500	55,11,475	25,12,433	1,35,556	1,51,574	18,467	3	Clive P.	Nil 1 1-Nil*	100	8/37 9/34 9/85
16,00,000	959	52,19,772	12,23,514	3,07,222	-61,738	-62,456	3	Dalhousie P.	Nil 1 1-Nil*	100	136/00 132/50 126/30
31,49,200	708	62,19,482	51,26,797	3,06,994	-9,12,181	-8,96,544	11	Deoria P.	14 7 7-12*	100	168/50 169/00 171/00
56,00,000	779	1,24,93,482	39,20,700	9,41,963	7,63,955	40,327	7	Empire P.	12 25 10-12*	100	17/19 17/18 18/12
15,00,000	504	35,23,149	87,06,518	1,52,017	26,14,782	14,938	3	Fort Gloster P.	20 25 10-12*	100	412/00 412/00 414/00
63,00,000	1,864	1,68,88,474	24,95,369	12,66,910	4,99,648	7,033	3	Fort William P.	15 22 21-10*	100	26/12 26/12 24/87
21,00,000	1,614	48,31,660	40,93,282	5,85,415	6,51,478	1,87,596	12	Ganges P.	Nil 10 10-15*	10	13/44 13/23 13/25
84,32,100	1,708	1,20,88,547	38,24,567	36,11,882	7,44,969	3,18,900	12	General Industrial	40 40 10	100	17/87 17/87 38/12
43,20,000	607	62,13,502	74,30,537	45,41,712	12,24,172	49,518	3	Gouropore P.	25 30 25-20*	100	487/00 487/00 479/00
24,00,000	1,394	1,02,44,325	53,86,439	1,01,636	5,68,002	1,01,636	3	Hastings P.	6 6 6-6*	100	128/00 128/00 122/00
40,00,000	1,078	70,53,967	25,26,234	12,67,575	9,69,386	38,329	3	Hoochly P.	6 10 10-Nil*	10	20/00 20/00 27/31
16,80,000	720	28,41,207	42,62,842	8,05,642	-10,94,477	-13,61,553	3	Howrah P.	10 124 10-Nil*	100	18/50 18/31 21/00
85,62,500	1,940	1,31,00,000	38,55,000	23,48,290	27,19,477	37,386	3	Hukumchand P.	20 28 28-28*	100	26/12 26/12 30/00
52,50,000	2,212	1,00,00,000	38,24,567	36,11,882	7,44,969	3,18,900	12	Indie P.	9 14 12-8*	100	17/75 17/81 16/19
57,30,000	790	93,29,345	27,20,329	6,75,226	-13,75,183	-17,20,761	12	Kankarhat P.	20 6 Nil	100	173/00 173/00 155/00
43,20,000	1,797	56,25,250	27,20,329	6,75,226	-13,75,183	-30,80,212	12	Kankarhat P.	Nil Nil Nil	100	125/00 125/00 92/00
54,00,000	1,527	85,85,106	56,73,800	13,28,826	45,353	47,758	12	Karnahatty P.	14 15 15-5*	100	196/00 195/00 195/00
48,00,000	1,250	70,14,581	26,08,764	6,41,356	16,20,587	59,933	3	Khardah P.	20 20 5-12*	10	18/25 18/25 16/12
24,00,000	931	33,87,827	Nil	24,80,797	-22,59,826	-21,69,282	3	Kinnison P.	10 20 7-Nil*	100	145/00 145/00 167/00
28,00,000	840	22,22,258	1,36,90,180	3,63,702	-15,64,671	-6,84,149	3	Lansdowne P.	Nil Nil Nil-Nil*	100	120/00 120/00 126/00
81,65,200	1,294	1,26,96,079	34,55,037	42,99,026	7,57,111	1,38,282	3	Lawrence P.	2 7 15-10*	100	124/00 124/00 167/00
29,98,900	415	76,99,875	12,04,575	3,47,488	-17,83,515	-4,26,297	3	Megha P.	10 12 12-12*	100	13/31 13/31 12/62
20,00,000	425	10,79,854	15,55,000	28,11,429	3,36,343	17,816	4	Naskarpara	Nil Nil Nil	100	90/00 90/00 83/00
35,00,000	932	98,93,012	40,90,518	8,25,999	-6,31,516	-6,31,516	10	National P.	Nil 7 7	100	9/00 9/00 12/25
28,25,000	316	33,46,239	35,71,072	10,72,888	14,91,865	11,184	3	Nellmaria P.	14 3 6-15*	10	25/00 25/00 22/89
2,56,00,000	1,765	8,08,98,118	2,42,19,122	26,20,231	-18,53,066	15,530	3	North Central P.	15 15 15-Nil*	100	13/00 12/58 18/00
16,79,880	567	51,13,896	51,70,911	4,26,781	10,14,322	32,186	3	Northbrook P.	12 30 30-20*	10	31/50 31/50 32/37
66,79,500	1,592	1,00,63,614	42,63,296	6,77,176	4,25,754	65,041	3	Nuddee	6 6 6-6*	80	57/00 57/00 67/75
20,00,000	400	26,00,000	12,61,704	7,07,186	7,54,830	37,324	3	Presidency	10 8 6-10*	5	5/03 5/15 5/50
25,00,000	305	44,84,547	2,99,013	1,14,563	8,36,262	-3,60,855	3	Rameswara P.	Nil Nil Nil-Nil*	100	10/00 9/37 7/94
49,00,000	1,218	57,25,150	1,182,334	2,70,476	-2,77,715	24,780	12	Ram P.	Nil Nil Nil-Nil*	100	6/56 6/75 6/44
2,600,000	2,073	£1,452,303	£1,83,656	27,81,388	2,13,128	3,184	3-9	Samueller P.	10 6 Nil	10	10/50 10/50 10/50
30,00,000	911	£1,47,613	15,86,900	14,20,017	-5,87,668	16,168	12	Shree Ambica P.	6 9 6-Nil*	10	25/00 25/00 22/89
14,00,000	493	23,29,975	£996,938	2,355,525	£6,616	£6,616	12	Soorah P.	25 25 25	10	25/25 25/25 22/12
2,000,000	1,784	£1,331,626	37,88,568	11,91,543	1,70,129	18,317	3	Thakur P.	10 6 Nil	100	10/50 10/50 10/50
35,98,800	1,226	37,69,622	£747,577	£198,161	-£22,489	£4,814	12	Union P.	20 25 6-Nil	100	163/00 165/00 192/00
2,400,000	1,331	£400,000	8,20,000	6,95,642	6,79,756	66,272	5	Victoria P.	10 6 Nil	10	10/50 10/50 10/50
2,50,000	464	6,47,472						Waverley P.	25 30 30-60*	1	5/94 5/94 4/44

* 1962

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months' notice—

(a) Option to extend the redemption period for further 10 years.

(b) at any time after.

(c) on or after 1-1-61.

(d) option to redeem at 2½% Prem. after 14-5-64 and before 15-5-69.

Option to repay on 6 months' notice—

(e) at any time after 30-6-61 at 10½%.

(f) at 10½% between 1-1-60 & 31-12-64.

(g) at 10½% after 30-6-60 but before 30-6-64.

(h) at any time after 30-6-65 at 10½%.

Option to repay on 3 months' notice—

(i) at any time at 3% Premium.

(j) at 1% Prem. after 1-3-64 but before 1-3-67 and 1% Prem. on or after 1-3-67.

(k) at any time at par.

(l) at any time after 31-3-62 at the rate of 1% Premium.

(m) redeemable at 10½% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.

(n) at any time on two months' notice—

(o) to be redeemed at a premium of 10

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Latest Market Quotations as available until	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra	Ra	Ra	Ra	Ra	Ra		1959 1960 1961	13-2-63 6-2-63 A year ago				
25,50,000	58,52,284	43,77,800	3,90,484	16,40,057	39,086	6-12	315	24/37 24/25 22/00	Amalgamated	15	10	12 1/2-15*
1,20,00,000	3,15,46,304	2,44,30,490	36,03,088	86,69,875	10,42,254	3	236	290/00 290/00 360/00	Bengal F	25	25	21
4,49,350	4,37,892	1,30,152	91,796	43,397	4,471	10	2	3/48 3/48 3/48	Bengal Bhatdee	..	..	..
2,25,000	3,08,216	5,19,015	1,55,838	16,129	12	368	10	22/00 22/00 20/19	Bengal Nagpur	Nil	..	26
15,97,000	23,27,321	4,87,308	63,982	2,62,417	21,275	12	..	5/00 5/00 4/75	Baigora	..	..	..
40,00,000	67,23,620	2,75,000	21,19,681	11,80,816	2,120	6	152	3/53 3/53 3/69	Bharat Collieries P.	..	..	..
7,15,000	14,96,845	11,02,872	64,329	4,92,536	6	135	..	12/00 12/00 4/06	Bhulanbarare	..	..	..
18,00,000	38,27,255	16,18,636	7,185	1,21,936	-79,196	12	362	11/19 11/19 14/06	Bokaro & Ramgur	..	..	..
7,50,000	19,13,792	22,77,003	12,32,439	5,28,414	33,647	12	106	23/87 23/87 23/31	Borera P.	10	15	15
90,92,480	2,32,19,267	1,46,53,383	33,70,740	37,97,832	90,768	6	21	15/44 15/06 17/50	Burrakur P.	13	13	13-13*
49,97,000	50,93,781	6,86,120	6,35,332	16,11,083	3,58,023	3	166	9/81 9/69 12/44	Central India	8	8	10-10*
6,00,000	18,69,439	12,97,490	98,040	6,357	214	12	..	8/00 8/09 7/00	Central Kurkend P.	..	..	..
16,00,000	25,01,705	1,55,159	6,05,472	63,765	7,043	12	106	3/06 3/06 3/06	Churulia	3	4	..
2,240,000	2,866,390	2,561,903	19,429	-6,45,261	-5,39,034	12	444	5/44 5/44 6/94	Dhemo Main	Nil	..	..
29,63,700	1,42,23,054	2,13,858	2,13,858	2,288,462	2,62,234	4	123	37/00 46/25 34/25	East Indian	9	7	15-20*
10,00,000	6,74,708	1,18,76,688	27,65,725	10,14,185	33,594	12	19	25/87 27/50 27/50	Equitable P	15	10	..
6,50,000	4,21,847	Nil	3,32,973	12,978	24,444	3	307	15/00 15/00 14/00	Ghusick & Muslia	..	..	..
8,00,000	5,43,022	..	12,025	10,670	-14,705	12	20	2/03 2/03 2/75	Guzdar Kajora	..	..	..
15,00,000	23,47,952	27,81,955	39,74,704	3,95,071	1,40,029	12	21	8/12 8/12 14/37	Hurtladah	Nil	..	..
5,00,000	..	..	..	..	..	..	..	..	Karanpura Developmen	15	15	11/62 11/75 16/69
20,00,000	34,15,535	9,86,018	3,72,692	8,92,065	32,810	2	21	18/00 18/00 19/04	Karanpura Collieries P.	8	7	10-10*
14,88,460	20,68,761	16,01,825	8,75,590	8,29,962	1,11,842	1	2	48/75 48/75 49/00	Katras Jheriah	65	95	40-25*
1,38,400	6,75,000	95,000	11,80,294	49,776	1,918	6-12	337	18/70 18/70 18/70	Khas Kajora P.	..	..	..
6,65,750	5,95,833	Nil	9,780	-1,60,535	-16,47,497	3	372	2/69 2/69 2/62	Mundulpur	..	..	..
7,48,240	3,46,525	2,50,000	7,62,941	1,28,839	94,963	12	347	5/75 5/75 6/87	Nazira	15	16	..
31,97,210	61,58,849	34,47,233	3,39,307	9,75,812	93,645	10	8	19/94 20/12 21/00	New Beerbhoom P.	15	10	..
9,90,340	9,04,373	5,21,710	73,374	4,12,216	43,822	8	202	13/75 13/75 13/62	New Manbhoom	8	7	9-12*
15,00,000	7,05,719	4,31,408	40,384	1,44,042	15,045	12	441	19/75 19/75 22/19	North West	15	20	13/00 13/00 20/25
7,50,000	1,33,788	13,22,645	22,85,007	1,91,515	45,060	12	106	13/00 13/00 14/40	Ondal P.	7	6	..
8,34,000	23,69,066	1,52,212	4,78,984	1,79,344	589	12	207	16/00 16/00 17/88	Parasea P.	6 1/2	1 1/2	..
15,75,000	32,93,192	24,59,125	4,11,055	5,41,674	54,253	3	238	19/06 19/06 15/62	Pench Valley	10	10	10-10*
2,50,000	5,62,405	7,500	11,580	2,003	18,581	6-12	5	8/00 8/00 8/00	Pure Sitapur	..	..	..
33,58,900	50,26,723	40,85,000	1,26,141	11,54,576	35,781	3	370	15/00 15/00 15/06	Raneegunge	10	15	17-17*
13,50,000	25,32,135	20,80,190	16,89,318	13,18,197	41,523	12	236	29/12 29/12 30/00	Rewa	10	20	..
37,50,000	74,38,430	38,61,070	1,69,086	12,37,914	28,993	12	48	10/03 10/03 8/87	Samia	Nil	10	..
2,50,000	4,47,534	74,281	10,748	-19,279	-4,27,396	1	353	1/94 1/94 0/78	Searole	Nil	Nil	..
2,80,000	10,74,006	12,23,716	10,17,267	5,13,147	67,383	2	2	45/00 45/00 47/00	Seebore P.	42 6/7	42 6/7	..
8,00,000	6,203	1,10,03,881	13,04,570	78,390	1,540	12	106	5/75 5/75 6/44	Sendra	34	34	..
17,50,000	26,80,253	9,25,630	-1,74,305	-1,54,124	6	21	South Karanpura	8/56 7/00 7/44	South Karanpura	9	2	..
8,00,000	1,30,001	15,48,969	26,76,255	1,84,925	38,908	12	106	16/00 16/00 13/31	Standard	15	15	..
2,50,000	4,36,300	3,23,000	36,660	1,37,973	1,77,952	12	..	10/37 10/37 10/00	Union	..	..	..
49,98,000	63,57,150	6,09,055	2,69,620	11,72,192	1,19,162	3	168	8/75 8/75 9/56	Western Bengal	..	6	7 1/2-9*
7,00,000	26,06,335	Nil	47,091	-6,51,403	-6,23,711	12	444	9/37 9/37 9/37	West Jamuria	Nil	Nil	..

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COTTON MILLS

Paid-up Capital Ordinary	Number on Spindle Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Latest Market Quotations as available until	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra		Ra	Ra	Ra	Ra	Ra		1959 1960 1961	13-2-63 6-2-63 A year ago				
15,00,000	14,108	356	14,06,683	3,15,002	12,59,541	26,012	41,532	..	13/06 13/75 7/19	Basanti P.	..	..	..
7,11,280	36,000	932	17,17,120	2,20,369	30,842	3,66,177	47,818	..	28/04 28/00 28/00	27 Banga Luxmi	..	..	..
27,00,000	31,476	624	17,77,373	..	93,872	-6,24,150	-6,86,163	..	2/50 3/25 5/25	223 Bengal Nagpur P.	Nil	Nil	..
50,00,000	..	..	1,10,03,881	39,06,800	9,82,148	55,78,866	1,45,829	..	22/50 24/50 28/25	394 Bharat Commerce	Nil	6	..
39,95,950	38,784	992	60,94,300	1,21,02,782	53,37,204	39,77,025	1,87,825	..	22/75 22/75 28/00	Birla Cotton	Nil	10	20-20*
24,00,000	43,136	841	94,15,536	31,39,700	2,59,240	30,41,946	2,15,857	..	23/00 24/00 40/00	Bowreah P	Nil	10	20
30,00,000	22,000	510	23,07,805	48,99,554	5,33,310	20,76,448	47,303	..	6/50 6/56 10/50	Cawnpore Textiles	Nil	7-1/5	10
3,78,33,535	1,97,348	3,307	6,72,37,739	6,96,27,768	77,61,228	3,08,40,769	4,03,436	..	47/69 45/00 61/75	Delhi Cloth & Genl. P.	10	12	13-13*
38,00,000	43,049	618	55,25,204	46,09,112	2,35,557	40,11,288	2,29,807	..	26/87 26/50 35/81	138 Dunbar	10	20	..
69,00,000	54,000	1,200	72,11,946	1,75,75,771	91,53,931	73,50,384	80,801	..	19/87 19/94 25/81	Elgin P.	11 1/2	11 1/2	..
4,25,00,000	..	..	3,48,97,571	58,34,321	83,50,789	19,28,764	1,22,789	..	13/75 13/25 20/37	J. K. Cotton (Rayon) P.	9	12 1/2	..
49,18,000	6,272	202	51,44,000	24,71,500	26,42,100	87,268	12	..	14/44 13/87 16/87	22 Jay Shree	8	10	..
89,00,000	38,000	1,825	47,44,548	52,19,301	92,68,065	18,77,941	-7,77,290	..	135/00 100/00 87/00	208 Mul P	..	..	..
85,11,393	78,848	1,367	47,49,840	3,96,980	1,09,256	17,83,361	-63,55,495	..	1/44 1/25 1/81	237 New Victoria P.	Nil	Nil	..
48,00,000	..	..	1,06,10,852	78,144	2,34,188	12,34,741	-22,17,524	..	9/00 9/00 10/09	399 Orissa Textiles P.	Nil	3	..
19,47,750	..	..	..	..	..	..	..	..	12/00 12/00 11/00	4 Ramporia Cotton	Nil	Nil	..
5,00,000	..	..	..	..	..	..	..	..	2/00 2/00 2/00	..	Nil	Nil	..
1,57,50,000	1,14,836	2,077	4,48,79,361	2,63,85,071	2,15,81,189	76,20,241	5,044	..	11/50 11/50 11/50	333 Swadeshi (Kanpur) P.	4	5.51	..

* 1962

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Acreage under Tea	Outturn and Average Price per Kg./lb. realised for crop				Estimate 1962	Net Profits including taxation	Accounts closed	Mgt. Acts & Securities etc.	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
				1960	1961	1962	1959						1960	1961	13-2-63		6-2-63	A year ago	
Ra.	Ra.	Ra.	Ra.	Kgs.	Ra.	Kgs.	Ra.	Kgs.	Ra.						Ra.	Ra.	Ra.	Ra.	
DOOARs																			
27 00,000	55,60,730	32,07,760	1,023†	1,408,000	5.11	1,551,500	4.51	1,525,000	11,55,236	12	2	Banarhat P.	32‡	22‡	21	100	255/00	255/00	275/00
12 00,000	23,85,571	21,47,404	4367	721,589	5.20	724,369	4.69	682,400	6,82,191	12	128	Baradighi	25	30	25	10	23/87	23/87	27/00
9 00,000	17,32,113	18,96,100	1,112	558,147	4.94	593,617	4.42	580,604	2,94,647	12	388	Bhatkawa	10	15	15	10	17/37	17/37	17/81
9 00,000	21,64,171	19,54,000	555	543,381	5.32	686,763	4.37	600,000	4,10,050	12	63	Birpara P.	22‡	17‡	12‡	100	151/00	151/00	149/00
6 00,000	11,78,375	9,70,500	243†	305,122	5.01	299,250	4.17	295,000	1,08,467	12	63	Carron	15	20	5	100	145/00	145/00	145/00
9 00,000	21,98,998	14,50,681	365†	5,33,300	5.15	514,200	4.45	530,000	2,23,622	12	3	Choonabutti P.	30	32‡	20	100	262/00	262/00	262/00
3 00,000	5,34,585	5,17,500	197†	171,106	5.00	162,265	3.73	160,000	1,15,877	12	63	Ellenbarrie	n	6	5	100	184/00	184/00	176/00
1 20,000	3,31,260	3,17,245	265	134,440	4.20	162,265	3.73	160,000	1,15,877	12	397	Eng.	Nil	60	30	100	138/00	138/00	136/00
4 90,000	8,16,062	7,05,656	180	218,696	3.96	224,026	..	..	50,788	12	354	Etelbari	Nil	25	5	100	13/12	13/12	9/19
7 50,000	10,03,911	7,97,827	900	523,656	5.03	533,092	4.38	..	3,52,027	12	88	Gairkhata	Nil	60	30	100	13/12	13/12	9/19
14 00,000	27,43,996	19,20,969	418†	1,122,800	2.11	1,094,000	1.71	..	-1,19,268	12	381	Gopalpur	9.24	12	2	25	21/50	21/50	24/69
36 00,000	49,19,787	40,85,000	1,034†	1,401,804	4.99	1,435,022	4.07	1,390,000	29,24,145	3	63	Hantapara P.	12‡	15	5	100	20/00	20/00	19/62
32 00,000	64,79,513	76,71,749	2,314†	2,787,460	5.73	28,49,021	5.54	3,012,569	29,24,145	3	74	Hasimpara P.	12‡	17	18†	10	14/00	102/00	122/00
8 25,000	20,48,832	22,92,078	611†	890,959	4.52	889,068	4.02	..	3,32,189	12	74	Huidibari	22‡	22‡	19 2/7†	10	13/69	14/00	32/87
7 00,000	7,79,450	5,13,133	246†	215,100	4.91	190,300	4.48	..	-1,53,219	12	4	Jayinpara	5	10	Nil	10	11/06	11/06	32/12
9 00,000	18,44,954	20,36,500	377†	539,462	5.09	563,337	4.23	520,000	1,87,638	12	63	Killedi	17‡	25	15	10	17/31	17/31	20/50
2 00,000	10,41,117	5,27,720	246†	244,220	3.96	247,991	..	..	-67,780	12	354	Manabarrie	5	10	6	10	59/50	59/50	56/37
9 60,000	17,91,254	22,58,500	1,129	542,139	5.10	634,700	4.07	490,000	6,65,532	12	63	Nagaustere	17‡	25	15	100	169/50	169/50	177/00
14 00,000	28,28,996	21,33,698	471†	812,200	5.25	783,619	4.07	750,000	4,53,104	12	2	New Dooars P.	35‡	35	20	100	258/00	258/00	286/00
2 50,000	8,40,172	6,77,528	284†	291,297	4.14	307,645	3.89	308,400	1,58,909	12	363	Oodlabari	10	12‡	7†	100	14/25	14/25	15/25
4 00,000	3,03,726	3,11,000	330	357,499	4.82	363,864	4.36	362,900	87,304	12	165	Rajabhat	Nil	Nil	Nil	100	127/00	127/00	127/00
7 65,000	9,02,274	5,77,334	402†	100,643	5.05	..	..	..	43,136	12	139	Panahgoomah	15	22‡	..	10	36/00	36/00	31/62
1 00,000	16,33,944	16,37,650	1,635	457,276	4.96	503,538	4.32	534,100	2,37,492	12	165	Ranicherra	10	15	15	10	12/12	12/12	12/37
14 92,800	34,73,433	28,87,329	713†	854,415	5.21	921,964	4.79	1,008,645	4,76,864	12	128	Rydale	30	25	20	10	45/00	45/00	45/00
3,46,000	9,56,428	9,68,534	278†	300,700	4.79	400,560	4.10	..	3,70,822	12	44	Sarugaon	40	40	40	10	36/25	36/25	36/00
TERAI																			
4 50,000	13,66,318	8,61,700	827	2,17,325	4.93	..	..	..	1,50,753	12	101	Atal	10	5	..	10	6/75	6/75	8/00
5 00,000	2,61,415	1,10,382	223	240,454	3.33	..	..	..	2,98,178	12	345	Beigachi	20	20	..	10	20/50	20/50	21/50
13 44,000	17,91,190	25,47,000	433†	6,99,241	4.85	794,331	4.07	8,70,000	531,984	12	63	Gungaram	15	20	12‡	100	158/00	158/00	156/50
5 00,000	10,87,941	12,09,500	214†	2,61,270	4.84	288,960	4.29	2,54,000	2,10,540	12	63	Hansqua	17‡	20	15	10	20/00	20/00	16/31
3 00,000	5,94,258	8,71,307	472	2,53,883	4.72	275,784	4.10	275,784	..	..	..	..	15	15	12 6/7†	10	33/50	33/50	33/50
4 50,000	5,14,996	5,51,400	442†	3,99,412	5.05	..	..	..	2,69,729	12	139	New Chumta	25	22‡	..	10	36/00	36/00	31/62
5 85,000	7,31,628	12,09,030	407†	100,643	5.05	..	..	..	43,136	12	63	Panahgoomah	15	20	..	10	31/12	31/12	27/19
1 00,000	2,27,050	2,24,240	119	94,461	4.35	..	..	..	2,85,088	12	165	Putinbarce	26	14	..	10	45/00	45/00	45/00
2,20,000	8,34,600	10,76,160	549	9,121†	2.02	..	..	..	..	..	..	..	30	40	..	10	49/00	49/00	49/00
CHITTAGONG																			
1 25,000	83,465	4,22,450	206†	1,19,459	5.03	..	..	..	23,045	12	139	Kodala	Nil	Nil	..	10	9/25	9/25	9/25
2 40,000	1,37,058	2,42,992	397†	1,30,649	5.12	..	..	..	12,742	12	138	Kornafull	Nil	Nil	..	10	13/06	13/06	12/12
2 00,000	1,51,925	3,95,000	216†	1,24,798	5.02	..	..	..	1,26,040	12	139	Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
SYLHET																			
3 00,000	11,41,512	8,41,697	617	1,64,340	5.14	276,309	4.48	2,90,300	339,312	12	..	Chundeocherra	Nil	Nil	Nil	10	23/00	23/00	24/00
8 00,000	8,76,636	13,11,051	554	164,602	5.68	2,33,890	4.97	1,94,690	4,42,506	12	63	Dauracherra	15	22‡	22‡	10	7/31	7/31	7/08
2 46,050	3,50,022	..	479	88,302	5.00	1,26,336	4.28	1,34,264	24,933	12	358	Kaluti	Nil	Nil	Nil	10	10/00	10/00	9/25
5 59,930	6,72,647	14,67,800	1,030	9,16,480†	5.40	11,42,720†	1.99	10,40,000	344,758	12	236	New Samanbagh P.	Nil	25	Nil	10	18/37	18/37	18/25
36 00,000	48,80,181	72,77,644	4,128	11,23,657	5.40	19,52,000†	5.00	18,51,000	42,44,455	12	63	Patrakola	40	32‡	40	100	148/00	148/00	138/00
3 20,000	3,93,671	1,46,290	724	2,65,920†	2.22	..	..	..	-179,428	12	236	Rainagar	Nil	Nil	..	10	9/56	9/56	9/56
9 00,000	17,77,855	25,69,827	1,182	3,08,754	5.57	4,18,826	5.01	4,07,080	625,281	12	63	Tellapara	17‡	22‡	32‡	100	99/00	99/00	112/00

MISCELLANEOUS COMPANIES - Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	NAME	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500	2501	2502	2503	2504	2505	2506	2507	2508	2509	2510	2511	2512	2513	2514	2515	2516	2517	2518	2519	2520	2521	2522	2523	2524	2525	2526	2527	2528	2529	2530	2531	2532	2533	2534	2535	2536	2537	2538	2539	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563	2564	2565	2566	2567	2568	2569	2570	2571	2572	2573	2574	2575	2576	2577	2578	2579	2580	2581	2582	2583	2584	2585	2586	2587	2588	2589	2590	2591	2592	2593	2594	2595	2596	2597	2598	2599	2600	2601	2602	2603	2604	2605	2606	2607	2608	2609	2610	2611	2612	2613	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912	2913	2914	2915	2916	2917	2918	2919	2920	2921	2922	2923	2924	2925	2926	2927	2928	2929	2930	2931	2932	2933	2934	2935	2936	2937	2938	2939	2940	2941	2942	2943	2944	2945	2946	2947	2948	2949	2950	2951	2952	2953	2954	2955	2956	2957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collecting them). If not, then an increase in tax rates would make a contribution neither to socialist ideology nor to the defence effort; it would merely provide a greater incentive to dishonesty.

As the stock markets see it, the main thing Mr. Desai has to bear in mind while adjusting corporate or personal taxes is that the incentives to work, save and invest are strengthened. Theoreticians attached to the Planning Commission are credited with the view that there is almost no limit to such taxes in an emergency. But the Finance Minister must know that wars, both phoney and real, are not fought by draining the people's pockets in whatever may be politically the most convenient way; they are fought by building the nation's productive capacity through the energetic and equitable mobilisation of resources. The mobilisation can never be complete unless the opportunity of the emergency is taken to cast the tax net over a much wider field. Political shibboleths concerning the salt tax need to be dropped; so do those concerning Prohibition. After that, there would be a sound case for a substantial increase in indirect levies on a wide range of other goods. The taxes on industrial raw materials and intermediates have already been raised so high as to undermine India's ability to compete in export markets; if they cannot be reduced, there is at least a case for boldly extending the system of duty rebates and drawbacks on the manufactured goods which are finally exported. Heavier taxes on so-called con-

sumer luxuries like motor-cars, refrigerators and air-conditioners will never yield much since the production of these items is basically small. In the circumstances, a fair increase in the indirect taxes on articles of general consumption cannot be avoided.

From the point of view of investors, whatever the scheme of new taxation the Finance Minister may devise, its first and most important aim has to be a vigorous revival of economic activity. Progress during the first two years of the third plan has been poor, particularly in agriculture but also in industry. The stage has now been reached where, whatever luck the monsoon may bring to the farms, the expansion of industry might almost stop. To the extent that the expansion depends on the foreign aid required for importing raw materials, components and machinery, the Budget can perhaps do little directly. To the extent that the expansion depends on an increase in power and transport facilities, and in fuel supplies, the Budget by itself perhaps cannot do very much either. But the indirect contribution it can make can still be of fundamental importance, in the sense that it can give clear incentives for economic expansion in those sectors where the shortages today are most serious. No shortage at present is more serious than that of foreign exchange; the phoney incentives to exports given last year need to be replaced by strong and practical ones now.

RAIL FREIGHTS UP AGAIN

THE Railway Budget for 1963-64, presented by the Railway Minister, Sardar Swaran Singh, in Parliament on Tuesday, is about as bad as anybody might have feared. It does not propose any increase in passenger fares. But it does propose a very substantial increase in freight rates, and the main purpose of the increase is to raise money for the temporary or permanent use of the general exchequer. Sardar Swaran Singh has suggested that the surcharge of 5 percent imposed on goods freight rates since 1st April, 1960, should now be increased to 10 percent; defence, postal and the railways' own traffic will, however, still be exempt. In addition, a surcharge of 10 naye paise in the rupee should be imposed on parcel traffic; here, vegetables, milk and newspapers will be exempt. The first of these changes will yield an extra Rs. 17 crores and the second an extra Rs. 2 crores. Of the additional Rs. 19 crores, Rs. 4 crores will be handed straightaway to the general exchequer in the form of a bigger dividend on the railways' capital-at-charge. About Rs. 10 crores will be credited to the depreciation reserve fund and Rs. 5 crores to the so-called development fund. But both these sums will not be required by the railways for their own use immediately; they will, therefore, be available for temporary use by what Sardar Swaran Singh calls "the railways' banker"—meaning, of course, the Central Government.

There is some substance in the view that the Government, faced with a huge increase in defence and development expenditure, should make a serious effort to get larger returns from the enterprises it runs. The railways being the biggest of the Government's semi-monopolies, it is not entirely surprising that they should have been asked to open the 1963-64 milking season with a powerful squeeze on their customers' udders. The main criticism of the Railway Budget, however, is not that the railways have agreed to the squeeze but that the wrong udders have been chosen. Freight rates on most types of goods traffic have been raised sharply in recent years, and there is no justification for raising them further. The rise in passenger fares has been comparatively modest; they should have been raised first if the railways or the general exchequer wanted more money.

A few simple facts indicate how rapid the rise in freight rates on goods traffic has been. In April 1956, when the second five year plan was launched, most freight rates were raised by 64 percent; and in July 1957, by another 64 percent. Following the recommendations of the Railway Freight Structure Enquiry Committee, there was an increase averaging about 4 percent from October 1958. And following the recommendations of the

Pay Commission, there was a further increase of 5 percent from April 1960. Then came the Railway Budget presented by Sardar Swaran Singh last April, which raised freight rates by at least 4 percent with effect from July 1962. Now come the latest Budget proposals, for a further increase of about 5 percent on goods traffic and 10 percent on parcel traffic. The evidence clearly shows that railway freight rates, on average, have gone up by almost 30 percent in seven or eight years, the increase in the case of short-distance traffic having been particularly sharp.

The increase in passenger fares has been less frequent and also less sharp. From 1951 to 1957, fares were virtually unchanged. In the latter year, the passenger fare tax was imposed, for the benefit not of the railways but of the State Governments. Only from July last year were the fares as such raised—by about 15 percent for first-class passengers, less than 10 percent for second- and third-class passengers and 5 percent for season-ticket holders. The argument for raising passenger fares, however, does not rest on the ground that they ought always to increase in the same proportion as freight rates do. It rests on the ground that passenger fares in India are basically too low; as such, they encourage unnecessary travel, especially at festival time, and thus increase the strain on the railways' already inadequate resources. "Travel only when you must" was the slogan of the second World War; "travel when you wish" seems to be the slogan now.

The second major objection to the Railway Budget is that it continues the thoroughly irrational practice of increasing freight rates by means of flat surcharges. The whole purpose of appointing the Mudaliar Committee some years ago was to rationalise the railways' freight structure. After laborious and detailed investigations, the Committee produced its recommendations in 1957. The Railway Ministry sat on the report for several

months, and ended up by mutilating the recommendations on the excuse that instead of increasing freight rates by an average of 13 percent (as the Committee had suggested), it wanted to be generous and raise them by an average of only 4 percent. By July last year, however, the freight rates had gone up by the full 13 percent. Now, under the latest Railway Budget proposals, they are to go up by another 5 percent or so. But the difference is that the increases obtained through a succession of flat surcharges have once again rendered the railways' freight structure thoroughly irrational. The labours of the Mudaliar Committee thus seem to have been largely wasted.

In proposing the latest increases in freight rates, Sardar Swaran Singh has followed an old and deplorable tradition by pretending that their impact will be minor. He says, for instance, that for goods traffic "for a distance of 600 kilometres, which is about the average lead of general merchandise, the levy will amount to about 5 naye paise a maund on salt, which is hardly one-eighth naye paise a kilogramme, about 9 naye paise a maund on sugar, which is less than one-fourth naye paise a kilogramme, and about 4 naye paise

RAILWAY BUDGET AT A GLANCE

	(Rupees in crores)			
	Actuals 1961-62	Budget 1962-63	Revised estimate 1962-63	Budget 1963-64
Gross traffic receipts	500.50	545.38	549.62	598.00
Working expenses, net, i.e., after taking credits or recoveries	325.51	356.94	363.28	379.50
Net miscellaneous expenditure (including cost of works charged to revenue)	10.24	16.35	14.91	16.40
Appropriation to depreciation reserve fund from revenue	65.00	67.00	67.00	80.00*
Total	400.75	440.29	445.19	475.50*
Net railway revenue	90.75	105.07	104.43	124.50
Payment to general revenues:				
(a) Dividend on railway capital-at-charge (at 4.25 percent for 1961-62 and 1962-63 and at 4.50 percent for 1963-64)	62.85	68.35	68.73	80.61*
(b) In lieu of passenger fare tax	12.50	12.50	12.50	12.50*
Net surplus	24.40	23.22	23.20	31.39

*Includes additional provision of Rs. 10 crores for appropriation from revenue to depreciation reserve fund as also Rs. 4.05 crores for dividend on railway capital-at-charge, according to the Budget proposals for 1963-64.

a maund on foodgrains, which is one-tenth naye paise a kilogramme. For commodities charged at lower classifications, the increase will be correspondingly less. The effect of the additional levy on parcel traffic, for the same distance of 600 kilometres, will work out to less than 2 naye paise a kilogramme in respect of parcels moving at full parcel rates; the increase will be less on various commodities moving at less than full parcel rates, for instance, perishables in general. The Railway Minister cannot be unaware that such mathematical jugglery is irrelevant and misleading. Why, for instance, stop at one kilogram of sugar instead of saying that the increase will really be only 0.001 naye paise per spoonful? The fact is that the freight increases are going to bring in Rs. 19 crores. This is a very substantial sum, and it will come out of the pockets of consumers, trade and industry. The increase in production costs and selling prices cannot by any means be negligible.

There might have been some justification for the increases in freight rates in recent years if the railways could have shown that: (1) they had kept down their operating costs; (2) they had improved their efficiency; and (3) the extra money was needed for their expansion programmes. Instead, in his speech on Tuesday, Sardar Swaran Singh gave some astonishing statistics to show

what had long been widely suspected—that the railways have been squandering much of the extra revenue they have raised. It is understandable that since 1956-57, their fuel costs, which constitute the second largest item of their "ordinary revenue working expenses," should have risen by nearly 15 percent. It is also understandable that, in a period of inflation, the prices of other materials consumed by the railways should have risen by 20 percent or more. But there is absolutely no

NEW ERA IN U.K. BANKING

THE main subject of the British bankers' statements this year is not monetary policy, nor the condition of sterling, nor Britain's place in the world, but simply—banking. The bankers express opinions, of course, on high politics and high finance; but this year, exceptionally, changes in their own particular business claim more of their attention. The chairman of the Westminster Bank, Mr. Duncan Stirling, recalls that the Chancellor of the Exchequer inaugurated last September the use of the new computer centre in his Bank's head office. It can sort, "read," list and record all the items relating to customers' accounts, and prepare the ledger sheets and statements. "We are proud", he said, "that this installation was the first of its kind in Europe."

This year, for the first time, the British bankers discuss automation as a major factor in banking, capable of economising human labour and thereby reducing costs. "In the field of electronic accounting," says the chairman of Lloyds Bank, Mr. Harold Peake, "we are now passing from the research stage to that of practical application." But, warns the chairman of Martins Bank, Sir John Nicholson, a fundamental change from orthodox book-keeping to electronic processes will not be achieved easily or quickly. "An entirely new store of technical banking knowledge requires to be built up as rapidly as possible." Banking business is growing, and it will presumably grow faster in Britain after the beginning of March this year, when it becomes lawful to pay wages by cheque. But an increase in the number of customers' accounts will require some expansion of properties, in a period of inflated property values. All the resources of modern technology will be needed to hold operating costs down and to maintain the ratio of profit to turnover.

Advances to customers are the banks' most profitable assets. They cannot be expanded easily. In the few recent months of complete official freedom to lend, the British banks have increased their advances only slightly. In more active economic conditions, demand for bank credit will doubtless expand. But the banks' available resources are not limitless. The chairman of Barclays Bank, Mr. John Thomson, observes that his Bank's advances are nearly three times the size of its holdings of Government stocks, whereas at the end of 1958 (in a comparable period of relaxation) these assets were approximately equal. "In contrast to 1958, when we had larger holdings of Government stock, we could not now view with equanimity a large increase in advances without some better rise in deposits than is occasioned merely by the addition to credit balances of those sums which arise from the creation of loans and overdrafts."

The chairman of Midland Bank, Lord Monckton, devotes particular attention to deposits. He mentions various "special influences tending in some instances to reduce the demand for advances and in others to diminish deposits"—integration of businesses, extension of institutional and corporate savings, the growth of the public sector of the economy, and, more important, the Government's technique of adjusting business conditions through the medium of banking; a technique, Lord Monckton observes, which "has held back development in banking and presented opportunities to other financial institutions". He mentions particularly local authorities, building societies, hire-purchase and finance companies, accepting houses and overseas banks in London, and, of course, the Government itself, which has attracted substantial funds

into Treasury bills, tax reserve certificates, and "small" savings media. "In aggregate, the net amount moving into all these channels during the past few years has grown much more rapidly than has the total for bank deposits." So "the part played by banking in the financial arrangements of the country has diminished".

Bankers do not see much prospective advantage in competing for deposits by offering higher rates of interest. (Traditionally, their rates are closely related to Bank rate.) They recognise that the whole mechanism of borrowing and lending has become more sophisticated and elaborate in recent years, and that the importance of financial institutions other than banks has increased permanently. But they feel that the authorities, using the mechanism of credit to regulate the economy, should more effectively control the institutions which have increased their share of the community's savings. Such problems are important to the banks' shareholders (some of whom feel that they over-estimated the growth potential of bank shares when they bought them a few years ago), but the interest of the ordinary customer is different. The relative importance of banks in the financial system may have diminished, but the range of services that they provide is unique. As Lord Monckton observes, funds employed elsewhere are not a full substitute for bank balances, and bank accounts are used more and more intensively. A current account, as such, is not always profitable to the banker, but it is a facility of immeasurable importance in modern living.

PROVINCIAL PRESSURES IN INDUSTRIALISATION

A MAJOR aim of India's five year plans has been to achieve the balanced development of various regions, so that the benefits of economic progress may be distributed equitably. Unfortunately, however, the clamour for more industries, particularly the heavy ones, has led to inter-State rivalry which has threatened the very process of economic growth. Addressing journalists in Hyderabad last Friday, Mr. C. Subramaniam, Central Minister for Steel and Heavy Industries, stated that "positive action" would have to be taken to remove the regional differences in industrial development. He added that the Government had been discouraging the issue of licences for establishing new industries in industrially advanced regions. It is surprising that even when the country is facing an emergency, and the greatest need is to mobilise resources with the maximum economy, regional considerations should continue to weigh with the Government.

There is a long-standing grievance in the south, particularly in Madras State, that too many heavy industries are being located elsewhere and that the south has not been receiving enough attention from the planners and the Government. Although in theory there may be some justification for locating industries on a regional basis, the idea is fraught with economic risks. Local resources of nature and talent play a decisive part in the success of an industry. The siting of an industry in a region which has few raw material or other facilities will result in inefficiency and high cost of production, and strain the already inadequate transport system. Furthermore, products of the industry may not be able to stand competition in either domestic or export markets. The principle of regional balance often stirs up inter-State jealousies on larger eco-

omic issues in a manner that jeopardises economic progress. It is not uncommon to find large projects entrusted to States which do not have the resources, but do have a pull with the Central Government. Such a step hits the country in two ways. It is uneconomic to the State which gets it; and it deprives another State, which has the necessary resources of its rightful share. Resources being limited, there is economic justification only for employing them in those regions where the returns are sufficiently high. Hence the policy of regional balance calls for serious rethinking.

A major defect of the principle of regional balance is the emphasis it places on heavy and large-scale industries. Such industries are preferred because of their glamour. It is easy to exaggerate the contribution of heavy industrial units to the living standards of a large number of people. There are many instances, both of countries and of regions within a country, where without heavy industries an appreciable rise in living standards has been achieved through the proper exploitation of local resources. For example, within India, Punjab has no heavy industry, but is better off than Orissa, which has a large steel plant. The primary aim of planned development should be to bring about the fullest use of the resources of each region. Each State is endowed with certain resources in the form of natural wealth, skill and capital. Its growth potential should be properly exploited, but obviously the process cannot be identical for all the States. In certain areas, the development may take the form of improvement in agriculture, power, processing and small industries. In others, it may be through large-scale industries. Planned development has thus to be viewed as a total, national effort. A natural corollary is that the States which have been chosen for intensive industrial development cannot look upon the projects as their exclusive possessions but as national ventures. The employment potential which the new projects generate has also to be offered to people of other States. This is particularly important because the scramble for large industrial projects stems largely from their employment potential.

SILVER PRICES RISE SHARPLY

THE storm raised by the Government of India's Gold Control Rules has not blown over yet. There still exist doubts about the interpretation of some of the rules. Goldsmiths all over India are carrying on a strong agitation to seek a better deal from the Government in order to stave off the threat of unemployment as a result of the enforcement of the rules. Not many goldsmiths are equipped to make 14-carat gold ornaments. But since the restriction on the fineness of gold in new ornaments is the hard core of gold policy, the Government is not willing to offer any concession on this score. The Central Finance Minister, Mr. Morarji Desai, has so far refused to grant any concession to the gold trade except the promise to consider a reduction in the licence fee from Rs. 100 to Rs. 50.

It is perhaps too early to sit in judgment over the Government's gold policy which seeks to segregate smuggled gold, achieve a progressive reduction in demand and bring down the price to around the world parity. Whether or not smuggling has been checked since the promulgation of the rules, is difficult to say because smuggling is not a free, open market activity which can be easily known. But all the available indications show that the policy has failed to bring down the price of gold. On the contrary, the market has been displaying marked strength recently. The price of gold has improved from around Rs. 95 to Rs. 106 for 10 grams due to the scarcity of offerings. Business has, however, been on a restricted scale. Restrictions on spot business in gold seem to have turned public attention to silver which has shot up to a new all-time high of Rs. 234 a kilogram. Towards the end of last month, spot silver was marked down to around Rs. 219 a kilogram. Enquiries in the trade indicate that apart from the

India's Resources
are Precious
WASTE NOT,
WANT NOT

normal seasonal demand. there has been a considerable improvement in silver offtake for hoarding purposes. Floating stocks are said to have

Current News and Comment

Exporting Surplus Petrol

According to a Press note just issued by Burmah-Shell, the Company has exported 78,000 tons of petrol worth Rs. 1.12 crores during 1962, after meeting its domestic marketing requirements. All told, it has exported over 200,000 tons valued at Rs. 3.25 crores so far. Since the refinery in Bombay will be maximising the throughput in 1963, the Company hopes that it will more than double its petrol exports and foreign exchange earnings this year. Furthermore, Burmah-Shell has informed the Central Ministry of Mines and Fuel that its suppliers of crude oil have agreed to buy any products made from their crude in the Bombay refinery which are surplus to the Company's requirements.

This is apparently a reply to the statement made by the Minister for Mines and Fuel, Mr. K. D. Malaviya, at the annual dinner of the Mining, Geological and Metallurgical Institute of India in Calcutta recently. Mr. Malaviya had contended that the expansion of refinery capacity to process 17 million tons of crude by 1965-66 might create a surplus of about 1.5 million tons of petrol worth Rs. 20 crores. He was reported as saying that none of the private oil companies offering to set up new refineries or expand the existing ones had given a firm undertaking to export the surplus petrol. Hence he would prefer marginal imports of petroleum products rather than large imports only of crude. In view of Burmah-Shell's exports of petrol and the undertaking from its suppliers of crude, Mr. Malaviya's contention wears thin. It sounds very much like an excuse following the public criticism of his refusal to permit the expansion of the two Bombay refineries' capacity from 6.25 million tons to 10 million tons. In any case, the argument about likely surpluses of petrol can apply equally to the private and public sectors. If it were to be taken seriously, it would entail cancelling the proposals to expand the public sector capacity from the present 2.75 million tons to 9.75 million tons.

Surplus production of petrol is common in petroleum refining and is by no means peculiar to India. Export markets for the product are shrinking because of the expansion of refining capacity in the neighbouring countries. Hence India may have to rely, at least to a limited extent, on increased consumption by motor transport. The emergency created by the Chinese aggression may call for bigger civilian and military movements over a long period, and this is likely to broaden the demand for petrol. The larger use of naptha (the light distillate from which petrol is made) in producing nitrogenous fertilisers and petrochemicals, and in generating town gas, is another potential outlet. In view of the large requirements of petroleum products, the choice before the Government is either to import them at great cost or to set up adequate refining capacity and import only the crude. Mr. W. B. Metre, director of Oil India Ltd, stated at the meeting of the Mining, Geological and Metallurgical Institute in Calcutta that a ton of imported crude may cost about Rs. 65 worth of foreign exchange, whereas the major refined products cost an average of over Rs. 110 and the minor products much more. Taking the case of lubricants, India's annual consumption may rise from 300,000 tons at present to over 500,000 tons by 1966. Lubricants being the costliest of oil products to import (the average price is about Rs. 400 a ton), India's import bill on this account was Rs. 10.5 crores last year. The only manufacturing unit in Digboi produces less than 30,000 tons a year—barely a tenth of the requirements. A lubricants plant will be built in Barauni in due course with a capacity of about 75,000 tons. These and the other proposals may take the total output to only 300,000 tons by 1965-66, against an estimated consumption of 500,000 tons. According to Mr. Metre, a 100,000-ton plant can be added to any of the existing refineries at an extra cost of only

shrunk considerably as a result of sustained good offtake over the past few weeks. A further rise in the price of silver has been forecast by dealers.

Rs. 5.5 crores (the foreign exchange component of which will be 60 percent).

Medium-term Loans for Industry

In a speech at a meeting organised recently by the study group of the Gujarat Chamber of Commerce in Ahmedabad, Mr. N. M. Chokshi, managing director of the Bank of Baroda, pleaded for larger advances by commercial banks to industry for periods of three to five years or even up to seven years. He pointed out that total bank advances to industry had increased from a little over Rs. 200 crores in 1952 to over Rs. 685 crores in 1962. Medium-term advances have probably increased as a proportion of the total advances. However, in spite of the Reserve Bank's efforts and help from the Refinance Corporation, the commercial banks have not been able to increase adequately their medium-term advances to industry. This is unfortunate because, besides helping industry, the loans would offer commercial banks a profitable and safe investment for their spare funds.

Why have term advances not increased rapidly? It is not because the short-term advances are more liquid than the medium-term ones. As Mr. Chokshi observed, it has been possible for the banks to supply medium-term credit to industry "without violating the principle of liquidity". Whereas short-period advances given for periods of six months to 12 months are "rolled over" again and again, the term loans are paid back in definite instalments and the bank is sure to get back the stipulated amount at the proper time. In this sense, the liquidity of medium-term loans is more than that of short-period advances. But the basic difference between the two is that whereas a bank can quickly call back a short-period loan if it feels doubtful about its safety, it cannot do so easily in the case of medium-term advances.

The main difficulty which commercial banks face in giving medium-term loans to industry is that, while in the case of short-period advances the creditworthiness of the borrower and the soundness of the security offered satisfy the bank, they do not prove adequate for medium-term advances. The industry asking for medium-period advances naturally pledges its future assets, but if the enterprise is not successful the assets might prove worthless. The real difficulty, as Mr. Chokshi pointed out, is that in taking up a medium-period liability it is necessary for a bank "to consider the potential development and hazard". The commercial banks in India, barring a few large ones, are not equipped to judge properly the future prospects of industrial enterprises, which apply for accommodation. They can, no doubt, consult other institutions, which deal in such matters, about the magnitude of risk involved. But, as is only to be expected, they are not usually guided by such advice. Another difficulty is that the promoters do not always draw up the project reports in sufficient detail to help the banks to assess the prospects. While in the case of short-period advances the standing and creditworthiness of the borrower are adequate, what really matters for medium-term loans is the future profitability of the project concerned. Hence to increase medium-period advances it is necessary to devise some practicable method by which the banks can assess the profitability of industrial ventures. The small industries offer still greater difficulties because of the absence of a sound accounting system, and of proper trading accounts and balance-sheets.

Strengthening the Co-operatives

The two-day conference of State Ministers of Co-operation in Lucknow early last week considered measures to vitalise the different types of co-operative societies in order to increase agricultural

production, improve the economic condition of the farmers and to hold the price line. One reason why food production has not increased adequately in the first two years of the third plan—the total output of foodgrains in 1962-63 is expected to be only 79½ million tons, against 78½ million tons in 1961-62 and 79½ million tons in 1960-61—is that State Governments have made no effort. Mr. S. K. Dey, Central Minister for Community Development and Co-operation, deprecates the fact that several State Governments are likely to reduce the total outlay on co-operation, and especially on co-operative farming, in 1963-64. He points out that pilot projects have been sanctioned in the sphere of co-operative farming to provide a fund of experience and ability which has hampered the progress of co-operative farming in India. The real difficulty is that the farmers lose their initiative and are not interested in forming co-operative farming societies or working for them. Most of the co-operative farming societies now in existence are those sponsored by the Government. It appears that, by and large, the Indian cultivator has not taken to co-operative farming, in spite of the official enthusiasm. The Lucknow conference also failed to devise any practical method of rousing the farmer's interest. Mr. Dey's suggestion that the Government should settle landless labourers on co-operative farms on Government land does not solve the problem.

The tragedy of co-operation in India is that even now it is primarily a credit movement and there also the base is weak. The emphasis of State Governments has so far been on increasing the number of agricultural credit societies without caring for the quality of membership or the viability. The natural result has been that many such co-operative credit societies are either defunct or have inadequate funds. Moreover, while official supervision and interference in the working of co-operative societies discourages the people and defeats the purpose of such societies, the absence of official supervision leads to corruption and waste of funds. The Lucknow conference has recommended that both official and non-official cadres should be developed for the promotion of the co-operative movement. A committee under the chairmanship of Mr. V. L. Mehta of the Khadi and Village Industries Commission will study measures for the stabilisation of official cadres and the National Co-operative Union will study the problem in connection with the expansion of the non-official cadres. It is hoped that a co-ordinated scheme will be drawn up when the two reports are available.

About primary agricultural credit societies, which are the weakest link in the chain, two valuable suggestions were made. One is that a time limit should be fixed for all weak societies to come up to a viable standard, failing which they should be liquidated. The second is that members should be persuaded to deposit every year a fixed amount in such societies on the basis of either their borrowings or their cultivable area. It was pointed out at the conference that, while co-operative marketing has made some progress in the case of sugarcane and cotton, it has made very little progress in the case of oilseeds, jute and other commodities. To be really effective, the co-operative marketing societies will have to make outright purchases of the commodity but a great risk is involved in that. It was, therefore, suggested that a special price fluctuation fund should be created; part of the loss arising from fluctuating prices should be met from this fund and part from the normal profits of the society concerned. It was also suggested that the State Bank of India should assume a positive role in the development of co-operative marketing as the Reserve Bank has done for short-term co-operative credit.

Rationalising Coal Grades

The present system of classifying coals is the product of a series of coal control orders issued from time to time. As a result, the price which the consumer pays bears no rational relationship to the grade of coal he gets. Among the diverse elements which are built into the price structure are a multiplicity of compromises; cesses and excise duties imposed at various times and the cost

of implementing labour awards are all added pro rata without regard to the usefulness of the fuel. By and large, the prices depend on whether the coal is metallurgical or non-metallurgical, on its ash content (in the case of low-moisture coals) and on its ash and moisture content (in the case of high-moisture coals). A committee of experts was appointed last year by the Government of India to report on the procedure for the sampling and grading of coal. It is understood that the committee considered the present system of classification irrational since even slight variations in ash and moisture content may cause coals to be placed in different groups, although such variations have limited effect on its usefulness in terms of heat value. The Committee also criticised the present methods of sampling as being unscientific and recommended instead the sampling of "coal in motion". It is welcome news that the Government proposes to implement the recommendations shortly. Such a step should rationalise the present grading structure and the method of sampling.

The expert committee has suggested that the basis for classifying coal should be its heat value, since it takes into account all the major industrial properties of the fuel—its combustibility, moisture content, the non-combustible mineral matter in the coal which is left as ash, etcetera. It will be readily conceded that in any system of fuel evaluation, energy content should be the main criterion. The price paid for any grade of coal should be related to its potential heat value, since coal is invariably used for combustion or for producing heat for steam generation. Even in metallurgical industries, coal (or coke) is used for producing heat to initiate and accelerate the chemical reactions, as well as for reducing the ore; its function as a reducing agent is related to its thermal value. Besides, the use of energy content as a principle in the grading scheme facilitates easy control over the consumption of coal. Consumers will become more conscious of the need for improving the efficiency of combustion; at present little attention is given to this matter.

Although the coal industry has welcomed the proposal to classify coal on the basis of its heat value, it has suggested that certain other factors too should be taken into account. It is easy to appreciate its view that a major consideration for commercial grading should be the usefulness of the coal for the purpose for which it is required. It is well known that a moisture content of up to 10 percent accelerates combustion. The railways, who are one of the largest consumers of coal, may prefer high-moisture coal (even of lower calorific value) since it will burn fast—an important factor in locomotive furnaces, which with a limited grate area have to meet sudden, large demands for steam. Coke ovens, however, will want low and medium-moisture coking coals, either by themselves or blended with lower ash coals, since they can be used by metallurgical industries without beneficiation. Another factor which the industry would like to be taken into account is the prevailing regional differentials. Although strictly speaking there seems no reason why a calorific should cost more, say, in Madras than in West Bengal, this suggestion apparently seeks to provide for local supply conditions and the transport and other costs involved in carrying coal from a producing area to the consuming centres. It is hoped that the new grading system will take these factors into consideration.

Manufacture of Tinplate

The Government of India, it is reliably understood, does not propose to consider any fresh applications for setting up additional capacity for tinplate. The Working Group on Steel has estimated the demand for tinplates by 1965-66 at 300,000 tons. The existing capacity for the production of tinplate is about 130,000 tonnes, made up of Tinplate Company of India 70,000 tonnes, the Rourkela steel plant 50,000 tonnes (half of this capacity is ready) and Messrs Khemchand Rajkumar, Calcutta, 10,000 tonnes. Besides, a licence has already been granted to Messrs Satyashil Gupta for setting up a capacity of 10,000 tonnes a year in Kerala State. For meeting the requirements of the third plan, a licence for substantial expansion of capacity has already been granted to the Tinplate Company of India for 90,000 tonnes, raising its capacity from 70,000 tonnes to 160,000

tonnes. Besides, an electrolytic tinning line with a capacity of 100,000 tons is also being set up at the Rourkela steel works. The principal raw material required for manufacturing tinplate is black sheets which are being produced by the Tata Iron and Steel Company and the Rourkela steel plant. But there is an acute shortage of black sheets. In view of this consideration and also the fact that the third plan target has already been covered, the Government does not propose to consider new applications for additional tinning lines. If there is any shortfall in the implementation of the capacity already sanctioned, this will be made good by developing capacity in the public sector. The establishment of tinning lines is likely to be placed on the banned list.

Engineering Goods for West Europe

India is now exporting more than 150 engineering items to countries in western Asia, south-east Asia and Africa. Some items like sewing machines, diesel engines, pumps, castings, stainless steel and E.P.N.S. ware and screws are also being exported to highly industrialised countries like the U.S.A., the U.K., France, Holland and Belgium. As a result of efforts made by the Engineering Export Promotion Council, exports to west European countries have improved. Not only has the value of engineering exports gone up, but some new items have also been introduced. While in 1958 the exports were mostly of metal ware, in 1962 nearly Rs. 50 lakhs worth of exports is accounted for by other items such as sewing machines, padlocks, cutlery, textile machinery, machine tools, wood screws and E.P.N.S. ware. A trade delegation sponsored by the Engineering Export Promotion Council is now touring western Europe to study the specific requirements of engineering industries, to establish contacts with importing houses there and, wherever possible, to arrive at some long-term arrangements for the sale of Indian goods. The delegation will also study the working of the E.C.M., particularly its effect on the export of engineering goods from India.

Stainless Steel Crisis

The 400-odd units engaged in manufacturing stainless steel utensils, employing a capital of Rs. 14 crores, of which Rs. 3 crores to Rs. 4 crores is sunk in steel dies, and providing employment to some 25,000 workers, are faced with a crisis due to the acute raw material shortage following the recent ban on imports. The industry has had a phenomenal growth over the past few years in spite of its complete dependence on imported raw material. This, according to the spokesmen of the industry, is in no small measure due to the encouragement given by the Government itself with a view to creating a market for the raw material expected to be produced by 1965 by the Durgapur tool and alloy steel plant. According to the All India Stainless Steel Industries Association, imports of stainless steel in 1961 and 1962 at 2,097 tons and 4,172 tons, respectively, were not enough to work even 5 percent of the industry's installed capacity. Imports have been banned since 7th December and current stocks in the country are said to be less than 200 tons. The industry will, therefore, face a serious crisis unless the Government is able to arrange timely imports of stainless steel sheets.

The Association has urged the Government to permit imports of at least 3,000 tons, especially because the metal pressing units of the industry can be switched over for defence production. The industry has also a considerable export potential. In 1961, the industry earned about Rs. 12 lakhs from the export of stainless steel utensils and the figure for the January-October 1962 period is placed substantially higher at Rs. 24.32 lakhs. The main markets are Aden, Ceylon, Kenya and Singapore, but the industry has also recently secured a foothold in such advanced countries as the U.S.A., Canada, West Germany and the U.K. The industry seems confident of bringing about a sizable increase in its exports provided the raw material is made available to it in sufficient quantities to cater to the needs of the domestic market

along with exports. It is not possible for the industry to live on exports alone because these have to be made almost at cost price.

Financing Small Industries

The rôle of State Financial Corporations in the present emergency was outlined by Mr. P. C. Bhattacharyya, Governor of the Reserve Bank of India, in his speech at the annual conference of the Corporations' representatives held in Calcutta last Monday. He pointed out that the emergency calls for a more decentralised location of medium and small industries, particularly of those with a strategic aspect. This means that the Corporations have not only added opportunities but also extra responsibility. The loans sanctioned by all the Corporations amounted to Rs. 49.25 crores at the end of September 1962, against Rs. 37.30 crores on the corresponding date in 1961. However, as Mr. Bhattacharyya stated, the volume of assistance offered by them has not kept pace with the needs.

The supply of term-credit to small industries is usually fraught with risks since it is difficult to assess their prospects. The main handicap of the State Financial Corporations is that they do not have either the machinery or the expertise to appraise the profitability of small industries. Another difficulty which they experience is the shortage of funds. Some of the Corporations raise additional funds from the market by issuing bonds. In the present state of the stock markets, it is doubtful if they will be able to raise funds, unless they offer sufficiently high returns. With their lending rates fixed at 7 percent a year, it will not be economic for them to borrow money at high rates. Steps have, no doubt, been taken to improve their position. Firstly, their borrowing authority has been increased. Secondly, the Refinance Corporation for Industry can now offer refinance facilities to the loans given by them. Thirdly, the Government of India has extended the guarantee scheme for loans to small industries throughout the country from 1st January, 1963. It remains to be seen how far these measures will strengthen their position. Their activities have been diversified in recent years by enabling them to underwrite new capital issues. This offers them a new source of revenue.

VICTORIA MEMORIAL

IN February, 1901, a very numerous signed requisition was presented to the Sheriff of Calcutta, and in response thereto, he convened a meeting on the 6th of that month, to place on record the deep sorrow of the citizens of Calcutta at the death of their late beloved Queen and to determine upon a suitable memorial to be erected to Her memory. On that meeting being opened by the Sheriff on February 6th he proposed that His Excellency the Viceroy do take the chair, and Lord Curzon delivered, as is his wont, an excellent address to the audience. The first Resolution, which was unanimously carried, ran thus:—"That subscriptions be invited from all India for the purpose of raising a national memorial to Her late Majesty Queen Victoria, Empress of India, that shall be a perpetual monument of her great and glorious reign. That a General Committee be formed hereafter and that the following gentlemen be appointed to a Provisional Executive Committee to carry out the purpose of this Resolution." Then followed the names of some twenty-nine noblemen and gentlemen, and this Executive Committee has added to their number some nine other gentlemen. We see it stated in the public prints that a Building Committee has decided upon a site upon which to erect the Victoria Memorial Hall, which will form an encroachment on the maidan, and which is quite opposed to the wishes and feelings of the citizens of Calcutta. We are not quite clear what *locus standi* this Committee possesses, and it certainly seems to us to be in the nature of an unwarrantable interference with other people's affairs; for the meeting at the Town Hall clearly appointed a Committee to raise a national memorial to the Queen, and it seems to us that it only is the proper one to decide the question of what shape that memorial is to take, and where it is to be located.

FROM

CAPITAL

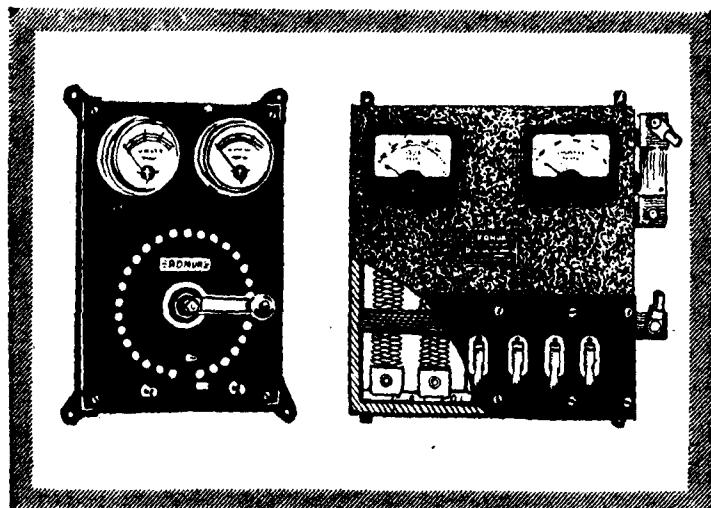
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CAPITAL, 21st February, 1963.

of Dalmia-Jain companies (Investigations and Recommendations)" and is published by the Department of Company Law Administration. The feature of the pamphlet is that not one of the star performers in the whole episode, from the outgoing president of the Federation of Indian Chambers of Commerce and Industry onwards, is mentioned by name. This part of the enquiry was evidently conducted under the chairmanship of Mr. V. R. Sen, and has resulted in certain broad recommendations about amending the company law. The question still remains unanswered why the Government should have run short of ink and paper while printing what surely was the essence of the Vivian Bose Commission's report—on the actual investigations. It may be difficult to dissuade Parliament from holding a debate on the subject, a debate which may not be confined to the report itself but which could also cover the small point as to why its circulation is so cunningly restricted. The debate may show whether anyone remains to deserve the mantle so bravely worn on another famous occasion by the late Feroze Gandhi.

THOSE WHO WALKED OUT OF PARLIAMENT ON Monday because the President's address was not in Hindi did their beloved language no good at all, for the non-Hindi speaking people may now be more anti-Hindi. The Dravida Munnetra Kazhagam has only to cite this instance to "prove" what the North will be up to, given half a chance. Mr. Nehru lately reiterated that the amendment promised to let English continue as an associate official language beyond 1965 will be introduced; but the leisurely manner in which the Home Ministry has been handling the question makes many wonder whether everyone in the Central Cabinet shares Mr. Nehru's sensible respect for the other languages. If I remember correctly, Mr. Lal Bahadur Shastri once said that the Constitutional amendment had been delayed because of the emergency, because the measure would excite controversy. If he were more specific he would have been obliged to admit that it is the Hindi militants who would have raised the controversy, emergency or no. The four Socialists of Delhi went about their mission noisily and clumsily; but others have for years been active more subtly and their achievement is by no means insignificant. After criticism in the Press, All India Radio in the non-Hindi regions has somewhat reduced its quota of Hindi programmes; perhaps the departure of Dr. Keskar from the Ministry of Information and Broadcasting also had something to do with it. On the other hand, in Bihar and Uttar Pradesh it is becoming increasingly difficult for people without Hindi. The South too has adopted the folly; and travellers from other parts will often not know which bus to take. Thus are the many linguistic areas of the country isolating themselves from one another. The Socialists are a negligible quantity; what makes their recent performance ominous is that there are many in the Congress, and in the Government, who would have liked to behave as the Lohia men did. Here is a most distressing feature of Indian politics: personal and group convictions cut right across Party loyalties. The Congress contains elements that would be indistinguishable in Swatantra, the Jan Sangh or—yes, sir—the Muslim League.

A FRIEND ASSURES ME THAT A NEWSPAPER I CAN strongly recommend to those interested in the affairs of Western Nigeria is the *Mid-West Echo* of Benin City. A recent issue includes a survey of timber, starting "in time immemorial when the habitation of caves became insatiable for humanity" and going deeply into the problems of today—"Does the broker's claim constitute a torn? Though economically it constitute an inquisitiveness yet it really focus many unknown business relegations. Extensively investigated, many affected parties have been ignorantly pelted with wanton blames."

Turning to entertainment, the *Echo* covers films ("The Benin-Delta Screen Entertainers delightfully present at 9 p.m....") and boxing—"Distinguished honours have been won on the ring. Many more will be won as many corpses and battered faces of boxers will be hauled down from it."

THE DITCHER

CAPITAL, 21st February, 1963.

Guide for Investors

INDIAN ALUMINIUM FARES WELL

THE steady support for the ordinary shares of the Indian Aluminium Co. Ltd. around Rs. 32.75 is due to the excellent results achieved by the Company during the year ended December 1962. The taxable ordinary dividend on the fully-paid ordinary shares has been increased from 15 percent to 17.5 percent, including a final of 10 percent. A taxable ordinary dividend of 5 percent has been declared on the partly-paid ordinary shares. The Company increased the share capital last year by issuing rights shares in the proportion of one new share for every five held at a premium of Rs. 15.50 a share of Rs. 10 each. The usual preference dividends have also been paid. Sales rose from Rs. 8.39 crores in 1961 to Rs. 10.50 crores in 1962. The net profit has improved from Rs. 1.05 crores to Rs. 1.26 crores, after providing Rs. 1.06 crores (against Rs. 60.6 lakhs) for depreciation and depletion, Rs. 61.5 lakhs (against Rs. 45.5 lakhs) for development rebate reserve and Rs. 52.5 lakhs (against Rs. 59 lakhs) for taxation.

The directors say that the integrated expansion programme was completed well ahead of schedule and within the originally estimated budgeted figures. The expanded Hirakud smelter for producing 20,300 tons of ingot a year was commissioned last year when additional electric power was made available. The expansion of the sheet rolling facilities in Belur, West Bengal, and the expanded facilities at the alumina plant in Muri, Bihar, and the bauxite mines in Lohardaga, Bihar, were commissioned in 1962. The installation of the new extrusion press in Alupuram, Kerala, was completed in 1961. The Company has launched its latest expansion projects. It is proposed to double the smelter capacity in Alupuram, Kerala, to 10,850 tons of ingot a year. The project is expected to be completed in 1964. An aluminium foil rolling mill is being built in Kalwa, Maharashtra, with a capacity of 2,500 tons a year. This factory is expected to be completed in 1965.

Eastern Investments Repeats Dividend

EASTERN Investments Ltd. has repeated a taxable ordinary dividend of 12 percent on the increased share capital for the year ended December 1962. It absorbs Rs. 9.23 lakhs and offers a yield of 9.3 percent at the present price of Rs. 129 a share of Rs. 100 each. The profit has amounted to Rs. 11.15 lakhs during 1961-62, compared with Rs. 17.24 lakhs in 1960-61. Taxation is allocated Rs. 3.96 lakhs (against Rs. 7.77 lakhs) and general reserve Rs. 18,504 (against Rs. 2 lakhs). There is a carry-forward of Rs. 1.33 lakhs, against Rs. 2.68 lakhs brought in. Its ordinary share capital was increased last year to Rs. 76.89 lakhs by 25,630 rights shares of Rs. 100 each at a premium of Rs. 10 a share. The funds from the rights issue have been used for taking the majority of the Company's entitlement of rights in the recently issued share capital of the Titagarh Paper Mills Co. Ltd.

The shares held by the Company are quoted on the Calcutta stock exchange with the exception of only a few shares costing Rs. 78,178. The

total market value of all the investments for which quotations are available together with the worth of unquoted investments as valued by the directors, exceeded the book value by Rs. 71.03 lakhs on 31st December, 1962.

Rights from Goodyear India

THE ordinary shares of Goodyear India Ltd. have been steady around Rs. 38.87 on the news that the Company has received the consent of the Controller of Capital Issues to issue 998,500 ordinary shares of Rs. 10 each to the existing shareholders at a premium of Rs. 16 a share. Out of these, 348,500 shares will be offered as rights shares to the Goodyear Tyre and Rubber Company of the U.S.A. The remaining 650,000 shares will be offered as rights shares to the existing Indian shareholders in the proportion of 6.5 new shares for every four held. The Company issued to the Indian shareholders 400,000 ordinary shares of Rs. 10 each at a premium of Rs. 7 a share on 25th April, 1961, when it decided to have an Indian shareholding.

The Controller of Capital Issues appears to have fixed higher premiums on the new issue due to the rise which has taken place in these shares since the first issue was made in 1961. But it is questionable whether the mere increase in the share value is a sufficient reason for imposing higher premiums. As the Company has not yet paid any ordinary dividend, it was expected that the new issue would at least be made at the same premium as before, if not at a smaller premium.

On the basis of the present price, the ex-rights value of the shares works out to Rs. 30.90 a share. At this price, support to the rights issue seems well assured as investors may be inspired by two factors. The first is the prospect of dividends for 1962, although the rights issue will not participate in this distribution. The second is the growth value of the shares. During the year ended December 1961, the Company earned a profit of Rs. 28.06 lakhs, after providing Rs. 10.87 lakhs for depreciation. As substantial sums to the extent of more than Rs. 1.75 crores were ploughed back into the business, the ordinary dividend was passed, which was not welcomed by shareholders. But the benefits of the new tyre factory which was completed in Ballabgarh, Punjab, could not be reflected in the 1961 results. The effects of this are likely to be reflected in the results for 1962. So it is hoped that the Company will make bigger profits in 1962, and the directors will decide to pay a satisfactory ordinary dividend.

Goodyear shares are rated highly since it is thought that even the present level of profits should be sufficient to pay satisfactory dividends on the increased capital. The existing ordinary share capital is Rs. 2 crores, which will be raised to Rs. 3 crores when the rights shares are issued. The share capital is backed by reserves of more than Rs. 3.66 crores, of which share premiums exceed Rs. 1.88 crores. In view of the impressive reserves, combined with the fact that the Government has sanctioned the Company's scheme to increase the output capacity of the Ballabgarh factory, investors would be justified

in hoping for a gift of bonus shares in the near future.

Shree Sitaram Sugar Shows Loss

SHREE Sitaram Sugar Co. Ltd. has incurred a loss of Rs. 66,684 during the year ended August 1962, compared with a loss of Rs. 2.98 lakhs in 1960-61, after providing Rs. 1.22 lakhs (against Rs. 1.28 lakhs) for depreciation. The dividend has been passed, and a debit balance of Rs. 43,631 has been carried forward.

The cane crush amounted to 1.3 million quintals with a recovery of 9.28 percent, against 1.6 million quintals with a recovery of 9.25 percent in the previous year. The crush may be about 840,000 quintals with a recovery of 9.5 percent during the current 1962-63 season. The factory has been facing a sugarcane shortage due to smaller cultivation, combined with the diversion of cane to the production of gur. So the current season is likely to be shorter than in 1961-62.

Birpara and Hantapara Teas

THE ordinary shares of the Birpara Tea Company and the Hantapara Tea Company have not responded to the news that the Controller of Capital Issues has sanctioned the necessary capital issues for amalgamating the two Companies. Ordinary shares of Hantapara Tea are being quoted around Rs. 104 and those of Birpara Tea at Rs. 150, the par value of the shares of both Companies being Rs. 100 a share. The two Companies will be amalgamated under the name of the Birpara Tea Company Ltd. The latter proposes to issue a further share capital of Rs. 24.50 lakhs divided into 24,000 ordinary shares of Rs. 100 each and 500 cumulative preference shares of Rs. 100 each carrying a fixed dividend of 8 percent. These shares will be allotted to the shareholders of the Hantapara Tea Company Ltd. Hence for every three ordinary shares held in Hantapara Tea, the shareholders will receive two ordinary shares in Birpara Tea. This distribution is logical on the basis of the present price of these shares.

The amalgamation move has been made with a view to effecting economies in various ways. The amalgamated Company, it is hoped, will show a better performance than hitherto. The scheme will be implemented after obtaining the sanction of the Calcutta High Court.

The present share capital of Hantapara Tea is Rs. 38.50 lakhs divided into 500 cumulative preference shares of Rs. 100 each carrying a fixed dividend of 8 percent and 36,000 ordinary shares of Rs. 100 each. Reserves are more than Rs. 41.20 lakhs. During the year ended December 1961, the Company earned a profit of Rs. 2.83 lakhs and paid a taxable ordinary dividend of 5 percent. It has two tea estates in the Dooars district of West Bengal. The Hantapara estate produced a crop of 752,221 kilograms and the Dumchhipara estate 680,801 kilograms. The average price realised by the former was Rs. 4.04 a kilo-

gram and that by Dumchhipara Rs. 4.10 a kilogram. The total planted area is 1,034.45 hectares comprising 533.93 hectares in Hantapara and 500.52 hectares in Dumchhipara.

The share capital of Birpara Tea is Rs. 10 lakhs divided into 1,000 cumulative preference shares of Rs. 100 each carrying a fixed dividend of 8 percent and 9,000 ordinary shares of Rs. 100 each. Reserves are more than Rs. 20.17 lakhs. During the year ended December 1961, the profit was Rs. 3.52 lakhs, and a taxable ordinary dividend of 12.5 percent was paid. The crop was 666,763 kilograms, and the average selling price was Rs. 4.37 a kilogram. The planted area is 567.66 hectares. The estate is situated in the Dooars district of West Bengal.

In January 1948, Birpara Tea issued bonus shares by capitalising reserves in the proportion of one bonus share for every share held. Hantapara issued bonus shares twice. In March 1948, bonus shares were issued in the proportion of one for one. In May 1956, bonus shares were issued in the ratio of one bonus share for every two shares held.

Deoria Sugar Passes Dividend

THE Deoria Sugar Mills Ltd. has incurred a loss of Rs. 6.76 lakhs during the year ended August 1962. The dividend has been passed. The Company incurred a loss of Rs. 3.56 lakhs in 1960-61. Depreciation is allocated Rs. 1.34 lakhs (against Rs. 1.71 lakhs), before arriving at the profit figure.

The cane crush amounted to 1.2 million quintals with a recovery of 9.15 percent, compared with 1.5 million quintals with a recovery of 9.31 percent. During the current 1962-63 season, the crush is expected to be 840,000 quintals with a recovery of 10 percent. The directors refer to the possibility of a sugarcane shortage due to its diversion to gur manufacture. In order to supply 8,000 tons of raw sugar for export, the factory has started producing it during the current season. The production of raw sugar has been 49,070 bags so far.

Offer from Indo-American Electricals

INDO-AMERICAN Electricals Ltd., which proposes to set up a factory in Durgapur for manufacturing super-enamelled copper wires, popularly known as winding wires, will soon be in the market to raise funds for the project. The plant will have a capacity of 60 tons a month. The plant and machinery will be imported mostly from America, excepting the wire drawing section which will be obtained from West Germany. The Company has already received licences for the import of machinery, and firm orders have been placed. The plant and machinery are expected to arrive in June or July, and the factory is expected to go into production by the end of the current year. The project will receive the technical collaboration of the International General Electric Company of the U.S.A., and the financial backing of Indo-Burma Petroleum Co. Ltd. The Company has plans to diversify its activities in other modern electrical equipment in association with G.E.C. The project will involve a capital outlay of Rs. 50 lakhs.

The authorised capital of the Company is Rs. 1 crore, made up of Rs. 80 lakhs in equity shares of Rs. 10 each and Rs. 20 lakhs in 9.3 percent cumulative redeemable pre-

ference shares of Rs. 100 each. The issued capital consists of 250,000 equity shares and 5,000 preference shares. Of this, 55,000 equity shares have been reserved for allotment to the promoters, directors and their friends and 70,000 equity shares for the Indo-Burma Petroleum Co. Ltd. The balance of 125,000 equity shares and 5,000 preference shares are to be offered for public subscription. The board of directors includes Messrs M. L. Khaitan (chairman), Ashok Kumar Khatau, B. R. Khandelwal, P. W. G. Adair, S. B. Billimoria, N. N. Saher, Servi Singh, N. Whitehead and Man Mohan Singh (managing director).

Nataraj Spinning Mills Share Offer

NATARAJ Spinning and Weaving Mills Ltd is a new Company which proposes to set up a cotton spinning mill in Nirmal, Adilabad district (Andhra Pradesh), with an installed capacity of 12,000 spindles for spinning fine yarn with an average count of 60's. The plant will be producing high quality combed yarn, hosiery yarn, mercerised yarn, doubled, etcetera, in addition to yarn on hanks. The application for import licences for preparatory machines like blow room, drawing frames and slubber-inter have been made, and orders have been placed with indigenous manufacturers for ring frames and carding engines. The project is estimated to cost Rs. 54.25 lakhs, including working capital.

The Company has an authorised capital of Rs. 50 lakhs, made up of Rs. 40 lakhs in equity shares of Rs. 10 each and Rs. 10 lakhs in 9.5 percent cumulative preference shares. The issued capital consists of 200,000 equity shares and 50,000 preference shares, of which the promoters, directors and their friends are taking up 53,950 equity shares and 857 preference shares. The remaining 146,050 equity shares and 49,143 preference shares will be offered for public subscription. The board of directors includes Messrs C. S. Loganathan, T. S. Narayanaswamy, K. Palani, P. Suryanarayana, C. S. Narasimhan, P. Balarama Sastry, P. Nataraja Sastry, L. N. Agarwal, P. Harinarayana and R. Venkatasubba Reddy.

Shree Digvijay Cement Rights Issue

THE directors of Shree Digvijay Cement Co. Ltd have decided, subject to the consent of the Controller of Capital Issues, to issue 50,000 new equity shares of Rs. 100 each at a premium of Rs. 10 a share. These shares will be issued in the proportion of one new share for every three held. Additional capital is being raised in order to finance the Company's expansion plans. The capacity of the Company's cement plant is proposed to be raised from the present 430,000 tons to 630,000 tons a year. The expansion, which is expected to be completed by the end of March 1964, is estimated to cost about Rs. 1.5 crores. The proposed rights issue will yield Rs. 55 lakhs, including Rs. 5 lakhs by way of premium. The balance is to be met from retained earnings, borrowings, etcetera.

The plant and machinery, which had been ordered against a licence under D.L.F. credit, are due to arrive by the end of April. It will be recalled that in August 1962, the Company issued 13,500 equity shares to its collaborators, John Manville International Corporation of the U.S.A. at a premium of Rs. 50 a share, as was then approved by the Controller of Capital Issues. The directors have asked for the Government's

permission for a rights issue at a smaller premium of Rs. 10 a share because of the depressed conditions in the investment market. The Rs. 100-paid share of the Company, which recorded a high of Rs. 218.25 last year, is now quoted around Rs. 172 after having been sold down to Rs. 157.75.

Permanent Magnets Plant. Opened

THE Rs. 1-crore plant of the Permanent Magnets Ltd, which is designed to produce 3.6 million numbers of finished permanent magnets a year, was formally inaugurated in Borivli, a suburb of Bombay, on Saturday. The factory—the first of its kind in India—has started production well according to the original schedule. When the plant goes into full production, it will be able to meet the country's requirements which are at present being met entirely from imports. With the rapid industrialisation of India, increasing quantities of permanent magnets will be needed for industry, defence, mining, communications and transport. The ready availability of permanent magnets will also promote a large number of small and medium-scale industries in entirely new fields. The Italian firm of Centro Magneti Permanenti is collaborating in the venture. The first samples of the product manufactured by Permanent Magnets have proved to be of high quality, fully conforming to international standards.

In his welcome address, Mr. Madanmohan R. Ruia, chairman, said that the Company has decided to produce new varieties of magnets from powder metallurgy which are popularly known as Ferrite or Ceramic magnets. The Company has also plans for early expansion because market research indicates a big demand for magnets. As far as land and other facilities for future expansion are concerned, Permanent Magnets has made all necessary provisions. After expansion, the Company will be in a position to earn valuable foreign exchange through exports. The Rs. 100-paid share of Permanent Magnets is quoted around Rs. 200.

Automobile Products Disappoints

THE Automobile Products of India Ltd has reported extremely disappointing results for the year ended July 1962. The overall sales turnover declined from Rs. 4.39 crores to Rs. 3.26 crores, and the net turnover—after allowing for the value of components transferred at cost to Premier Automobiles—fell from Rs. 4.18 crores to Rs. 2.60 crores. In 1960-61, the Company earned a gross profit of Rs. 19.44 lakhs, but in 1961-62 it incurred a loss of Rs. 19.72 lakhs. After providing for depreciation on fixed assets at Rs. 14.76 lakhs (against Rs. 11.76 lakhs), the loss amounts to Rs. 34.48 lakhs, against a profit of Rs. 7.68 lakhs. With the loss of Rs. 14.62 lakhs brought forward from the previous years and making some minor adjustments, a total loss of Rs. 49.32 lakhs is being carried forward. Dividends have again been skipped. The preference dividends in arrears add up to Rs. 11.14 lakhs.

The directors' report refers to several factors which contributed to the Company's disappointing performance in 1961-62. The reduction in turnover caused by the cancellation of the Meadows diesel engines project could not be made up completely within the year. Machinery for manufacturing Lambretta engine components was originally scheduled for delivery towards the end of 1960,

but the bulk of machinery was delivered only by the middle of 1961. This, in turn, caused delay in completing the training of skilled personnel, and most of the machines went into production only towards the end of 1961. So there was a substantial loss of turnover in the Lambretta division as well. In the initial stages of manufacture of Lambretta engine components, the rate of scrapping on the critical parts was high with the resultant excess consumption of materials. Moreover, the prices of Lambretta scooters continued to be rigidly controlled by the Government at the 1956 levels in spite of the steady increase in the cost of production. It was only in October 1962 that the Government sanctioned an increase of Rs. 83 in the price of the 150 c.c. scooter and Rs. 50 in the case of the 48 c.c. scooterette. The Government is still considering the revision of the price of 175 c.c. F.L.I. three-wheeler.

The directors say that in the current financial year, both production and sales have shown a steady improvement. Effective steps taken to reduce overhead expenditure and consumption of materials and other consumables have shown encouraging results. Automobile Products has been successful in obtaining an outlet for its products in the export market. It has already started exporting brake linings in small quantities, and the directors are optimistic about effecting an initial shipment of Lambretta scooters to one of the Far East countries in the near future. During the year, Rs. 3 lakhs was received from Premier Automobiles Ltd in connection with the cancellation of the Company's licence to manufacture Meadows diesel engines. This amount has been taken into capital reserves which raises Automobile Products' reserves and surplus to Rs. 33.03 lakhs. The Company issued 250,000 rights equity shares against which applications for 89,720 equity shares have so far been received, and these have been allotted in full. The Rs. 10-paid share of Automobile Products is currently quoted around Rs. 6.72.

Canara Bank Does Well

THE Canara Bank Ltd has done well in 1962. Its deposits have risen by 35.5 percent from Rs. 37.56 crores to Rs. 50.88 crores which takes it into the category of major scheduled banks. Advances have also recorded an impressive increase of Rs. 6.54 crores from Rs. 20.39 crores to Rs. 26.93 crores. The credit ratio works out to 52.9 percent, against 54.2 percent at the end of 1961. Investments in Government and other securities at Rs. 17.80 crores show a rise of Rs. 3.42 crores over the previous year's Rs. 14.38 crores. The bank issued additional capital of Rs. 25 lakhs during the year, raising the total paid-up capital to Rs. 75 lakhs. Including the share premium of Rs. 13.80 lakhs, the bank's total reserves at the end of 1962 stood at Rs. 76 lakhs—Rs. 1 lakh more than the paid-up capital. This brings the total capital funds to Rs. 1.51 crores or 3 percent of the deposits. This ratio looks low, compared with the 6 percent suggested by the Reserve Bank, but this is due partly to the sharp increase in the bank's deposits during the year.

In spite of the impressive increase in deposits as well as advances, the bank's profit, after taxation, is down, though only slightly, from Rs. 21.24 lakhs to Rs. 20.58 lakhs. The profit margin has been badly squeezed by the increase in working costs as a result of the implementation of the Desai award, burden of the deposit insurance premium, higher rate of corporate tax and contributions to the

National Defence Fund. With Rs. 47,239 brought forward from the previous year, the disposable surplus amounts to Rs. 21.69 lakhs. The dividend has been maintained at 15 percent, less tax, but since it is on the increased capital, it absorbs a substantially larger amount of Rs. 8.29 lakhs, against Rs. 5.40 lakhs in the previous year. The preference dividend accounts for another Rs. 59,000, against Rs. 62,000. The allocation to the reserve fund has been reduced from Rs. 6.70 lakhs to Rs. 5.50 lakhs and that to the contingency fund from Rs. 4.50 lakhs to Rs. 1 lakh. A sum of Rs. 5.14 lakhs, against Rs. 4 lakhs has been set aside for bonus to staff, leaving Rs. 53,000, to be carried forward. The bank's capital was raised from Rs. 50 lakhs to Rs. 75 lakhs through a two-for-five rights issue at a premium of Rs. 15 a share. The Rs. 50-paid share of Canara Bank is currently quoted around Rs. 81.50 cum-dividend, offering a gross return of a little over 10 percent on fresh investment.

Phaltan Sugar Earns Less

THE preliminary figures about the working results of the Phaltan Sugar Works Ltd for the year ended September 1962, which were released along with the announcement of a cut in the dividend from 18 percent to 14 percent, showed that the Company had fared badly. In spite of an increase of about 40 percent in sales from Rs. 1.24 crores to Rs. 1.73 crores, the gross profit is down by about 14.5 percent from Rs. 14.45 lakhs to Rs. 12.35 lakhs. According to the directors' report, the fall in the profit is due to low production on account of lower yield, the fall in realisation on sugar following decontrol in November 1961 and the losses on export quota sales. Besides, the working results were adversely affected by the breakdown of machinery during the year. The heavier burden of taxation amounting to Rs. 7 lakhs (against Rs. 3.80 lakhs) also affected the disposable surplus. This provision included Rs. 1.15 lakhs representing the agricultural income tax for 1960-61 under the Maharashtra Agricultural Income Tax Act.

The directors state that the Company is not likely to have any income chargeable under the Act in 1961-62. With a view to effecting economy, Phaltan Sugar has started manufacturing raw sugar for the export market during the current 1962-63 season. The results achieved so far are reported to be satisfactory. The Company's expansion and replacement programme has begun and is likely to be completed by the 1963-64 season. The directors feel that the working results will considerably improve when the programme is completed. The Company is also making efforts to find suitable lines for diversification of its activities. The directors expect these efforts to bear fruit in the near future. Against a paid-up capital of Rs. 50 lakhs—all in equity shares of Rs. 50 each—the Company has free reserves amounting to Rs. 49.87 lakhs. The Rs. 50-paid share of Phaltan Sugar is quoted nominally around Rs. 80.

Sirsilk Skips Dividend Again

THE working of Sirsilk Ltd for the year ended September 1962, shows considerable improvement over the previous year's performance. The gross profit has risen by 45 percent from Rs. 36.42 lakhs to Rs. 52.87 lakhs, although sales are slightly down by about 4 percent

from Rs. 2.87 crores to Rs. 2.76 crores. The result could have been still better but for the closure of the factory for two months during the year due to a strike. The latter lasted for three months. Better results are attributed to the increased working efficiency of the plant and improvement in the quality of the Company's products. Provision for depreciation has been raised from Rs. 36 lakhs to Rs. 46.58 lakhs, which includes arrears of Rs. 3.13 lakhs for 1960-61 and Rs. 4.26 lakhs for previous years. Depreciation has been computed under the "straight line" method. Under this method, total arrears of depreciation, since the Company was started, amount to Rs. 2.22 crores. After taking into account Rs. 2.21 lakhs, being the provision for liabilities and credit balances pertaining to previous years written back, the directors have set aside Rs. 8 lakhs for contingencies (against Rs. 20,000). The remaining balance of Rs. 85,759 is being carried forward, against Rs. 47,843 brought in. Both the preference and ordinary dividends have been skipped over for yet another year. The arrears of preference dividends make a formidable total of Rs. 96.59 lakhs.

The directors state that the Company's factory resumed work towards the end of October as a result of the Government's intervention in the labour strike. All pending disputes, including those before the labour tribunals, are being referred to a retired Supreme Court judge for arbitration. Negotiations for technical collaboration with the Celanese Development Company in New York, for implementing the Company's expansion and modernisation programme, are in an advanced stage and are expected to be finalised shortly. The terms of the collaboration agreement are stated to have been approved in principle by the Government of India. The Rs. 10-paid share of Sirsilk is currently quoted around Rs. 8; it touched a high of Rs. 11.31 last year.

I.C.I.C.I. Repeats Dividend

THE Industrial Credit and Investment Corporation of India Ltd has maintained the dividend for 1962 at Rs. 6.50 a share, less tax. According to the preliminary report, the profit, after providing for depreciation and taxation, amounts to Rs. 46.38 lakhs, against Rs. 46.52 lakhs in the previous year. Out of this, Rs. 11.60 lakhs (against Rs. 11.50 lakhs) has been allocated to the special reserve. The Rs. 100-paid share of the Corporation is currently quoted around Rs. 88 cum-dividend, offering a gross return of about 8 percent. The highest price recorded by the share last year was Rs. 94.

Outlook for Shree Vallabh Glass

THE Rs. 75-paid share (the face value is Rs. 100) of Shree Vallabh Glass Works Ltd is currently quoted around Rs. 89. This looks encouraging when viewed against the background of the general slump in the stock market which has pushed several new issues to well below their paid-up value. The optimism of the shareholders of Vallabh Glass seems well justified. The Company has announced that it has started putting its laminating safety glasses on the market. The Company claims to be the first enterprise in India to market this product. Its estimated annual sales are placed between Rs. 25 lakhs and Rs. 30 lakhs. The Company has received the licences for importing the required raw materials. It has already received huge orders for defence as well as from motor-car manufacturers. The

work of modernisation of the Andheri plant is in full swing. The Company has on hand defence orders for "Tufex" toughened glass. It has ordered machinery worth Rs. 7 lakhs from abroad for expanding its activities for manufacturing various types of toughened glasses. The installation and erection of the Company's plant in Anand, Gujarat State, for manufacturing sheet, wired and figured glasses is said to be progressing according to schedule. The Company has also finalised an expansion scheme for manufacturing polished plate glass and has also a project for production of various types of refractories for which it is negotiating with some leading manufacturers abroad, with a view to securing technical assistance.

New Capital Issues

FOUR companies are the latest to be given consent by the Control-

ler of Capital Issues to raise capital totalling Rs. 6.41 crores. Two are new companies. One is a Central Government undertaking. Three companies are issuing equity shares and one equity plus preference shares. The consent in all cases is valid for 12 months. The following are the details:

Hindustan Allied Chemicals Ltd., Andhra Pradesh, will raise capital of Rs. 6 crores: Rs. 4.5 crores in equity shares and Rs. 1.5 crores in 9.3 percent (subject to tax) preference shares, for cash at par except equity shares of Rs. 47.5 lakhs, which will be offered for consideration other than cash to the foreign collaborator, Allied Chemical Corporation of the U.S.A., against the supply of technical know-how, in addition to equity shares of Rs. 1.425 crores for cash. The proceeds will be used for manufacturing fertilisers.

Flender Macneill Gears Ltd., Calcutta, is issuing shares worth Rs. 30 lakhs in equity shares of Rs. 10

each. Of this, Rs. 15 lakhs will be offered to Macneill Barry Ltd for cash. The balance of Rs. 15 lakhs will be subscribed by A. Freidr Flender and Co. of West Germany up to Rs. 13.13 lakhs in cash and Rs. 1.87 lakhs for consideration other than cash. The new Company will manufacture reduction gears and couplings.

Hindustan Teleprinters Ltd., Madras, a Central Government undertaking, is to issue further capital of Rs. 7.80 lakhs divided into 7,800 equity shares of Rs. 100 each to be subscribed privately by the Central Government for cash at par. The proceeds will be used for manufacturing teleprinters and ancillary equipment.

Khan Bahadur W. Rahman Tea and Lands Co. Private Ltd., Calcutta, is raising capital of the value of Rs. 3.64 lakhs divided into 3,640 equity shares of Rs. 100 each, to be issued on capitalisation of general reserves to a like extent in the ratio of one such share for every two held.

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MIXED REACTION TO THE RAILWAY BUDGET

Wednesday Evening.

THE settlement in the Calcutta stock market today has been uneventful. The carry-forward charges are about normal and turnover remains small. Reactions to the Railway Budget for 1963-64 are mixed. The increase in freight rates on goods and parcels is regretted because it will raise production costs further. The surplus in the Railway Budget has, nevertheless, been interpreted somewhat bullishly; most of it will be used to improve the ways and means position of the Central Government, so it is hoped that new taxes in the forthcoming Central Budget will be somewhat less. It is also thought that if the railways can keep up the improvement in traffic by further development, trade and industry will benefit.

There has been a mild reaction during the past week and share prices have declined in shrinking turnover. In fact, most of the gains achieved earlier have been virtually wiped out. An encouraging factor is the absence of selling pressure. Indications are that trading is slowly becoming normal. Hence the authorities have further relaxed the restriction on trading. Except in the case of Indian Iron, all minimum prices have been scrapped. The technical position has improved as most of the outstanding business has been squared up. The load of floating stocks has been reduced.

There is, however, a cautious undertone which is understandable since the Central Budget is only a few days away. The earlier optimism that the new tax measures may not be very stiff has suffered because of the Prime Minister's statement to the Congress Parliamentary Party that the public must be prepared to bear heavier tax burdens. But the stock market hopes that in framing the tax proposals, the Finance Minister will try to give incentives for increasing production.

Lyons Range is worried about the growing shortage of funds. Rumours that the Central Budget may propose a tax on bank deposits, advances or cheques have disturbed the sentiment. As such an impost will hit savings and capital formation severely, it is hoped that it will not be levied. If banks are to be encouraged to open branches in new areas, nothing should be done to discourage the growth of the banking habit.

Indian Iron have reacted after an earlier improvement. In the engineering section, attention has been concentrated on Indian Standard Wagon, Braithwaite, Burn and Jessop, Texmaco have enjoyed influential support but the scrip have reacted towards the close. Interest has also been taken in Britannia Engineering, Kumardhubi, Dalmia Iron and J. K. Steel. Bank shares have been neglected.

Indian Aluminium have rallied smartly in the miscellaneous section on increasing its profits and paying a higher ordinary dividend. In clearing shares, Hindustan Motors, Indian Copper, Dunlop Rubber and Indian Cable have been steady. Alkali Chemicals, Angelo Brothers, Associated Battery and British Paints have recovered. Goodyear India have been steady on news of a rights issue. National Pipes and Tubes have been bought on repeating the ordinary dividend. Martin Burn have been steady in spite of the dividend cut. In electric shares, Calcutta Electric

have been taken. Among new scrip, Hindustan Twyford, Isaac Holdens, Asiatic Oxygen and India Carbon have been supported.

The recent public issue of 12,250 ordinary shares by National-Standard Duncan Ltd has been over-subscribed. For deciding the allotment, lots have been taken in the case of applications for 10 and 20 shares. Five shares each will be allotted to 35 percent and 66.6 percent of the applications in the above groups, respectively. An allotment of 5 shares has also been made to all applicants for 30 to 50 shares. Allotments in other cases are 10 against 60 to 110 shares, 15 against 120 to 160 shares, 20 against 200 to 210 shares, 25 against 250 to 260 shares, 30 against 300 to 360 shares, 40 against 450 to 550 shares, 75 against 1,000 shares and 150 against 2,500 shares. Arrangements are in hand to issue all allotment and regret letters, together with refund pay orders.

Among paper shares, Titaghar have gained. Interest has also been taken in Sirpur, Orient and Bengal. Turnover has increased in jute shares on hopes of good dividends. Champdany have met with support on the news that the Company has decided to refund soon a portion of the capital. Gourepore, Fort Gloster, Birla, Chitavalah, Union, Anglo-India, Kamarhatti and Howrah have been steady.

In coal shares, support has been confined to Bengal, East Indian, Burrakur, Amalgamated and Central India. In the cotton mill section, Dunbar have gained on dividend hopes. Interest has been shown in Jay Shree Textiles and J. K. Rayon. Sugar shares have been neglected. In tea shares, buyers have been difficult to locate despite the scrapping of minimum prices.

In Government securities, short-dated stocks have been steady due to scattered support. Prices of medium and long-dated loans have been easier. State Government loans have been freely offered without attracting support. Little interest has been taken in preference shares and debentures.

Bombay

PRICES RECOVER ON
BROAD FRONT
RESTRICTIONS RELAXED
FURTHER

Wednesday Evening.

THE Bombay stock market has started the new account with a steady undertone during the week. Share prices have recovered on a broad front, partly because of replacement buying and partly because of short-covering. The authorities have relaxed restrictions on trading to a great extent. The remaining minimum prices for Tata ordinary, Indian Iron, Century and National Rayon have been scrapped. The compulsory carry-over for Century, National Rayon and Tata ordinary has also been removed. In view of the decline in selling pressure and the squaring up of the outstanding business, it is hoped that trading will continue to be normal.

At the close, investors and operators have turned cautious in view of the Budget uncertainties. Although it is hoped that the Central Finance Minister will not increase the financial burden on companies by imposing heavy taxes, there has been a general inclination not to enter into fresh commitments until the Budget proposals are known. Selling pressure has abated because of encouraging corporate news.

Tata ordinary have improved to Rs. 119 and Indian Iron to Rs. 21.24. Replacement buying has helped increase the price of Tata Locomotive. Interest has also been taken in Alcock Ashdown, Premier Construction and Larsen and Toubro. Mukand Iron have been supported on prospects of a rights issue in the proportion of one new share for every share held at a premium of Re. 1 a share.

Cotton mill shares have become steadier because of the improved off-take of cloth in the domestic market. It is also hoped that vigorous measures will be taken to step up the export of cloth and yarn. Century, Bombay Dyeing, Tata Mills, Svadeshi and Kohinoor have recovered. Interest has been taken in India United ordinary, Morarjee and Standard.

Miscellaneous shares have moved up in sympathy with the general trend. Among cement shares, Digvijay have been bought on prospects of a rights issue. Associated Cement have been transacted. Sugar shares have been subdued on fears of a cut in production during the current year. Belapur and Voltas have been freely available. Mining shares showed little change. Steamship company shares have been fractionally higher and support has been confined to Scindia Steam.

Rayon shares have been very steady. National Rayon have gained at Rs. 369 on prospects of expansion. It is believed that the Company has taken steps to set up a new pulp wood plant. Gwalior Rayon and Baroda Rayon have been bought. Bombay Burmah have recovered on replacement buying. Interest has been shown in Voltas and Tata Oil. Chemical shares have been steady, and Colour-Chem have improved sharply. Indian Dyestuff and Tata Chemical have been steadier. Bigger interest has been shown in selected cash shares. Permanent Magnets have gained on hopes of expansion. Scattered support has been extended to bank and insurance shares. Electric company shares have been generally easier. Ahmedabad and Bombay Suburban have been transacted.

Madras

PRICES STEADY IN
SMALL TURNOVER
SECURITIES DECLINE
ON PRESSURE

Tuesday Evening.

ALTHOUGH the undertone of the Madras stock market has been steadier during the past week, turnover has been small. The improvement has taken place in response to firmer advices from Dalal Street. Selling pressure has generally declined, but investors have been

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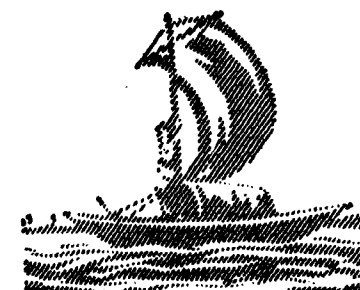
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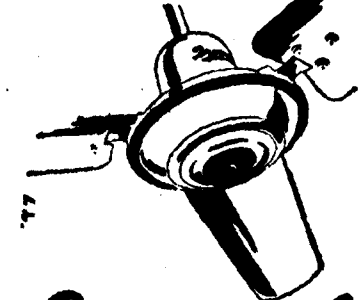
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cautious because of the forthcoming Central Budget. Prices of selected tea and coffee shares have been steadier on good crop reports. Textile shares have shown mixed trends. Business has been negligible in miscellaneous shares. Sugar shares have been dealt in cautiously.

Government securities have been quiet, and prices of State loans have declined on pressure. There has virtually been no interest in preference shares and debentures. Scattered support has been extended to Vellore and Ellore among electric companies. In the plantation section, Blue Mountain have gained at Rs. 2.53, Periakaramalai at Rs. 3.05 and Consolidated Coffee at Rs. 15.93. Mysore Coffee have declared a taxable ordinary dividend of 15 percent and United Nilgiri a taxable ordinary dividend of 7.5 percent. Kumerode have paid a taxable ordinary dividend of 15 percent. Interest has been taken in Peermade, Thirumbadi, Hailey-buria and Chembra.

In the cotton mill section, South India Viscose have gained sharply on hopes of good working results. The scrip have been bought up to Rs. 147. Travancore Rayon have hardened to Rs. 26.75. Madras, Bangalore Woolen and Anglo-French have been steady. Among sugar shares, interest has largely been confined to E.I.D. at Rs. 39.20 and to Mysore at Rs. 51.30. In the miscellaneous section, Aluminium Industries have been taken at Rs. 21.30, Ashok Leyland at Rs. 7.65, India Cement at Rs. 6.20 and Mettur Chemical at Rs. 13.35. Madras Rubber and Mysore Paper have improved on good working results. Seshasayee Paper and Parry's Confectionery have been steady at lower levels. Travancore Chemical and Manufacturing has decided to redeem the 6½ percent redeemable cumulative preference shares for Rs. 3 lakhs.

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THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations. Highest for the week. Lowest for the week. Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs. 29/44—29/87—29/44—29/44—(34/50)
Burrakur Coal—Rs. 15/87—15/87—15/56—15/62—(17/81)
Dunlop Rubber—Rs. 35/25—35/75—35/25—35/75—(43/31)
Guest, Keen, Williams—Rs. 33/00—33/12—32/25—32/25—(47/75)
Hindustan Motors—Rs. 17/37—17/44—17/00—17/12—(20/75)
Howrah Jute—Rs. 18/75—18/87—18/75—18/87—(26/87)
Indian Copper—Rs. 4/40—4/41—4/30—4/39—(5/07)
Indian Iron & Steel—Rs. 21/30—21/50—21/10—21/10—(25/44)
Indian Aluminium—Rs. 32/50—33/00—31/75—32/00—(30/12)
Indian Cable—Rs. 33/44 s.t.—33/75—33/44—33/75—(37/87)
J. K. Cotton Spg & Wv.—Rs. 13/81 s.t.—14/37—13/75—14/00—(20/87)
Jaipur Udyog—Rs. 11/12—11/37—11/12—11/25—(14/19)
Kesoram Industries—Rs. 21/06—21/25—21/00—21/06—(34/69)
Orient Paper—Rs. 35/30—36/10—35/20—36/10—(41/95)
Orissa Cement—Rs. 15/31—15/69—15/31—15/56—(19/50)
Rohas Industries—Rs. 11/50—11/94—11/50—11/75—(17/87)
Shree Gopal—Rs. 22/62—22/75—22/50—22/56—(26/19)
Textile Machinery—Rs. 20/50—21/80—20/50—21/10—(20/10).

GOVERNMENT SECURITIES

3 % Loan (1986)—Rs. 63/15—63/30—63/05—63/15
3 % " (1963-65)—Rs. 99/15—99/15—99/15—99/15
3 % " (1964)—Rs. 98/90—98/90—98/90—98/90
3 % " (1970-75)—Rs. 85/43—85/47—85/43—85/43
3 % " (1966-68)—Rs. 96/25—96/30—96/25—96/26
31 % " (1963)—Rs. 99/85—99/90—99/85—99/90
31 % " (1968)—Rs. 99/30—99/30—99/20—99/23
31 % " (1967)—Rs. 99/10—99/10—99/10—99/10
4 % " (1972)—Rs. 99/05—99/20—99/05—99/10
4 % " (1979)—Rs. 98/30—98/30—98/30—98/30
4 % " (1981)—Rs. 98/20—98/20—98/20—98/20
4 1/2 % West Bengal (1974)—Rs. 98/00—98/00—97/90—97/90
4 1/2 % Orissa (1972)—Rs. 95/00—95/10—95/00—95/10
4 1/2 % U.P. (1974)—Rs. 96/17—96/35—96/17—96/35
4 1/2 % Orissa (1974)—Rs. 96/20—96/25—96/17—96/25
4 1/2 % Loan (1985)—Rs. 99/95—99/95—99/95—99/95
4 1/2 % Madras (1972)—Rs. 95/30—95/30—95/30—95/30
4 1/2 % U.P. (1974)—Rs. 96/25—96/25—96/20—96/20

BANKS

Allahabad (Pref.)—Rs. 98/00—98/00—96/00—96/00—(95/50)
Bank of Baroda—Rs. 94/00—94/00—93/75—93/75—(119/50)
United Bank of India (Rs. 10 paid)—Rs. 7/31—7/44—7/31—7/44—(7/06)
United Commercial—Rs. 74/75—75/25—74/75—75/25—(105/50).

RAILWAY

Dehri-Rohas—Rs. 13/56—13/56—13/56—13/56—(19/50).

COTTONS

Basanti—Rs. 12/75—12/75—12/75—12/75—(7/19)
Bharat Commerce—Rs. 22/62—23/50—22/62—23/25—(29/19)
Bowreah—Rs. 23/81—23/81—23/81—23/81—(39/62)
Cawnpore—Rs. 6/75—6/94—6/75—6/94—(10/12)
Jay Shree—Rs. 14/50—14/75—14/50—14/75—(17/44)
Jiyajee—Rs. 9/94—10/12—9/94—10/12—

New Victoria—Rs. 1/37—1/56—1/37—1/56—(1/75)
Do. (Pref.)—Rs. 2/75—2/81—2/75—2/81—

COALS

Amalgamated—Rs. 24/75—24/81—24/50—24/81—(21/75)
Bengal—Rs. 299/00—299/00—299/00—299/00—(360/00)
Central India—Rs. 9/91—10/06—9/91—10/00—(11/94)
Narzira—Rs. 5/12—5/12—5/12—5/12—(6/87)
Western Bengal—Rs. 8/81—8/97—8/75—8/97—(9/56)

JUTES

Agarpara—Rs. 10/62—10/62—10/62—10/62—(11/25)
Anglo-India—Rs. 223/00—223/00—223/00—223/00—(221/00)
Do. (Pref.)—Rs. 91/50—92/00—91/50—92/00—(91/00)
Auckland—Rs. 153/00—156/00—153/00—155/00—(165/00)
Alliance—Rs. 110/00—110/00—110/00—110/00—(105/00)
Budge Budge—Rs. 168/00—169/00—168/00—169/00—(132/00)
Dalhousie—Rs. 136/00—139/00—136/00—139/00—(131/00)
Delta—Rs. 176/00—176/00—173/00—173/00—(167/00)
Fort Gloster—Rs. 399/00—399/00—399/00—399/00—(420/00)
Fort William—Rs. 26/00—26/00—26/00—26/00—(19/12)
Ganges—Rs. 13/44—14/00—13/44—13/75—(24/44)
Hooghly (Pref.)—Rs. 10/25—10/25—10/25—10/25—(10/25)
India—Rs. 18/25—8/50—18/25—18/50—(27/94)
Kankarab—Rs. 140/00—140/00—140/00—140/00—(155/00)
Kelvin—Rs. 204/00—204/00—204/00—204/00—(204/00)
Megna—Rs. 13/50—13/62—13/44—13/50—(12/44)
Naihati (2nd Pref.)—Rs. 82/00—83/00—82/00—83/00—(84/12)
Northbrook—Rs. 31/75—31/87—31/75—31/87—(33/37)
New Central—Rs. 13/50—14/00—13/25—14/00—(19/31)
Nuddea—Rs. 60/00—60/25—60/00—60/25—(67/00)
Presidency—Rs. 5/31—5/31—5/31—5/31—(5/37)
Rameshwara—Rs. 9/37—9/44—9/37—9/44—(8/06)
Reliance—Rs. 6/75—7/12—6/75—7/06—(7/00).

MININGS

Assam Sillimanite—Rs. 9/25—9/37—9/19—9/37
Chrestien Mica—Rs. 9/44—9/44—9/44—9/44—(11/75)
Do. (Pref.)—Rs. 36/00—36/00—36/00—36/00—(43/00)
Karnapura Development—Rs. 11/69—11/81—11/69—11/81—(16/69)
Metal Corp.—Rs. 8/19—8/50—8/12—8/44—(12/37).

CHEMICALS

Alkali & Chemical—Rs. 34/50—34/50—34/37—34/37—(45/12)
Smith Stanistreet—Rs. 13/25—13/44—13/25—13/44—(18/44)
Dhrangadhra—Rs. 89/50—89/50—89/50—89/50—

CEMENT

Dalmia (Bharat)—Rs. 13/31—13/62—13/25—13/56—(13/12)
Sone Valley—Rs. 4/06—4/47—4/06—4/37—(5/09).

ELECTRICS

Benares—Rs. 12/37—12/37—12/37—12/37—(12/00)
Calcutta—Rs. 14/25—14/44—14/12—14/12—(14/94)
Do. (Pref.)—Rs. 8/25—8/31—8/25—8/31—(8/69)
Patna—Rs. 10/48—10/48—10/48—10/48—(10/81).

ENGINEERING

Bhartia Elec. Steel—Rs. 13/94—14/00—13/94—14/00—(11/00)
Braithwaite & Co.—Rs. 36/50—36/75—36/50—36/50—(50/00)
Britannia Eng.—Rs. 10/31—10/37—10/12—10/37—(12/69)
Bharat Ball Bearing—Rs. 13/62—13/81—13/62—13/81—
Binani Metal—Rs. 10/50—10/81—10/37—10/81—
Burn & Co.—Rs. 507/00—507/00—503/00—504/00—(560/00)
Calcutta Steel—Rs. 13/81—13/81—13/69—13/69—
Dalmia Iron—Rs. 11/87—11/87—11/87—11/87—(11/69)
India Machinery—Rs. 4/50—4/50—4/50—4/50—

CAPITAL, 21st February, 1963.

Indian Standard Wagon—Rs. 30/75—30/75—30/50—30/50—
Jessor & Co.—Rs. 22/56—23/25—22/56—23/25—(23/06)
J. K. Steel—Rs. 15/00—15/00—15/00—15/00—(20/25)
Kumardhubi—Rs. 7/25—7/47—7/19—7/19—(7/87)
Marshalls—Rs. 3/37—3/44—3/31—3/37—(3/40)
National Iron & Steel—Rs. 4/00—4/00—4/00—4/00—(5/69)
Saran Eng.—Rs. 7/65—7/65—7/65—7/65—(10/31).

MISCELLANEOUS

Aluminium Corp.—Rs. 14/19—14/19—13/62—14/00—(18/00)
Do. (5% Pref.)—Rs. 61/50—62/00—61/50—62/00—(70/00)
Asiatic Oxygen—Rs. 9/56—9/75—9/40—9/56—
Assam Hardboard—Rs. 3/25—3/31—3/25—3/31—
Angelo Brothers—Rs. 24/81—24/87—24/81—24/87—(23/06)
Asian Refractories—Rs. 6/75—7/50—6/75—7/50—
Associated Battery—Rs. 26/50 x.d.—26/50—26/50—26/50—(32/87)
Bhartia Sons—Rs. 2/50—2/50—2/50—2/50—

2/50
Britannia Biscuits—Rs. 44/12—44/12—43/81—43/87—(43/62)
B. I. Corp.—Rs. 9/19—9/31—9/06—9/15—(12/44)
British Paints—Rs. 19/19—19/19—19/19—19/19—(26/75)
Barace Coke—Rs. 21/87—21/87—21/87—21/87—(16/00)
Calcutta Trams (Pref.)—Rs. 8/00—8/06—8/00—8/06—(7/69)
Dr. Paul Lohmann—Rs. 17/25—17/31—17/25—17/31—
East Anglia Plastics—Rs. 10/50—10/61—10/50—10/75—
Electric Construction—Rs. 13/87—14/37—13/75—14/00—(15/81)
Goodyear India—Rs. 38/25—39/00—38/25—39/00—
Hindustan Aluminium—Rs. 13/87—14/08—13/81—13/94—
Hindustan Pilkington Glass—Rs. 18/00—18/25—18/00—18/25—(32/12)
Do. (New)—Rs. 16/69—16/69—16/69—16/69—
Hindustan Wire Products—Rs. 16/00—16/00—16/00—16/00—
Hindustan Lever—Rs. 45/50—45/50—45/50—45/50—
Hindustan Development—Rs. 4/62—4/62—4/62—4/62—
Imperial Tobacco—Rs. 10/44—10/62—10/37—10/62—(12/87)
Indian Tack & Nail—Rs. 13/12—13/56—13/12—13/44—
Isaac Holdens—Rs. 14/94—15/19—14/81—15/19—(18/37)
India Carbon—Rs. 21/37—21/37—21/37—21/37—
Indian Oxygen—Rs. 27/87—28/00—27/50—27/87—(41/62)
J. K. Synthetics—Rs. 11/44—11/62—11/37—11/50—
Jardine Henderson—Rs. 73/50—73/50—73/00—73/00—(81/00)
Metal Distributors—Rs. 5/19—5/25—5/19—5/25—
Martin Burn—Rs. 30/25—30/37—30/12—30/12—(33/62)
Do. (Pref.)—Rs. 84/00—84/00—84/00—84/00—(85/00)
Metal Box—Rs. 50/50—50/50—50/50—50/50—(62/25)
Madhya Pradesh Industries—Rs. 8/62—8/69—8/62—8/69—
National Insulated Cable—Rs. 24/50—24/75—24/50—24/75—(46/12)
National Tobacco—Rs. 11/50—11/50—11/50—11/50—(18/00)
National Pipes & Tubes—Rs. 29/00—29/06—29/00—29/06—(31/75)
Phillips India—Rs. 26/00—26/25—26/00—26/25—(39/50)
Rallis India—Rs. 129/00—130/00—128/00—130/00—(145/00)
Rohas Industries (B' Pref.)—Rs. 52/25—52/25—52/50—54/50—
Shaw Wallace—Rs. 18/50—18/50—18/19—18/19—(24/06)
Sirsluk—Rs. 8/62—8/62—8/06—8/50—(11/12)
Universal Cables—Rs. 8/94—9/00—8/94—9/00—
Union Carbide—Rs. 42/25—42/25—41/75—41/75—(56/75)
Usha Martin Black—Rs. 13/81—13/87—13/69—13/75—
Walford Transport—Rs. 3/37—3/59—3/37—3/59—(4/16).

OIL

Indo-Burma Petroleum—Rs. 23/25—23/56—23/19—23/44—(29/25).

PAPERS

Ballarpur—Rs. 17/25—17/31—17/00—17/00—
Bengal—Rs. 31/75—31/75—31/75—31/75—

CAPITAL, 21st February, 1963.

India Paper Pulp—Rs. 18/89—19/37—18/69—18/69—(17/62)
Orient (1st Pref.)—Rs. 87/00—87/00—87/00—87/00—
Sirpur—Rs. 11/75—11/87—11/62—11/62—(16/50)
Seshasayee—Rs. 7/56—7/81—7/56—7/81—
Straw Products—Rs. 9/12—9/12—9/00—9/00—
Titaghar—Rs. 17/25—17/87—17/25—17/81—(42/69).

REAL PROPERTIES

Bengal Bonded Warehouse (B' Share)—Rs. 135/00—135/00—135/00—135/00—(58/00)
Do. (A' Shares)—Rs. 1,050/00—1,050/00—1,050/00—1,050/00—

PRESSING

Hooghly Ganges Hydraulic—Rs. 4/65—4/65—4/65—4/65—

SHIPPINGS

Calcutta Landing—Rs. 35/00—35/06—35/00—35/06—(12/94).

India Steamship—Rs. 6/19—6/22 6/00—6/10—(7/44).

SUGARS

Cawnpore—Rs. 11/19—11/25—11/12—11/12—(13/00)
Raza Buland—Rs. 9/12—9/75—9/06—9/75—(10/62)
Shree Krishna Gyanodaya—Rs. 1/84—1/84—7/75—7/75—(10/12).

TEAS

Brooke Bond—Rs. 11/50—11/50—11/50—11/50—(15/62)
Hulidibari—Rs. 13/69—13/69—13/31—13/62—(32/00)
Hasimara—Rs. 13/25—13/37—13/25—13/37—(33/19)
Hantapara—Rs. 103/00—103/00—103/00—103/00—(122/00)
Kotamullai (Pref.)—Rs. 15/00—15/00—15/00—15/00—
New Cinnatollah—Rs. 302/00—302/00—302/00—302/00—
Poobong—Rs. 7/50—7/50—7/50—7/50—(7/37)
Sarugaon—Rs. 36/25—36/25—36/25—36/25—(36/00)
Seajuli—Rs. 21/12—21/12—21/12—21/12—(22/87).

London

ERRATIC TREND IN PRICES

GILT-EDGED DULL

London, 20th February.

THE past week witnessed erratic trends in the London stock market. Buyers were initially encouraged by the latest survey of the National Institute of Economic and Social Research which came out with the recommendation that the U.K. Chancellor of the Exchequer should introduce tax cuts to the tune of £400 million. Prices moved smartly ahead in response to increased buying but just before the week-end came the latest statement from the Fed-

eration of British Industries with its somewhat gloomy picture of current business experience. Since then, most of the earlier gains were considerably reduced and, in some cases, wiped out. The January trade figures did not help matters and the market continued to ease. Gilt-edged securities were dull as they always are when there is any mention of inflation. The Government's recommendation of a big spending policy brought in sellers. Dollar stocks followed Wall Street trends which, on most days, were towards higher levels. The dollar premium was again above the 8-percent level. Gold shares met with selective support at times and coppers were firm. Tins moved narrowly. Oils were overshadowed by the much talked of Russian oil-for-ships proposal. Teas met with some support but the strength of Tebrau was the only feature of rubbers.

The Truth about Man-Made Fibres...I

How Man-Made Fibres Can Help Conserve Foreign Exchange

83,00,00,000 RUPEES...enough foreign exchange to buy 450 jet fighters...were spent in 1961 alone on securing cotton and other fibres for the textile industry. In the crisis before us, full production of food and cloth becomes urgent. Increasing the production of textiles to meet India's needs is possible, but we need not pay so high a price for imports.

Man-Made Fibres Can Do It

A million bales of cotton worth Rs 70 crores had to be imported last year to meet deficiencies in India's production. This drain on foreign exchange can be stemmed if man-made fibres like rayon and nylon are

With progressive indigenous manufacture of rayon and nylon tyre-cord, huge additional savings in foreign exchange will be made possible.

Raw Materials No Problem

Initially the annual outlay of exchange on raw materials for filament yarn and staple fibre would be Rs 2.8 crores and Rs 9.1 crores respectively. This however will soon dwindle to a mere Rs 2.75 crores with self-sufficiency in wood pulp, caustic soda and sulphuric acid. The nylon industry today provides for its own raw materials through export. With a caprolactum plant in construction, it will soon be self-sufficient.

Exchange Will Be Earned

With optimum production of man-made fibres, the demand



for fibres will be met and prices will stabilize. Self-sufficiency achieved, Indian textiles will gain new dimensions in texture and utility and will even earn a sizeable surplus in foreign exchange by entering the overseas markets at increasingly competitive prices.

Therefore, it stands to reason: if the entire textile industry can achieve self-sufficient production with Rs 29 crores of foreign

exchange now, why must Rs 83,00,00,000 be wasted on imports every year?

Man-Made Fibres Meet India's Vital Needs

The Association of Man-Made Fibre Industry, Resham Bhavan, Vir Nariman Road, Bombay I

MARTIN BURN LOOK BACK TO OVER 180 YEARS OF SERVICE TO INDIA

... TO BE ABLE TO COMPUTE THIS SERVICE BY DECADES, not by years alone ... to recall that our credit has consistently been the development of our country's resources through engineering and allied enterprises ... to take pride in planning that makes the many units in our organization fall into a rational and complementary group and each one a leader in its particular field, a position which some of them, early pioneers in India, held even in the last century. For us looking back is a worthwhile proposition—an incentive to move forward.

AMONG THE COMPANIES IN THE MARTIN BURN GROUP ARE :

THE INDIAN IRON & STEEL CO. LTD. : With a million ton integrated steel plant at Burnpur, the largest foundry in the Commonwealth at Kulti and its own collieries and iron ore mines, IISCO has an enviable record in production efficiency.

BURN & CO., LTD. HOWRAH WORKS : Pioneers in foundry practice in India, in structural steelwork fabrication and the manufacture of rolling stock—the origins of the Company go back to the year 1781.

BURN & CO. LTD., REFRACTORY & CERAMIC GROUP : Apart from stoneware pipes and chemical stoneware, the works of this group—eight in number and located in four states—manufacture nearly all types of refractories to meet the requirements of India's steel industry, power undertakings, railways, ordnance factories—in fact, any industry requiring refractory material for the maintenance of furnaces.

THE INDIAN STANDARD WAGON CO. LTD., SANTA : The oldest Indian unit started for the specific purpose of manufacturing railway rolling stock—has been mainly responsible for building up the wagon building industry. Also manufactures springs, forgings, pressings and stampings for heavy industry as well as automotive components.

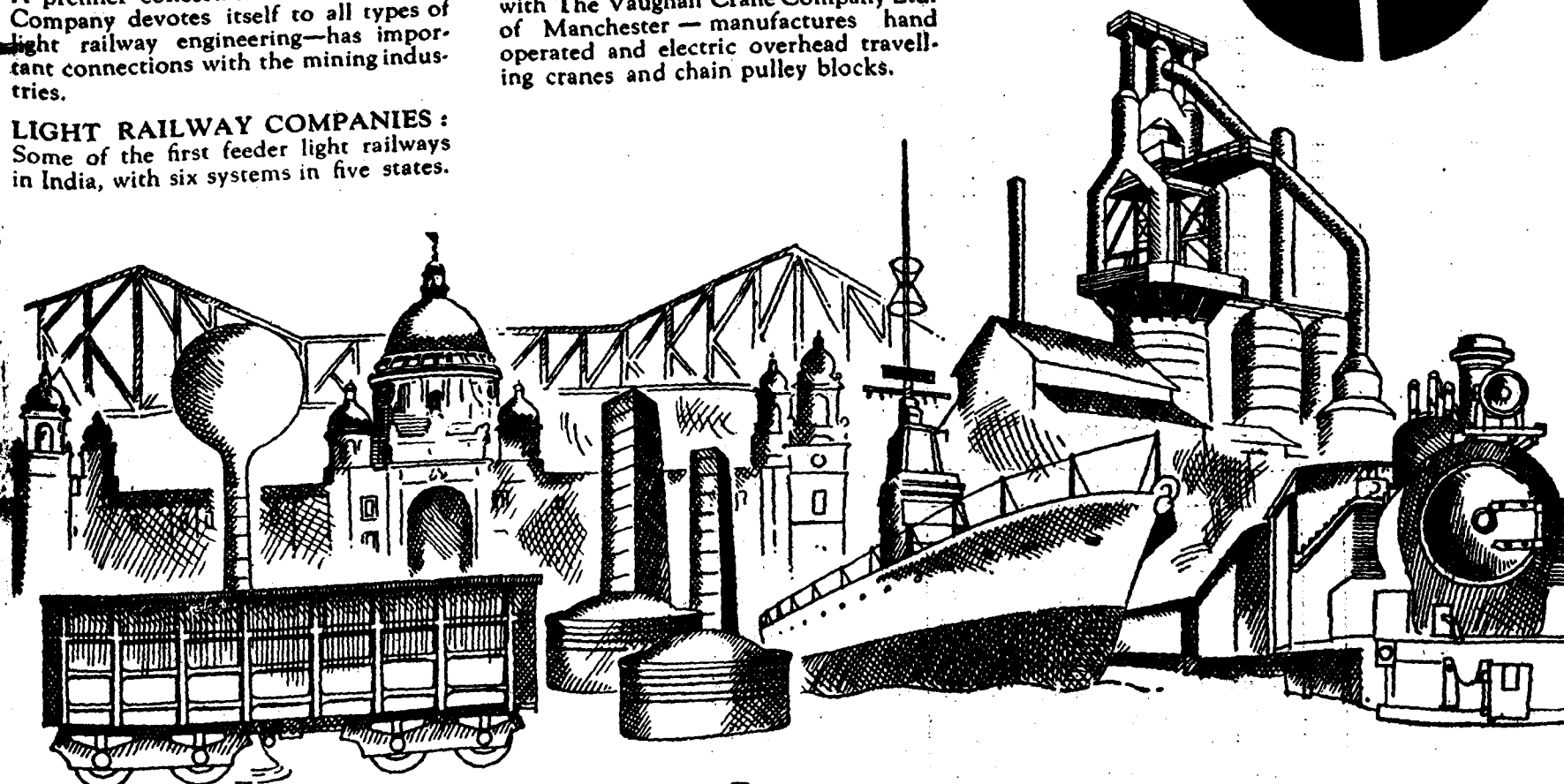
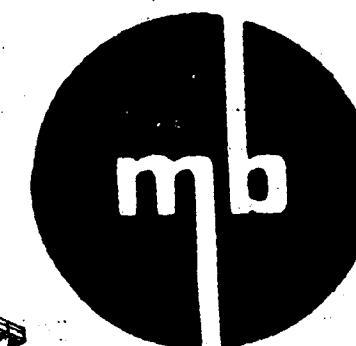
THE HOOGHLY DOCKING & ENGINEERING CO. LTD. : Established in 1819, the Company has a ship-building yard, a dry dock and extensive workshops at Salkia.

ROBERT HUDSON (INDIA) LTD. : A premier concern in its own field, the Company devotes itself to all types of light railway engineering—has important connections with the mining industries.

LIGHT RAILWAY COMPANIES : Some of the first feeder light railways in India, with six systems in five states.

ELECTRIC SUPPLY COMPANIES : Pioneers again in the generation and distribution of domestic power in India—serve 45 towns in Uttar Pradesh and Madhya Pradesh.

THE VAUGHAN BURN CRANE COMPANY LTD. : A collaboration with The Vaughan Crane Company Ltd. of Manchester—manufactures hand operated and electric overhead travelling cranes and chain pulley blocks.



MARTIN BURN LIMITED Calcutta New Delhi Bombay Kanpur Patna

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
		(In 000's of Rupees)	15-2-63	8-2-63
Liabilities—				
Notes in Banking Dept.	...	...	18,12.18	16,01.11
Notes in Circulation	...	...	22,08,53.31	22,10,81.71
Total Notes issued	...	...	22,26,65.46	22,26,82.82
Assets—				
A Gold Coin and Bullion	...	...	1,17,76.10	1,17,76.10
Foreign Securities	...	...	95,08.43	85,08.43
Total of A	...	...	2,12,84.53	2,02,84.53
B Rupee Coin	...	...	1,17,38.75	1,17,56.06
Rupee Securities	...	...	18,96,42.21	19,03,42.21
Total	...	...	22,26,65.49	22,26,82.82
BANKING DEPARTMENT				
Liabilities—				
Capital Paid-up	...	...	5,00.00	5,00.00
Reserve Fund	...	...	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	...	61,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund	...	...	7,00.00	7,00.00
Deposits—				
(a) Central Govt.	...	...	86,37.94	89,30.92
State Govts.	...	...	8,94.50	7,98.56
(b) Banks—	...	...		
(i) Scheduled Banks	...	...	79,05.42	73,41.90
(ii) State Co-operative Banks	...	...	1,62.70	1,62.95
(iii) Other Banks	...	...	4.80	4.22
(c) Others	...	...	1,63,37.51	1,62,75.35
Notes Payable	...	...	60,37.12	59,52.63
Other Liabilities	...	...	5,83,54.83	5,73,36.99
Total	...	...	5,83,54.83	5,73,36.99
Assets—				
Rupee Coin	...	...	18,12.18	16,01.11
Rupee Securities	...	...	2.30	3.31
Small Coin	...	...	1.83	2.49
National Agricultural Credit (Long Term Operations) Fund	...	...		
(a) Loans and Advances to—	...	...		
(i) State Govts.	...	...	23,69.56	23,75.98
(ii) State Co-operative Banks	...	...	10,75.84	10,83.60
(iii) Central Land Mortgage Banks	...	...		
(iv) Investment in Central Land Mortgage Bank	...	...	2,84.88	2,84.88
National Agricultural Credit (Stabilisation) Fund	...	...		
Loans and Advances to State Co-operative Banks	...	...		
Bills Purchased and Discounted—	...	...		
(a) Internal	...	...		
(b) External	...	...		
(c) Govt. Treasury Bills	...	...	78,39.86	75,13.87
Balances Held abroad	...	...	10,00.65	10,00.26
Loans and Advances to Govt.	...	...	27,43.35	24,50.99
Loans and Advances to—	...	...		
(i) Scheduled Banks	...	...	37,55.20	43,71.93
(ii) State Co-operative Banks	...	...	1,32,35.17	1,32,93.53
(iii) Others	...	...	1,42.57	1,43.57
Investments	...	...	2,06,63.64	1,97,25.54
Other Assets	...	...	34,27.60	34,15.70
Total	...	...	5,83,54.83	5,73,36.99

SCHEDULED BANKS

		Week Ended		
		(In 000's of Rupees)	8-2-63	1-2-63
(I) Demand Liabilities—				
(a) Demand Deposits	...	...	45,82.17	47,80.26
(i) From Banks	...	...	8,09,72.14	8,18,82.39
(ii) From others	...	...	18,16.01	20,05.79
(b) Borrowing from Banks	...	...	58,24.44	60,96.63
(c) Others	...	...		
(II) Time Liabilities—				
(a) Time Deposits	...	...	22,49.50	22,09.43
(i) From Banks	...	...	12,20,92.96	12,18,44.89
(ii) From others	...	...	10,28.54	10,25.55
(b) Borrowing from Banks	...	...	11,31.69	11,25.54
(c) Others	...	...		
(III) Borrowing from State Bank—				
(a) Demand Liabilities	...	...	7,16.16	5,44.93
(i) Demand Deposits	...	...	8,61.00	9,98.50
(ii) From Banks	...	...	43,13.18	35,93.30
(iii) From others	...	...	50,67.00	49,27.70
(b) Borrowing from Reserve Bank	...	...	78,03.79	85,80.96
(c) Cash	...	...	18,60.97	18,93.65
(d) Balances with the Reserve Bank	...	...	38,23.20	42,97.15
(e) Balances with other Banks in current account	...	...	6,22,16.47	6,37,02.64
(f) Money at call and short notice	...	...	12,77,71.58	12,68,94.24
(g) Investments in Central and State Govt. Securities	...	...	10,96.61	10,96.61
(h) Loans, Cash credits and Overdrafts	...	...	1,80,23.11	1,70,78.42
(i) Due from Banks	...	...	51,45.65	52,14.67
(j) Inland Bills purchased and discounted	...	...	15,22,01.83	15,02,84.94
(k) Foreign Bills purchased and discounted	...	...		
(l) Total of K, JI and XII	...	...		

Money

THE CALCUTTA MONEY MARKET

FAIR INCREASE IN ADVANCES

Wednesday, 20th February.

THE aggregate level of advances has shown a fair increase in the Calcutta money market during the past week. Much of the increase is on account of the jute and sugar mills. But the credit given to the cotton textile industry and to the iron, steel and engineering units has also risen. Advances against food-grains and seeds are slightly smaller. In the interbank market, conditions are somewhat easier and the call rate quotes between 5½ percent and 5½ percent.

The exchange market has been quiet. The supply of tea bills has been moderate, but that of gunny bills remains poor. The demand for remittance has been fairly small. The trend in sterling is mixed. It has shown some improvement in relation to the U.S., Dutch, Belgian, French and Swedish currencies. But it has weakened in comparison with the Canadian, West German, Swiss and Danish currencies.

SILVER WAS STEADIER IN CALCUTTA during the past week due to good upcountry demand. The price rose from the previous week's level of Rs. 268.75 to Rs. 276.25, quoted today for ready delivery. The London and New York prices were 108d and 125.5 cents.

DURING THE WEEK ENDED 15TH February, Government of India Treasury bills for Rs. 12,21,25,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 19th February. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.405 and above were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.365 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 23rd February.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 20th February to 23rd February at Rs. 99.426 percent, subject to the conditions previously announced that sales can be stopped at any time without notice if the Government thinks it necessary. These bills, sold from 13th February to 16th February, amounted to Rs. 54,25,000.

THERE WERE DECLINES OF RS. 2.27 crores to Rs. 2,208.55 crores in active notes and of Rs. 18 lakhs to Rs. 2,226.65 crores in the total note issue, according to the return of the Reserve Bank of India during the week ended 15th February, 1963. Notes held in the Banking Department consequently rose by Rs. 2.11 crores to Rs. 18.12 crores. An increase of Rs. 7 crores to Rs. 95.08 crores in foreign securities was offset by an equivalent decline to Rs. 1,896.4 crores in rupee securities of the paper currency reserve. Deposits of the Government of India fell by Rs. 2.93 crores to Rs. 86.38 crores while other Government accounts rose by Rs. 96 lakhs to Rs. 79.05 crores. Balances held abroad in the Banking Department were Rs. 65 lakhs smaller at Rs. 10.01 crores. Balances of scheduled

banks at Rs. 79.05 crores showed a rise of Rs. 3.63 crores. Loans to scheduled banks fell from Rs. 43.72 crores to Rs. 37.55 crores, of which advances against usance bills were Rs. 25.52 crores (Rs. 27.72 crores). Ways and means advances stood at Rs. 27.44 crores, against Rs. 24.51, crores.

THE RETURN OF THE STATE BANK OF India for the week ended 8th February, 1963, shows a drop of Rs. 8.52 crores to Rs. 551.58 crores in total deposits. Investments in Government securities are down by Rs. 21.36 crores to Rs. 223.27 crores, while other authorised investments are up by Rs. 3 lakhs to Rs. 10.07 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have increased by Rs. 8.20 crores to Rs. 302.86 crores. Cash and balances are, in consequence, shown at Rs. 22.19 crores or Rs. 90 lakhs higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 8th February, 1963, shows Demand and Time liabilities at Rs. 932.95 crores (Rs. 19.16 crores on account of borrowings from banks) and Rs. 1,274.18 crores (Rs. 19.43 crores), compared with Rs. 947.45 crores (Rs. 20.06 crores) and Rs. 1,270.68 crores (Rs. 18.88 crores) in the previous week. Cash has increased by Rs. 1.39 crores to Rs. 50.67 crores, while balances with the Reserve Bank have declined by Rs. 7.77 crores to Rs. 78.04 crores. There is a drop of Rs. 14.87 crores to Rs. 622.16 crores in investments. Advances and bills discounted at Rs. 1,522.02 crores show a rise of Rs. 19.17 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.8 percent and 69.0 percent, against 6.1 percent and 67.8 percent.

TREASURY BILL MATURITIES

Details of 91 day bills outstanding with the public on 22-2-63.		Issue Date	Maturity Date	Amount ('000's Rs.)	Average Acceptance Rate
22-2-63	25-5-63	2,00.00	Rs. 2.365%		
15-2-63	18-5-63	2,00.00	Rs. 2.365%		
8-2-63	11-5-63	2,00.00	Rs. 2.360%		
1-2-63	4-5-63	2,00.00	Rs. 2.355%		
25-1-63	28-4-63	2,00.00	Rs. 2.355%		
18-1-63	21-4-63	2,00.00	Rs. 2.355%		
4-1-63	7-4-63	2,00.00	Rs. 2.355%		
11-1-63	14-4-63	2,00.00	Rs. 2.355%		
11-12-62	24-3-63	2,00.00	Rs. 2.355%		
14-12-62	17-3-63	2,00.00	Rs. 2.355%		
7-12-62	10-3-63	2,00.00	Rs. 2.350%		
30-11-62	3-3-63	2,00.00	Rs. 2.345%		
23-11-62	26-2-63	2,00.00	Rs. 2.340%		
(Monthly Maturities '000's omitted)					
February 1963	2,00.00				
March 1963	8,00.00				
April 1963	8,00.00				
May 1963	8,00.00				
Total	26,00.00				

CLEARING HOUSE RETURNS

Week ended	Calcutta (Rs. Lakhs)	Bombay (Rs. Lakhs)
8-2-63	1,00.09	1,08.52
1-2-63	88.61	1,06.29
25-1-63	91.47	1,09.35

New Delhi

INDIA ASKS FOR MORE AID TO FINANCE THIRD PLAN

(FROM OUR NEW DELHI CORRESPONDENT)

THE Budget session of the Lok Sabha commenced on Monday with the inaugural speech delivered by the President, Dr. S. Radhakrishnan. The Railway Budget was presented on Tuesday, and the Central Budget will be placed before Parliament on 28th February. Three and a half days, that is, 28th February and 1st, 2nd and 4th March have been allotted for the discussion of the Railway Budget and five days, that is, 8th, 12th, 13th, 14th and 15th March for a general discussion of the Central Budget. Voting on the demands for grants for the Railway Budget will take place on 5th and 6th March and for the Central Budget from 16th March to 16th April. The Finance Bill will be considered and passed in two and a half days ending 19th April.

The unrealistic policy of the Government, and particularly of the Planning Commission, is gradually becoming obvious. The States—under the annual plan for 1963-64—are expected to raise additional resources of about Rs. 100 crores. The Uttar Pradesh Budget has left an uncovered deficit of Rs. 5 crores. The State Finance Minister, however, said that taxation measures to bridge the gap would be placed before the House "in due course". But past experience does not hold out much hope that the State Governments would be able to raise much additional revenue through taxation.

Meanwhile, indications are that the Central Government has asked for foreign aid amounting to \$1,000 million from the western countries for the third year of the third plan, stating that it is neither possible nor practicable to prune the plan. The defence budget, is meanwhile, estimated at Rs. 900 crores. Official arguments against cutting unnecessary expenditure are not always convincing. The so-called re-orientation of the community development programme, the wasteful expenditure on khadi and prohibition and the frequent tours of Deputy Ministers—accompanied by their wives—are regarded as an integral part of the development and defence effort, while the Indian masses are being asked every day to practise austerity. New Delhi should explain why telephone exchanges require to be inaugurated by a Central Minister and why the foundation of a bridge is supposed to remain insecure unless it is laid by a Minister. A steady stream of "distinguished visitors" has continued to pour into India even during the emergency. It is time the Government appreciated that it was not enough to raise more taxes. What is needed is to harness the resources properly, with a view to avoiding wasteful expenditure.

The western aid-giving countries, by and large, are not convinced that India will be able to spend all the money she has been asking for. Furthermore, aid later on leads to a drain on India's resources which is so strongly objected to by Messrs Malaviya and C. Subramaniam. To sum up, India should be happy if she is able to get as much aid as she did during 1962-63.

ADMINISTRATION

Study on Bhopal Plant

The Indian Institute of Public Administration has set up a com-

mittee on case studies. The Secretary to the Central Cabinet, Mr. S. S. Khara, is chairman of the committee. Its members are Professors S. V. Kogekar, Principal of the Ferguson College, Poona, M. V. Mathur of Rajasthan University and Mr. V. K. N. Menon of the Institute. It is explained that "the programme marks the beginning of a continuing effort to promote a deeper and wider understanding by the students, the administrators and the interested public of the functioning of the Indian administration in its environmental and institutional setting".

The first case study was undertaken by the chairman of the committee, Mr. S. S. Khara, on the establishment of the heavy electrical plant in Bhopal. The study traces the history of the industrial policy resolution and discusses the apparatus to implement it. Its "comments" are of considerable interest. The study says:

"Although the necessity for setting up a heavy electrical equipment plant was recognised as early as 1948, a final decision on this was taken only eight years later, in 1956. It was estimated in 1948 that the establishment of the project would result in foreign exchange savings of about Rs. 5 crores a year. With the inauguration of the first five year plan, the number of hydro-electric schemes in the country multiplied and the demand for heavy electrical equipment increased considerably. Had the decision been taken in 1948, more than Rs. 45 crores in foreign exchange could have been saved.

"A part of the delay in the realisation of the objective was caused by the controversy between the Central Ministries of Production and Commerce and Industry whether the plant should be set up in the public sector or the private sector. The Central Ministry of Commerce and Industry was interested to locate it in the private sector, while the newly-established Ministry of Production was eager to expand the sphere of Governmental operations in the industrial field. Under the industrial policy resolution of 1948, the manufacture of heavy electrical equipment fell in the category of private enterprises, subject to Government regulation and control. Considered in this context and in the face of the different responsibilities allocated to them, the differences between the points of view of the Ministries of Production and Commerce and Industry appear to spring from the impersonal nature of the decision-making process in the Government. When the Government decided in 1954 to set up a State factory, the focus of controversy was shifted to the items scheduled to be produced in the factory. On this matter, too, the Ministry of Production and the Ministry of Commerce and Industry could not see eye to eye.

"The procedural delays involved in taking the decision will be better appreciated if it is remembered that when the matter was being considered, the Government was a new entrant in the field of industrial development. Thus, there was a natural reluctance on the part of

the Government to set up a State heavy electrical equipment factory, lest it should be encroaching on the hitherto undisputed domain of the private sector.

"In spite of the delay in taking a decision on this question, Parliament's interest was limited to seeking information, and even the short discussion on the demand for grants of the Ministry of Production did not create a sensational debate in the House. The case for the early establishment of the project seems to have gone by default, mainly because this was one of the several projects which were being considered at that time and the House seems to have been satisfied with the answers provided by the Minister of Production.

"Once it was decided to establish the heavy electrical equipment factory in the public sector, things seem to have proceeded at a quick pace. In November 1955, an agreement was signed with the consultants. They made a quick survey of the sites within a short period of eight weeks and submitted their recommendations to the Government. The Government decided in the first week of March 1956 to locate the factory in Bhopal.

"Although the consultants had given the first preference to the site in Bihar, which satisfied all the technical considerations, the Government decided to locate the factory in Bhopal—the second choice of the consultants. In this, the Government was influenced by such considerations as regional development and diversification of heavy industries to achieve a balanced development of the country, since a steel plant was scheduled to be set up in Bihar.

"The case study highlights several aspects of the process of decision-making in the Government of India. It brings out the highly impersonal nature of this process and the lack of any concentrated motive or bias on the part of the civil servants. It shows how all the three decisions were taken mainly on economic and technical considerations, although pressures, both political and economic, attempted to influence these decisions. The impersonal process of decision-making, however, has as its corollary the inadequacy of programme orientation on the part of civil servants. The civil servants are responsible for results to the executive and through it to the people and their representatives in Parliament.

"The case indicates the checks and cross-checks which exist within the Government to avoid pitfalls in decision-making. It shows the roles, attitudes and relationships of the generalists and the specialists and the administrative Ministries having seemingly conflicting responsibilities. It also throws light on the efficacy of formal methods of administrative consultation and co-ordination, in particular the committee system for facilitating speedy decisions. The system of ad hoc consultative committees seems to have worked well in tapping expert advice from different sources but in no way does it appear to

have speeded up very much the process of decision-making.

"It seems necessary to add that while the case study illumines these administrative concepts and issues, it does so within the limitations imposed by the case. For instance, the study illustrates the process of preparation and assessment of material by the civil servants for a final decision to be taken by the Cabinet but it does not purport to determine the relative influence of the civil servants and the Ministers on decision-making. Similarly, though the case study depicts the part played by the committee system in decision-making on important issues, it is by no means implied that speedier methods of consultation were not adopted. Quite often, important points were cleared through telephonic conversations, every word of which was recorded on the files for further reference. Nevertheless, every important decision was taken only at committee meetings. Again, while the study brings out the advisory rôle of the specialists in helping the generalists to arrive at decisions, it makes no claims to weigh their relative impact on the final decision."

Although the programme for further similar studies is not yet available, a case study on the steel industry in the public sector would be both welcome and revealing.

SHIPPING

Exchange for Liberty Vessels

The Government of India proposes to release foreign exchange to enable shipping companies to buy Liberty ships, seven of which have already been acquired by the Jayanti Shipping Company. Under the plan, ships so acquired will save foreign exchange since they will be loaded with cargo while coming to India after purchase. They will also earn foreign exchange while carrying cargo to Japan, where they will be sold as scrap after two years. The foreign exchange thus earned should pay for their purchase price which is placed at £75,000.

Jayanti Shipping is financing some purchases from its own resources. Foreign exchange may be released for ten more ships, all of which will be used in the coastal trade. This, it is explained, is a stop-gap arrangement, pending the construction of 12 special 1,000-tonner cargo boats of 22 feet draft to suit the shallow water at Calcutta port. Part of the Belgian credit is being used on the project.

NEYVELI POWER-STATION

Steel from Russia

An agreement was signed last week for the supply of steel required for the expansion of the thermal power-station in Neyveli, Madras State, under the third five-year plan. Under the agreement, Russia will supply 1,174 metric tons of steel for the expansion scheme. The capacity of the Neyveli power-station will be expanded under the third plan from 250 megawatts to 400 megawatts. Russia has also agreed to assist in the expansion programme. The expansion of the power-station is estimated to cost Rs. 15 crores.

MARINE DIESEL ENGINES

New Factory for Madras

Madras has been selected as the site for establishing the Central

Defence Ministry's marine diesel engine manufacturing factory. The latter is to be set up in collaboration with the well-known West German firm, M.A.N. The factory will make engines for large sea-going vessels and inland watercraft.

CZECH CREDIT

Details to be Finalised

The Secretary to the Central Ministry of Heavy Industries, Mr. Swaminathan, left for Prague last week with a team of three others. The team will finalise the details of the various projects for which Czech credit of Rs. 23.10 crores has been made available. These projects are the foundry-forge and the heavy machine tool plants in Ranchi, the high-pressure boiler plant in Tiruchirappalli and the heavy power equipment plant in Ramachandrapuram, near Hyderabad.

WEST GERMANY

Technical Team in Capital

A two-man West German mission is now in New Delhi. It is discussing with the Government India's technical assistance requirements for the current year.

BUDAPEST FAIR

India to Participate

The Government of India has decided to participate in the Budapest Trade Fair to be held from 7th May to 27th May, 1963. The intention is to show there the growing export potential of India so that demand for various exportable goods may be created.

PARLIAMENT

Bills for Budget Session

A Bill to create Legislatures and Councils of Ministers in the Union Territories of Himachal Pradesh, Manipur, Tripura, Pondicherry and Goa, Daman and Diu, is among the 17 new Bills to be introduced in the Budget session of Parliament.

There will also be the Finance Bill, 1963, to give effect to the financial proposals for the coming year,

and the Foreign Exchange (Regulation) Amendment Bill, 1963, to give more powers to the Enforcement Directorate.

The Government proposes to arm itself with powers to make the provisions of the Prevention of Food Adulteration Act more stringent. Through another Bill, the Drugs and Magic Remedies (Objectionable Advertisements) Amendment Bill, 1963, the Government will seek authority to make rules specifying diseases, etcetera, to which the scope of prohibition in the Act could be extended.

By another Bill, the Delhi Development (Amendment) Bill, 1963, the Government will make provisions to implement the master plan for Delhi and to ease the present "cumbersome procedure". Another legislation, the Slum Areas (Improvement and Clearance) Amendment Bill, 1963, is meant to quicken the pace of slum clearance work in Delhi and to give protection to *amladars* against eviction.

To expedite the removal of unauthorised squatters from public lands, the Public Lands (Eviction of Unauthorised Occupants) Bill, 1963, will be placed before Parliament.

Another Bill, the Indian Trade Unions (Amendment) Bill, 1963, will provide for the settlement of disputes among rival office-bearers of a trade union by labour courts. The Industrial Employment (Standing Orders) Amendment Bill, 1963, will make the model standing orders framed by the appropriate Government applicable in all industrial establishments covered by the Act till the standing orders in relation to such establishments are certified by the officers concerned.

The Navy (Amendment) Bill, 1963, is meant to provide for reinstatement in civil employ of persons belonging to the Naval Reserve Forces on termination of their service or training with the Navy.

The Export (Quality Control and Inspection) Bill, 1963, is to provide for sound development of the export trade through quality control and inspection.

Other Bills are: The Court of Wards (Rulers of Indian States) Bill, 1963, to manage the properties of Rulers of former princely States, the Drugs (Amendment) Bill, 1963, to provide for the introduction of Ayurvedic and Unani medicines within the scope of the parent Act

and the Institutes of Technology (Amendment) Bill, 1963, to include the College of Engineering and Technology, New Delhi, within the scope of the parent Act.

Other business before Parliament includes the discussion on the President's address, consideration of a motion for constituting a committee of Parliament for public undertakings and a discussion on a motion on the prices of essential commodities.

ACID PLANTS

Contracts for Simon-Carves

The Government of India has ordered two nitric acid and two associated sulphuric acid pre-concentration plants to be set up by the British firm of Simon-Carves Ltd. The contracts, it is said, are worth about £300,000. The design and supply of the equipment will be decided by the firm in consultation with the Government of India's officials in Britain.

ROAD BRIDGE

Gammon India Wins Contract

Gammon India Ltd, of Bombay, has been awarded a £2-million contract for the design and construction of a road bridge linking Bombay city with Thana district. The Company, a member of the British Gammon group specialising in constructional and engineering work in the Commonwealth countries, is expected to import much of the plant and equipment required for the work from Britain. The bridge will be 6,015 feet long and will be completed in four years' time. Spanning the Thana creek, it will provide a fast route from Bombay city to the new industrial region of Thana district and will open up what is at present an isolated agricultural area.

GRAND TRUNK ROAD

New Bridge over Sone

A two-mile-long bridge is to be constructed across the Sone river in Bihar to meet the long-felt need for through and speedy road communication between Delhi and Calcutta. The Grand Trunk Road (National Highway No. 2) is the direct route connecting Delhi with Calcutta. This

highway is bridged throughout its entire length except at the point where it crosses the Sone river at Dehri-on-Sone. Through traffic between Delhi and Calcutta has at present either to detour from the Grand Trunk Road between Sasaram and Barhi via Arrah-Patna-Bakhtiyarpur so as to cross the Sone river on the road-decking provided under the railway bridge in Koelwar—thereby undergoing an additional mileage of about 120 miles—or to cross the river with the help of pilot trains run between Dehri-on-Sone and Sone Nagar by the railways. With the construction of the proposed high level road bridge in Dehri-on-Sone, all these difficulties will be removed and a through road communication between Delhi and Calcutta will be established.

TECHNICAL TRAINING

Indo-Swiss Centre

The Indo-Swiss training centre for precision mechanics, which is being established in Chandigarh, Punjab, as a joint project of the Central Scientific Instruments Organisation and the Swiss Foundation for Technical Assistance, Zürich, is expected to start functioning from August 1963. In the beginning, the centre will admit 35 persons a year for giving training. The Swiss Foundation will provide the services of eight Swiss technicians for a period of five to six years or more to train young men in a three-year course in approved traditions and methods of the Swiss industrial training institutions. This will enable them to become skilled mechanics capable of producing the precision instruments urgently needed for scientific and technical education, research and industry.

Apart from providing the Swiss instructors and a principal for the training centre, the Foundation will also make available machine tools and other workshop equipment valued at over Rs. 16 lakhs. The Council of Scientific and Industrial Research will provide suitable buildings for the centre. These are expected to be ready by August 1963.

BANGALORE

Stock Exchange Recognised

The Government of India has decided to grant recognition to the Bangalore Stock Exchange Ltd under Section 4 of the Securities Contracts (Regulation) Act, 1956. The recognition, which will be effective from 16th February, 1963, will be granted on the following conditions:

- (1) The membership security deposit of Rs. 2,500 shall be increased to Rs. 5,000; and
- (2) Dealings shall not be permitted on the Stock Exchange except for spot delivery and for delivery and payment within a period not exceeding 14 days following the date of the contract.

The recognition will be for five years in the first instance and cover the area of the Bangalore Municipal Corporation.

Simultaneously with the recognition of the Stock Exchange, the Government has declared Section 13 of the Securities Contracts (Regulation) Act, 1956, to apply to the area included in the municipal limits of Bangalore city with effect from 16th February, 1963. As a result of the application of the Section, "every contract in securities in this area which is entered into after this date otherwise than between the members of the Bangalore Stock Exchange Ltd, which has been recognised by the Government, or through or with such members, shall be illegal."

London

BRITAIN PREPARES TO COUNTER THE FAILURE IN BRUSSELS

(FROM OUR LONDON CORRESPONDENT)

THE comings and goings in the weeks following President de Gaulle's veto on Britain joining the European Economic Community as a full member had, for their main purpose, the formulation of a new economic policy for a fruitful future for Britain outside the European Common Market. Whether this is going to prove a success remains to be seen, but it certainly has, with some assistance from the Opposition, achieved the immediate object of uniting all sections of Conservative opinion behind the Prime Minister. This was demonstrated at the close of the two-day debate in the House of Commons, when the Government scored its highest majority in an important division for over a year, defeating the Opposition's "no confidence" motion in the Government's ability to cope with the post-Brussels situation by no less than 106 votes.

The debate was productive of several good speeches from both sides with comparatively little attempt to score purely Party points. Opening the proceedings, Mr. Macmillan outlined a six-point plan to counter the failure of Britain's efforts to enter the European Common Market. The main feature is a conference of the Commonwealth Trade Ministers in London shortly before the next meeting of the General Agreement on Tariffs and Trade in Geneva in the early summer. In preparation for this, Mr. Macmillan will see Mr. Diefenbaker, Prime Minister of Canada, when he visits London at the end of this month to receive the Freedom of the City, and he also hopes to receive visits soon from Mr. Menzies, Prime Minister of Australia, and Mr. Holyoake, Prime Minister of New Zealand. Mr. Macmillan made it clear that the Commonwealth trade conference was not to be regarded as a substitute for what Britain had hoped to obtain through membership of the European Common Market. The main object is to make effective the "Kennedy Round" of tariff reductions to be proposed by the United States under the G.A.T.T.

Five Points

The remaining five points in the Government's plan are the following:

- (1) Co-operation with the European Free Trade Association, the United States, and the Common Market in the "Kennedy Round" of American tariff cuts.
- (2) Maintenance of Britain's membership of the European Free Trade Association.
- (3) Work for world commodity agreements.
- (4) Expansion of the home economy—without inflation—on the basis of a national incomes policy.
- (5) Changes in the technique and structure of industry, with particular attention to areas of temporary unemployment.

British agriculture came in for special attention from the Prime Minister. He thought the whole agricultural community recognised that the present system of open-ended subsidy on a number of items—combined with free entry, often at far lower prices—had serious drawbacks. Efforts must be made to cure these defects without losing sight of the main purpose—a higher standard of living to the agricultural community,

and a strong and prosperous agricultural industry, all the time improving its methods of production and distribution. The record of the industry since the second World War was remarkable. But methods must be looked into from time to time. The mere fact that the Common Market negotiations failed did not relieve the Government of that responsibility or the need to fit agricultural policy into overseas trading arrangements.

Mr. Macmillan continued: "We have been saying for some time that whether we joined the Common Market or not, some changes in our support system are inevitable. The amount of support—particularly by the Exchequer—must be brought under control. The Minister of Agriculture will be ready at the beginning of this year's price review to discuss with agricultural representatives what can be done in the full spirit of our pledges to work out new and constructive ideas. Many of these steps will involve special consultation and agreements with our overseas suppliers, including Commonwealth countries."

Sales to Europe

Turning to the effect of the breakdown on the general economy, the Prime Minister remarked: "We shall not obtain automatically the larger market for which we hoped, at least not on the favourable terms for which we hoped. That does not mean we cannot win it by our own efforts. Our sales to Europe have shown very large increases in spite of the tariff. We have already leaped over the wall to a large extent. If, as we hope, the collective decision of the 'Six' is to keep the tariff reasonably low, the tariff should not be more insurmountable than in the past. But it will be there. We must face that fact and try to reduce our internal costs by all possible means. I am not going to embark on the economic problem of how to expand without inflation. But one vital condition for a lasting solution is to adopt in principle and make effective in practice a reasonable incomes policy. We must now try to increase consumer demand as the basis for an increase in export demand. We shall have to do it in conditions where we shall not have a competitive stimulus of European imports into this country."

The new situation that has been created has impressed on British industry the need for a complete rethinking of its plans for the future. The Grand Council of the Federation of British Industries has lost no time in getting down to this question, following a long exchange of views

with Mr. Edward Heath, the Lord Privy Seal. In a statement issued to its 8,000 member-firms, the Grand Council says that "the break is clear and final" and that it will be quite unrealistic for British industry to imagine that the question of joining up with the European Common Market can be reopened, or that there is any prospect of going ahead with some other form of association. A new situation may arise some day if the attitude of France changes, but meanwhile the chapter has to be regarded as definitely closed.

"There are no longer the same uncertainties to hamper business decisions," the statement says. "We face the challenge with confidence and have initiated action to take stock of the situation and review past policies." Among the subjects which will be reviewed in the light of the new developments will be British industry's attitude to the freeing of international trade and payments on a multilateral basis. Relations with the Commonwealth countries, the Common Market and Britain's partners in the E.F.T.A. are also to be studied.

While official negotiations with the E.E.C. are finished, industrial relations remain friendly. Recently, a meeting was held in Paris between the F.B.I. and the main European industrial federations, including the French. A programme of work on common problems was laid out. Tariffs are not the only factor in European trade which affects the flow of commerce, it is explained. Such methods as standardisation between certain industries of the main west European countries can have a powerful effect on trade, and these are to be pressed forward. The F.B.I. Council is also giving further study to the question of export incentives. While the Forbes Committee came out against special incentives, the view is gaining ground that a switch to a turnover tax on the French "value added" model might form a useful basis for encouraging exports.

Decisions Held Up

Sir Norman Kipping, Director-General of the F.B.I., said that the Federation had been particularly conscious of the many important business decisions which had been held up for a long time by the uncertainty over future trade relationships. It is not only in Britain but also in Europe and the Commonwealth that managements have been uncertain where the most suitable location of a subsidiary plant or a commercial link may be. Many Commonwealth companies, for instance, have calculated that if the

United Kingdom went into Europe, British capital resources would be locked up there for some years to come, so that it might be more fruitful for them to link up with an American company. All that uncertainty is now past.

Before the meeting with Mr. Heath, Sir Norman explained, a number of F.B.I. members had held the view that there might well be a chance for reopening the European negotiations at a more favourable moment. The suggestion of an "association" or of some lesser relationship under the current Dutch and Belgian plans had been much discussed. After the meeting with Mr. Heath, no such hopes could be entertained any longer. The break was clearly final.

As to the spirit in which the private meeting of the Grand Council had taken this realisation, Sir Norman interpreted it in three words: "We shall fight." He said 16 per cent of British exports were at present being sent to the E.E.C. across the tariff barrier. An intensive effort was going to be made to maintain this trade. It should not be forgotten that Britain's partners in the European Free Trade Association were taking about another 16 per cent of Britain's exports, and there was scope for further development.

Long List of Subjects

The F.B.I. statement sets out a long list of subjects in connection with which policies may call for review. For instance, firms will have to examine again what measures are necessary for improving efficiency, strengthening competitive power, and keeping costs down. It may be necessary to revise the taxation and rating system, which is in many ways not yet tailored to the needs of a flexible and expanding economy relying on world trade. Neither the Government nor industry is yet doing all that is needed to be done about education, training, research and development. As for communications, a decision on the Channel link and resolute action on docks and harbours are more urgent than ever.

Apparently, all Commonwealth Governments have agreed to Mr. Macmillan's proposal for a meeting of their Trade Ministers in London. Most have already sent acceptances, even though the invitations were only sent out very recently, and other replies are on the way. It is usual for the Trade Ministers to meet for a day before the G.A.T.T. meetings. This time the meeting will last longer and cover rather more ground. The main purpose of the meeting is to compare notes and, so far as possible, align attitudes for the G.A.T.T. meeting. This will begin the organisation of the discussions with the United States on the "Kennedy Round" of tariff negotiations likely to start next spring. It will also try to speed up discussions on world commodity agreements and moves to help the trade of the underdeveloped countries. The Commonwealth Ministers—apart from dealing with these matters—will also see what bilateral trading improvements are possible among themselves.

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NEW COTTON EXPORT QUOTA ANNOUNCED

(FROM OUR BOMBAY CORRESPONDENT)

THE Government of India has released for export a further quota of 75,000 bales of Bengal Deshi and also 25,000 bales of short-staple cotton (other than Bengal Deshi) having a staple length not above $\frac{3}{4}$ inch. Both the quantities will be available for shipment by 31st August. Twenty percent of each of the above quota will be reserved for co-operative societies. As before, export will continue to be on a first-come-first-served basis, with an individual shipper's share fixed at a maximum of 5 percent of the permissible quota, that is, 3,000 bales for Bengal Deshi and 1,000 bales for the other variety. The export quota is welcome, but the announcement has been made not a day too soon. The previous export quota for 200,000 bales of Bengal Deshi cotton had been exhausted by 11th January, and overseas enquiries held out the prospect of further business. Furthermore, the statistical position of Deshi cotton showed that there existed a sizable exportable surplus. The 1962-63 crop of Deshi cotton is placed at 430,000 bales. Including the carry-over of 110,000 bales from the previous season, the total supply comes to 540,000 bales. The domestic consumption rarely exceeds 190,000 bales. Allowing for a normal carry-over of about 50,000 bales, it should be easily possible to release about 300,000 bales of Deshi cotton for export. Of this, the Government has released 275,000 bales, including the latest quota of 75,000 bales. While the export quota for Deshi cotton was generally anticipated, that for short-staple cotton has come as a pleasant surprise. It appears that this quota has been released partly because of the not-so-very satisfactory quality of cottons like Wagad and Kalagin and partly because of the accumulation of stocks of Dholeras.

Co-operative societies in Gujarat had been complaining about the marked increase in their stocks of short-staple cotton. While the trade is pleased with the release of the further export quota, it is critical of the Government's decision to increase

the share of the co-operative societies from the normal 5 percent to 20 percent. There are very few co-operative societies—hardly half a dozen—participating in the export trade, and they are not well-equipped for handling this business. It is no secret that only 2 percent to 3 percent of the quota is directly exported

TEA PRICES EASIER AT COCHIN AUCTIONS

THE past year was not as good for tea producers in south India as 1961. The crop was estimated to be about the same. But prices, particularly for dusts, were lower. Although the export duty was reduced rates of excise duty are still higher, say Messrs Carritt Moran and Co. Private Ltd while discussing the Cochin tea price trends in 1962 in their monthly tea sale review. During August, a sale had to be postponed due to the lack of shipping facilities to the U.K. and the Continent caused by the Calcutta pilots' strike, and November saw the border troubles due to the Chinese aggression aggravated by the River Steamer Companies' strike. Offerings on the market, however, reached a record level.

After the low prices ruling in December 1961, the market reacted and started off the New Year on a dearer note. This tendency continued for most of the first quarter but there was some irregularity following quality. To some extent, buying was selective during this time, with emphasis on the brighter mediums and high-grown teas, the plainer varieties being in limited demand. Towards the end of March and early in April, after a spell of very good prices for Nilgiris, the market cracked as a reaction to the high level to which it had earlier been forced, and when the fall came it was steeper than the rise, regular buyers having left the market as rates were unrealistic compared with the world levels. Medium and plain tea prices

by the societies and the rest of the quota licences are sold to the leading shippers at a premium. The increase in the share of the co-operative societies will only increase unofficial deals in licences. Not many will perhaps object to extending all possible help to co-operative societies, but it is also necessary to ensure that the export effort does not suffer on that score. While the quota announcement has been followed by a rise of Rs. 15 to Rs. 25 a candy in the prices of Deshi cotton, cotton futures have suffered a moderate setback which is due to hasty bull liquidation induced mainly by technical considerations and the approaching maturity of the March contract.

also fell following quality, but not to the same extent, because on 26th April the export duty was reduced, which enabled exporters to take up larger quantities at rates above normal for the time of year. Offerings during May and June were of the standard to be expected, and prices ruled accordingly, but at levels much below the previous year. A recovery set in during July when an unusual improvement in quality was seen for the time of year due to the late arrival of the monsoon, and the month closed with a much healthier undertone than had been noticed for a good many weeks.

The strong demand continued until the end of August, when prices ruled easier with quality. This was aggravated by the lack of shipping facilities to London caused by the Hooghly pilots' strike, and the drastic action of postponing one sale. Godowns, meanwhile, were full, almost to overflowing. Prices revived after this and moved upwards gradually until the Chinese invasion and the strike of the River Steamer Companies' crews in Pakistan took place almost simultaneously. The latter threatened a shortage of spot tea while the former, coupled with the Cuban situation, made buyers worry about the long-term prospects. Although quality was only about average for the time of year, prices soared until the strike ended and the cease-fire sounded at the end of November, when a marked downswing occurred early in December, followed by a revival

CAPITAL, 21st February, 1963.

in the last auction of the year. The general level of prices for the year was much below that of 1961 and, as anticipated, the hardest hit were the producers of plain tea, the "concertina" having widened quite considerably. Whereas the overall leaf average dropped from Rs. 4.68 a kilogram to Rs. 4.58 a kilogram, Nilgiri averages were some 30nP higher. Dust prices ruled much lower throughout the year, in fact lower than had been seen for some years, and the average price declined by 70nP a kilogram to Rs. 3.75 a kilogram. Clean, grainy dusts were, however, well supported while the more fibrous types proved difficult to sell.

The firm says that it will undoubtedly be in producers' interests not only to manufacture a higher percentage of export grades, to their own and the country's advantage, but to improve standards at the same time. The old maxim "good tea is made in the field" still holds good, it concludes.

Ceylon Tea Exports to U.K. and U.S.A. Rising

(BY A SPECIAL CORRESPONDENT)

IN the last issue of *Capital*, this correspondent pointed out that although there has been a shortfall in the north Indian crop, the Doars district has actually produced more tea for disposal at satisfactory prices. So in spite of the recent dull trading in the Stock Exchanges, Doars scrip met with some small enquiry.

A report from Madras said recently that the Ceylon Tea Board had approached India with a proposal to initiate a joint drink-more-tea campaign. Latest information indicates that Ceylon is still making considerable headway in the American markets. Ceylon is also gaining in Britain and Ireland. For years India has supplied good quality tea to the latter. Economically weak, the Irish always imported good teas. But now that the purchasing power of the people is improving with industrial expansion, Ireland will spend more money on quality tea, but from all accounts the consumption of Ceylon tea has made rapid strides since 1958. By 1958, Ceylon had already captured approximately 13.6 percent of the Irish tea trade. The present percentage is said to be well over 20 which, on the above showing, is not surprising. As for per capita consumption, the Irish are considered to be the largest consumers, after the U.K.

The next annual Bulletin of Statistics issued by the International Tea Committee is not due until June. The last publication noted imports by Ireland (in million lbs) from:

India	Ceylon
15.8	1958 3.3
16.3	1959 3.0 approximately
13.7	1960 4.2
14.3	1961 5.3

These figures confirm that Ceylon is gaining ground while India is unfortunately losing.

India's earning from tea exports remain somewhat puzzling. The 1952-53 season was perhaps one among the worst on record and exports earned only Rs. 81 crores. The boom period in 1954-55 yielded Rs. 148.50 crores and 1956-57 a little over Rs. 145.13 crores. But in spite of the general increase in production in subsequent years, 1961-62 is reported to have earned only Rs. 122.40 crores.

Teas from south India do not average out as high in price as production from the north. But with the urgent call for foreign exchange, it seems curious that until the current season the receipts from exports appear to have stagnated.

CAPITAL, 21st February, 1963.

Jute

U.S. BURLAP FIGURES BRING GUNNY PRICES DOWN

THERE has been a fair amount of speculative activity in the jute goods market during the past week, although genuine business has been poor. Prices have fluctuated rapidly, and the U.S. burlap consumption and stock figures for January have had a depressing influence. They show a considerable decline in consumption when normally at this time of year it is above average. Consumption has dropped to 67.5 million yards, while stocks have risen to 306 million yards. The mills have continued to accept orders for specialties, which are the only really profitable line at present. They have tried to sell both hessian and heavy goods for near shipment, but whenever they have appeared as sellers, bazaar speculators have underquoted them.

Shipments from Calcutta last month were poor, and this was reflected in the overall increase in the Indian mills' stocks at the end of January. The increase was partly explained by the fact that in January there were many holidays, which affected loading in the port and so nearly a week was lost. It is true that no sound inference can be drawn from the statistics of a single month, but the latest figures indicate that so far there has been no great improvement. The decline is probably the result of U.S. buyers curtailing their purchases. In the circumstances, it is wondered how long the mills can continue maximum production.

It is said that a number of mills are not in favour of continuing the present high rate of production. But they are doing so because the large fibre crop has to be consumed, and because a decrease in output might raise jute goods prices. Many point out, however, that if production were cut, the large stocks would prevent prices from rising too high. Those favouring a cut say that losses are being incurred on many fabrics, and they are only balanced by profits on others; if there is any further reduction in prices, there would be a danger of overall losses. It is also pointed out that if the mills have to carry unsold gunny stocks for a longer period, it would put a severe strain on their finances, which are already overstrained by the very large stocks of raw jute.

Turnover of Buffer Stock

Although the mills have for some time been in a position to "turn over" limited quantities of their buffer stock holdings, only a few have taken advantage of the facility. The difficulty was that they actually had to receive replacement jute before any release from the buffer stock was made, and storage facilities being short, this was not feasible. The Jute Buffer Stock Association has now reviewed the situation, and in future will allow a turnover of a maximum of 15 percent at any one time, the release of jute depending on the production and registration of replacement contracts. Many mills urgently need some of the stocks held in their buffer stock go-downs, particularly the Tossa and Daissee fibres. Others have indicated that the stocks are showing signs of deterioration. They will now be able to take delivery of these stocks within a reasonable time.

Mills now also have the option of buying back their buffer stock holdings of Pakistani cuttings. This is a direct release by the J.B.S.A., and has been prompted by the shortage of such cuttings due to the non-availability of import licences. The mills

which manufacture cotton bagging will welcome this opportunity of using Pakistani cuttings.

Raw Jute Easier

The Calcutta raw jute market, after opening on a steady note, has shown signs of weakening later. Tossa and Daissee, however, are unchanged, and their prices continue to rule about Rs. 3 or Rs. 4 above the minimum levels. Mesta and white jute are available at the minimum price or below it. Only small business has been reported as the mills expect a fall in prices. Most sellers are not keen to reduce their rates. Considering the rate at which jute is still arriving in the receiving centres, it appears to be fairly certain that some have been withholding supplies. All growers, of course, have not held back jute. There is always the man who is satisfied with and accepts what he can get, and the man who sells lest by waiting he is forced to accept an even lower price. The general tendency, however, has been to hold back supplies, as the pressure to sell for cash has not been so marked this time as in previous seasons. Operators, in many instances, appear more independent than they have ever been.

THE JUTE MARKETS

Manufactured Goods: Sacking opened strongly last Thursday on reports of a small Government order for B Twills, but hessian was neglected and rates tended to decline. February B Twills started at Rs. 117, which represented a premium of Rs. 1.75 over the October-December position. As for hessian, 40in. 100z. stood at Rs. 51.45 and Rs. 48.50, respectively, for the near and forward positions, but after the opening fell back another 25nP. Sacking too declined after the initial excitement, and in the ready position prices dropped by 75nP. There was a slight improvement with the approach of shipping dates as local shorts covered, but in the absence of overseas enquiries, rates began to fall back rapidly. By Monday morning, B Twills were down to Rs. 115.90 and 11-porter hessian to Rs. 51.15. The U.S. burlap stock and consumption figures for January were considered unfavourable and caused a slump in both sections towards the close. B Twills fell right back to Rs. 114.20, with 40in. 100z. dropping to Rs. 50.55.

Opening quotations on Wednesday morning were as follows:

	Feb.	March	Apr.	May	June	July	Oct.
40in. 70oz.	39.60	38.60	37.60	36.80	36.00	35.00	34.00
40in. 80z.	42.50	41.50	40.30	39.50	38.50	37.50	36.50
40in. 100z.	49.75	48.60	47.10	46.05	44.80	43.50	42.25
B Twills	113.35	113.80	113.80	113.80	113.80	113.25	112.75
Cornacks	117.00	116.50	116.50	116.25	115.75		
Heavy Cess							
(Plain)	111.75	113.00	113.50	113.50	113.50	113.25	112.75
A Twills	139.00	139.75	138.50	138.00	137.25		
Liverpools	128.75	128.00	128.00	127.50	127.00		

Raw Jute: The fibre market opened firm, with sellers reserved and most prices above the minimum. Tossa and Daissee were at a premium of about Rs. 4 and sellers were looking for higher rates. Mills showed little interest, so as the week progressed, prices in general eased. After the week-end, white jute and mesta were available below the minimum rates but Tossa continued firm. Wagon arrivals in Cossipore showed a marked improvement over the previous week, and a total of 640 were

logged. Imports on an all-India basis amounted to about 60,000 maunds daily.

Opening quotations on Wednesday morning were as follows:

	Landed at Mills (Basis Bottoms)		Current		T.S.D.	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	40in.	100z.	40in.	100z.	40in.	100z.
Assam-Agartala	77.70	29.00	80.38	30.00		
Jute	76.36	28.50	79.04	29.50		
Northern Jute						
Western-Desal	72.34	27.00	73.68	27.50		
Jute	91.08	34.00	85.74	32.00		
Selected Daissee						
Assam-Agartala						
Tossa	88.41	33.00	83.05	31.00		
Mesta:						
Assam-Northern	71.00	26.50	72.34	27.00		
Local Daissee	71.00	26.50	72.34	27.00		
Bihar Dist.	56.98	23.00	66.98	25.00		
Pakistani N. C.	92.00	a bale Feb./March				

THE U.K. JUTE MARKETS

QUIETER TREND IN FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market in Pakistan was reported to be steadier at the beginning of the past week due to Polish buying. But the quantity bought was only about 20,000 bales. The quieter trend again appeared later in the week. Shippers generally are offering medium and lower grades at the current E.P.C. levels. The Dundee market is quiet with little or no movement taking place in fibre. A substantial quantity of jute is available ex-warehouse, but spinners are not buying this, since they hold large raw material stocks. Afloat jute is also being offered at prices well below the current shipment levels, but this is not attracting any attention from spinners here.

There is nothing at present to indicate that much change is likely to take place in the raw jute prices in the immediate future. The industry is now waiting for an announcement from the Pakistani Government concerning its policy on the next jute crop. Already speculative offers are being made in the U.K. Mill Lightnings were quoted at £112 and Mill Hearts at £96 for August-September shipment. This has brought out no buying interest, since the price margin between these grades is too wide.

Prices being quoted in Dundee are still very irregular with Mill Firsts at £146 10s, Mill Lightnings at £118, Mill Hearts at £93 and Grade Hearts at £79 10s, c.i.f. U.K. for February-March shipment. Afloat parcels of Mill Lightnings are available at £110. Grade Tossa-2/3 was offered at £127 10s and Grade Tossa-4 at £111. Dacca Tossa-5 was quoted at £128 and Dacca Tossa-6 at £113. Outport Tossa-2/3 was lowest at £97 and Outport Tossa-4 at £87 5s, for February-March shipment. Cuttings are steady with S.N.C. at £54 and N.C. at £46 10s. A few offers of Siamese jute are being made, but prices are still considered to be too high for this type of fibre. Grade A was lowest at £81, grade B at £74 and grade C at £71, delivered mill Dundee for February-March and March-April shipment.

Little change took place in prices of Calcutta goods during the past week. Quotations are at 78s for

40in. 100z. and at 61 for 70oz. a 100 yards, f.o.b. Calcutta, for February shipment, at 77s 3d and 59s 6d March and at 76s and 57s 9d April-June. B Twills are at 177s 9d, 176s 6d and 176s 3d for the respective shipment periods.

Due to the recent easier trend in raw jute prices in Pakistan, the selling rates of certain fine and medium yarns and fine rove yarns were reduced by about £5 a ton as from 9th February. Prices of cloths related to these yarns were correspondingly reduced. This is the first major yarn price change since 19th September, 1962.

The lower prices now in force have brought out more buying interest at the Dundee market. Orders are being placed for forward delivery, and producers are now well placed for maintaining full production during the first half of the year. Supplies of yarns are difficult to obtain and consumers have to think of their requirements very far ahead.

THE PAKISTANI JUTE MARKETS

FIBRE REMAINS DULL

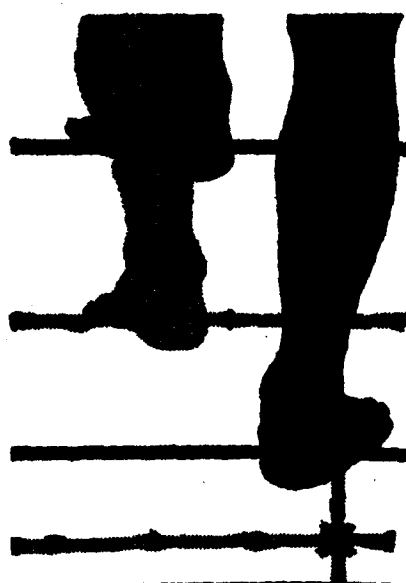
(FROM OUR DACC A CORRESPONDENT)

WITH the market continuing dull and inactive, interest . dealers has been focussed on the size of the new crop. Obviously, this will have its effects not only on prices for new crop jute but also for the rest of the season. The Pakistani Commerce Minister recently announced some restrictions on the sowing of raw jute in border areas. Before the announcement had a chance to strengthen the market, the weather all over the jute-growing areas became cloudy and, in some places, there were scattered rains. This will produce ideal conditions for sowing, which is almost certain to encourage growers to sow early and extensively. A bearish factor was the strong protest in the Press and in the Provincial Assembly against the Commerce Minister's announcement. It is maintained that it is unfair on the poor border cultivator to stop him from growing jute since he can grow nothing else in that area.

Whether or not the Commerce Minister withdraws his announcement, the fact remains that it is extremely difficult to control cultivation in the border areas or for that matter, to control cultivation anywhere. Not only is there an added inducement in the border areas since the situation is ideal for the smuggling of jute into India, but it is highly probable that smuggling during the next season will increase since the Indian mills are beginning to realise how badly they need better quality long jute. The need for this comes mainly from broad looms. With more competition in the world markets, greater stress is being laid on quality.

While overseas buyers and, in fact, most people outside Pakistan are encouraging cultivation of a large crop, there is no doubt that, in the interest of Pakistan, it will be better if there remains some control on prices since the latter have already reached an uneconomic level. Since it is impossible to remove price control completely, the answer appears to be to try to maintain a crop at a level which will keep prices slightly higher than they have been during the current season.

In the loose sector, prices continue in most places at the minimum with arrivals extremely small and buying interest even smaller. In the pucca bale market, some activity is reported but this is very limited. Cuttings have lost further ground.



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Books

TAXATION ON FOREIGN INVESTMENT

Investing in India: Taxation (Compiled and published by the Indian Investment Centre, National Insurance Building, Parliament Street, New Delhi 1. Price Rs. 3, pages 182.)

The Indian Investment Centre occasionally brings out brochures discussing the scope and prospects for foreign investors. The latest one discusses the salient features of the direct taxes on both individuals and companies, and points out the incentives provided in the existing tax legislation to promote foreign investment. The main merit of the book is that it explains the different types of direct taxes in a simple way. It does not attempt a short-cut by incorporating only the provisions of different direct tax laws, but makes a genuine, and successful, effort to explain the complicated laws with the help of hypothetical illustrations. Many would-be foreign investors who are perplexed by the magnitude and complexity of the growing tax legislation in India, will find it a useful guidebook embodying all the impor-

tant information they require for starting either a new company or a joint industrial venture. Apart from a discussion on the method of calculating personal and corporate taxation, double taxation relief and a detailed analysis of the administration of direct taxes, etcetera, there is a useful chapter on incentives to industries. The tax concessions announced since 1948 have been discussed in detail. But whether direct taxes are high or low, has been left for readers to decide.

RURAL CREDIT

Rural Credit Follow-up Survey, 1959-60. (Published by the Reserve Bank of India, Bombay 1. Price Rs. 8.75, pages 296.)

In accordance with the recommendation of the Committee of Direction of the All-India Rural Credit Survey, 1951-52, the Reserve Bank has been conducting rural credit follow-up surveys every year since 1957-58 in a few selected districts. Four follow-up surveys have been completed so far. The present report is on the fourth rural credit follow-up survey with 1959-60 as the period of reference. The field investigation was undertaken in the districts of Bilaspur, Midnapore, Mohindergarh, Tanjore, Bhagalpur, Bijapur, Barmer, Kanpur and Krishna from July 1960 to July 1961. Prepared on the basis of district reports, the report is divided into three parts. The first part covers in the first six chapters some of the important aspects of the demand for credit. The second part analyses the working of co-operative institutions at various levels in the subsequent five chapters. In the concluding part—covering the last two chapters—an assessment is made of the comparative position of important items shown in the demand side and the performance of co-operatives.

The report records that a third of the family expenditure in Krishna was financed through borrowing while in other districts it was not below one-fifth. Interest rates were from 12 percent to 18 percent. The average borrowing a family was as high as Rs. 479. Borrowing from the Government was insignificant while the share of co-operative finance was also low; in Tanjore, for example, it was only 8 percent. The bulk of credit requirements was met from the money lender. The report says that rural indebtedness is increasing.

PETROLEUM HANDBOOK

The Indian Petroleum Handbook, 1962. (Compiled and published by Petroleum Information Service, 11 Parliament Street, New Delhi 1. Pages 164.)

There are not many handbooks on important and basic industries which contain exhaustive information about a particular industry within a single volume. The Petroleum Information Service shows how such handbooks on leading industries can be compiled intelligently, giving details about boards of directors, annual turnover, capital structure, main products, etcetera. The handbook also contains useful sections on petroleum prices, legislation relating to the industry, oil exploration as well as petrochemicals projects. The scope of the publication has been extended by including the salient features of some international oil companies.

COMPANY AND PUBLIC NOTICES

PUNJAB MINERALS COMPANY LIMITED

NOTICE is hereby given to the members of the above named Company that an Annual General Meeting of the Company will be held at the Registered Office, Chartered Bank Buildings, Calcutta, on Friday, the 15th March, 1963, at 11-00 A.M. for the following purposes:—

1. To consider and approve the Audited Accounts of the Company for the year ended 30th September, 1962, and to receive the Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of a retiring Director.
3. To appoint Auditors and to fix their remuneration.

The Share Transfer Register of the Company will be closed from 2nd March, 1963 to 15th March, 1963, both days inclusive.

By Order of the Board,
P. PRASHAD,
Chairman.

Registered Office.

Chartered Bank Buildings,
Calcutta,
8th February, 1963.

Note: A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

MARTIN BURN LIMITED NOTICE

THE Board of Directors of Martin Burn Limited has today recommended payment of dividend at the rate of Rupees Two and Fifty nP. per share on the Ordinary Share Capital of the Company for the year ended 30th September, 1962. This dividend awaits the sanction of the Shareholders at the ANNUAL GENERAL MEETING to be held on Wednesday, the 27th March, 1963, at 12 noon. The dividend if declared will be paid under deduction of tax at the prescribed rates on or after the 1st April, 1963, to the Ordinary Shareholders whose names are on the Company's Register of Members on the 27th March, 1963 or to their mandatees.

The Ordinary SHARE REGISTER and TRANSFER BOOKS of the Company will be closed from the 14th to 27th March, 1963, both days inclusive.

By Order of the Board,
MARTIN BURN LIMITED,
A. G. GIDLEY
Secretary.

Registered Office,
12, Mission Row,
Calcutta.
15th February, 1963.

THE ELGIN MILLS COMPANY, LIMITED

NOTICE is hereby given that the Share Transfer Books of the Company will be closed from 5th to 25th March, 1963, both days inclusive.

By Order of the Board,
Per Pro THE BRITISH INDIA CORPN. LTD.,
R. P. MATHUR,
Dy. Secretary,
Secretaries & Treasurers.

Sutherland House,
Kanpur,
Dated: 14th February, 1963.

THE CHAMPDANY JUTE CO. LTD.

NOTICE is hereby given that the Share Register of the Company will be closed from 16th March, 1963 to 31st March, 1963, both days inclusive, for the purpose of returning to members paid-up capital to the extent of Rs. 50/- per share.

Repayment will be made to the registered shareholders whose names appear in the Share Register on 16th March, 1963 or to their mandatees. The members are being individually advised in regard to the return of capital and regarding the issue of new certificates of Rs. 10/- each, in exchange for the existing share certificates of Rs. 100/- each.

By Order of the Board,

JAMES FINLEY & CO., LIMITED,
Managing Agents.

2, Netaji Subhas Road,
Calcutta-1,
14th February, 1963.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Dalmia Iron & Steel Ltd.	21-2-63	3 p.m.
Bareilly Electricity Supply Co. Ltd.	25-2-63	3-30 p.m.
Saugor Electricity Supply Co. Ltd.	25-2-63	3-35 p.m.
Benares Electric Light & Power Co. Ltd.	25-2-63	3-40 p.m.
United Provinces Electric Supply Co. Ltd.	25-2-63	3-45 p.m.
Agra Electric Supply Co. Ltd.	25-2-63	3-50 p.m.
Jubbulpore Electric Supply Co. Ltd.	25-2-63	3-55 p.m.
Upper Jumna Valley Electricity Supply Co. Ltd.	25-2-63	4 p.m.
Howrah-Amta Light Railway Co. Ltd.	27-2-63	3-30 p.m.
Howrah-Sheekhalla Light Railway Co. Ltd.	27-2-63	3-35 p.m.
Shahdara (Delhi)-Saharanpur Light Railway Co. Ltd.	27-2-63	3-40 p.m.
Arrah-Sasaram Light Railway Co. Ltd.	27-2-63	3-45 p.m.
Futwah-Islampur Light Railway Co. Ltd.	27-2-63	3-50 p.m.
Chhaparmukh-Silghat Railway Co. Ltd.	27-2-63	3-55 p.m.
Durbhanga Sugar Co. Ltd.	28-2-63	10-30 a.m.
Indian Iron & Steel Co. Ltd.	28-2-63	11 a.m.
South Karanpura Coal Co. Ltd.	28-2-63	11 a.m.
Burn & Co. Ltd.	28-2-63	11-20 a.m.
Indian Standard Wagon Co. Ltd.	28-2-63	11-25 a.m.
State Bank of India Eastern Investments Ltd.	7-3-63	4 p.m.
Punjab Minerals Co. Ltd.	11-3-63	4 p.m.
Alkali & Chemical Corp. of India Ltd.	15-3-63	11 a.m.
	21-3-63	2-30 p.m.

DIVIDENDS DECLARED OR PROPOSED.

ED.—West Ghusick Coal Co. Ltd.—Nil.
Martin Burn Ltd.—Rs. 2.50 nP per share
(o), subject to tax.

For a nominal charge. "Capital's Statistical Department can provide you with a certificate of share prices."

THE ALKALI & CHEMICAL CORPORATION OF INDIA LIMITED ANNOUNCEMENT

THE Annual General Meeting of the Members of the Company will be held on Thursday the 21st March 1963 at 2-30 p.m. at its Registered Office, 34, Chowringhee Road, Calcutta-16.

Notice of the Meeting together with the Annual Report and Accounts have already been posted to the Shareholders direct.

The Ordinary Share Registers of the Company will remain closed from the 7th March 1963 to 21st March 1963, both days inclusive.

By Order of the Board,

IMPERIAL CHEMICAL INDUSTRIES (INDIA) PRIVATE LIMITED,
Secretaries.

Calcutta,
21st February, 1963.

HIDES AND SKINS UNCHANGED

The market showed little change. Stocks of hides were higher, but those of skins were less than in the previous week.

Bazaar Sales

(Between 12th February and 18th February, 1963)

Cowhides: Wet salted (Ord.) 8,000 pcs. on the basis of Rs. 7.50 to Rs. 12.37; Wet salted (Slaughtered) 27,500 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28.50; Wet salted (Ord.) 2,000 pcs. on the basis of 96 nP a lb.

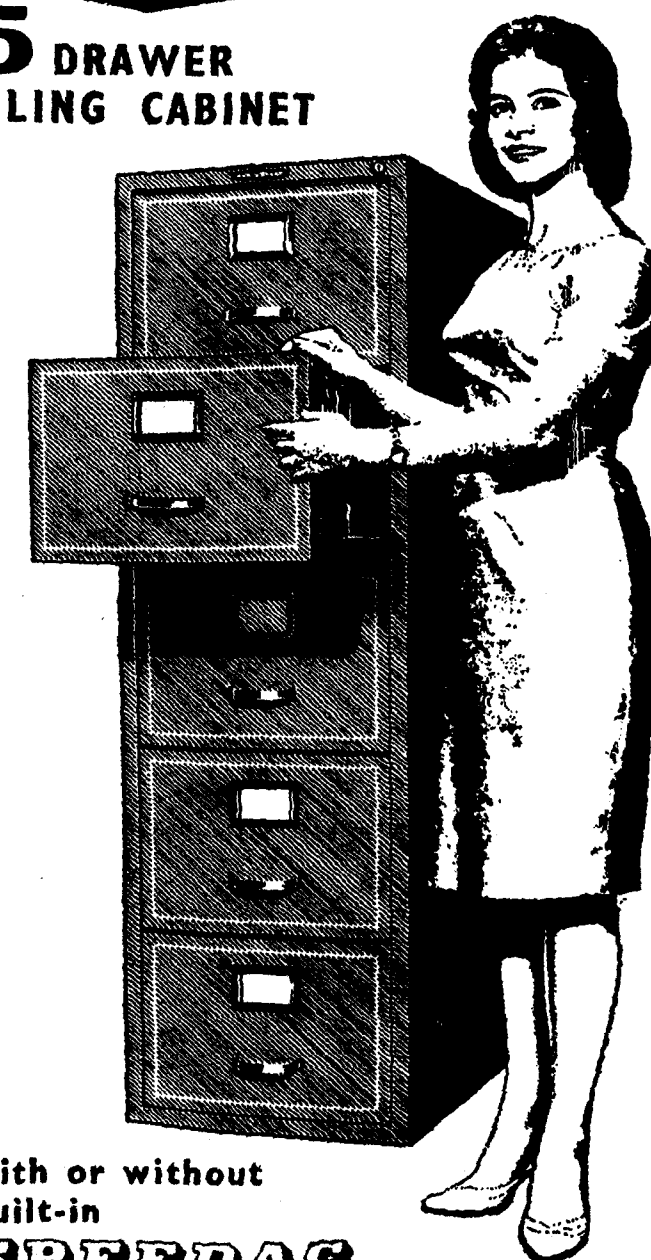
Bazaar Stocks

(19th February, 1963)

Cowhides: Wet salted 79,500 pcs. **Goatskins:** Wet salted (Patna, Daissee, Kustia, Killed) 79,500 pcs.; Assam-Dinajpur 50,000 pcs.; Muzaffarpore-Patna - Pakur, "Urneah - Kissenganj 177,500 pcs.

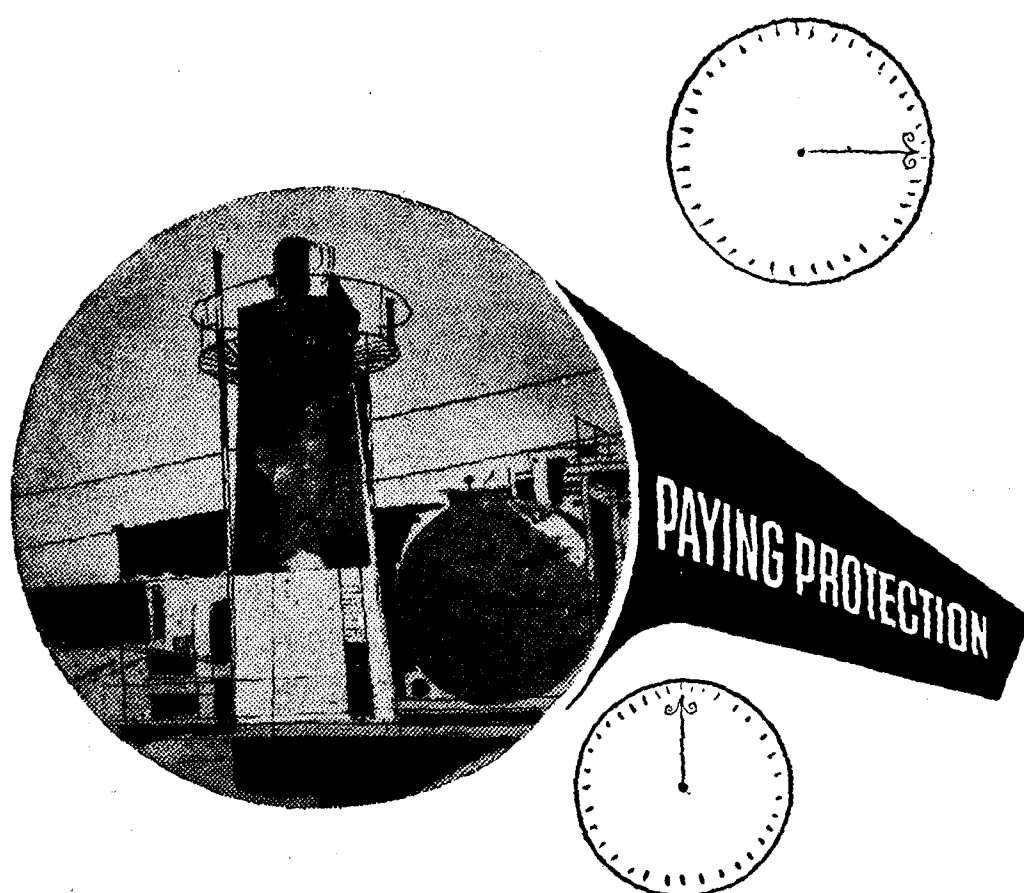
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THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

BANKS

Wednesday, 20th February, 1963.

Paid-up Capital Ordinary	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.	Rs.			1959	1960	1961	Rs.	Rs.	Rs.	A year ago Rs.
67.50.000	1,23.75.000	27,37,97,908	13,24,414	6,09,614	12	Allahabad Bank P.	18	18	18	100	396/00	396/00	329/00
1,50,00,000H	1,81,24,360	33,09,58,958	87,63,195	3,02,553	12	Bank of Baroda	14	17	17	50	93/50	94/50	119/50
3,00,00,000H	3,28,00,000	33,83,61,910	1,10,31,508	29,16,350	12	Bank of India	16	20	20	50	112/00	112/00	150/00
2,62,50,000H 52,50,000	3,68,08,624	79,29,75,001	1,93,04,910	18,61,470	12	Central Bank of India	17-1/5	20 2/5	20	25	59/30 sh. 59/6	59/50	69/80
£6,600,000	£7,150,000	£141,890,310	£990,238	£540,648	12	Chartered Bank	15	15	15	£1	sh. 60/-	sh. 58/6	
1,25,00,000H	10,00,000	3,44,38,609	13,78,857	13,261	12	Hindusthan Commercial	Nil	Nil	Nil	50	17/12	17/12	20/50
50,00,000H	2,85,000	94,21,860	1,68,130	28,888	12	Hindusthan Mercantile	Nil	Nil	Nil	50	15/62	15/62	17/50
HK\$79,046.125	£15,000,000	£165,691,749	HK\$43,315,459	HK\$2,340,534	12	Hong Kong & Shanghai	£3	£3 1/2	£3 1/2	HK\$25	£17 1/2	£16 1/2	£18 1/2
80,80,000 22,40,000	83,01,884	19,38,59,976	36,84,210	80,143	12	Indian Bank	15	15	15	100	174/50	174/50	180/00
75,00,000	78,36,660	14,65,60,072	43,80,498	2,22,933	12	Indian Overseas Bank	12	14	14	100	161/00	156/00	179/95
5,00,00,000	74,41,264	2,23,84,659	7,80,776	21,25,000	12	Industrial Finance Corpn.	12	12	12	50	11/12	11/12	11/12
£5,703,000	£4,760,400	£105,373,912	£844,273	£311,105	12	National & Grindlays Bank	12 1/2	13 1/2	14	sh. 15	sh. 35 1/4	sh. 36 1/4	sh. 37/-
1,99,36,910	2,10,93,691	69,22,46,887	1,18,39,595	10,37,738	12	Punjab National Bank	20	20	20	10	19/00	19/00	22/12
60,00,000	43,00,000	10,42,69,664	14,75,220	1,14,551	12	Union Bank of India	12	12	12	5	6/52	6/52	8/52
2,68,84,370	90,74,000	25,80,78,402	20,50,008	2,39,694	12	United Bank of India	4.3	4.3	4.3	10	7/44	7/25	7/06
2,00,00,000	2,35,00,000	36,83,34,071	72,60,557	2,07,428	12	United Commercial Bank	11	12	12	50	75/25	74/00	105/50

* Excluding taxation.

** Per share on increased capital.

† Guaranteed.

JUTE MILLS

Paid-up Ordinary Capital	No. of Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed Sundry etc.	NAMES	Dividends per cent	Paid-up per share	Latest Market Quotations as available until	20-2-63	13-2-63	A year ago	
Ra.		Ra.	Ra.	Ra.	Ra.	Ra.			1959	1960	1961	Ra.	Ra.	Ra.	
60.00.000	879	99.19.361	66.42.500	3.92.646	59.794	79.587	12	Agarpara P.	5	10	24-21*	10	10/62	10/31	11/25
6 00.000		26 70.981	16.59.800	4.22.325	2.57.931	1.40.179	3	Alexandra P.	15	44	15	100	305/00	305/00	265/00
30.00.000	1,264	48.84.147	8.04.850	5.70.976	11.43.880	58.837	5	Alliance P.	Nil	6	Nil-10*	100	110/00	110/00	105/00
49.20.700	2,561	1.04.15.434	89.25.000	63.22.587	20.60.933	2.75.227	3	Anglo-India P.	12 1/2	20	7-10*	100	217/00	217/00	221/00
40.00.000	810	61.70.400	26.57.703	4.56.210	-5.54.726	-5.02.872	3	Auckland P.	20	21	12-Nil*	100	155/00	155/00	165/00
20.00.000	959	57.59.081	35.02.335	12.05.050	13.67.235	60.073	3	Bally P.	10	26	25-25*	100	280/00	280/00	277/00
£275.000	1,489	£410.570	£288.859	£53.073	-£289.216	£1.042	3	Barnagore P.	10	30	10-10*	100	187/00	187/00	139/00
45.00.000	800	29.61.854	15.46.700	8.93.663	5.85.851	1.33.355	6	Bengal P.	10	15	15-15*	100	10/25	10/25	9/00
1.59.56.210	1,413	5.25.85.505	3.35.31.987	90.84.701	96.65.712	1.08.070	3	Birda P.	10	15	15-15*	100	29/44	29/69	34/50
36.00.000	991	51.27.514	10.40.080	1.47.854	-9.36.084	-8.90.684	10	Budge Budge P.	15	10	Nil	100	169/00	160/00	132/00
7.47.380	602	12.59.648	4.17.958	1.73.320	61.970	48.451	6-12	Calcutta P.	12	12	6	100	8/00	8/00	9/50
10.00.000	610	38.26.710	28.17.882	36.75.352	1.72.996	11.777	11	Caledonian P.	12	12	6	100	220/00	220/00	160/00
59.16.400	1,400	1.01.67.080	62.28.226	2.49.069	-25.59.624	-24.02.338	3	Champdany P.	12 1/2	Nil	6-Nil*	100	136/00	136/00	127/00
38.58.250	630	65.15.022	52.20.094	2.47.272	-16.01.287	1.21.441	11	Cheviot P.	15	5	Nil-5*	100	22/50	22/50	18/37
30.15.000	500	53.11.479	40.65.400	13.38.874	12.49.444	61.455	7	Chitaval Sah P.	15	5	Nil-5*	100	11/00	11/00	12/50
16.00.000	959	13.80.488	25.12.433	1.35.556	1.51.574	18.647	3	Clive P.	Nil	1	1-Nil*	100	8/37	8/37	9/85
31.49.200	788	62.19.772	12.23.514	3.57.222	-61.738	-62.456	3	Dalhousie P.	Nil	1	1-Nil*	100	139/00	136/00	131/00
56.00.000	779	1.24.93.482	51.26.797	3.06.994	-9.12.181	-8.96.544	11	Delta P.	14	7 1/2	Nil	100	173/00	168/00	167/00
15.00.000	500	35.23.149	39.20.700	9.41.963	7.63.955	40.327	7	Empire P.	12 1/2	12 1/2	74-124*	100	17/19	17/19	19/12
63.00.000	1,884	1.68.88.474	87.06.518	7.52.017	26.14.782	14.938	3	Fort Gloster P.	20	25	10-124*	100	399/00	412/00	420/00
21.00.000	1,014	48.31.660	24.95.369	12.66.910	4.99.648	7.033	3	Fort William P.	15	22 1/2	22 1/2-10*	100	26/00	26/12	19/12
43.20.000	607	62.13.502	35.56.215	48.515	6.51.478	49.518	3	Ganges P.	Nil	10	10-15*	100	13/75	13/44	24/44
24.00.000	1,394	1.02.44.328	74.30.537	45.41.712	12.24.172	49.518	3	General Industrial	25	30	25-20*	100	17/87	17/87	13/69
40.00.000	1,078	70.93.967	9.23.473	53.86.438	6.68.002	1.01.636	3	Gouropore P.	6	6	6-6*	100	487/00	487/00	477/00
16.80.000	720	28.41.207	25.26.234	12.87.575	9.69.386	38.329	3	Hastings P.	10	12 1/2	10-Nil*	100	128/00	128/00	122/00
65.62.500	1,940	72.72.179	42.62.642	8.05.642	-10.94.477	-13.61.553	3	Hoshily P.	10	10	10-Nil*	100	20/00	20/00	26/87
52.50.000	2,272	1.31.00.000	38.55.000	23.48.290	27.19.471	67.366	3	Howrah P.	20	28 1/2	28 1/2-26 1/2*	7 1/2	18/87	18/50	20/81
87.30.000	790	93.29.345	38.24.567	36.11.862	7.44.969	3.18.900	3	Hukumchand P.	10	28 1/2	28 1/2-26 1/2*	7 1/2	26/12	26/12	27/94
43.20.000	1,797	56.25.250	27.20.329	6.75.226	-13.75.188	-17.20.761	12	India P.	992	14	12-8*	12 1/2	18/56	17/75	16/62
54.00.000	1,527	58.65.106	9.43.778	5.58.686	-13.35.527	-30.80.212	12	Kamarbhaty P.	20	5	NR	100	173/00	173/00	155/00
28.00.000	703	53.93.372	56.73.800	13.28.626	45.353	49.933	12	Kankannarrah P.	Nil	Nil	Nil	100	140/00	125/00	93/00
54.00.000	1,530	85.81.968	26.08.784	5.41.356	16.20.587	59.933	3	Kelvin P.	14	15	15-5*	100	204/00	196/00	195/00
48.00.000	1,250	70.14.851	46.11.711	24.80.797	-22.59.826	-21.89.282	3	Khardah P.	20	20	5-124*	100	18/25	18/25	17/12
24.48.000	931	53.87.827	Nil	3.63.702	-15.64.671	-4.26.297	3	Kinnison P.	10	20	7-Nil*	100	145/00	145/00	169/00
28.00.000	840	22.22.258	1.36.90.180	42.99.026	7.57.111	1.38.282	3	Landowne P.	2	7	Nil-11*	100	120/00	120/00	133/00
81.65.200	1,294	1.26.96.078	34.55.037	3.47.488	-17.83.515	-4.26.297	3	Lawrence P.	10	12	124-Nil*	100	124/00	124/00	167/00
29.88.800	618	76.99.875	12.04.575	2.94.057	10.35.634	-13.08.719	3	Magna P.	10	10	15-10*	100	13/50	13/31	12/44
20.00.000	425	10.79.854	15.55.000	26.11.429	3.36.343	17.816	10	Naihati P.	10	10	124-Nil*	100	90/00	90/00	83/00
35.00.000	852	98.83.012	46.90.518	8.25.999	-6.31.516	61.184	10	Naskarpura P.	10	10	6-10*	100	9/06	9/06	12/25
26.25.000	816	33.48.239	35.71.072	10.72.885	14.01.865	15.330	10	National P.	10	7 1/2	Nil	100	25/37	23/27	23/50
2.56.00.000	1,785	8.06.96.118	2.42.18.122	26.20.231	-16.53.066	-16.53.066	10	Nellimaria P.	14	3	6-15*	100	11/00	11/00	11/56
18.79.880	667	51.13.896	51.70.911	4.86.781	10.14.322	32.186	3	New Central P.	15	15	15-11*	100	14/00	13/00	19/31
66.79.300	1,092	1.00.63.618	42.63.296	6.77.179	4.25.754	65.041	3	Northbrook P.	12 1/2	30	30-20*	100	31/87	31/50	33/37
20.00.000	305	44.84.547	2.99.013	1.14.563	6.36.262	-3.60.855	3	Nuddes P.	6	6	6-5*	50	60/25	57/00	67/00
49.50.000	1,276	87.25.150	Nil	24.98.321	7.31.877	25.40.896	3	Presidency P.	10	8	6-10*	100	5/31	5/03	5/37
2.000.000	2,013	£1,452.330	£1,182.334	£270.476	-2.77.715	£4.780	3	Reliance P.	Nil	Nil	Nil-Nil*	100	9/44	10/00	8/06
30.00.000	911	47.47.618	15.81.656	27.81.388	2.13.128	5.184	16	Shamugger P.	Nil	Nil	Nil-Nil*	100	7/06	8/56	7/00
14.00.000	401	23.26.975	15.86.900	14.20.017	8.87.568	16.168	12	Shree Ambica P.	10	6	6-Nil*	100	10/50	10/50	10/50
2.800.000	1,794	£1,331.626	£986.938	£235.525	-2.57.609	£6.618	12	Sitab P.	25	25	25	100	25/00	25/00	23/25
35.98.600	1,328	87.69.632	37.86.568	11.91.543	1.70.129	18.317	3	Sourab P.	10	25	6-Nil	100	25/25	25/25	22/31
2.400.000	1,331	£1,376.471	£874.777	£298.161	-2.82.489	£4.814	12	Tatagur P.	10	25	6-Nil	100	10/50	10/50	10/50
3.50.000	468	6.47.472	8.20.000	6.95.942	6.79.756	66.272	5	Union P.	25	30	6-Nil	100	163/00	163/00	192/00
								Victoria P.	10	6	NU	100	10/50	10/50	10/50
								Waverley P.	25	30	30-60*	1	5/94	5/94	4/50

TEA COMPANIES

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

				Outturn and Average Price per Kg/lb realised for crop				Estimate	Net Profit including taxation	Accounts Closed	Mr. A. K. Sengupta etc.	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Accrue under Tea	1960	1961	1962	1962	1962	1962	1962	1962	1962	1959	1960	1961	Rs.	Rs.	Rs.	Rs.	
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.								
ASSAM GARDENS																				
4.45.700	15.18.849	15.50.949	879	308.034	5.24	424.104	4.81	442.700	3.53.660	12	165	Anandabag	15	Nil	10	10	20/00	20/00	25/94	
7.00.000	12.88.670	8.07.423	501	321.178	6.85	311.077	6.58	399.561	12	38	Amuckie P.	17	30	32	10	33/25	33/25	23/50		
5.00.000	15.79.312	14.43.241	573	260.179	6.37	353.284	6.32	362.900	95.566	12	165	Baghmari	15	Nil	15	10	18/50	18/50	20/87	
1.80.000	3.62.618	1.69.284	315	123.695*	1.56	..	..	..	..	..	..	Barduar Tea	Nil	Nil	25	6	8/50	8/50	8/50	
7.65.000	15.19.743	10.56.055	1541	264.700	7.21	313.600	6.01	290.000	4.49.454	12	2	Basmatia	30	35	25	10	27/25	27/25	26/50	
4.95.800	4.73.519	5.67.320	..	335.928*	4.25	..	..	..	2.93.648	12	345	Bateh	30	30	..	6	18/00	18/00	18/81	
6.40.000	11.99.778	11.78.262	610	415.786	6.32	496.269	6.56	..	536.924	12	89	Bethan	25	40	45	10	32/62	32/62	28/44	
13.00.000	40.22.201	18.06.325	1,407	1,375.572	6.95	16.30.448	6.80	15.47.300	1.67.609	12	279	Bishnauth	13	13	13	10	17/25	17/25	15/70	
6.00.000	10.99.665	4.27.428	479	154.572	6.30	2.23.909	6.40	2.43.125	2.07.619	12	202	Bokakhat	8	Nil	12	10	13/70	13/70	15/37	
7.50.000	11.90.141	10.06.335	450	299.916	6.58	303.665	6.00	3.13.900	2.34.694	12	165	Bornam Jan P.	12	15	15	10	16/12	16/12	15/37	
4.50.000	7.82.300	2.32.500	2341	210.026	6.30	265.021	6.25	2.90.300	78.333	12	279	Bor Pukhuri	Nil	Nil	Nil	10	11/15	11/75	10/87	
35.00.000	66.10.893	10.77.736	1,163	1,215.847	6.31	14.26.351	5.27	..	5.94.471	6	127	Brooke Bond P.	12	15	10-74	10	11/50	11/65	15/62	
1.20.000	7.81.585	6.10.487	307	116.318	6.63	173.277	6.19	192.300	1.13.633	12	165	Dejoo Valley	40	15	20	10	49/25	49/25	49/25	
8.40.000	12.97.869	7.95.318	5401	376.082	5.70	545.624	5.68	515.318	541.972	12	128	Dessai & Purbuttia	Nil	Nil	10	100	141/00	141/00	155/00	
17.53.440	22.29.324	10.53.350	179	294.761	6.84	..	..	..	3.54.091	12	214	Dheikhari	20	12	15	10	20/00	20/00	21/08	
7.40.000	19.16.176	7.90.000	553	591.938	6.32	632.799	4.58	627.000	5.91.938	12	384	Dhulabari	25	20	15	10	15/00	15/00	15/24	
4.50.000	15.91.840	15.10.975	458	293.228	6.61	3.05.738	6.23	3.12.100	305.581	12	165	Dhunsari P.	30	40	40	10	32/50	32/50	29/56	
4.73.400	10.12.800	7.43.000	675	383.650	6.19	301.323	5.81	308.000	2.25.693	12	279	Dimaasari P.	30	25	20	10	21/87	21/87	23/12	
7.00.000	14.27.900	13.59.500	2861	383.643	6.18	464.799	5.77	454.000	393.108	12	279	Dufflaghur	35	25	25	10	17/87	17/87	18/25	
10.00.000	20.53.400	9.68.000	479	368.144	5.68	525.708	5.78	539.000	189.604	12	279	East India	10	Nil	Nil	10	13/87	13/87	25/50	
4.03.780	13.75.770	4.64.277	191	344.520	4.95	3.58.797	..	..	1.94.850	12	354	Gillapukri	25	25	20	10	18/47	25/44	13/00	
6.76.000	12.89.800	8.77.500	224	220.227	6.19	254.919	5.81	2.62.000	93.108	12	279	Gohpur	10	Nil	8	10	13/31	13/31	..	
23.29.085	55.16.400	35.83.224	1,034	975.452	5.54	1,079.308	4.98	1,132.1	63.288	12	202	Grob	14	6	6	8	8/06	8/06	9/87	
5.00.000	10.51.765	7.53.498	197	307.189	4.79	3.58.883	..	..	1.82.327	12	354	Hoograluli (Assam)	25	20	20	70	10	27/12	27/12	24/81
8.70.700	24.12.514	14.38.299	542	463.000	5.69	525.000	5.69	525.000	87.730	12	2	Hoolungoree	20	10	74	100	190/00	190/00	155/00	
9.00.000	15.74.647	10.51.189	949	606.565	6.52	5.39.472	5.99	..	5.82.915	12	88	Jullibari	10	30	30	10	32/00	32/00	32/00	
2.40.000	16.48.699	15.09.170	490	4.36.872	6.39	..	..	..	3.43.692	12	236	Kingsley Golaghat P.	35	35	100	100	212/00	212/00	11/56	
1.80.000	7.88.233	23.50.00	491	440.797	5.11	524.466	4.60	520.000	2.19.061	12	63	Kotamullai P.	Nil	Nil	Nil	8	10/31	10/31	..	
5.00.000	10.69.938	6.20.818	140	150.866	5.81	1.73.581	5.29	1.86.000	94.422	12	61	Krishnabehari	10	15	8	10	10/50	10/50	10/12	
2.00.000	1.81.000	21.000	71	229.767	..	..	..	..	4.158	12	236	Kyana Tea	Nil	Nil	..	10	8/06	8/06	8/06	
6.50.000	12.20.327	8.50.778	288	229.767	5.53	279.777	6.15	285.000	153.230	12	63	Ledo	Nil	Nil	..	10	17/25	17/25	17/00	
8.00.000	11.51.913	1.30.098	144	2.28.707	6.72	2.28.707	4.96	2.24.000	1.31.878	12	..	Maud Tea & Seed	74	10	74	10	14/81	14/81	15/25	
10.00.000	15.48.292	13.75.000	282	285.908	5.63	384.674	5.83	384.674	3.87.218	12	202	Methoni	15	8	14	10	18/50	18/50	18/81	
4.80.000	9.43.489	30.000	286	68.951	4.59	..	..	..	36.789	12	..	Moheema	10	Nil	..	10	11/50	11/50	11/50	
1.50.000	2.71.599	13.65.825	135	68.951	..	83.921	..	..	72.274	12	138	Mothola	25	30	30	100	507/00	507/00	507/00	
1.75.000	14.31.493	8.49.447	156	122.300	5.87	182.900	6.01	200.000	2.22.943	12	2	Murphulan (Assam)	20	6	15	10	26/50	26/50	24/50	
2.00.000	..	..	..	..	..	..	..	..	..	..	..	..	25	10.63	20.63	10	28/75	28/75	22/24	
4.00.000	5.99.355	6.84.758	554	337.198	4.63	319.104	4.51	345.000	2.07.239	12	143	Naga Hills	10	10	10	10	22/69	22/69	18/81	
6.35.000	9.31.834	3.98.379	447	248.382	4.79	..	..	..	1.78.991	12	..	Namburnadi	16	12	..	10	14/56	14/56	14/00	
5.00.000	7.84.180	1.35.500	298	163.289	6.84	290.978	6.98	240.000	3.02.899	12	63	New Cinnatollah	Nil	Nil	Nil	100	302/00	450/00	..	
6.00.000	12.46.354	7.17.592	157	167.100	6.00	216.600	5.31	216.600	1.75.941	12	354	Rajbari	35	40	139	10	21/87	21/87	23/25	
9.00.000	22.07.580	2.66.937	429	531.473	4.73	632.808	..	..	1.75.941	12	354	Sapoi	20	22	20	10	19/87	19/87	18/37	
2.49.000	6.24.100	4.55.000	207	203.694	6.24	242.697	6.56	220.000	1.31.336	12	279	Seajuli	17	22	15	10	21/12	20/75	22/87	
6.98.000	16.94.283	14.42.974	500	350.366	6.70	373.286	4.99	390.100	1.43.989	12	165	Telorian	25	25	25	10	35/00	35/00	35/00	
8.00.000	11.92.726	6.72.053	540	339.133	6.88	348.111	6.59	..	4.61.762	12	88	Tengpani	17	30	80	10	15/56	15/56	16/60	
19.82.800	33.61.788	16.92.483	2,407	2,816.560*	2.17	2,972.880*	1.92	249.600*	4.76.239	12	236	Texpore P.	20	20	124	10	6/50	6/50	38/00	
7.50.000	13.02.672	4.34.925	363	267.677	4.53	..	..	..	1.22.530	12	95	Tongani	Nil	Nil	10	15	34/37	34/37	37/87	
8.20.000	35.29.595	27.60.165	1,050	480.745	5.90	590.423	5.14	638.700	1.73.399	12	165	Tyroni	30	10	15	10	..	..	..	
CACHAR																				
3.00.000	3.31.837	5.000	348	93.975	4.42	..	..	..	4.314	12	..	Accuttipore	Nil	Nil	..	10	7/00	7/00	7/00	
4.00.000	6.54.409	3.37.709	1901	158.348	4.43	..	..	..	25.965	12	128	Baitakhal	6	23	..	10	6/59	6/59	6/69	
11.00.000	20.49.762	9.06.108	598	380.752	4.90	645.645	4.26	541.532	2.38.832	12	383	Central Cachar	5	5	74	100	73/00	73/00	73/00	
7.00.000	6.64.780	Nil	2781	122.864	4.63	..	..	..	4.307	12	383	Eastern Cachar	Nil	Nil	..	10	4/12	4/12	2/37	
4.50.000	3.35.089	3.30.000	637	214.640	1.95	..	..	..	34.716	12	384	Kallinugger Khoreel	6	6	..	10	87/00	87/00	86/00	
12.00.000	18.22.020	13.75.800	2,208	525.305	4.43	72														

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES	1962	1961	1960	1959
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	1962	1961	1960	1959	1962	1961	1960	1959
CHEMICAL INDUSTRIES														
62,00,000	5,26,30.158	1,97,50,273	5,45,473	1,41,28,376	1,18,274	9	12	15	10	34/37	35/12	45/12		
18,00,000	18,48,048	15,881	5,958	-2,50,346	-8,53,536	12	442			0/84	0/84	0/72		
15,00,000	76,41,344	68,84,803	21,11,440	18,06,053	1,30,717	3	245			101/00	101/00	108/00		
22,54,700	36,34,102	22,82,283	19,49,050	12,04,892	6,978	6	377			18/00	18/00	17/82		
15,00,000	99,022	Nil	41,554	72,146	2,580	2	129			3/25	3/25	3/25		
20,00,000	11,71,084	16,07,251	9,33,133	11,60,256	92,801	6	191			13/44	15/50	16/44		
ELECTRIC LIGHTING POWERS														
19,99,800	1,15,72,761	51,20,883	27,74,213	4,56,810	52,889	3	32			120/00	120/00	125/00		
8,00,000	29,33,899	15,51,802	8,09,008	2,00,631	25,623	3	32			11/75	11/75	11/75		
17,00,000	1,03,03,450	52,26,411	19,58,483	4,34,454	47,298	3	32			12/37	12/44	12/00		
4,91,380	15,63,473	807,802	2,70,659	1,36,558	41,730	3	202			6/08	6/08	6/03		
24,262,646	221,040,641	210,815,240	2173,696	21,599,019	2100,524	3	90			14/12	14/31	14/94		
6,60,040	22,18,493	1,17,141	32,604	151,465	63,899	3	202			12/62	12/62	12/62		
43,20,000	66,87,445	29,73,446	41,87,140	14,42,862	4,27,783	3	2			88/00	88/00	93/00		
5,34,840	17,29,086	95,513	95,409	65,283	3,590	3	168			5/90	6/90	6/00		
22,49,550	66,50,848	29,21,749	2,69,909	3,35,563	33,302	3	32			11/37	11/37	11/75		
4,95,000	4,70,324	2,24,149	1,09,770	46,495	39,015	3	258			12/00	12/00	7/00		
6,82,390	24,50,815	6,87,284	3,48,986	2,22,292	22,259	3	202			12/25	12/25	11/75		
6,99,790	13,47,574	1,14,377	2,15,991	63,664	18,988	3	329			11/12	11/12	9/85		
35,07,390	98,50,374	48,57,675	12,86,460	1,27,547	3,35,468	3	202			10/48	10/81	10/81		
9,10,000	8,77,208	2,86,892	3,19,022	1,58,667	17,201	3	202			7/00	7/00	6/75		
18,80,000	24,13,948	16,03,685	9,75,497	458,680	3,973	3	21			9/06	9/06	8/81		
88,00,000	2,03,16,819	80,84,613	25,53,868	11,08,426	92,879	3	22			119/00	119/00	115/00		
6,00,000	21,74,345	14,00,487	7,69,903	1,92,743	33,674	3	32			15/25	15/25	14/65		
ENGINEERING & METAL														
6,00,000	6,61,485	63,426	1,48,213	2,93,398	-1,52,122	12	30			14/50	14/50	14/06		
50,00,000	37,72,507	31,83,221	1,07,272	12,85,503	46,999	12	31			14/00	14/00	11/00		
1,00,00,000	1,03,33,194	61,14,305	10,96,741	68,11,414	4,914	12	289			36/50	36/19	50/00		
12,00,000	36,61,140	40,28,897	1,66,530	18,96,673	1,82,241	12	24			92/25	52/25	52/25		
19,88,670	33,56,748	1,09,796	1,88,939	1,80,146	-611,196	12	162			3/65	3/65	3/50		
60,00,000	97,94,575	47,45,365	1,14,934	11,48,142	1,11,267	12	162			10/37	10/25	12/69		
15,00,000	12,12,276	14,63,600	14,598	12,02,402	94,441	12	24			33/12	33/12	39/00		
84,00,000	3,32,64,591	2,76,84,425	40,25,787	1,39,62,242	1,08,751	3	32			504/00	490/00	560/00		
1,00,00,000	59,09,200	12,29,727	6,51,964	24,04,847	8,67,903	3	437			13/69	13/75	11/69		
80,00,000	1,12,20,936	24,09,000	2,06,872	22,94,246	1,09,021	3	434			11/87	11/75	11/69		
4,00,00,000	6,44,85,941	6,78,06,738	2,02,29,683	1,04,26,264	-1,52,122	12	227			32/25	33/00	45/75		
12,50,000	19,80,579	23,85,648	47,073	-20,18,457	46,999	12	32			102/00	108/00	108/00		
12,44,08,990	63,85,01,942	27,24,83,378	21,11,93,832	9,18,78,416	24,72,163	3	32			21/10	21/12	25/44		
3,55,000	11,52,812	14,001	1,82,994	-4,15,836	-4,03,294	3	223			6/00	8/00	6/00		
1,54,000	49,44,759	95,89,180	43,31,087	67,96,336	78,803	3	32			30/50	29/50	31/12		
96,79,740	3,27,31,933	2,72,79,486	1,63,11,490	39,84,802	2,31,048	3	122			49/00	49/00	47/62		
12,00,070	8,18,350	1,41,916	45,148	12,24,124	1,15,154	12	24			22/00	22/00	22/00		
3,51,83,863	2,75,25,083	1,27,78,829	11,63,784	56,79,340	9,036	3	443			24/25	24/25	24/25		
40,00,000	59,72,635	35,85,700	10,46,860	20,45,860	86,847	6	132			15/00	15/25	20/25		
2,04,00,000	2,86,54,899	1,98,14,815	76,75,724	1,16,61,943	91,571	10	280			23/25	22/56	23/08		
27,84,800	84,66,353	48,98,269	1,31,289	7,79,896	13,379	11	21			7/19	7/12	7/87		
10,50,000	4,02,051	19,21,798	4,45,599	3,25,891	-5,63,688	6	170			3/37	3/31	3/40		
49,98,000	61,84,985	13,56,398	3,83,036	2,56,716	-4,42,917	3	192			4/00	4/19	5/69		
6,00,000	10,13,234	18,88,375	1,40,370	6,90,089	11,859	3	25			7/65	11/12	10/31		
14,00,070	8,20,458	8,56,154	25,99,99	12,24,473	77,799	12	24			19/75	19/75	20/10		
1,50,00,000	2,73,21,760	61,37,433	13,28,341	52,01,523	62,642	12	22			21/10	20/25	20/10		
SUGAR & BREWERIES ETC.														
14,00,000	17,29,880	10,85,148	39,573	1,10,785	15,763	6	871			2/00	2/00	2/50		
29,23,537	25,29,299	11,36,627	10,02,614	5,72,506	3,552	9	234			9/82	9/82	10/31		
32,00,000	6,64,327	12,51,613	18,14,343	1,94,561	2,330	6	816			13/00	13/00	18/60		
33,00,000	45,72,335	43,34,048	27,81,820	33,71,567	3,71,540	10	99			11/12	12/02	12/00		
30,00,000	42,18,328	73,62,480	7,45,201	27,752	-3,70,213	10	25			15/87	15/87	18/44		
18,00,000	27,85,833	46,06,937	9,09,574	-978,687	-9,07,232	6	25			8/12	8/12	10/50		
36,00,000	31,58,847	31,58,160	92,328	-1,36,348	12,948	8	269			28/89	28/89	41/00		
27,56,355	1,31,99,222	1,78,30,095	24,30,790	1,00,50,837	12,604	8	116			28/89	28/89	41/00		
11,00,000	6,45,722	3,75,000	10,90,564	95,437	62,203	6	140			5/25	5/25	6/78		
9,00,000	19,47,931	23,02,670	2,05,743	2,86,458	79,042	6	1			11/60	11/50	11/81		
14,58,820	41,29,938	57,22,869	2,532	6,47,183	34,587	10	92			30/37	30/37	28/19		
68,00,000	49,68,674	28,68,848	14,85,232	4,89,145	34,587	10	92			9/75	9/08	10/62		
8,00,000	6,07,238	7,72,778	3,77,846	2,44,492	13,204	6	25			8/06	8/06	8/12		
11,99,000	23,10,161	18,54,067	2,06,103	-2,24,407	-2,20,855	6	835			9/62	9/62	10/12		
39,99,000	26,95,906	25,93,824	21,94,766	16,75,658	34,778	6	835			7/75	8/00	10/12		
7,94,000	13,54,886	11,65,176	11,16,386	1,90,057	7,991	6	140			7/12	7/12	7/12		
9,99,980	17,83,543	67,398	2,82,356	-6,89,988	-6,87,343	6	94			6/12	6/12	6/62		
18,00,000	18,38,740	1,81,852	3,86,436	7,66,063	53,589	9	341			10/62	10/62	15/12		
8,00,000	99,57,769	67,09,675	9,18,326	37,10,125	25,765	6	316			80/00	80/00	77/00		

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES	1966	1965	1961	1960
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
MISCELLANEOUS														
6,00,000	3,97,903	1,70,000	5,86,425	1,53,521	3,834	10	65	A Firpo (Restaurateur)	33	73	20	5/90	5/90	5/90
93,75,000	4,66,28,334	219,45,581	9,97,286	21,39,820	1,20,001	3	132	Aluminium Corporation P.	10	12	10	14/00	14/00	18/00
20,00,000	42,19,616	18,50,000	52,48,378	4,56,934	60,614	12	382	Anderson Wright Ltd P.	10	11	10	11/50	11/50	11/50
30,00,000	13,34,003	43,57,426	25,11,996	21,50,119	2,34,634	8	286	Angelo Bros	20	25	20	24/87	24/87	23/06
30,00,000	19,07,191	28,03,816	36,63,364	18,71,969	1,49,964	12	27	Assam Match	18	18	20	28/75	28/75	25/25
13,99,998	20,17,690	19,73,119	31,224	2,57,148	10,925	9	348	Assam Saw Mills & Timber	NU	NU	NU	2/50	2/50	2/50
1,18,00,000	53,91,481	93,43,093	59,95,725	50,77,803	7,18,123	8	391	Associated Battery	40	25	15-15*	26/50	26/50	32/87
20,00,000	43,09,876	44,17,208	43,55,171	7,61,605	1,22,491	3	204	Associated Hotels of India P.	NU	NU	10-10*	10/31	10/31	10/31
80,01,400	41,69,783	1,00,44,367	89,25,683	41,27,153	5,49,959	12	396	Balmer Lawrie & Co.	25	25	25	257/00	257/00	282/00
12,00,000	6,86,566	10,21,863	6,94,390	9,56,254	46,563	3	128	Barace Coke	NU	NU	NU	21/87	21/00	16/00
44,00,000	1,01,23,412	67,87,735	1,04,768	72,75,311	30,426	9	180	Birds Investments P.	11	9	10	11/50	11/50	12/62
88,95,530	73,67,363	2,01,22,345	1,58,91,691	1,08,65,119	3,91,983	12	33	Britannia Biscuit P.	14	25	30-25*	43/87	44/12	43/62
3,25,90,000	21,14,697	40,83,960	2,92,254	13,04,782	19,448	12	392	British India Corporation P.	NU	4	7	8/15	9/25	12/44
30,00,000						12		British Paints	10	12	15	19/19	18/75	26/75
5,00,000	6,83,781	1,85,739	1,54,429	2,63,717	6,201	3	213	Calcutta Silk Manufacturing P.	NU	NU	NU	7/15	7/15	7/12
1,38,90,000	14,79,453	1,92,04,790	14,62,760	2,49,217	12	2	Clive Row Investment	10	6	7	8/19	8/19	8/94	
90,00,000	22,97,556	1,21,50,000	2,49,18,559	97,24,110	3,46,877	12	169	Duncan Brothers & Co Ltd P.	14	14	14	159/00	159/00	152/00
4,50,00,000	6,51,32,676	4,14,74,162	8,32,011	2,87,37,462	25,38,694	12	96	Dunlop Rubber Co (India) P.	21	21	20	35/75	35/00	43/31
51,26,000	81,19,702	1,84,42,198	1,23,955	2,67,785	12	21	Eastern Investments Ltd P.	14	14	14	129/00	129/00	147/00	
80,93,400	64,20,000	20,22,000	1,61,547	19,35,082	12,311	10	388	Electric Construction	5	10	10-10*	14/00	13/75	15/81
30,00,000	28,94,553	27,23,508	19,90,834	15,65,116	2,10,371	3	51	French Motor Car	12	20	20	35/12	35/12	34/50
14,00,000	21,38,604	17,97,347	25,404	6,82,807	46,218	12	19	Ganges Rope	17	17	20	238/00	238/00	231/00
2,25,000	56,068	5,62,570	35,240	6,305	2	21	General Investments Trust P.	34	5	5-5*	43/00	43/00	43/00	
85,00,000	32,50,865	50,33,900	1,51,99,383	28,70,050	1,68,102	3	109	Gillanders Arbuthnot & Co Ltd P.	10	10	11-11*	13/62	13/62	14/37
50,00,000	17,69,581	1,21,344	36,90,302	6,43,666	5,524	12	309	Gladstone Lyall & Co Ltd P.	NU	4/25	10	33/25	33/25	31/00
40,00,000	53,21,954	5,22,500	87,620	46,18,514	17,00,907	12	310	Godfrey Phillips (India) Ltd P.	26	40	40	241/00	241/00	249/00
30,00,000	43,74,368	17,68,569	1,60,432	1,08,512	794	3	225	Great Eastern Hotel	6	9	6			
4,88,75,000	3,08,48,439	2,33,36,909	2,11,553	2,11,555	12	438	Hindustan Aluminium P.	NU	NU	NU	13/99	13/75	20/75	
7,91,91,750	5,13,91,659	1,97,01,491	4,19,55,425	3,13,19,271	1,26,139	3	43	Hindustan Motors P.	5	9	12-12*	17/12	17/25	20/75
80,00,000	16,00,000	39,09,797	28,38,719	1,51,125	10	11	Hindusthan Pilkington	12	12	12	18/25	18/25	32/12	
32,64,650	46,43,061	NU	2,27,556	1,66,274	5	211	Hindusthan Plywoods P.	NU	NU	NU	13/50	13/50	17/12	
35,50,000	23,38,537	16,00,000	24,48,098	3,91,968	36,500	12	294	Hoare Miller & Co Ltd.	6	6	6	6/31	6/31	7/00
15,16,00,000	8,38,68,674	9,87,38,292	2,17,60,428	3,21,94,827	24,56,069	3	525	Imperial Tobacco	6	6	9-9*	10/82	10/25	12/87
3,98,80,840	13,83,35,090	3,45,09,860	10,45,969	2,09,54,000	62,31,753	12	288	Indian Aluminium Co Ltd P.	12	15	15	32/00	31/75	30/12
2,35,77,700	1,61,90,954	2,47,87,168	99,57,176	1,37,75,998	50,15,117	3	84	Indian Cable P.	28	22	22-22*	33/75	33/00	37/87
3,64,00,000	5,56,27,813	1,22,35,821	44,62,878	1,35,49,869	17,61,369	9	366	Indian Oxygen	18	15	15-12*	27/87	28/50	41/62
8,27,870	6,30,780	9,65,146	10,77,314	9,35,909	80,309	3	223	Indian Rubber Manufacturers P.	15	20	30	21/06	21/06	20/25
20,00,000	3,57,320	25,48,665	21,98,914	16,32,571	1,85,076	9	98	Indian Wood Products	25	30	30	30/50	30/50	31/81
79,69,130	72,05,408	2,48,602	8,28,763	14,68,459	12	63	Isaac Holdens	NU	NU	NU	15/00	15/00	18/37	
6,00,000	NU	2,75,956	13,26,323	95,493	26,270	3	21	Investments and Finance P.	7	7	7-7*	60/00	60/00	65/00
72,62,500	23,44,049	64,97,503	3,02,73,819	8,00,318	44,050	6	439	J K Synthetics	NU	NU	8	11/50	11/50	NU
9,97,304	2,28,843	NU	5,88,284	-1,19,242	-1,18,804	12	281	James Wright P.	NU	NU	NU	40/40	40/40	27/75
1,17,50,000	NU	NU	NU	NU	NU	10	10	Jardine Henderson Ltd P.	10	10	10	73/00	72/00	81/00
2,00,00,000	50,52,034	74,30,380	5,22,38,926	16,43,783	4,49,956	3	59	Jay Shree Industries P.	14	14	12-12*	15/19	15/19	21/25
97,46,630	1,62,78,000	73,74,126	6,46,513	37,33,223	18,455	12	22	Keoram Industries P.	24	6	12-12*	21/06	21/12	34/69
1,99,81,750	8,81,41,369	3,32,78,328	49,57,635	1,00,74,268	43,454	8	133	Macarlinie & Co.	NU	NU	NU	7/00	7/00	7/58
6,34,00,000	5,17,363	6,02,936	3,21,671	-14,078	-1,484	12	334	Masonell & Barry Ltd P.	7	8	8	2/50	2/50	2/59
66,00,000	88,29,596	82,10,447	2,71,03,736	35,11,053	3,38,733	12	309	Martin Burn Ltd P.	27	27	27	30/12	30/62	33/62
1,50,00,000	70,19,731	1,21,48,546	2,06,18,318	81,01,941	2,45,501	9								
1,47,12,250														
60,00,000	18,23,673	80,84,814	2,87,07,892	14,08,994	2,06,338	12	282	McLeod & Co P.	15	15	15	215/00	215/00	215/00
5,00,000	2,44,54,393	1,96,95,151	34,56,436	1,13,74,875	29,83,294	3	167	Meta Box Co of India Ltd P.	10	10	10	50/50	50/00	62/25
1,61,00,000	16,89,17,85	6,15,375	68,52,688	1,73,335	3	1	National Insulated Cable P.	20	20	20-20*	24/75	24/25	48/12	
90,00,000	22,72,420	31,10,865	20,86,743	26,46,005	67,385	9	7	National Pipe & Rubber P.	18	18	18	29/06	29/25	31/75
30,00,000	37,29,344	39,07,495	31,24,718	20,63,112	35,983	6	7	National Rolling & Steel Ropes	10	13	15-15*	19/50	19/50	21/50
40,00,000	69,57,402	15,06,740	3,89,821	6,86,613	58,466	12	375	National Rubber P.	8	NU	8	11/87	11/87	15/12
80,00,000	81,44,168	1,21,10,510	29,60,565	17,89,972	1,39,128	12	35	National Tobacco P.	10	10	7	11/50	11/50	18/00
79,97,000	1,41,164	1,03,02,991	9,90,509	6,26,850	40,375	12	75	New India Investment Corpa	8.7	8.7	75	80/00	80/00	58/00
23,31,600														

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts Closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		1959	1960	1961	Rs.	Rs.	Rs.	A year ago
MISCELLANEOUS --(Contd.)														
60.00,000	6,74,367	66,56,843	65,18,613	12,27,363	2,77,718	12 321	Octavius Steel P.	12 10	100	26/25	28/12	39/50		
2,20,00,000	1,65,64,981	63,83,140	25,36,442	66,19,862	1,43,404	12 364	Philips India	12 12	10	26/19	26/19	24/75		
2,88,200	31,000	5,62,800	2,80,533	4,74,296	82,858	8 145	Publicity Society	37 10	75-75*	4				
2,25,00,000	36,77,634	14,24,127	1,33,25,370	44,48,355	3,23,563	8 332	Rallis India P.	Nil 4	83-83*	100	130/00	128/00	145/00	
5,00,00,000	8,03,38,621	2,57,80,000	1,14,05,040	49,28,459	5,08,029	8 335	Rohitas Industries P.	15 20	10-8*	10	11/75	11/56	17/87	
94,27,330	5,55,68,835	Nil	14,04,497	3,60,253	37,513	9 22	Sirsilk P.	.. Nil	..	10	8/50	7/97	11/12	
70,00,000	2,25,52,451	61,94,790	29,78,780	21,56,385	7,622	9 376	Sen Raleigh Industries P.	8 8	8	10	13/19	13/19	22/56	
75,00,000	1,05,26,889	41,88,000	1,77,92,109	47,78,759	8,97,298	12 278	Shaw Wallace P.	15 15	15	10	18/19	18/56	24/06	
3,00,000	3,33,174	23,159	90,501	17,483	1,739	12 111	Spencer's Hotel	14 24	24	2	0/94	0/94	1/56	
2,80,00,000	5,97,69,163	2,48,69,275	24,48,825	83,20,569	42,35,939	12 301	Union Carbide	18 18	18	10	41/75	41/69	56/75	
1,10,20,000														
8,40,80,000	5,18,268	24,12,476	10,86,209	13,99,207	3,87,027	12 195	Walford Transport	15 30	30	10	2/25	2/25	3/00	
								20	20	20	10	3/30	3/37	4/16
INSURANCE COMPANIES														
13.50,000	6,47,527	54,93,120	1,31,72,890	6,70,837	78,475	12 174	Concord of India	20 20	20	5	11/00	11/00	10/87	
24,00,000	65,903	82,46,577	1,27,34,470	16,71,905	3,93,660	12 248	Hercules	20 22 1/2	26 1/2	10	25/00	25/00	24/12	
32,00,000	7,51,382	1,15,82,907	2,08,14,578	12,75,071	4,95,149	12 38	Ruby General	10 10	13 1/2	8	9/69	9/69	9/44	
8,00,000		21,62,072	27,92,406	51,893	12,241	12 ..	Standard General	.. ..	..	10	8/00	8/00	5/25	
6,75,000	25,990	73,52,563	99,05,303	7,07,189	1,95,530	12 39	Triton	45 45	50	25	131/00	131/00	137/00	
FLOUR MILLS														
12,00,000	4,80,900	26,61,133	10,62,993	7,30,069	1,68,614	12 24	Bengal P.	45 40	25	10	34/25	34/25	38/02	
5,60,000	5,15,040	2,47,038	2,17,808	1,05,473	1,26,380	10 97	Delhi P.	.. ..	..	12 1/2	14/00	14/00	14/00	
98,90,137	47,18,433	77,72,310	56,85,368	33,61,767	4,07,358	9 175	Ganesh P.	27 15	Nil	12 1/2	15/75	15/75	24/50	
9,00,000	4,39,798	4,52,392	24,041	6,269	-4,336	12 336	Hooghly	27 15	Nil	10	19/75	19/75	19/75	
5,00,000	2,92,235	6,61,791	3,26,246	1,14,554	10,571	11 236	United	62 1/2	55	10	30/00	30/00	38/00	
OIL COMPANIES														
22,900,001	22,383,591	21,700,442	2,507,508	21,073,511	21,007,742	12 249	Attock Oil	13 1/2	13 1/2	21	sh.33/3	sh.32/-	sh.24/3	
282,419,080	235,843,356	212,750,000	213,148,421	218,446,093	2,782,961	12 42	Burmah Oil P.	26 30	25	10	sh.47 1/2	sh.48 1/2	sh.33/6	
1,00,00,000	56,10,926	2,56,15,353	3,11,16,359	63,36,353	6,00,220	12 249	Indo-Burmah Petroleum P.	26 30	35	10	23/44	23/37	29/25	
4,00,000	2,79,005	9,89,137	6,10,241	4,10,168	92,708	10 2	Tide Water Oil	22 30	35	10	26/00	26/00	24/12	
PAPER MILLS														
45,00,000	1,00,03,801	62,77,149	4,73,511	41,43,385	1,40,204	12 438	Bengal P.	32 32	27 1/2	10	31/75	31/62	..	
88,20,000	1,18,96,697	84,80,934	10,29,515	23,47,414	46,493	3 2	India Paper Pulp	10 15	13-12*	10	18/69	18/56	17/62	
1,57,83,688	6,50,00,000	3,92,78,014	69,38,470	1,41,20,011	2,25,579	8 22	Orient Paper P.	15 22 1/2	22 1/2	10	36/10	35/00	41/95	
1,25,51,920	4,51,23,557	1,49,74,473	71,97,860	58,83,929	31,55,867	12 140	Shree Gopal Paper P.	17 6 1/2	17-6 1/2	10	22/56	22/50	26/19	
2,18,55,240	4,52,39,369	72,10,000	6,79,140	33,33,899	99,729	9 22	Sirpur P.	6 1/2	6 1/2	8 1/2	11/62	11/81	16/50	
50,00,000														
10,00,000	3,54,48,618	851,143	4,35,589	703,201	3,97,323	9 36	Star Paper P.	3 Nil	..	10	10/00	10/00	10/44	
4,37,50,000														
56,00,00,000	4,96,82,144	3,30,31,629	21,85,452	11,38,443	58,939	3 106	Titagarh P.	10 10	13-13*	24 PO	3/78	3/78	3/81	
56,04,800								25	25	20-10*	10 AO	17/81	17/44	42/69
1,50,00,000	4,95,97,051	85,00,000	1,73,752	58,44,196	17,196	6 373	West Coast P.	25 25	20-10*	10 AO	17/81	17/44	42/69	
								Nil	6	7 1/2	100	160/50	160/50	192/50
PRESSING COMPANY														
4,30,000	1,81,531	1,45,000	5,34,786	65,294	24,828	7 326	Camperdown	11 11	11	100	100/00	100/00	101/00	
REAL PROPERTY STORAGE														
10,00,000						4-10 73	Bengal Bonded Warehouse	6 11	8-8*	10	105/00	105/00	105/00	118/50
1,25,00,000	14,75,599	7,71,511	6,55,848	1,14,879	3,609	4-10 73	Bengal Bonded Warehouse				135/00	17/25	58/93	
2,00,00,000						8 6	Calcutta Safe Deposit		..	100	122/00	122/00	97/00	
25,00,000						8 6	Calcutta Safe Deposit				14/75	14/75	12/14	
1,42,150	11,88,346	4,23,135	33,823	81,259	3,142	8 6	Calcutta Safe Deposit				7/25	7/25	7/25	
1,00,00,780	19,85,068	9,01,599	13,43,272	3,61,779	1,33,593	9 432	Humayan Properties P.	25 25	20-10*	10 AO	11/00	11/00	11/00	
2,00,00,000						4 1	Midnapore Zemindary P.	Nil Nil	Nil-Nil*	85	10/06	10/06	10/75	
7,96,00,000	13,373	Nil	13,17,010	-89,757	-21,89,035	4 1	Midnapore Zemindary P.							
TRAMWAYS & STEAMER														
20,00,000	29,74,805	27,13,587	10,28,887	8,59,472	11,765	10 2	Bengal Assam Steamship P.	3 7 1/2	7 1/2	100	106/00	106/00	118/50	
6,25,000	6,95,196	6,22,000	4,23,357	1,34,197	16,331	10 69	Calcutta Landing & Shipping	34 34	34	10	35/06	49/50	12/94	
12,69,000	23,78,412	13,83,110	42,995	28,490	-42,629	6 398	Calcutta Steam Navigation	10 10	Nil-Nil*	10	8/87	8/87	12/37	
2,700,000	2,23,77,715	21,540,682	2,31,5,682	2,105,509	21,407	12 93	Calcutta Tramways P.	34 34	..	21	11/00	11/00	12/12	
6,04,880	6,97,987	6,56,708	83,440	1,35,086	-397	3 139	Fraser	Nil Nil	..	10	10/00	10/00	10/06	
2,65,580	2,19,0,806	2,43,456	2,419,913	-2,80,868	-2,84,354	3 131	India General Nav. Railway P.	Nil Nil	..	210	66/50	66/50	70/75	
2,47,40,000	10,80,59,821	1,57,51,780	1,56,10,394	-41,42,006	-41,42,006	3 281	India Steamship P.	10 10	Nil-Nil*	10	6/10	6/25	7/44	
14,08,220	13,34,504	78,470	7,951	-62,391	-4,08,480	12 ..	Port Shipping	Nil Nil	Nil	10	12/06	12/06	11/06	



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75th YEAR OF ISSUE

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THE CRITERIA FOR A SOUND BUDGET

WHEN the Finance Minister, Mr. Morarji Desai, presents the Central Budget for 1963-64 this evening, he is expected to give what may be the first clear sign of how the Government's fiscal and economic policies are to be reshaped by the emergency. Although more than four months have passed since the Chinese launched their offensives in N.E.F.A. and Ladakh, the discussion on the economic implications of defence has so far been confined to generalities. It has in fact been based on two broad assumptions. The first is that defence expenditure will have to be doubled, which is understood to mean that it will have to be raised by Rs. 375 crores in the coming year. The second is that the third plan programmes will nevertheless continue largely intact; according to the decisions cheerfully ratified by the standing committee of the National Development Council last month, this means that the Central and State outlays on the plan would have to be increased by nearly Rs. 300 crores (from the Rs. 1,446 crores proposed for 1962-63 to Rs. 1,744 crores in 1963-64). Mr. Desai is thus expected to perform a trick which fiscal magicians round the world would envy: somehow to raise the larger proportion of the extra Rs. 700 crores or so which the Centre and the States together have threatened to spend in 1963-64. As he has looked round for new fiscal weapons these past few months, he has been liberally showered with suggestions and assurances from statisticians and theory-mongers round the country. Sundry members of both tribes have taken the liberty of informing the Finance Minister that the task he faces is really not too difficult: instead of the Government exchequers appropriating only 11 per cent of national income, they now have to appropriate "a mere" 5 per cent more. And 16 per cent—it is added, for good measure—"is after all what even the advanced countries do."

The statistical obfuscations apart, the events of the past few days have not made the outlook by

if the targets for defence and development are to be fulfilled. The past year has been a period of exceptional difficulties for the economy. Although a few crops like jute have been excellent, agricultural progress on the whole is poor. The difficulties which industry has faced, because of the shortage of power, transport, fuel and imported materials, remain acute. The increase in exports has been small, so the scarcity of foreign exchange has worsened. The one redeeming feature is that prices have not increased much, as large supplies of P.L. 480 foodgrains have been readily available for pumping into the markets. But here again the inflationary pressures now incipient, partly because of local crop failures and partly because of heavy deficit financing since the Chinese attacks, cannot any longer be ignored.

All this makes the Finance Minister's task for the coming year much more difficult. If the economy were healthy and the investment mood were expansionist, he could have been sure of an automatic and very substantial increase in revenues. But signs of health and expansion are few, even though, as Mr. Mackay Tallack pointed out, something has been done to ease the bottlenecks which have restricted economic growth. For example, the railways' expansion programmes are being speeded up; the shortage of coal in some areas is less acute than it was six months ago; and advance planning for the expansion of power facilities has begun. But the results of these decisions will take time to mature. Meanwhile, a major threat, as Mr. Mackay Tallack emphasised, is that the full impact of the import restrictions has not yet been felt. "There are some most dangerous shortages developing and

when, as in the case of the engineering industry, indigenous materials are also in short supply, there may be serious repercussions on production of a very essential type."

The repercussions can be avoided if India can quickly secure more foreign aid for financing maintenance imports; and if exports can be increased. For the former, the large U.S. loan of \$240 million negotiated on Monday is extremely welcome, but nobody can say for certain whether it will enable the Government to reverse its recent prophecy that the next import policy, due to be announced a month hence, will be even more restrictive than the present one. As for exports, they have shown a modest increase during the past year, but that is partly due to fortuitous circumstances (such as the exceptional demand for jute goods following the shortages of the earlier years). Whether the increase can be maintained depends, as Mr. Mackay Tallack emphasised, on "the main problem of cost and quality"—in other words, at least partly on whether Mr. Desai reduces the taxes on exportable goods. The encouraging rise in tea exports, which has followed the reduction of the export duty in the last Budget, serves as an excellent example of what fiscal concessions can do to promote sales abroad. The economic situation makes it fairly clear what the priorities in the Budget this evening should be: to get the domestic economy back into a mood of optimism and expansion, to increase exports, and to encourage the inflow of foreign investment. Declining confidence at home and declining exchange reserves abroad—these may constitute the two most serious threats to economic progress in the coming year.

STATES AS FISCAL COWARDS

THE Budgets for 1963-64 presented by the Governments of West Bengal, Maharashtra, Uttar Pradesh, Andhra Pradesh and Bihar are disappointing in that none of the States has done much to raise more revenue. When their representatives met the Central Finance Minister, Mr. Morarji Desai, in New Delhi three weeks ago, he urged them to do their utmost to raise new resources as their expenditure would be rising. Not only has the financial assistance given by the Centre to the States been cut by Rs. 50 crores to Rs. 400 crores; the Centre has also made it clear that it will not be able to increase the sum. The expenditure of the States meanwhile is going to rise quite sharply. Many of them will spend more on plan projects during 1963-64; in addition, they will have to meet certain costs connected with the emergency and the defence effort.

Under the third plan, it was decided that the target for additional taxation in the States would be Rs. 610 crores, which works out to an annual average of Rs. 122 crores. During 1961-62, the first year of the plan, the States proposed additional taxation which would yield only Rs. 20 crores in a full year. As the general elections were approaching, they could not find the courage to impose a stiffer burden. In 1962-63, new tax measures were proposed which were expected to yield about Rs. 71 crores in a full year. Now, for the coming financial year, 1963-64, West Bengal has proposed new taxes totalling Rs. 3.50 crores and Maharashtra has devised new levies totalling Rs. 95 lakhs. Andhra Pradesh, Uttar Pradesh and Bihar have made no new tax proposals, although they have vaguely hinted at the possibility of doing so during the coming financial year. Andhra Pradesh hopes to obtain an additional Rs. 6 crores by reorganising the sales of neera shops and by imposing a levy on non-agricultural land in urban areas. Some say that the State Governments have not tried to raise much extra revenue because they think that the Central Government will raise a lot more. The argument seems illogical, considering that the States will derive only a small part of any increase in the Central revenue. In any case, Mr. Desai has clearly told the States that they must themselves raise the resources they need. The latter cannot expect to benefit greatly from the new scheme for a centralised borrowing programme. In any case, some States appear to be convinced

that their share in small savings collections will decline during 1963-64.

While West Bengal and Maharashtra have made some effort to secure more revenue, their choice of levies is unfortunate. The new burdens will fall on sectors which are already heavily taxed. These two States have concentrated their attention on the sales tax and the duties on electric power. The levies fall mainly on the urban sector and they will tend to raise production costs as well as consumer prices. It is regrettable that nothing has been done to secure more revenue from the agricultural sector which has always escaped lightly for political reasons. One would have thought that the emergency had provided an excellent opportunity for distributing the tax burden more equitably. The agricultural sector, after all, has benefited from a substantial increase in irrigation, credit and storage facilities, and from the subsidised supply of fertilisers, seeds and implements. In addition, the prices of farm products have risen over the years. It is only fair, therefore, that agriculture should have contributed more money to the State exchequers, especially through an increase in land revenue.

West Bengal: New Taxes

The West Bengal Budget has taken credit for an additional tax revenue of only Rs. 3.50 crores. This is to be achieved, firstly, by extending the scope of sales tax; secondly, by shifting the tax now being levied at the point of retail sale to the point of wholesale sale to check evasion; and, thirdly, by enhancing the sales tax on luxury goods. These measures are expected to yield Rs. 2.5 crores. The raising of the duty on electricity for industrial consumption is expected to fetch the remaining Rs. 1 crore. The reliance thus placed on urban taxation by West Bengal's Finance Minister, Mr. S. D. Banerji, is unfortunate. The extension and increase of sales tax will be inflationary, and so will be the enhanced duty on power consumption. Already there have been increases in the costs of raw materials and labour and in interest rates; corporate taxation is burdensome and may become more so if the worst fears about the Central Budget come true. A rise in power rates will add to the strain on industries and ultimately show up in the prices of finished products. This may be especially harm-

CAPITAL, 23th February, 1963.

ful in the case of export commodities like jute goods, which have to compete in foreign markets. It may also affect the growth of new small and medium-sized industries. Mr. Banerji admits that *per capita* taxation in West Bengal is the highest in India, but feels convinced that there is "reasonable scope" for additional taxation. This is debatable except in the case of the rural sector.

A glaring lacuna in the Budget proposals is the absence of the rates and other details of new taxation. The Finance Minister has contented himself merely by saying that he will raise an extra Rs. 2.50 crores through sales tax and an extra Rs. 1 crore through the increase in the duty on electricity. He has added that "the rates of tax to be levied under West Bengal Sales Tax Act are to be fixed by notifications". Does this mean that the new changes will not be placed before the legislature and the latter will not be given an opportunity to discuss them before they are enforced? It is to be hoped that no such curtailment of the legislature's rights is contemplated. The total tax revenue of the State has been increasing steadily, thanks to the handsome yields from taxes like electricity duty, sales tax and the tax on entry of goods in local areas.

Although there is a revenue surplus of Rs. 7.27 crores, the Budget shows a negative closing balance of Rs. 9.22 crores for 1963-64. It makes a provision of Rs. 64.53 crores for plan expenditure during 1963-64. Central assistance, which was originally to be Rs. 29.7 crores, was scaled down to Rs. 26.40 crores because of the emergency. Efforts have been made to shift the emphasis to production, and the provision for social services has been restricted to the maintenance cost of schemes already completed or being completed. The axe has also fallen on education, the allocation being Rs. 5.71 crores, against Rs. 8.23 crores in the revised estimates for 1962-63. However, in view of the importance of education, the Finance Minister hopes to raise the allocation later by at least Rs. 1 crore. A welcome feature of the Budget is the saving of Rs. 1 crore on the costs of administration—more specifically by a 10 percent cut in contingency expenditure. Although the saving by itself is not very big, it is gratifying because it might mark the reversal of the tendency for administrative expenditure to rise out of proportion to productive expenditure. Vigorous collection of arrears of land revenue and sales tax is expected to fetch Rs. 2 crores, while the additional receipts from State enterprises may be Rs. 1.5 crores.

Mr. Banerji has ably presented West Bengal's case for a fairer allocation of Central funds to the States. The present pattern of distributing federal revenues, based on the Third Finance Commission's recommendations, has been unfair to industrial States. It has brought about a fall in West Bengal's share of the divisible pool while the State has to bear the increased costs of supporting industry and trade. By classifying income tax paid by companies as corporation tax, the Central Government had already lifted the major portion of the collections from the divisible pool. The basis for distribution of the States' shares of income tax, according to the Third Finance Commission, is 80 percent for population and 20 percent for collection. This has deprived West Bengal of its rightful share. Furthermore, the Constitution has, broadly speaking, bifurcated the field of taxation, as a result of which the Centre can tax the industrial sector and the States the agricultural sector. This dichotomy has hit industrial States like West Bengal, whose agricultural sector is shrinking.

The wealth produced in this State yields substantial corporation tax, which flows entirely into the Central Exchequer, while the increased income tax and excise duty collected here go to other States with larger populations via the divisible pool. At the same time, the State has to undertake huge expenditure to provide the security and social services which are necessary for a highly industrialised region. It also has to spend large sums on the service industries such as transport, roads and power. Even with such high expenditure, the ancillary services remain extremely inadequate. The emergency has now put a special burden on West Bengal since most of the industries here are directly contributing to the defence effort. To ignore its special needs or its claims for larger

CAPITAL, 28th February, 1963.

allocations is seriously to hamper the economic growth of a region which is of vital importance.

WEST BENGAL BUDGET		
	Revised 1962-63	Budget 1963-64
Opening balance	1.70	1.50
Revenue receipts	105.74	117.06*
Receipts from debt heads —loans	52.74	60.42
Receipts from contingency fund and public accounts	285.34 ^a	250.42
	445.52	429.40
Revenue expenditure	115.27	109.79
Capital expenditure	37.71	33.43
Expenditure on debt heads —loans	26.64	51.33
Expenditure on contin- gency fund and public accounts	264.40	244.07
	1.50	—9.22
Closing balance	445.52	429.40

*The figure does not take into account the sum of Rs. 3.50 crores to be raised by fresh taxation.

Maharashtra Acts Mildly

The Maharashtra Budget for 1963-64 has estimated revenue receipts at Rs. 159.71 crores, and revenue expenditure at Rs. 160.47 crores. It thus shows a deficit of Rs. 76 lakhs, which will increase to Rs. 91 lakhs after taking supplementary demands of Rs. 15 lakhs into account. The deficit is sought to be converted into a small surplus of Rs. 4 lakhs through additional taxation, which is estimated to yield Rs. 95 lakhs. Sales tax on the bulk purchase of electricity, it is expected, will yield Rs. 55 lakhs, the increase in the rate of electricity duty applicable to low-tension industrial consumers will bring Rs. 10 lakhs, and certain changes in the electricity duty schedule are likely to add another Rs. 8 lakhs. An increase in the rate of sales tax will fetch an extra Rs. 15 lakhs and a tax on goods carried by road by private carriers will yield Rs. 7 lakhs. The capital expenditure on plan account is estimated at Rs. 56.55 crores. With receipts totalling Rs. 41.35 crores, the deficit on capital account amounts to Rs. 15.20 crores. It is proposed to meet this from miscellaneous capital receipts, by raising open market loans and by withdrawals from reserves.

The 1961-62 Budget showed a revenue deficit of Rs. 7.52 crores, with revenue receipts and expenditure placed at Rs. 118.75 crores and Rs. 126.27 crores, respectively. But the current year is expected to end with a modest surplus of Rs. 40 lakhs, the receipts and expenditure being placed at Rs. 145.13 crores and Rs. 144.73 crores, respectively. These figures show a considerable buoyancy in revenues, which in turn reflects the encouraging progress the State has made in the economic sphere. In his Budget speech, the Finance Minister, Mr. S. G. Barve, has expressed the fear that due to the emergency, the Central Government is likely to restrict the State's share in small savings to what it had received in 1962-63, and that the State's share in the proceeds of the centralised open market borrowing may also be smaller than what Maharashtra might have raised on its own. Besides, the Centre has already indicated that its assistance to the State during 1963-64 will be maintained at last year's level of Rs. 28 crores. In spite of these limitations, the entire framework of the State plan has been kept almost intact, with some reorientation of the objectives to suit the needs of the present emergency. The outlay for 1963-64, at Rs. 81.25 crores, is 20.8 percent of the total third plan outlay of Rs. 390.20 crores for this State, compared with 17.2 percent in the second year (1962-63) and 14.2 percent in the first year (1961-62) of the plan. A special feature of the Budget is the provision of Rs. 2.5 crores towards meeting "unforeseen expenditure arising out of the present emergency" and the setting aside of an additional Rs. 1.5 crores for capital expenditure of a similar nature.

In setting his new tax demands at the modest figure of Rs. 95 lakhs, the Finance Minister no

doubt feels that he cannot be accused of having missed the opportunity of mobilising the resources required for economic development and defence. He probably thinks that Maharashtra's record in raising additional taxation is already creditable. Against the total target under the plan of Rs. 52 crores, the levies imposed in the first two years alone have yielded Rs. 45.55 crores. Apart from the levy on bulk purchases made by power distributing licensees and users of electrical energy, Mr. Barve's latest tax fare is mainly in the nature of marginal adjustments. But urban consumers of electricity will feel aggrieved because they have been called upon to carry the bulk of the additional burden; there is no justification for the argument that the extension of power to rural areas is a welfare measure and needs to be subsidised. The impost on private carriers is also wrong because it will act as a further disincentive to road transport which needs all possible encouragement as the railways are unable to cope with the increase in goods traffic.

Maharashtra's record in the implementation of the plan is impressive. The State has made significant progress both in industrial and agricultural production. In purely financial terms, with the outlay of Rs. 81.25 crores proposed for 1963-64, the State's overall performance will rise to 52 percent. The sector-wise allocation of plan expenditure in 1963-64 will be: agriculture Rs. 11.37 crores, community development and co-operation Rs. 6.66 crores, irrigation and power Rs. 38.72 crores, industry and mining Rs. 2.23 crores, transport and communications Rs. 5.53 crores and social services Rs. 16.08 crores. The slight reorientation of the plan in view of the national emergency has meant that greater attention has been paid to the infra-structure for industrial enterprise—facilities such as developed land, water and power supplies and efficient communications. This has led to some curtailment of social services and building programmes which come lower in the priority scale. Maharashtra has, however, reason to feel happy over the Finance Minister's assurance that the tax-collecting machinery will be tightened, austerity in Government expenditure is to be enforced and the savings campaign will be intensified.

IMPROVING RAIL TRANSPORT

BY and large, the Indian railways can claim that they are improving their performance. In 1962-63, they expect to carry over 15 million tons of additional freight traffic, against only 4 million tons in the previous year, an improvement which has noticeably eased the bottlenecks in some areas. The increase in carrying capacity has been achieved mainly by additions to capital assets, and partly by better utilisation. Over the past ten years, the number of goods locomotives used for moving one million tonne-kilometres a day has come down from 34 to 23 on the broad gauge and from 92 to 55 on the metre gauge. Wagon usage has similarly declined from 1,408 to 1,028 on the broad gauge and 3,289 to 2,247 on the metre gauge. Both tonne-kilometres performed and passenger traffic handled have risen ahead of the actual capital-at-charge. The expense-earnings ratio, after eliminating extraneous factors on both sides is 61.05 percent, against 67.68 in 1950-51—reflecting, it is claimed, "the effect of the sustained measures of economy." The validity of this generalisation is doubtful, but the fact remains that the railways' three principal physical assets—locomotives, wagons and track—are being used more intensively as a result of modernisation. If the financial trends still cause anxiety, the reasons are two. One is that the railways have spent too lavishly on their staff. The second is that passenger fares are too low; passenger services have not been paying their way since 1957-58. On a unit basis, the average cost of hauling a passenger vehicle one kilometre rose by 40 percent on the broad gauge and 27 percent on the metre gauge. The modest increases in fares, including the 10 percent rise since July 1962, have failed to offset this trend.

A World Bank mission reviewing this problem in mid-1961 noted that the essential cause of tran-

Bihar Cuts Plan Outlay

The Bihar Budget for 1963-64 shows an overall surplus of Rs. 50 lakhs, against a surplus of Rs. 20 lakhs for 1962-63. In the revenue account, the total revenue estimate is for Rs. 87.8 crores and expenditure has been estimated at Rs. 85.5 crores. In the capital account, receipts have been placed at Rs. 52.2 crores and disbursements at Rs. 55 crores. In view of the shortfall in resources, the total outlay on the plan has been estimated at Rs. 50.5 crores for 1963-64, against Rs. 61.4 crores for 1962-63. According to the original estimate, the total outlay on the plan should have been Rs. 71 crores. The Bihar Government will be spending nearly half the total estimated outlay for the third plan in the first three years of the plan period.

Andhra will Raise More

The Andhra Budget for 1963-64 shows a surplus of Rs. 10 lakhs on revenue account but a deficit of Rs. 9.70 crores on capital account. The Budget estimates a revenue income of Rs. 118.36 crores and a revenue expenditure of Rs. 118.26 crores. The plan outlay has been estimated at Rs. 55.27 crores, against Rs. 64 crores for 1962-63. To the plan outlay, the State Government proposes to contribute Rs. 20.87 crores out of its own resources. Although the State Finance Minister has proposed no new tax for the time being, he expects to increase the total revenue by a further Rs. 6 crores in due course.

U.P. Taxes Postponed

The Uttar Pradesh Government has presented a deficit Budget of Rs. 4.97 crores for 1963-64, despite a cut of Rs. 10.36 crores in the original plan outlay of Rs. 103 crores. Hence the total plan expenditure during the next financial year has been estimated at Rs. 92.64 crores. The total revenue has been estimated at Rs. 201.82 crores and the total expenditure at Rs. 206.79 crores. The State Finance Minister has proposed no new tax but he has hinted at the possibility of levying fresh taxation in the course of the next financial year.

sport deficiency during the second plan was a lack of funds to enable the railways to carry out the programmes planned by them. They were thus "destined to fall short from the beginning". But, even if the lessons have been learnt, they are still not being applied because ambitious plans for other sectors of the economy make such heavy claims on resources that there is not enough left to provide adequately for transport development. To quote again from the World Bank assessment, the programme the railways have drawn up for themselves "adequately reflects" the requirements of carrying capacity flowing from the targets set out in the third plan. The mission had doubts, however, whether adequate funds have in fact been provided to the railways to put through the minimum necessary expansion. In relation to coal movement, which accounted for 40 percent of the railway's total goods traffic, the mission thought that the country might well be faced with a far greater crisis than any experienced so far unless railway expansion was accelerated.

The World Bank, with its massive investments in the Indian economy, has a natural interest in preventing the sorry results forecast by its mission, not least because of the stake it has acquired in the viability of the coal industry since it made a loan of \$35 million in 1961 to support the development of private-sector mining. This presumably explains the initiative it has taken to have the problems of coal transport competently and comprehensively surveyed by an expert team, and its readiness to foot the \$750,000 bill for this enquiry. As the terms of reference adopted for the survey show, the problem is to be studied from two angles simultaneously: (1) assessing the total demand for carrying capacity; and (2) the possibilities of reducing and rationalising this demand by appropriate policy decisions. The need for rationalisa-

tion arises, first, from the fact that 80 percent of coal production is concentrated in a small area, setting physical limits to rail movements. Secondly, any possibility of reducing capital investment on transport obviously has to be explored because of the pressure on resources.

The improvement in railway performance over the past year cannot disguise the fact that India's transport plans have always underestimated the potential demand. This involves looking into such matters as the policy on industrial location because of a feeling among some economists that deliberate dispersal in pursuit of the aim of regional development is aggravating the strain on the railways and leading to avoidable increases in production costs. Larger questions of policy apart, there is a clear need to get down to brass tacks on such questions as the movement of coal in bigger quantities at a time, whether through block rakes or any other arrangement, to reduce the strain on transport capacity inherent in catering to demand piecemeal. As the difficulties with block rakes have shown, no such device will work without a great deal of adjustment and preparation on the part of the railways, producers and consumers alike. For instance, the loading of block rakes calls for the installation of static overhead bunkers which is economic only in collieries with a certain minimum output. The number of such collieries out of the total of 848 units in the industry is no more than 60. Again, before collieries are persuaded to invest in mechanical loading facilities, they need an assurance that the railways will in fact be in a position to supply open wagons. At present, units with mechanical equipment are obliged to incur additional costs on manual loading, because of the high proportion of closed wagons, ranging from 15 percent in the Gomoh area to 67 percent in Asansol.

There is, besides, some doubt whether overhead bunkers are really the best solution since mobile equipment like excavators would have greater flexibility and can, if necessary, be moved from mine to mine wherever wagons are offered on a particular day. But before box wagons can at all be used, sidings may need to be altered or strengthened. The producers take the view that the expense on this is difficult to meet considering the margin of profit the present controlled price allows, and should, therefore, be borne by the railways whose operational convenience the box wagons serve. Finally, can one be certain that box wagons are the best possible equipment that the railways could have chosen? Unless improvements are made to enhance their operational flexibility, they tend to create as many problems as they solve. In fact, the producers have been urging that the advantage of quicker wagon turn-round implicit in the use of box wagon rakes is being nullified by delays en route, and at terminals. One aspect of the World Bank survey is appropriately concerned, therefore, with recommending operational improvements on the railways.

In the context of rationalisation of coal traffic, it is necessary that careful evaluation should be made of the comparative economics of other means of transport. Undoubtedly, both roads and inland waterways have a rôle to play, and few disagree with the principle enunciated by the Mines and Fuel Ministry that long-term planning should be based on the fuller use of these alternatives. But the gap between principle and performance cannot be bridged without a great deal of work undertaken well in advance, otherwise energies may be dissipated on such half-measures as the current effort to carry coal first by rail to Mokameh, then by river to Allahabad, and then again by rail or lorry to consuming centres. It is possible that an all-India grid of waterways can eventually be brought into existence by using the still unexploited potential of the country's many rivers, but this will remain a pipe-dream until somebody gets down to the essential task of drawing up practical and reasonably phased plans. The World Bank survey will not do this, but it might at least provide a guide for future work. On the more immediate issue of facilitating the movement of coal by road, the survey is specifically to cover its economics, types of vehicles, and loading and unloading arrangements. It should then be possible to draw practical conclusions for motor-vehicle

manufacturing programmes, organisation of short-haul services and vehicle licensing policies.

The basic point in relation to planning for future transport needs is the obvious one of trying to economise on capital outlays, and more important on the foreign exchange expenditure. In the coming years, the accelerated progress of manufacturing industries and of agriculture will make larger calls on carrying capacity than seems likely to be achieved within the available resources. There is thus a clear need for economy in which both improvement of operating efficiency and rationalisation of demand must play a part.

COTTON OUTPUT AND PRICES

ALTHOUGH weather conditions have been almost ideal throughout the season, India's cotton production in 1962-63 is estimated at no more than 5.4 million or 5.5 million bales. This means that the output in the second year of the third plan—a record so far—is just about what it should have been five years ago (the target for 1957-58 was originally fixed at 5.4 million bales). The fairly substantial improvement in cotton output during the first plan period was brought about mainly through an increase in the area under cultivation. Between 1950-51 and 1955-56, the area increased from 14.5 million acres to 19.9 million acres and production rose from 2.91 million bales to 4 million bales. But since there is little scope for bringing more land under cotton, it has been obvious for some years that production has to be stepped up essentially by raising productivity through intensive cultivation.

The fact that India has only to improve the yield from the present 112 lbs to 140 lbs an acre to achieve the third plan target of 7 million bales gives one the impression that the problem is perhaps not difficult. But, judging from past performance, the outlook is unpromising. The average annual production over the past seven years—that is, since the beginning of the second plan—works out to barely 4.73 million bales. It is clear, therefore, that efforts to increase productivity have yielded no worthwhile results. In the past ten years, only twice has the yield exceeded 94 lbs. Even at its maximum of 112 lbs, the yield in India is less than half the world average and it compares very poorly with that in Egypt, Syria, Peru, Mexico and the United States, where the yield varies from 400 lbs to 470 lbs. In neighbouring Pakistan too, the figure is substantially higher—around 217 lbs an acre.

Inaugurating the recent meeting of the Indian Central Cotton Committee, India's Minister for Agriculture, Dr. Ram Subhag Singh, said that cotton production could be increased "provided adequate steps are taken by way of fertilisation of the crop, protecting it from ravages of various pests and diseases and adoption of known improved agronomic techniques, including use of improved seeds." The programme of soil conservation, which was given high priority in the third plan, with substantial provisions in the State programmes, has not benefited the crop. In spite of the considerable increase in the irrigated area in the country, hardly one-tenth of the total area under cotton has adequate irrigation facilities; many States are reported to have been encouraging the cultivation of "wet" crops at the expense of cotton. Progress in the use of fertilisers has also been very unsatisfactory. Less than 100,000 tons of fertilisers were used in 1961-62. The quantity was barely enough for about 900,000 acres out of the total of 19 million acres under cotton, (of which 2 million acres are irrigated). The States are expected to use about 400,000 tons of fertilisers by 1965-66, which means that the consumption will have to be increased four-fold.

In order to encourage the growth of medium- and long-staple cotton, and thus reduce the dependence on imports which cost Rs. 60 crores to Rs. 75 crores of foreign exchange each year, the Centre asked the State Governments to take up the intensive cultivation of better-quality cotton in 20 selected blocks in nine States, so as to bring an area of 600,000 acres under the programme by 1963-64. But in spite of additional funds having

In relation to the former, the task mainly devolve upon the railways because they constitute by far the most important means of transport. The scope for such improvement is quite considerable. Many people hold that the third plan provision for new wagons is too low, which points to the need to make up for the shortfall by increasing efficiency. The delays in marshalling yards and terminals which account for much of the time lost cannot be accounted for wholly by the lack of physical facilities. It is more than likely that motivation for better human performance is lacking, and this is the direction in which the railways should be looking for improvements.

been provided during the current year, even outside the State plan ceilings, the implementation of the scheme to raise better-quality cotton has not made much progress. While the Central Minister for Agriculture has, in his inaugural speech, described the problems of cotton production in all their various aspects, he has no solution to offer. But the Centre cannot excuse itself by saying that agriculture is a State subject and that the States have not been implementing the development schemes for cotton. The country can ill afford to spend Rs. 60 crores to Rs. 75 crores of importing cotton to augment domestic supplies and thus maintain cloth output at the required level. During the past three years, more foreign exchange has been spent on importing cotton than has been earned from the export of cloth.

Recently, there has been a good deal of uninformed discussion on cotton prices, and it seems to have confused official thinking. Considerable concern has been expressed over the fact that prices have declined from the high levels of October, although they are still at or above the levels which had been the ceiling for nearly a decade. Most varieties of cotton are, in fact, quoted above the previous season's ceiling rates. Besides, the Textile Commissioner is unwilling to give up the supervisory scheme for the marketing of cotton, even though many clauses of the scheme have been declared *ultra vires* by the Bombay High Court. The enforcement of restrictions of the marketing of the crop contrasts oddly with the official concern over the decline in prices. The decline appears to have prompted the Central Minister for Agriculture to warn, in his speech at the I.C.C.C. meeting, that unless the industry realised its obligation to purchase promptly the medium and long-staple cotton produced in the country, "it may be necessary, as in the case of jute, to lay down the quantities to be purchased by mills every month and also to require them to hold minimum stocks of Indian cotton." With production continuing to fall short of the industry's requirements, necessitating large imports year after year, any concern over the decline in cotton prices is altogether unwarranted. And with prices keeping closer to the ceiling than to the floor, an increase of Rs. 50 or Rs. 75 a candy in the floor price cannot have any practical significance, although there is something to be said for narrowing the present gap of Rs. 345 a candy between the floor and ceiling prices.

MONETARY EFFECTS OF U.S. COMMODITY AID

THE commodity assistance which India has been receiving from the U.S.A., mostly in the form of foodgrains, has helped check inflationary pressures at a time when the demand for food has increased with the rise in money incomes. It has also helped sustain a higher rate of investment. Considering that the procedure for obtaining this assistance is not commonly known, the article on "The Effects of the United States Commodity Assistance to India on Money Supply" prepared in the Division of Planning and Special Studies, Economic Department, by D. R. Khakhar and V. V. Bhatt and published in the January issue of the Reserve Bank of India Bulletin, is of interest. India has been receiving commodity assistance under U.S. Public Laws 665

and 480 since 1955. The assistance under P.L. 665 has amounted to only Rs. 32 crores so far. Under P.L. 480, a sum of Rs. 1,131.3 crores has been given between 1956 and 1962, of which only Rs. 602 crores was received till the end of March 1962. The bulk of the counterpart funds arising out of this commodity assistance has been allocated to the Government of India in the form of loans and grants. A portion has been retained for use by the U.S. Embassy in India, and another portion also has been loaned to U.S. and other private firms in this country.

The commodities covered by this assistance are mainly wheat, rice, cotton and tobacco. They are imported on account of both the Government of India and the private sector. The food component of the assistance is received by the Government, while other commodities like cotton and tobacco are imported by the private traders or industrialists to whom import licences are issued. The procedure followed by the Government in financing P.L. 480 and P.L. 665 imports during 1955-60 was different from the one being followed now. At present, the Government of India pays for these imports through the Reserve Bank, to the account of the U.S. Embassy. If the Government's deposits with the Reserve Bank are not sufficient for making the payment, the Government issues *ad hoc* Treasury bills to the Bank, against which the latter provides the requisite funds. The U.S. Embassy invests these funds directly in non-negotiable special securities issued for the purpose by the Government. The latter thus gets back the amount which it pays to the Embassy. When funds are required by the Embassy for its disbursements, the Government makes payment to it against the special securities.

Under the old system, the funds were first deposited to the account of the U.S. Embassy with the State Bank of India in the form of time deposits. When the new procedure was adopted, a part of the deposits, which had accumulated with the State Bank, was transferred in monthly instalments of Rs. 12 crores each between July 1960 and June 1961 (all told Rs. 144 crores) to the Reserve Bank. The latter invested them on behalf of the U.S. Embassy in special Government securities. This apart, the State Bank has been transferring an additional amount of Rs. 10 crores every month beginning from November 1962 to the U.S. Embassy account with the Reserve Bank, and will do so until the amount so transferred reaches Rs. 50 crores.

As for the impact of food imports on money supply, it is pointed out that when the food is imported, the Government pays the U.S. Embassy by selling *ad hoc* Treasury bills to the Reserve Bank. The net bank credit to the Government and the money supply thus increases correspondingly. But since the U.S. Embassy invests these funds in special securities, the Government gets back the amount and retires the *ad hoc* Treasury bills held by the Reserve Bank. The initial expansionary impact on the net bank credit to the Government and on money supply would, therefore, be nullified. When the Government sells food to the public, the Government's cash balances with the Reserve Bank increase and this exerts a contractionary impact on the net bank credit to the Government and on money supply. Thus the effect of the commodity assistance would be contractionary until the counterpart funds are finally allocated for specific purposes. The impact of the private sector's imports on money supply would also be similar to that of the Government imports. When the U.S. Embassy allocates the counterpart funds for expenditure on specific projects, the Government has to pay the U.S. Embassy against the special securities. So there would be an expansionary impact which would be equal to the earlier contractionary impact. Hence the ultimate impact of all transactions arising out of the commodity assistance on the net bank credit to the Government and the private sector as well as on money supply would be neutral.

Between 1956-57 and 1961-62, the total U.S. commodity assistance received under both P.L. 480 and P.L. 665 was Rs. 633.5 crores while the actual sums disbursed out of the counterpart funds were only Rs. 243.5 crores. Hence the authors of the article conclude that the net contractionary impact of the commodity assistance on the net bank credit to the Government and on money

supply would be Rs. 390 crores. But this contractionary impact would be smaller to the extent to which the Government's stocks of imported food were large or subsidies were allowed on the foodgrain sales. This is because, if the Government increases its food stocks or sells food to the public at subsidised prices, the sale proceeds would be less than the amount it would have to pay to the U.S. Embassy. Hence the contractionary impact would be less than the later expansionary impact. Similarly, if the private sector increases its stocks of imported commodities and does not repay its debt to the banking system fully there would be an expansionary impact.

To conclude that the U.S. commodity assistance is having a neutral effect on the net bank credit

Current News and Comment

Checking Inflation

The Central Planning Minister, Mr. Gulzarilal Nanda, told the Lok Sabha last week that it is necessary to hold the price line not only for the successful implementation of the third plan but also for the success of India's export drive. There was a downward trend in prices towards the end of 1962 when the general index of wholesale prices declined from 131.1 in August to 125.6 in December. But, since then, there has been a rise, especially in the case of rice, drugs, medicines, sugar and a number of other manufactured goods. The general index of wholesale prices increased to 126.5 during the week ended 26th January, 1963, and probably still further in February 1963. The main plank in the Government's price policy has been the opening of fair price shops and consumer's co-operatives, the display of price lists; better distribution of available supplies by the licensing of wholesale foodgrain traders, and rice and flour mills; and by releasing stocks of wheat, rice and sugar under Government control at the right moment. The policy also includes the formation of vigilance committees and seeking the co-operation of trade and industry in restricting profit margins. It was due to the combined effect of all these measures that prices declined in the second half of 1962.

The importance of Mr. Nanda's latest speech lies in the fact that although all the old methods of price stabilisation are being continued, greater emphasis is now being placed on some measures which, in the past, did not receive much attention. It is realised that an increase in the production of agricultural commodities and manufactured goods is necessary. Thus, it has been decided that cement factories which exceed the peak production of the previous three years will be paid a cash bonus at the rate of Rs. 2½ to Rs. 5½ a ton of additional production. A similar policy of an incentive bonus should be made applicable for other manufactured goods, whose production has to be increased quickly either for defence or export. Mr. Nanda also announced that incentive bonus would be given to farmers who surrender more foodgrains to the Government.

Apart from the incentive provided by fixing minimum prices before the commencement of the sowing season of cotton, jute and sugarcane, efforts to increase the production of such foodgrains as rice, millets and pulses and cash crops like cotton, sugarcane and oilseeds will be made by intensive cultivation in selected areas with special efforts to increase productivity. In intensive programmes in selected blocks, farmers will be provided with better seeds, more manure at concessional rates, greater and cheaper irrigation facilities and proper guidance about better methods of production. In this way, the increased production of manufactured goods and agricultural commodities will help stabilise prices. Another feature of the official price policy is that although physical controls on production and distribution will not be imposed because of administrative difficulties, "selective" physical controls will be imposed. But physical controls—whether complete or selective—tend to push available supplies to the black market, so their application should be avoided. Mr. Nanda referred to the possible effects of the increased

to the Government and on money supply seems to be an over-simplification of the entire problem. Firstly, the Government always holds imported food stocks and occasionally sells food at subsidised prices. Secondly, the neutral effect would only result if the money paid to the U.S. Embassy and its later expenditure for specific purposes were balanced. This is unlikely to take place except in the long run. It would, therefore, be more useful to find out the effects of the commodity assistance over a shorter period, such as three months, through a study of the figures relating to the total assistance obtained, the amount of the counterpart funds allocated for specific purposes, the quantity of Government food stocks and the amount of subsidy given.

defence and development outlay on prices. But he did not categorically state that inflationary forces would gain momentum if the level of deficit financing is increased or additional taxation is imposed by the Central and State Governments in 1963-64. In order to stabilise prices, it will be necessary to keep such inflationary forces under control while finding the finance for development and defence.

Expanding Steel Output

More than ordinary interest attaches to the comments which Sir Jehangir Ghandy made last week in a speech at the Staff College in Wellington, on the recent improvement in the steel outlook, because he has been a fairly outspoken critic in the past. In the assessment he offered in Capital's mid-year supplement in June 1962, he warned that poor performance at Rourkela and Durgapur was not only damaging morale at home but also alarming India's friends abroad. Now with full production in sight at these two, and with Bhilai doing better than its rated capacity, he says that the apprehensions felt overseas about India's ability to manage new plants should be allayed. The improvement has happily coincided with a welcome growth in the output of coal and in transport capacity to move it—the two major bottlenecks which have bedevilled steel production in the past. Basing his argument on this reassuring turn of events, Sir Jehangir has entered a plea for an early decision on U.S. aid for the Bokaro steel plant because India needs this addition to her steel capacity. Anticipating perhaps a possible U.S. question whether skilled manpower will be available to run Bokaro, he has suggested that the contract for this plant should specifically include production management for an initial period while Indian understudies are trained to take up operating responsibilities. This well-argued case for U.S. assistance to Bokaro, it is hoped, will be noted in Washington and New Delhi's Chanakyaपुरi, particularly because the plea comes from a disinterested quarter.

Looking beyond Bokaro, Sir Jehangir accepts the need for further development of steel capacity as rapidly as possible, but warns against making planning an exercise in wishful thinking. The figures he quotes of the additional coal, iron ore and limestone required if steel production is to rise to 18 million tons by 1970-71, give a concrete measure of the task on the raw material front. One would agree with him that if any of the essen-

India's Resources
are Precious

WASTE NOT,
WANT NOT

tial preparatory work on raising raw materials and moving them to steel plants is deferred because the people concerned have already too much on their hands, it would unquestionably jeopardise the whole steel programme. The determination and vigour with which work is undertaken on these tasks is certainly a good test of the sincerity in proposing a particular target. His own conclusion is that the size of the preparatory tasks continues to be under-estimated, which may once again result in the setbacks suffered during the second plan.

Cane Shortage Hits Sugar Mills

The U.P. sugar industry faces a crisis due to the raw material shortage. In the past, some factories in western U.P. worked up to the end of May and even early in June, but this year most of them will close down by the end of March at the latest. The main cause of the sugarcane shortage is that the State Government tried to reduce cane cultivation in the current season by 10 percent on the advice of the Central Government. There has been little winter rain in some parts of U.P. Furthermore, the formula linking the price of cane with sugar recovery has been enforced from the current season. Under this, the minimum price of cane at the factory gate is Rs. 1.50 a maund and at rail centres Rs. 1.38 a maund, against the corresponding prices of Rs. 1.75 and Rs. 1.62 a maund during the last crushing season. The recovery percentage of sugar in most parts of U.P. is low. So, in spite of the fact that the new formula provides for higher cane prices in case of better recovery, cultivators do not hope to earn much under the scheme. Prices of gur and khandasari sugar have recently increased much more than those of factory sugar, so gur and khandasari producers are finding it possible to pay higher prices for sugarcane than the factories can possibly afford. This has resulted in the diversion of sugarcane from sugar factories to the cottage industry sector.

The U.P. sugar output in 1962-63 is expected to fall by about 20 percent, thereby reducing the all-India production of factory sugar from 2.7 million tons in 1961-62 to less than 2.4 million tons in the current season. This will not only increase the internal prices of factory sugar, but will also make it difficult for India to export the desired amount. When the Central Food Minister, Mr. S. K. Patil, visited Lucknow in the middle of February, the U.P. Chief Minister urged him to give up the policy of linking the price of cane with sugar recovery in order to provide the necessary incentives to cultivators to increase the sugarcane acreage as well as the yield an acre. At a meeting of the sub-committee of the Indian Central Sugarcane Committee in New Delhi last week, the U.P. Government's scheme for intensive sugarcane cultivation in selected areas of all the 71 sugar factories in the State was approved. But the State Government thinks that it may not be possible to increase sugarcane cultivation in U.P. unless the new price formula is given up by the Central Government.

Indian Tea in the Antipodes

An insight into the market conditions for tea in Australia, New Zealand and Singapore has been provided by the Indian tea delegation which recently visited those countries. In its report, the delegation has broadly outlined the circumstances under which Ceylon, at the expense of India, has steadily and substantially increased her tea exports to those countries over the years. Indian tea receded to the background not because the Australians have any prejudice against it, but because of other factors. For one thing, the prices of Ceylon's tea until a year ago were far more competitive. For another, her publicity and public relations work in Australia has been systematic and sustained. Actually, how successful Ceylon's publicity campaign has been is evident from the delegation's observation that there is a general belief in Australia that most of the world's tea comes from Ceylon. Furthermore, India's shipping facilities were not satisfactory in the past. However, as a result of the reduction in the export duty in the last Central Budget, Indian tea has become competitive for the first time in many

years. This country's exports to Australia have more than doubled during the past year.

The delegation has made several recommendations with a view to stepping up Indian tea exports to the countries it visited, especially to Australia. It attaches a good deal of importance to the joint promotion scheme to popularise tea as a beverage. But it remains to be seen whether the other major exporting countries would be prepared to finance such a scheme on the basis of their present pro rata exports to Australia. Concurrently with the joint promotion scheme, the delegation suggests that a vigorous "un-inational" campaign should be launched so that India may be able to secure a fair share of Australia's total tea imports. Other recommendations made by the delegation are equally important. They include the establishment of a tea centre in Sydney, opening of tea centres in the important cities and towns, introduction of Indian packs, organising a sampling service with the object of providing the Australian buyers with a wide range of Indian teas, mailing of weekly market reports and propaganda pamphlets, and finally inviting important people in the tea trade to visit India.

The delegation has expressed the view that the outlook for Indian tea in New Zealand is satisfactory. Since Indonesia dominates the Singapore market because of her proximity and rock-bottom prices, the delegation feels that there is scope only for pushing packet teas in that country. What, however, cannot escape one's notice is the silence of the delegation over the developments which have virtually negated the benefits of the export duty reduction in the Central Budget exactly a year ago. One such development was the wage increase granted to the tea garden labourers. Another was the introduction of the emergency risks insurance scheme, making it obligatory for the tea gardens to pay rather heavy premia. These adverse factors are bound to increase the production costs fairly steeply. Unless, therefore, the export duty is abolished and India's competitive position improved, it is extremely doubtful whether the acceptance and implementation of the tea delegation's recommendations alone will yield any tangible result.

Tea Packagers Want Duty Cut

Mr. J. G. Robinson, in his presidential address at the annual meeting of the Tea Packers Association of India held in Calcutta last Monday, has made a forceful plea for scrapping the export duty on tea. In spite of the strike by the Joint Steamer Companies' crew, India's tea exports in 1962 have risen to 214 million kilograms. This improvement is primarily due to the cut in export duty granted in the last Budget. There is much force in Mr. Robinson's suggestion to abolish the remaining export duty of 10nP a kilogram, since it will further strengthen the competitive position of Indian tea abroad. He feels that the loss of revenue to the exchequer would be more than offset if excise duty is paid on all teas consumed internally at the same rate as on packet tea. At present a duty varying from 15nP to 45nP a kilogram, according to the zone, is levied when tea leaves the gardens. If the tea is exported, a flat rebate of 15nP is allowed. In case it is retained for the home market, a further tax of 40nP has to be paid if it is packed in containers of less than 21 kilograms. However, if the tea is sold loose—and over 72 million kilograms worth about Rs. 45 crores are sold thus every year, according to Mr. Robinson—it is not subject to any further Central tax. This is rather discriminatory and puts the packagers at a big disadvantage. Even otherwise, they are indirectly bearing a large portion of the excise duty on packaging materials like paper, foil and cellophane. Packaging is an important industry in that it protects the consumer from adulteration and other malpractices and ensures for him a clean product.

The Tea Packers Association has been suggesting for some years now that the Government should permit the movement of tea in bond from the gardens to Calcutta and Cochin. If this is done, says Mr. Robinson, an equal universal tax could be levied on internal consumption near the point of sale. The West Bengal entry tax could also be

merged into it and thus the latter's adverse effect on the growth of the Calcutta auctions could be staved off. As a result of the West Bengal entry tax, he says, at least 22 million kilograms of tea have been sold directly from the gardens this season. Besides being a loss to the State, it means that this large quantity of tea, much of which was exportable, was sold even before international buyers could see it.

CORRESPONDENCE

PLIGHT OF GOLDSMITHS

(TO THE EDITOR OF "CAPITAL")

Sir,

The most tragic aspect of the Gold Control Rules is the plight of thousands of goldsmiths and dealers, who have become unemployed all over the country. According to the last census report, 400,000 persons earn their livelihood from the gold trade. However, from the reports pouring in from various centres during the last few weeks, it appears that this number is much larger and that over three million people, including the dependents of the bread-winners from the trade, are seriously affected by these Rules.

The rule which provides that new ornaments cannot be made of gold exceeding 14 carats in purity is unrealistic and will not reduce the demand for gold. Those who are determined to buy it will buy two tolas of 14-carat gold instead of one tola of 22 carats and will thus create greater demand for the yellow metal than at present. Fourteen-carat gold is unsuitable for enamelling and kundan work. The high degree of malleability and ductility which gold possesses is extremely important for fashioning beautiful jewellery of artistic and intricate design, in the making of which our craftsmen have acquired a high degree of proficiency and skill. It is idle to contend that 14-carat gold possesses the same degree of malleability and ductility as pure gold. The artistry of the goldsmiths has been handed down from father to son for generations. It is up to the nation and the Government to see that this priceless heritage is not killed.

Yours etcetera,
PHIROZE J. SHROFF

Bombay, 18th February.

BENGAL CHAMBER

THE proceedings at the annual meeting of the Bengal Chamber of Commerce would have been absolutely bald and common place, and of the merest routine description, had not Mr. Shirley Trevelyan enlivened them with his vigorous criticism of the proceedings of the Viceroy and his scratch Building Committee with reference to the Victoria Memorial Hall site. His description of the said dozen of gentlemen (being more than the minimum statute number required for the purpose) as constituting "an unlawful assembly" was a hit, a palpable hit, and was greatly relished by all in the meeting, including the two Knights of the Chamber, who get their portraits painted for them. Indeed, the hearty applause amid which Mr. Trevelyan sat down, showed that the prevailing feeling throughout the members of the Chamber of Commerce was exactly in accord with that of the general public in their determination that the maiden shall be kept free from new buildings of any description whatever. The speech of Sir Montagu Turner from the chair cannot be described as of the illuminating order, being nothing else than a good, tame, running commentary on some of the points touched upon in the annual report. This is all the more to be regretted as there are no end of subjects looming in the future, bearing upon the welfare of India, any of which, handled by a man of vision, might have furnished food for thought not only to the members of the Chamber, but to the Government of India. But Sir Montagu contented himself with an exposition after the manner of the clergyman, who when reading to his congregation the Scotch metre version of the hundredth psalm—"All people that on earth do dwell," paused, and then, looking very wise, said in his most oracular manner—"This simply means, my brethren, all the people that dwell on the earth."

FROM
CAPITAL
5th March, 1963

A Ditcher's Diary

ONSET OF THE EMERGENCY MR. NEHRU REDED the Congress Parliamentary Party of Chamberlain's leadership during the second World War; and I didn't quite see the relevance. Of late there has been much talk of an "air umbrella" for India, and I thought of Chamberlain; this time it may be Mr. Nehru's turn to miss the parallel. The coyness with which the Government of India approaches the whole question of western aid in face of the Chinese challenge brings to mind the vision of some of the "virtuous" women on whom La Rochefoucauld composed some of his best epigrams. And all this is quite unnecessary, except that India finds it difficult precisely to assess the extent of the Chinese threat on which must depend the extent to which non-aligned India will permit herself to accept western military aid. After Professor Galbraith's forthright statement there remains no excuse for India being worried about her non-alignment. Dash it all, no big Power wants India aligned to itself or to any other Power; that's the plain truth. Remains the question of the country's defence in case China attacks again. In the recent past New Delhi's intelligence in these matters has not been seen to be adequate; and I hope measures are already in hand to improve it. But, as in the matter of arms and equipment, the West's assistance should surely be available. Indeed, I would be surprised if the West is not, when considering the question of aid to India, weighing just how much help India actually needs to defend herself against China. This predicated an assessment of Chinese intentions, taking into account, necessarily, the imponderables of any situation and the inscrutability of the Chinese mind. The team that recently visited New Delhi may at this moment be wondering about the inscrutability of the Indian mind! At most times subjective attitudes of particular individuals affect objective situations but slightly. But defence demands firm decisions followed by resolute action before the enemy attacks; and this is why dithering is now impermissible in New Delhi. Whatever the Chinese may be up to, India needs greater defence in the air than she can in the foreseeable future arrange for herself; and that means help from others. And this need not abridge either sovereignty or non-alignment.

AS I READ, PURELY IN TERMS OF ACADEMIC INTEREST, of the latest restrictions on how many more or less useless rupees one may take when going abroad, I wondered why it had not occurred to anyone to congratulate Professor Humayun Kabir on the fact that, since the emergency, he has not once gone to London to negotiate the future of the India

Office library. Such forbearance amid so much alleged ostentation in New Delhi deserves grateful recognition; and I am glad to record the exemplary sacrifice, especially because the example is not being followed very widely. Too many Indians still turn up at all sorts of dubious international conferences for no apparent reason; and at least one official of the External Affairs Ministry is at this moment touring eastern Europe to "sell" India's stand on something or other. On the lines of a diplomatist's warning that the first thing to be remembered about foreign affairs is that they are foreign, it has been said that India's policy on foreign exchange is indeed foreign. I find it downright alien. According to one New Delhi columnist, India lost a great deal of foreign exchange for the total ban on the import of Scotch whisky because many tourists are said to have cancelled their proposed Indian trip for this reason. I do not believe that this is wholly true; but it is typical of the Government of India that the decision has been partially revised for the benefit of tourists. Why did we not, instead, advertise that India produces not equal but drinkable substitutes? Although everyone talks about increasing exports, the emphasis by far is on conserving foreign exchange rather than on earning more. This inhibited attitude explains much that is wrong in life in India today. One Indian manufacturer of whisky, I was told the other day, has been for years trying to persuade the Government of India to let him import enough Scotch to blend with his own product, as is done in the U.S.A. He is said to have guaranteed foreign exchange earnings twice the amount spent. Perhaps there is another side to the story; but I am quite convinced that the going is hard for anyone trying to earn foreign exchange. Is it seriously supposed that the reduction of the travel allowance from Rs. 75 to Rs. 40 will make any material difference to India's foreign exchange resources?

AS ONE OF THOSE WHOSE ONLY FORM OF EXERCISE is the occasional flexing of the right elbow, I defer in awe to the achievement of Mr. Robert Kennedy, the U.S. Attorney-General, in walking 50 miles in 17 hours. And I have no intentions of exhibiting the sour grapes of some critical, though obviously jealous, commentators who have pointed out that Britain's Barbara Moore—a mere woman and not far short of twice Mr. Kennedy's age—is on record as having bettered this performance by something like 59 miles. I have no intention either of joining forces with those who are wondering what it all has to do with ability as a legislator. In the world as it is today, the

capacity to walk 50 miles in under 24 hours, or better still to be able to run them, is as good a qualification for politics as any. After all, I seem to remember that the right to govern in Gulliver's Lilliput was decided according to a candidate's accomplishments on the tight-rope. But as a criterion among journalists I have always favoured as old-fashioned a concept as professional ability, and I am glad to see that the Washington Press corps has indignantly defied this latest Presidential gimmick. The world will, of course, remain eternally divided between two sets of people: those who believe in exercise and those who do not. Personally, I am of the opinion that anybody who considers exercise does him good, benefits from it. For myself, the philosophy of Theodore Roosevelt, a predecessor of Mr. John Kennedy, who held that one should never walk when it is possible to ride, never stand when one can sit down, and never sit when one can lie, has considerably more attractions. Am I healthy in my laziness? Well, if I am not I can always console myself with the immortal words of Oscar Wilde, that nobody whose intellect he ever remotely admired enjoyed good health. Friends have been pressing me for years to take up golf, and lately my resistance had been weakening. Then I read the advice of Sir Compton Mackenzie on his eightieth birthday that the secret of his longevity was total abstinence from exercise, especially golf, than which, he maintained, "there is no more ageing a game". Now I feel justified in holding out a little longer.

WITH THE PUBLIC HEARINGS OF THE VASSALL Tribunal now complete—and they have been the longest of their kind in Britain's history—it is becoming easier to get the whole distressing business into perspective. I remarked some weeks ago about the principle whether or not a journalist should disclose his sources of information which it raised. Now I feel the need to refer to another one which seems to have arisen in somewhat acute form—the supposed inevitability of homosexuals being corrupted. It seems to me that the main purpose of the Tribunal has really been to decide why, if Vassall was indeed well known throughout the Admiralty as a homosexual, as the newspapers claimed, he was not sacked for being a bad security risk before he had time to do any damage as a spy. Surely, this just will not do. The public attitude to homosexuality being what it is, there can be no doubt that those addicted—if that is the correct word—are in greater danger from the attentions of blackmailers than most people. But it is scarcely fair or proper to suggest that they are more likely to betray their employers or their country than anybody else with a rather more-than-average dose of human failings. The fact that Vassall was obviously living above his income is one thing, but to deduce that simply because he was a homosexual he had no right to a job in the

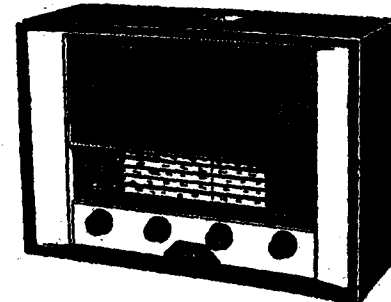
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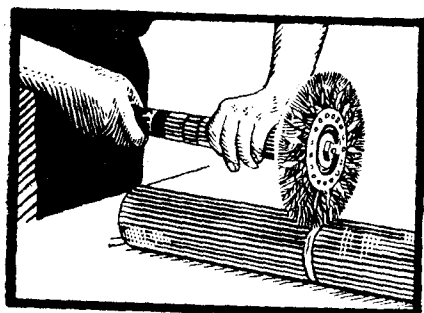
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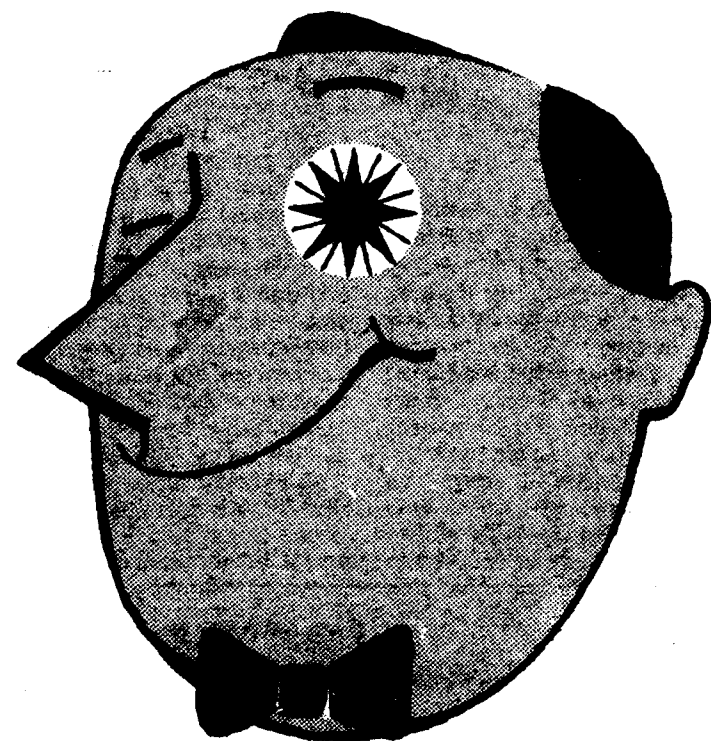
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Admiralty at all, is indeed another. The logical conclusion to such an approach would be that no homosexual, or in fact any man of feminine appearance or manner, should ever be employed in a position of trust. And as most jobs which carry any salary at all have some kind of trust attached to them, this would mean that homosexuals would be doomed for life to seeking their living in underpaid and menial labours through no fault of their own. Apart from this being a disgraceful waste of brains, it would surely turn the unfortunate victims into an even greater social problem than they are already. There is considerable danger of this happening; witch-hunting is all too much to the public taste in this day and age.

SOMEBODY WROTE THE OTHER DAY TO *The Times* to say that you cannot "overplay" your hand, though you can "overcall" it. Whatever it is, Pakistan appears to have done it. Although Nepal and Burma also signed border agreements with China not so long ago, there is a difference. Looked at legally, Pakistan has no common border with China; Nepal and Burma have. If some of the Indian indignation is synthetic, Pakistan's folly seems totally inexplicable. Already it has angered Washington; and it will not be surprising if this later affects aid. In fact I have a feeling that the Kennedy Administration never shared the late Mr. Dulles's picture of Pakistan as a mighty ally against communism. I do not often look at the Karachi Press; but whenever I do I am amazed at the near-hysteria some papers display almost daily. If they represent the public mood, which is not always the case, Pakistanis must at the moment be anti-everybody. When there was a smallpox scare in Britain last year, the editor of *Dawn*, I understand, had a rather unpleasant experience at London Airport. The result was a series of tirades against Britain so virulent in tone that, it seemed, the gentleman concerned would not rest until Pakistan left the Commonwealth. Nothing of the sort happened. The rift with the United States may have rather more serious consequences, although it is equally possible that Washington will eventually see the Sino-Pak border treaty as the useless piece of paper it in effect is. Nothing much is known about the frontier tribals in Pakistan; if they trouble the Government much their transfer to China, if the treaty means any such thing, may well be good riddance. It is quite on the cards, on the other hand, that President Ayub Khan is trying out yet another stunt to fob off such internal trouble as he may have. This periodical need to shape foreign policy according to the dictates of domestic political needs has been the curse of Pakistan since its birth, distorting not only relations with India and others but also Pakistan's own politics and economy. If Pakistan for a moment imagines that the deal with China will frighten India into making concessions in Kashmir, it has, to coin a phrase, another "think" coming.

ONE OF THE COMPENSATIONS OF THE JOURNALIST'S life is the occasional discovery that those he criticises may not be entirely bone-headed. Last week, I wrote of the difficulties in securing a copy of the Vivian Bose report on the administration of Dalmia-Jain companies; it is with considerable pleasure, therefore, that I can now say that the full report finally arrived on my table on Monday afternoon. I do not suggest that there was necessarily a causal connection between the publication of the complaint and the arrival of the report. On the contrary, I modestly prefer to believe that the unflattering rumours which had started circulating on the subject had already begun to worry the smart alécs who might earlier have thought themselves clever enough to try to restrict the circulation of this important document. Indeed, I am told on good authority that the unsavoury subterfuge ultimately attracted the Prime Minister's notice; as a result, orders have been issued that more copies of the report are to be printed, circulated and offered for sale. For literary value, the Vivian Bose report may not quite compare with the *History of the Great American Fortunes*. But, at Rs. 12.50, it is a good investment.

THE DITCHER

Guide for Investors

EXPANSION OF ALKALI AND CHEMICAL

THE ordinary shares of Alkali and Chemical Corporation of India Ltd have lacked support around Rs. 34 due to the decline in the profit for the year ended September 1962. The profit has fallen from Rs. 1.41 crores to Rs. 71.72 lakhs, after providing Rs. 41.07 lakhs (against Rs. 40.56 lakhs) for depreciation. Sums of Rs. 2.82 lakhs have been transferred from taxation provision no longer required and Rs. 2.5 lakhs (the same) from reserve for deferred income tax liability due to initial allowances. A taxable ordinary dividend of 15 percent has been maintained. This is covered more than one-and-a-half times and offers a yield of 4.4 percent at the present price of Rs. 19 each a share. Taxation absorbs Rs. 27.22 lakhs (against Rs. 52.50 lakhs) and development rebate reserve Rs. 1.10 lakhs (against Rs. 2.50 lakhs). The carry-forward is Rs. 1.37 lakhs, against Rs. 1.16 lakhs brought in.

Although total sales rose, the turnover increased from Rs. 6.63 crores to only Rs. 6.95 crores following price cuts. The selling prices of polythene and paints were cut in order to meet competition. These cuts, combined with a rise in excise duties on paints and polythene granules led to a fall in the profits. The directors say that in spite of the interruption of work following the construction work on the new intermediate density plant, the polythene output rose. Considerable improvement has been brought about in the use of raw materials. The production of paints increased considerably, although the Company faced difficulties in obtaining raw materials. The expansion of the paints factory has contributed to the increased output. The chlorine and caustic soda units have worked up to their maximum capacities, but the profit margins have been adversely affected by the increase in prices of salt and electric power. The performance of the gammaxane B.H.C. unit has improved further.

The construction work for the new intermediate density plant has started. Licences for importing capital goods have been obtained, and arrangements are being made to finance the foreign exchange expenditure. The design work has made progress, and imported equipment has started arriving at the site. A licence has been obtained for expanding the paints factory and for the installation of a new resin plant. The blueprints are now being prepared. The rubber chemical factory is expected to be completed during the current year. The Company has exported such products as paints, alkathene and B.H.C. materials. Active steps have also been taken to explore new markets for the Company's various products.

Progress of East Anglia Plastics

THE ordinary shares of East Anglia Plastics (India) Ltd are being quoted around Rs. 11.25 on expansion and rights issue prospects. The Government has granted an industrial licence to the Company for manufacturing 1,000 tons of plasticisers a year. Plasticisers constitute important raw materials for manufacturing cellulose acetate moulding compound. The factory for making plasticisers will be located in West Bengal. The

Company's compounding unit in Calcutta for manufacturing cellulose acetate moulding compounds and P.V.C. compounds is already in production. The factory making for cellulose acetate flakes—the principal raw material for the manufacture of cellulose acetate moulding compounds—will be established in Andhra Pradesh. The unit for producing plasticisers will go into production within a year. The projects will help complete the integrated scheme for manufacturing cellulose acetate moulding compounds from indigenous raw materials. The compounding unit will be self-sufficient in raw materials which are now imported. The project in Andhra Pradesh will produce cellulose acetate flakes, bleached cotton, acetic acid and acetic anhydride which are in great demand for both civil and defence purposes.

Volta's Makes Progress

IN his chairman's statement circulated along with the report and accounts of Volta Ltd, Mr. J. D. Choksi has reassured shareholders that in spite of the smaller profit following the increased tax provision for the year ended August 1962, the Company has had its best trading year since its inception. (A fuller version of the statement is printed on a later page in this week's issue of *Capital*.) On 31st August, 1962, fully licensed orders in hand and the profits expected from them have been considerably higher than in previous years. But the Company has had to contend with longer delivery periods. A substantial portion of the business has not been completed due to various formalities. But for these factors, the profit in 1961-62 would have been much higher than in 1960-61. Volta has nevertheless maintained a taxable ordinary dividend of 14 percent which is more than thrice covered. It offers a yield of 5.6 percent at the present price of Rs. 248 a share of Rs. 100 each.

Volta is essentially a trading Company. Mr. Choksi points to the important rôle which it has been playing in marketing and distribution. Although the Company has had to face difficulties in distributing imported goods, its business in distributing indigenous goods has been steadily growing. An important factor contributing to the Company's growth is that it has succeeded well in distributing goods. It also provides after-sales services throughout the country. Volta maintains an overseas buying and forwarding organisation for goods which are imported into India. Although the Company has been trying to supply spare parts, its work has been interrupted by the shortage of imported spares. The Government should, therefore, consider increasing the import of spares in order to ensure a fuller use of the existing equipment. The success achieved by the Company in distribution has helped it to win the world's "best distributor award" on three occasions in the recent past for a certain type of construction equipment of a leading manufacturer in this field.

Mr. Choksi points to the importance of distributors in a modern business organisation, since some have been misled to think that they are para-

sites. The honest and efficient distributor is a vital link between the manufacturer and the consumer. By virtue of his long experience and specialised knowledge of markets, the distributor knows the consumer better and advises the manufacturer of the exact needs of the market. "More often than not, the distributor finances the whole operation of distribution from the point of production to the point of actual sale and even beyond", the chairman says. The distributor also helps to ensure equitable distribution and prevent hoarding.

United Bank Repeats Dividend

THE United Bank of India Ltd has produced satisfactory results for the year ended December 1962. The profit has improved from Rs. 20.50 lakhs in 1960-61 to Rs. 21.20 lakhs in 1961-62. The taxable ordinary dividend of 6 percent has been maintained which absorbs Rs. 16.08 lakhs. The yield works out to 8.14 percent at the present price of Rs. 7.34 a share of Rs. 10 each. Reserve fund is allocated Rs. 4.26 lakhs. The carry-forward is Rs. 3.28 lakhs, against Rs. 2.40 lakhs brought in. Interest paid on deposits amounted to Rs. 1.13 crores while interest and discounts earned increased from Rs. 2.38 crores to Rs. 2.90 crores. Deposits rose by Rs. 5.84 crores to Rs. 64.70 crores. Cash stood at Rs. 7.91 crores, against Rs. 8.09 crores. Investments increased from Rs. 17.71 crores to Rs. 19.16 crores and advances from Rs. 37.61 crores to Rs. 43.90 crores.

Bright Outlook for Mukand Iron

THE Rs. 10-paid shares of Mukand Iron and Steel Works, which were quoted around Rs. 17.48 on 19th February, shot up to Rs. 18.76 on 20th February, against around Rs. 15.72 about a week earlier. The rush for buying followed shareholders' annual visit to the Company's factory in Kuria. Mr. Viren J. Shah, chief executive of the Company, told an informal gathering of shareholders at the Company's works on 19th February that the sales for the current year ending 31st March, were expected to be around Rs. 6.5 crores, against Rs. 4.73 crores in 1961-62, and that the working results would be encouraging. The output of steel castings would be around 7,600 tons, against 6,300 tons and that of rolled products around 56,000 tons, against 37,300 tons in 1961-62. The improved performance had been possible due to the satisfactory supply position of billets, the receipts so far having exceeded 56,000 tonnes. The Kuria steel foundry had turned the corner and was now yielding fair results; its capacity was likely to be raised from 600 tons a year to 1,000 tons a year.

Mr. Shah said that the Company had enough orders on hand and since its steel foundry capacity was booked for the whole year, it was not in a position to accept further orders. Negotiations were, however, in progress with the Government of India for work in connection with the defence effort. Mr. Shah disclosed that more than 60 percent of the Com-

pany's steel castings was for the railways and about 15 percent for two motor-car companies.

The Company proposes to set up in Kalwe, near Thana, a wire rod plant and a 20-tonne electric arc furnace to produce billets from steel scrap. The annual capacity of the proposed works will be about 50,000 tonnes of steel (liquid) and about 80,000 tonnes of wire rods. The plant will work on a continuous casting process instead of the traditional blooming mill method and the electric arc furnace will reduce the Company's dependence to a considerable extent for steel billets—the main raw material—on the big steel producers. This would result in considerable operational economies. The Kalwe project is estimated to cost about Rs. 4.7 crores; inclusive of Rs. 1 crore for working capital. Mr. Shah informed the shareholders that the machinery for the project would be delivered within the next 18 months. The furnace would consume annually 60,000 tons of steel scrap which would be available from indigenous sources.

Explaining the circumstances under which the rights issue of Rs. 91.89 lakhs was to be rushed before the end of February, Mr. Shah said that the Company had given a moral undertaking to the Controller of Capital Issues to make the rights issue before the end of February for being permitted to issue new shares at a nominal premium of Re. 1, against Rs. 5 to Rs. 6 which the Controller had earlier suggested. Besides, even for drawing on its loans for the new project from the Commonwealth Development Finance Company and the I.C.I.C.I., the Company had first to raise its own capital according to the terms of agreement with these institutions. With the completion of the Kalwe project, Mukand Iron will have one of the most modern rod rolling mills for producing wire rods of steel of high quality and tensile strength and its 20-tonne electric arc furnace will also be one of the biggest of its kind in the country for turning steel from steel scrap, Mr. Shah said. He expressed the hope that barring unforeseen circumstances, the Company would be in a position to earn sufficient profits to maintain dividend on increased capital.

Referring to the controversial issue of the conversion of deferred shares, Mr. Shah said that the management had represented to the Government to enable the Company to convert the shares, but the Central Board of Revenue had given the opinion that the conversion would attract capital gains tax. The Company had approached the Finance Minister requesting him to amend the Act. Deferred shareholders were unlikely to agree to conversion if it was liable to capital gains tax.

New Standard Engineering Venture

NEW Standard Engineering Company Ltd, Bombay, which is already engaged in the manufacture of a number of machine tools like drilling machines, furnaces and pneumatic hammers has sought the Government of India's permission to manufacture shot blasting equipment worth about Rs. 40 lakhs. Tilghmans Ltd of the U.K. and Wheelabrator Corporation of the U.S.A. will be the foreign collaborators, providing not only technical know-how, but also participating in the capital of the new Company which will implement this project. The new Company will be known as Wheelabrator-Tilghmans N.S.E. Ltd and it will have an authorised capital of Rs. 50 lakhs. It is proposed to issue shares worth Rs. 68,750 each to Tilghmans and Wheelabrator against the supply of technical know-how and further shares of the value

of 237,500 each will be issued to foreign firms for the supply of plant and machinery. The value of imported equipment is estimated around Rs. 19.18 lakhs.

Reliable reports indicate that the Government's sanction for the proposed venture will be forthcoming shortly. India is currently importing shot blasting equipment worth Rs. 45 to Rs. 50 lakhs a year. Every effort is being made to step up the manufacture of machine tools because of the increased defence requirements. The demand for machine tools, it is estimated, will be around Rs. 65 crores a year by 1965. The total licensed capacity is of the order of Rs. 49.72 crores, and the installed capacity is much smaller around Rs. 11.30 crores.

Suhrid Geigy Expansion Project

RELIABLE reports indicate that the Government of India has approved in principle the proposal

submitted by Suhrid Geigy Ltd, Baroda, for effecting a substantial expansion for the manufacture of cyanuric chloride. The Company is already engaged in the manufacture of dyestuffs, tinopals, etcetera, and it has also a captive unit for manufacturing 72 tons a year of cyanuric chloride which is required in the manufacture of dyestuffs. The Company has sought permission to raise the capacity for cyanuric chloride from the present 72 tons to 300 tons a year. This would make the manufacture of cyanuric chloride more economic and help satisfy the requirements of Companies like Atul Products and Tata-Fison.

It is proposed to secure manufacturing know-how and the patent rights from Dogussa of West Germany and Mushobino Chemicals Laboratory of Japan through the courtesy of Messrs. J. R. Geigy S.A., Sessal, of Switzerland. The cost of imported capital equipment is placed at Rs. 12.15 lakhs and in addition, the Company will need to import raw materials—sodium cyanide and special activated carbon—worth about Rs.

7.50 lakhs a year, which, however, is likely to be reduced considerably when sodium cyanide becomes available from indigenous sources. The Swiss firm has agreed to provide the necessary foreign exchange for plant and machinery for the larger unit.

Fit Tight Nuts Fares Well

DESPITE the heavy slump in the stock market which pushed the shares of many new companies well below par, the shares of Fit Tight Nuts and Bolts Ltd have continued to enjoy a high premium—the Rs. 100-paid share is currently quoted around Rs. 175—which reflects investors' confidence in the prospects for the Company. Judged by its performance during the year ended September 1962, the confidence does not seem misplaced. Sales in the period increased by nearly 43 percent from Rs. 4.21 lakhs to Rs. 6.03 lakhs, and the gross profit rose by about 40 percent from Rs. 1.98 lakhs to Rs. 2.75

lakhs. The ratio of gross profit to sales works out to around 45.6 percent. The directors have provided Rs. 72,438 (against Rs. 57,761) for depreciation and Rs. 80,730 (against nil) for development rebate. After writing off the entire balance of preliminary expenses and brokerage of shares amounting to Rs. 73,471, the balance of Rs. 97,276 is being carried forward, against Rs. 73,682 brought in. There are no arrears of depreciation and development rebate.

The directors state that the major portion of the tool room was commissioned by September 1962. Due to various reasons, production machinery could not be commissioned earlier than October. The remaining machinery was received in January 1963. By the end of 1962, the Company made successful trial runs on all the machines installed by that time and completed the manufacturing range of high tensile nuts of $\frac{1}{2}$ in. to $\frac{1}{4}$ in. diameter and 6 m.m. to 20 m.m. diameter. It also started the manufacture of high tensile bolts from 6 m.m. to 10 m.m. diameter in various lengths. The trial runs for bolts of 12 m.m. to 16 m.m. diameter are being carried on, and it is expected that the production of these items on commercial basis will be taken on hand by March. The Company has also developed certain specialised items of fastenings for the motor-car industry for which orders have already been received. Development of further items is being considered.

The Company has booked orders for the whole of the year ending September 1963. The management has submitted a scheme to the Government for expansion with a view to meeting the emergency requirements of fastenings. During the year, the Company purchased machinery worth Rs. 2.09 lakhs locally and obtained an import licence for capital goods worth Rs. 2.08 lakhs. A further application for the import of capital goods worth Rs. 2.25 lakhs is pending before the Government.

Thirumbadi Rubber Pays Less

THE directors of the Thirumbadi Rubber Co. Ltd have recommended a smaller dividend of 10 percent for the year ended 30th September, 1962, against 12 percent for the previous year. They regret that a better distribution is not possible due to the high incidence of taxation. The net profit for 1961-62 is Rs. 1,03,481 after meeting all expenses and after providing Rs. 94,600 for taxation, compared with a net profit of Rs. 54,943 for the previous year, after providing Rs. 73,000 for taxation. Adding to the year's net profit a sum of Rs. 5,034 brought forward, Rs. 146 being excess provision for taxation in previous years and with a sum of Rs. 100,000 transferred from debenture redemption reserve, the total Rs. 2,08,661. Out of this, a sum of Rs. 75,000 is transferred to general reserve, against nil, and a sum of Rs. 25,000 is transferred to rehabilitation and development reserve (against Rs. 4,75,000). It may be noted that a sum of Rs. 5,24,001 was included in the profit and loss appropriation account of last year being the profit on the sale of Calicut Estate. The proposed dividend of 10 percent, taxable, will absorb Rs. 91,530. The balance of Rs. 17,131 is carried forward.

During the year, 101.86 acres of old seedling rubber has been replanted and 50 acres of virgin jungle has been planted with clonal rubber seedlings. A crop of 202,316 kilograms was harvested during the year at a cost of Rs. 3.24 a kilogram, compared with 245,549 kilograms at a cost of Rs. 3.31 a kilogram last year. The average price realised for the year was Rs. 3.38

a kilogram, compared with Rs. 3.76 a kilogram for 1960-61. The crop for 1962-63 is estimated at 205,000 kilograms, at a cost of Rs. 3.23 a kilogram. It is pointed out that prices for the off-grades produced were considerably lower than in the previous year in keeping with the general trend of the rubber market in India, and this was the main reason for the lower average sale price realised for the year. It is reported that increases in labour wages, staff salaries and amenities and replanting expenses have contributed greatly towards the increase in the estate cost of production.

Canara Banking Syndicate

THE working of the Canara Industrial and Banking Syndicate Ltd for the year ended December 1962, shows all-round progress in the bank's activities. Total deposits, which were Rs. 24.60 crores in December 1961, increased to Rs. 32.65 crores in December 1962—the rise being 37 percent. Total advances have increased to Rs. 18.27 crores. The paid-up capital stands at Rs. 76.64 lakhs and reserves including share premium have risen to Rs. 66 lakhs. The net profit amounts to Rs. 30.33 lakhs. Out of this, Rs. 6.50 lakhs has been transferred to statutory reserves and Rs. 3 lakhs has been set apart for bonus. A sum of Rs. 8.4 lakhs is required for the payment of dividend which is being maintained at 8.57 percent and 7.15 percent on preference shares of Rs. 100 and Rs. 10 each, respectively, and 20 percent on equity shares. A sum of Rs. 12 lakhs has been set apart for the payment of taxes and Rs. 77,782 is being carried forward, against Rs. 34,750 brought in.

Canara Banking Syndicate has a network of 176 branches, including eight branches opened in December 1962, and one branch in January 1963. The bank has received licences from the Reserve Bank of India for the opening of two branches in Curuchorum and Sanquelim, both in Goa. These branches will be opened shortly.

Creamery Company and Food Specialities

IN the issue of Capital dated 14th February, the item headlined "Milk Products from Creamery Company" on page 229 mentioned that India's current output of condensed milk is "hardly around 250 tons". A director of Food Specialities Ltd of New Delhi informs us that his Company is now manufacturing condensed milk at the rate of approximately 2,000 tons a year.

Sharp Rise in Bank of India Deposits

THE directors' full report on the working of the Bank of India for 1962 shows that in spite of an impressive increase of about 32 percent in the bank's total income from Rs. 6.09 crores to Rs. 8.03 crores, the net profit is up by a mere Rs. 1.22 lakhs to Rs. 1.12 crores. This is because of an all-round increase in expenditure. Interest on deposits and borrowings has risen from Rs. 2.60 crores to Rs. 3.55 crores; salaries and allowances show a rise from Rs. 1.61 crores to Rs. 2.05 crores; rent, taxes, insurance, lighting, etcetera, are up from Rs. 18.65 lakhs to Rs. 32.93 lakhs and other expenditure including a contribution of Rs. 5.50 lakhs to the National Defence Fund, has risen from Rs. 27.8 lakhs to Rs. 49.15 lakhs. The working

results are also said to have been affected by the credit restrictions imposed by the Reserve Bank of India. The nominal increase in the Bank of India's profit against an impressive rise in the total income reflects the general squeeze on the banking industry's profits.

In his statement to shareholders which has been circulated with the directors' report, the chairman, Mr. A. D. Shroff, says that the year 1962 has been one of great significance as far as deposit growth is concerned. The bank's deposits increased by more than Rs. 32 crores or 25.7 percent, compared with Rs. 16 crores or 14.2 percent in 1961. This rate of growth in the growth rate of deposits of the entire banking system, which is about 12 percent. With the opening of 24 additional branches, including the branches of the Gadodia Bank, the Bank of India achieved the target of 100 offices by the end of 1962. Of the new branches opened during the year, two were abroad—one in Lagos and the other in Manchester. The bank has now branches in nine countries, the largest representation for any Indian bank. The organisational structure has been strengthened, by the setting up of new departments—the Department of Economic Intelligence and Statistics and the Industrial Finance Department—on the lines of well-established institutions in other countries.

Mr. Shroff has revealed that 80 percent of the bank's depositors are small depositors, holding deposits of less than Rs. 5,000 each. As in the case of deposits, the pattern of advances is also weighted in favour of a large number of borrowers with low limits of accommodation. A break-down of the advances granted by the bank shows that secured advances of Rs. 5 lakhs and under and unsecured advances of Rs. 1 lakh and under, account for about 87 percent of the total number of advances granted by the bank. Disbursement of the bank's advances as on 31st December, 1962, showed that 64.24 percent went to industry, 23.11 percent went to commerce, and the rest to others.

Mr. A. D. Shroff's statement will naturally interest all those who are interested in the problems facing the Indian banking system. The question how the mobilisation plans would affect the banking industry over the next few years is agitating bankers at present. Mr. Shroff rightly points out that the crucial problem is how to draw in the currency which the community is acquiring through defence spending into the banking system and channel it into productive purposes. Much of the progress of the banking system will depend on its ability to transform currency accruals into deposits as quickly as possible in the years ahead. The problem of deposit mobilisation is a crucial one not only for the banking system in general, but for the economy as a whole. For individual banks, the ability to attract more deposits is linked with the range as well as the efficiency of the services provided.

Referring to the Reserve Bank of India's directive asking banks "to bear in mind the need for expansion in the areas not covered by any facilities so far" while drawing up their branch expansion programmes, Mr. Shroff says that the need to provide banking facilities in the vast rural and semi-urban areas not at present served by any commercial bank should be accepted, but it may not be in the larger interests of the country to prohibit new branches in bigger towns. The policy of the Reserve Bank, says Mr. Shroff, is likely to place the big banks at a disadvantage in the matter of their branch expansion programmes. The plan to expand banking facilities into smaller towns should not be allowed

to come in the way of opening branches in bigger towns. It would be more appropriate if the larger objective of extending banking facilities to smaller towns is co-ordinated in some definite manner with the immediate need to expand banking facilities in bigger towns so that the pursuit of the former does not hamper the satisfactory provision of finance to boost industrial production as well as exports.

The branch expansion programme has a bearing on the problem of export promotion. Mr. Shroff has made a plea that the Government of India and the Reserve Bank should encourage banks to open branches in foreign countries and offer them facilities for building up trade contacts with importers there. Referring to the amendment to the Banking Companies Act 1949 passed in September 1962, raising the liquidity ratio to 28 percent as from November 1964, Mr. Shroff says that this legislation is likely to curtail the flow of credit to the private sector from now onwards, because banks have progressively to adjust their advances portfolio to enable them to abide by the higher liquidity ratio when it comes into operation. This in turn is bound to affect the profit margin.

New Capital Issues

EIGHT companies have been authorised to issue capital totalling Rs. 32.25 crores. The following are the details:

Boots Pure Drug Company (India) Private Limited, Bombay, is to issue further capital of Rs. 40 lakhs in equity shares of Rs. 10 each. Out of this, shares of the value of Rs. 20 lakhs will first be issued to the parent company, namely Boots Pure Drug Company Ltd of the U.K. at par consisting of Rs. 9 lakhs against repayment of the outstanding amount of a demand loan and Rs. 11 lakhs for cash. After conversion into a public limited company, shares of the value of Rs. 20 lakhs divided into 200,000 equity shares of Rs. 10 each for cash at a premium of Rs. 16 a share will be offered—102,000 shares to the Investment Corporation of India Ltd, and 98,000 shares to the Indian public by prospectus.

Duncan Brothers and Company Ltd, Calcutta, is to issue 10,000 cumulative redeemable preference shares of Rs. 100 each for cash at par to be issued to the Home Insurance Group of companies to be subscribed from out of their funds in India.

M.R. Industries Ltd, Bombay, will issue bonus shares of the value of Rs. 14,83,030 divided into 148,303 equity shares of Rs. 10 each at par on capitalisation of the Company's reserves to be made in the ratio of 1:1.

Payen-Talbro Private Ltd, Delhi, is to issue Rs. 5 lakhs bonus capital on capitalisation of Company's reserves to a like extent.

Heavy Engineering Corporation Ltd, Ranchi, a Central Government Undertaking, is to issue further capital of Rs. 28.65 crores divided into 286,500 equity shares of Rs. 1,000 each for cash at par.

Indian Drugs and Pharmaceuticals Ltd, Delhi, another Central Government undertaking, is raising further capital of Rs. 2.5 crores divided into 25,000 equity shares of Rs. 1,000 each for cash at par.

Hindustan Machine Tools Ltd, Bangalore, yet another Central Government undertaking is raising further capital of Rs. 25 lakhs divided into 2,500 shares of Rs. 1,000 each.

The Cannanore Spinning and Weaving Mills Ltd, Kerala, is to issue Rs. 15 lakhs equity capital to be issued for cash at par.

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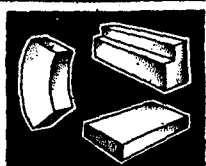
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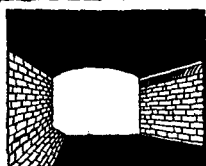
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VOLTAS LIMITED**ANOTHER YEAR OF EXPANDING ACTIVITY****MR. J. D. CHOKSI UNDERLINES THE IMPORTANT ROLE
OF MARKETING AND DISTRIBUTION**

The 8th Annual General Meeting of Voltas Limited was held at Bombay House, Bruce Street, Bombay, on the 25th February, 1963.

The following is the Statement by the Chairman, Mr. J. D. Choksi, which was circulated with the Annual Report—

This statement comes to you at a critical period in the history of the country. We are living in the shadow, if not in the limelight, of a national crisis. I shall not make any pious pronouncement on this emergency as appears to be the order of the day. The situation is far too grave for that and at all times deeds are to be preferred to words.

In war and peace your Company will give of its best; but clearly the path of duty requires a renewed concentration and mobilisation of our resources in furtherance of the national effort. The present emergency should lead to a development of the total industrial potential and, I hope, into making India a great industrial country. Your Company has a part to play in such development. I am sure that its performance in the current year and in the years to come in the fulfilment of this cause will be such as to deserve the trust and confidence of the shareholders.

As shareholders are aware we are essentially a trading company. Our skills lie more particularly in the fields of marketing and distribution. Our origin was that of an import house dealing mainly with the distribution and servicing of foreign goods and equipment of the highest quality. We have represented, and continue to represent, leading manufacturers in many lines and categories of goods, and their names are a by-word throughout the world in their particular fields. The products of many of them are still essential for the industrial development of this country and despite the continuously changing policies of Government, we have succeeded in retaining our share of such imports under the various licensing and credit arrangements. We are confident that, in spite of increasing difficulties, we shall maintain our position in the future, because of the excellent relationships that have been established with our foreign associates and with our customers, supplemented by our flexible and efficient nation-wide services.

Rising Turnover

Over the years, we have acquired the distributorship of many well-known Indian manufacturers and today Indian-made products form over 43%, against only 7% in 1954-55, of our total turnover. We expect this share to increase substantially in years to come and are confident that technological improvements and the increasing adoption of modern methods of production will result in improvements in quality, making the Indian article the equal in every respect of the foreign-made product.

The rôle of a distributor such as Voltas is barely understood or appreciated either by the lay public or by the authorities. Any and every agency which operates between the manufacturer and the consumer is often regarded as unnecessary, dishonest and parasitic. If any country needs the skills and facilities of expert marketing and distribution, it is India in its

present stage of development. The honest and efficient distributor is a vital link between the manufacturer and the consumer or end-user. By virtue of his long experience and specialised knowledge of markets, he knows the consumer better and advises the manufacturer better of the consumer's exact wants and preferences. And by being in constant touch with consumer centres throughout the country, he knows the varying demands or requirements of different centres and ensures a smooth and efficient flow and distribution of goods. More often than not, the distributor finances the whole operation of distribution from the point of production to the point of actual sale and even beyond.

At the present time when most goods are in short supply, selling may not be a very difficult problem. But the rôle of an honest distributor even under such scarcity conditions remains an important one. With his specialised knowledge, he serves the best interests of both manufacturer and consumer by ensuring equitable distribution and preventing hoarding in certain pockets and the high-jacking of prices in others. Our performance in this respect has been responsible, times out of number, for many scarce items of merchandise reaching consumers or end-users at normal prices. And when the wide range of our activities and the infinite variety of goods handled—700 different product groups—is considered, shareholders will have some appreciation of the service we render to the community.

Regrettable Fact

It is a regrettable fact that the bias against the distribution trade persists in official and unofficial circles. This bias is reflected in the Government's import policy for the current licensing period, in which further drastic cuts have been made in the import quotas of distributors. Fortunately, in many of our lines, holders of actual users import licences, including Government

undertakings, avail themselves of our services to make their purchases abroad and to import their requirements into India. We provide these and other distributing and after-sales services in return for a very reasonable fixed distributor's margin which cannot by any stretch of imagination be termed profit.

I would like to give you some idea of the principal duties and functions of a Distributor. He must maintain an overseas buying and forwarding organisation for goods that are imported. He must also provide storage and warehousing facilities for imported as well as locally-made goods at important centres throughout the country. Insurance of goods and handling, transport and forwarding are among his other responsibilities. In most cases he is also required to provide finance during transit and storage of goods and give credit facilities to wholesalers, dealers or end-users even after the sale of goods is effected. And a principal distributor like this Company must maintain an all-India sales and delivery organisation as well as specialised departments—such as Publicity and Marketing Research—to assist him in his marketing operations. It is obvious that few manufacturers in India outside the range of major corporations, would be competent or capable of giving this kind of specialised service to market the goods manufactured by them.

Service Facilities

Selling must be backed by service. At Voltas, when we make a sale we back it with SERVICE—with service facilities throughout the country. This factor is of greater significance during the present emergency when machines and equipment must work ceaselessly and to their full capacity. However, maintaining a first class service organisation is only half the battle. No service organisation can function effectively without an adequate supply of spare parts. Unfortunately a situation is developing under which, while we offer round-the-clock

service, we are not assured of a steady supply of a spares, as under the latest import policy of the Government, our quotas for spare parts have been practically abolished. I fear that this policy may soon lead to a breakdown and the immobilisation of many crores of rupees worth of valuable equipment. It might well be asked whether this policy is in the best interests of the country.

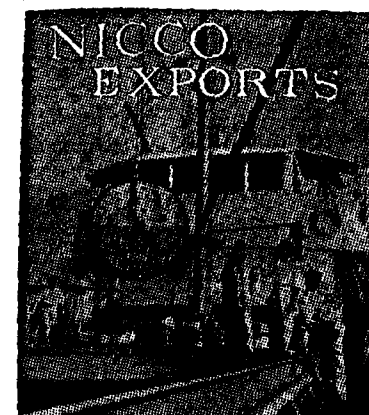
The success attained by your Company in the field of distribution has resulted in the Company having won on three occasions in the recent past the World's Best Distributor Award for a certain type of construction equipment of a leading manufacturer in this field. It has also resulted in many approaches being made to us for advice and guidance in the development of industries and the better utilisation of equipment within the country. Not long ago, we were paid an indirect compliment, when we were asked by the Government and their foreign collaborators to undertake the servicing and maintenance of all equipment falling under certain categories in use in one of the largest Government corporations—including those supplied by others!

Working Results

I should now like to deal briefly with the Company's working during the year ended on 31st August, 1962. Though the profits, as shown in the Accounts and discussed in the Directors' Report are slightly lower than last year, mainly on account of a higher provision for taxation, the Company has in fact had its best trading year since its inception. Fully licensed orders in hand, and the margins expected thereon, are considerably higher as of 31st August, 1962, than in previous years. We have experienced longer delivery periods, particularly from Common Market countries and from Switzerland and the completion of formalities in connection with business financed under Government-to-Government loans has taken more time than originally expected. But for these two reasons, the profits for 1961-62 would have surpassed the results achieved in 1960-61.

In conclusion, I express the appreciation of the Board to all those officers and employees of the Company who have been responsible for the results achieved during the year.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.



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UNITED BANK OF INDIA LIMITED

Regd. Office: United Bank Buildings, 4, Clive Ghat Street, Calcutta

Annual Report

To be placed before the shareholders of the Annual General Meeting to be held at the Registered Office of the Bank at 4 Clive Ghat Street, Calcutta, on Monday, the 25th March, 1963, at 11 a.m.

ANNUAL REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31st DECEMBER, 1962

The Directors beg to submit to the shareholders the Audited Balance Sheet of the Company as at 31st December, 1962 and Profit & Loss Account for the year ended 31st December 1962 together with the Auditors' Report thereon.

The Profit for the year after making provision for taxation and including the balance of Rs. 2,39,694.16 brought forward from the previous year's account amounts to Rs. 23,60,006.24

Out of this amount the following appropriations have been made:

To Reserve Fund under Section 17 of the Banking Companies Act Rs. 4,26,000.00

Leaving an available balance of Rs. 19,34,006.24

Out of the above the Directors recommend the payment of a Dividend to the shareholders @ 6 per cent per annum subject to deduction of tax at the prescribed rates in accordance with the provisions of the Income Tax Act, absorbing Rs. 16,08,000.00

Balance to be carried forward to next year's account Rs. 3,26,006.24

The Bank's business during the year made satisfactory progress.

During the year under report, one branch at Naharkatia (Duliajan) in the State of Assam was opened.

Sri J. M. Dutt, Sri K. C. Das, Sri M. J. Vaidya and Sri S. Gupta retire by rotation and being eligible offer themselves for re-election.

The Directors report with deep regret the demise on the 15th of April 1962 of Sri Narendra Chandra Datta, a revered member of the Board and the founder of The Comilla Banking Corporation Ltd., one of the amalgamating units. The Board has placed on record its high appreciation of the valuable services rendered by him to the banking industry, as a pioneer in the eastern region of undivided India, as also to the Company.

The Bank during the year under report, made contributions of Rs. 1,50,000/- to the National Defence Fund and Rs. 25,000/- to Dr. B. C. Roy Memorial Fund.

The shareholders are requested to appoint Auditors for the ensuing year and to fix their remuneration.

Sri M. J. Vaidya, being out of India, could not sign the Report and Accounts.

K. G. M. FAROQUI
S. N. RAY
K. C. DAS
S. GUPTA
B. N. CHATURVEDI
T. S. SANTHANAM
J. M. DUTT
S. B. DUTT
B. K. DATTA
(Managing Director)

N. N. LAW
Chairman.

Directors.

Dated, Calcutta
The 15th February, 1963.

BALANCE SHEET AS AT 31st DECEMBER, 1962

Previous year Rupees	CAPITAL & LIABILITIES	Rs. nP	Rs. nP	Previous year Rupees	PROPERTY & ASSETS	Rs. nP	Rs. nP
1,00,00,000	1. CAPITAL—			5,06,48,062	1. Cash:		
3,00,00,000	Authorised Capital:				In hand and with Reserve Bank and State Bank (including Foreign Currency Notes) ...		4,93,52,926 36
4,00,00,000	5,00,000 Shares of Rs. 20/- each ...	1,00,00,000 00			2. Balances with other Banks:		
	30,00,000 Shares of Rs. 10/- each ...	3,00,00,000 00			(i) In Current Accounts—		
		4,00,00,000 00		2,04,275	(i) In India ...	2,03,039 64	
98,97,000	Issued Capital—			51,72,262	(ii) Outside India ...	66,16,934 57	68,19,974 21
2,26,03,000	4,94,850 Shares of Rs. 20/- each ...	98,97,000 00		53,76,537			
3,25,00,000	22,60,300 Shares of Rs. 10/- each ...	2,26,03,000 00		2,50,00,000	3. Money at Call & at Short Notice ...		2,30,00,000 00
		3,25,00,000 00			4. Investments: at or below Market value:		
98,00,240	Subscribed Capital:			15,05,28,291	(i) Securities of the Central and State Governments and other Trustee Securities including Treasury Bills of the Central and State Governments ...	16,51,42,907 80	
2,19,84,250	4,90,012 Shares of Rs. 20/- each ...	98,00,240 00		19,71,001	(ii) (a) Fully paid Preference Shares Rs. 19,60,001.37		
3,17,84,490	21,98,425 Shares of Rs. 10/- each ...	2,19,84,250 00		14,91,202	(b) Fully paid Ordinary Shares Rs. 14,33,681.41		
		3,17,84,490 00		3,56,001	(c) Partly paid Ordinary Shares Rs. 3,71,001.00	37,64,683 78	
49,00,120	Called & paid-up Capital:			38,18,204	(iii) Debentures or Bonds ...	8,72,367 31	
2,19,84,250	4,90,012 Shares of Rs. 20/- each called at Rs. 10/- per share ...	49,00,120 00		12,56,604	(iv) Other Investments:		
2,68,84,370	21,98,425 Shares of Rs. 10/- each called at Rs. 10/- per share ...	2,19,84,250 00		2,12,52,520	(a) Pakistan Central and Provincial Government Securities ...	2,15,99,490 81	
22,969	Less: Calls unpaid ...	2,68,84,370 00	2,68,67,461 00	1,50,684	(b) Foreign Securities ...	47,500 00	
		16,909 00		17,70,53,803	(c) Capital Redemption Policy ...	1,57,725 00	
	(Reserve Liability of shareholders Rs. 49,00,120/-)				(d) Gold ...	Nil	19,15,84,674 70
90,74,000	2. Reserve Fund and other Reserves ...		95,00,000 00				
19,04,33,048	Deposits and other Accounts:				5. Advances:		
8,85,461	Fixed Deposits and Cash Certificates ...	19,89,31,740 21		31,15,03,047	(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)		
20,53,15,109	Staff Gratuity Deposits ...	9,42,430 10			(i) Loans, Cash Credits, Overdrafts, etc. ...		
	Savings Bank Deposits ...	23,31,01,098 95			(i) In India ...	37,12,83,407.01	
19,20,55,274	Current Accounts, Contingency Accounts etc. ...	21,39,77,863 36	64,70,12,932 62	1,52,55,728	(Includes an amount of Rs. 1,39,85,006.80 relating to medium term advances in respect of which finance has been obtained from the Refinance Corporation for Industry Ltd. (as per contra) ...	1,54,51,290.49	
58,86,98,892				32,67,58,775	(ii) Outside India ...	38,67,34,697 50	
	4. Borrowings from other Banking Companies, Agents, etc. ...				(iii) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments) ...		
5,25,000	(i) In India ...	Rs. 1,16,01,538.73		4,49,41,276	(i) Payable in India Rs. 4,31,11,953.15		
	(Includes an amount of Rs. 1,03,00,191.83 borrowed from the Refinance Corporation for Industry Ltd.)			44,26,322	(ii) Payable outside India ...	91,97,771.70	5,23,09,686 85
1,53,988	(ii) Outside India ...	Rs. 55,00,000.00	1,71,01,538 73	4,93,67,598			43,90,44,384 36
6,78,988				37,61,26,373			
	PARTICULARS				(Particulars required by Act X of 1949 as per separate schedule annexed and forming part of this Balance Sheet)		
	(a) By part of the Bank's Investments ...	Rs. 68,01,346.90		5,27,30,304	6. Bills Receivable being Bills for Collection as per contra:		
	(b) Under Refinance Scheme ...	Rs. 1,03,00,191.83		1,41,08,967	(i) Payable in India ...	5,79,86,717 56	
	(vide 5.1(i) as per contra) ...	Nil		6,68,39,261	(ii) Payable outside India ...	1,40,79,713 10	7,20,66,430 66
	5. Bills Payable		95,56,667 67				
5,27,30,304	(i) Unsecured ...				7. Constituent's Liabilities for Acceptances, Endorsements & other obligations per contra:		
1,41,08,957	(ii) Secured ...				8. Premises less Depreciation:		
6,68,39,261	(a) Payable in India ...	5,79,86,717 56		31,75,005	At cost as per last Balance Sheet ...	33,48,259 39	
	(ii) Payable outside India ...	1,40,79,713 10	7,20,66,430 66	33,49,739	Add: Additions during the year ...	3,54,825 87	
				1,487	Less: Sales or deductions made during the year ...	37,03,078 26	
1,48,51,447	7. Other Liabilities:			33,48,252	Total cost to date ...	6,235 00	
5,03,991	Branch Adjustments ...	1,19,39,018 98		4,07,638	Less: Depreciation written off to date ...	36,96,843 26	32,11,576 86
1,50,000	Unclaimed and unpaid Dividends ...	6,01,614 00		29,40,614			
1,50,684	Staff Gratuity Fund ...	1,50,000 00			9. Furniture & Fixtures less Depreciation:		
	Capital Redemption Fund ...	1,57,725 00		58,22,641	At cost as per last Balance Sheet ...	62,30,737 24	
14,96,272	Sundry Liabilities for Expenses and others ...	15,65,872 88	1,44,14,230 84	62,30,737	Add: Additions during the year ...	6,55,877 16	
1,71,52,394					(Previous year's figure—additions less sales or deductions) ...	68,96,615 90	
3,91,25,386	8. Acceptances, Endorsements and other obligations per contra ...		3,56,39,762 98		Less: Sales or deduction made during the year ...	1,20,170 43	
					Total cost to date ...	67,76,444 57	36,20,066 39
13,51,685	9. Profit & Loss:				Less: Depreciation written off to date ...	31,56,378 27	
11,44,000	Balance of Profit & Loss Account as per last Balance Sheet ...	18,46,694 16					
2,07,685	Less: Appropriation for Dividend ...	18,07,000 00					
		2,39,694 16					
20,50,008	Add: Profit for the year brought from the Profit & Loss Account after providing for taxation ...	21,20,312 08					
22,57,694		23,60,006 24					
	Less: Appropriations—						
4,11,000	Transfer to Reserve Fund under Section 17 of the Banking Companies Act ...	4,26,000 00	19,34,006 24				
18,46,694							
75,87,33,586	Carried over ...		83,40,95,030 74				82,43,39,796 41

UNITED BANK OF INDIA LIMITED—Cont'd.

BALANCE SHEET AS AT 31st DECEMBER, 1962—Cont'd.

Previous year Rupees	CAPITAL & LIABILITIES	Rs. nP	Rs. nP	Previous year Rupees	PROPERTY & ASSETS	Rs. nP	Rs. nP
75,87,33,586	Brought forward		83,40,95,030.74	74,66,31,971	Brought forward		82,43,39,796 41
	10. Contingent Liabilities:				10. Other Assets including Silver:		
(C1,93,625)	(i) Claims against the Banking Company not acknowledged as debts ...	Rs. 50,91,937.26		20,16,155	Interest accrued on Investments ...	21,68,308 34	
	(ii) Money for which the Banking Company is contingently liable:			45,97,265	Tax deposited and paid in advance or deducted at source less provision ...	11,12,377 14	
	(a) Liability for partly paid up shares held by the Bank in Investment Account ...	Rs. 16,40,150.00		6,02,111	Stores, Stationery and Printed materials ...	7,93,595 96	
(16,55,150)	(b) Guarantee given on behalf of Directors or Officers ...	Rs. 5,550.00		2,29,334	Land & Buildings not used as Bank's Premises less depreciation ...	2,09,469 35	
(5,350)	(c) Guarantee given on behalf of others ...	Rs. 6,62,15,484.64		61,698	(Cost Rs. 2,27,594.07 less depreciation Rs. 18,124.72)		
(2,64,28,579)	(iii) Liability on Bills of Exchange rediscounted ...	Nil		42,55,943	Premises under Construction ...	2,68,185 72	
(Nil)	(iv) Liability on account of outstanding Forward Exchange Contracts ...	Rs. 7,02,61,434.40		1,17,65,510	Sundries (Temporary Advances, Suspense, Security Deposits, Outstanding Rents, Stock of Stamps, Adjusting Accounts, Collection Assets, etc.) ...	47,68,143 66	93,20,480 17
(8,49,32,511)	Notes: (i) Provision to the full extent for future gratuity to the staff which has not been ascertained. (ii) The above Balance Sheet has been drawn up in accordance with the provision of section 29 of the Banking Companies Act, 1949.			3,36,105	11. Non-Banking Assets acquired in satisfaction of Claims, ... (At Book value)		4,34,754 16
75,87,33,586			83,40,95,030.74	75,87,33,586			83,40,95,030 74

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1962

Previous year Rupees	EXPENDITURE	Rs. nP	Previous year Rupees	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs. nP
	1. Interest paid on Deposits, Borrowings, etc. ...	1,13,06,099 08	2,37,53,781	1. Interest and Discount ...	2,89,90,305 41
89,09,352	2. Salaries and Allowances and Provident Fund ...	1,67,54,113 05	3,36,863	2. Commission, Exchange and Brokerage ...	50,48,034 66
1,43,85,216	3. Directors' and Local Committee Members' fees and allowances ...	47,222 00	1,602	3. Rents ...	2,93,709 82
(45,500)	4. Rent, Taxes, Insurance, Lighting, etc. ...	16,13,268 21		4. Net Profit on sale of investments, gold and silver, land, premises and other assets (not credited to Reserve or any particular Fund or Account) ...	348 62
(6,10,753)	5. Law Charges ...	93,796 95	Nil	5. Net Profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserve or any particular Fund or Account) ...	Nil
46,734	6. Postage, Telegrams, Telephones and Stamps ...	6,77,174 25		6. Income from non-banking assets and profit from sale of or dealing with such assets ...	448 12
1,07,345	7. Auditors' Fees ...	37,350 00	6,639	7. Other Receipts ...	12,10,992 77
6,17,451	8. Depreciation on and repairs to the Banking Company's property ...	8,74,634 19	13,59,378		
35,270	9. Stationery, Printing, Advertisement, etc. ...	11,31,990 46			
7,99,669	10. Loss from sale of or dealing with non-banking assets ...	2,156 24			
9,33,752	11. Other Expenditure ...	8,122 89			
6,60,862	12. Balance of Profit ...	21,20,312 08			
20,50,009	* Includes perquisites calculated in accordance with the Income Tax Rules.				
	Note: The above accounts have been drawn up in accordance with the provision of Section 29 of the Banking Companies Act, 1949.				
	TOTAL ...	3,55,43,839 40	2,97,77,071	TOTAL ...	3,55,43,839 40

N. N. LAW Chairman.
B. K. DATTA Managing Director.

K. G. M. FAROQUI
S. N. RAY
K. C. DAS
S. GUPTA
B. N. CHATURVEDI
T. S. SANTHANAM
J. M. DUTT
S. B. DUTT

Directors. Directors.

A. K. ROY Secretary.
M. SEN SARMA Dy. Secretary.

N.B.—Sri M. J. Vaidya being out of India, could not sign the Accounts.

AUDITORS' REPORT

We have audited the annexed Balance Sheet of United Bank of India Ltd. as at 31st December, 1962 and also the annexed Profit & Loss Account of the Bank for the year ended upon that date which are incorporated in the Returns from the Branches audited by other Auditors. The reports on the accounts of the branches audited by other Auditors have been dealt with in preparing our report in the manner considered necessary by us.

In accordance with the provisions of section 29 of the Banking Companies Act, 1949, read with the proviso to sub-sections (1) and (2) of section 211 and sub-section (5) of section 212 and section 227(5) of the Companies Act, 1956, the Balance Sheet and Profit & Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956. The Accounts are therefore drawn up in conformity with Forms A & B of the Third Schedule to the Banking Companies Act, 1949.

We report that:

- we have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
- the transactions of the bank which have come to our notice, have been within the powers of the Bank;
- in our opinion, proper books of account as required by law, have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the bank;
- the Bank's Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account and the returns; and
- in our opinion and to the best of our information and according to the explanations given to us, and according to the information required by the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1962, and the Profit & Loss Account gives a true and fair view of the Profit for the year ended upon that date.

Dated, Calcutta,
The 15th February, 1963.

RAY & RAY,
Chartered Accountants.

Schedule of particulars required under the Banking Companies Act, 1949, attached to and forming part of the Balance Sheet as at 31st December, 1962.

Previous year Rupees	PARTICULARS OF ADVANCES	Rs. nP
34,42,48,433	(i) Debts considered good in respect of which the Banking Company is fully secured	40,62,13,274 65
	(ii) Debts considered good for which the Banking Company holds no other security than the debtors' personal security ...	2,39,74,031 47
2,52,54,215	(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors ...	88,57,078 23
66,23,725	(iv) Debts considered doubtful or bad not provided for ...	Nil
		43,90,44,384 35
	(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons ...	2,22,259 52
68,518	(vi) Debts due by Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or in case of Private Companies as Members ...	3,41,34,384 71
2,16,38,552	(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons ...	2,25,621 34
87,326	(viii) Maximum total amount of advances including temporary advances granted during the year to the Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or in the case of Private Companies as Members ...	3,62,82,651 27
2,58,53,956	(ix) Due from Banking Companies ...	2,08,994 08
78,559		

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CALCUTTA AWAITS BUDGET WITH SUBDUED OPTIMISM

Wednesday Evening.

THE Calcutta stock market has gone through the past week with subdued optimism. At first, turnover increased on fresh support combined with short-covering. Share prices improved all-round. Lyons Range was inclined to take an optimistic view about the Central Budget which will be presented tomorrow evening. The optimism was based on the view that the Railway and State Government Budgets had not imposed heavy burdens. It was thought that the Central Finance Minister would also be lenient.

Towards the close, investors and operators have turned cautious and turnover has shrunk. Although share prices have been steady because of the absence of selling pressure, support has been selective. The steadiness is based on an improved technical position. Since bears have covered their sales and the outstanding business has been substantially squared up, the market has become more or less normal. Hence the authorities have scrapped all minimum prices, although restrictions on forward trading continue. The future trend will depend on the new taxes which the Finance Minister proposes.

The second instalment of supplementary demands presented to Parliament indicates that Mr. Morarji Desai will face a difficult task in raising the necessary resources. There is no doubt that the Government has so far received substantial sums in the form of contributions to the National Defence Fund and premiums for emergency risks insurance. The former, it is believed, has amounted to about Rs. 45 crores and the latter to Rs. 9 crores. Besides, collections from small savings schemes have been buoyant during the past couple of months, although it is doubtful if the progress can be maintained in the absence of proper organisational efforts.

The stock market guess is that new taxes may yield between Rs. 120 crores and Rs. 130 crores. It also thinks that a large portion of these taxes will be indirect rather than direct. On the view that the new fiscal measures should not discourage production, it is felt that there may be no fresh burden on companies. It is also difficult to visualise any whittling down of the development rebate, since capital formation has to be encouraged. Lyons Range is hoping that the bonus share tax may be scrapped since it has discouraged the flow of capital into trade and industry. Besides, it has fetched little revenue for the Government.

These hopes should not give rise to a sense of complacency. Investors would be well-advised to remember that the working of industry continues to be afflicted by several political and economic uncertainties. The news that the Pakistani Foreign Minister has gone to Peking to sign a border agreement with China has virtually marred the prospects of the coming Indo-Pakistani conference on the Kashmir issue.

Although the recent U.S. loan will help India to import raw materials and spare parts, industry will continue to suffer from shortage of foreign exchange, which is likely to become more acute during the next

licensing period. The shortage of funds for the stock market has been aggravated since banks have been chary of advancing money against shares. Opinion is divided on whether shares are fully-priced at present. In view of the all-round increase in interest rates, the dividends on many shares have become unattractive. On a longer view, it is difficult to be optimistic since the profit outlook has become less favourable because of the increase in production costs combined with official measures to regulate the prices of many commodities. In the circumstances, investors may be more discreet in purchasing shares.

Indian Iron have improved after a long interval due to short-covering and replacement purchases. In the engineering section, attention has been concentrated on Burn, Braithwaite, Indian Standard Wagon, Guest, Keen, Williams, Jessop, Kumardhubi and Britannia Engineering. Texmaco has gained on prospects of expansion with foreign collaboration.

Jute shares have been generally steady in fair turnover. At the close, investors are cautious because of a decline in the offtake of jute goods by foreign countries. They have also been disturbed by rumours that the excise duty on jute goods may be increased. Birla, Fort Gloster, Gourapore, Anglo-India, Barnagore, Union, Howrah, India, and Megha have been prominent. Champdany have attracted attention on the news that the Company will soon refund a portion of the share capital and the shares of Rs. 100 each will be sub-divided into 10 shares of Rs. 10 each.

Prices of selected coal shares have gained on replacement buying. Burrakur, Bengal, Equitable, East Indian, Amalgamated and Central India have been quoted at higher prices. In the cotton mill section, interest has been taken in Dunbar, Bowreah, Jay Shree, J. K. Rayon and Bharat Commerce. Bank shares have generally been neglected. Sugar shares have been difficult to transact in the absence of buyers. Small interest has been shown in tea shares at lower levels. Hantapara, Tezpor, Methoni, Brooke Bond and Hasimara have been transacted.

Prices of miscellaneous shares have improved. Among clearing shares, Hindusthan Motors, Indian Aluminium, Indian Cable, Indian Copper, Orissa Cement and Jaipur Udyog have gained. Alkali Chemical have been quiet on showing smaller profits. Profit-taking has reduced Angelo Brothers. Martin Burn have been steady despite a dividend cut. National Pipes and Tubes have been steady on repeating the dividend. Goodyear India have improved on prospects of a rights issue. Among new scrip, Hindusthan Twyford, India Carbon, Phillips Carbon and Isaac Holdens have been prominent. In paper shares Titaghar, Bengal and Ballarpore have been steady. Orient and Sirpur have gained on influential support. Among electric companies, Calcutta Electric have been taken.

Government securities have generally been dull. Scattered support has been extended to short-dated loans. Prices of medium and long-dated loans show little variation. The 3 percent Conversion Loan 1986 has been quoted around Rs. 63.10. Prices

of State Government loans have been depressed in the absence of support.

Bombay

SENTIMENT IMPROVES IN DALAL STREET

NO POST-BUDGET TRADING ON THURSDAY

Wednesday Evening.

THE Bombay stock market has decided for the first time in 15 years not to hold a special Budget trading session on Thursday. The decision has apparently been made because normal trading has not yet been fully restored. Sentiment has, however, improved during the past week and share prices have gained all round. There has been a great deal of short-covering as bears have decided to cover their sales before the Central Budget is presented. There has also been considerable replacement buying because of optimism about the Budget proposals. It is generally believed that the new taxes will not be very stiff as the corporation tax and income tax on personal incomes are already too high. Since the working of the corporate sector has not been encouraging in

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recent months, it is unlikely that incentives such as the development rebate will be whittled down.

An important factor contributing to the present steadiness is the squaring up of the outstanding business. The technical position of the market has become healthier. Steel shares have been supported after a long interval. Tata Steel have improved to Rs. 121 and Indian Iron to Rs. 21.72. Among engineering shares, support has been extended to Tata Locomotive, Larsen and Toubro, Premier Construction and Alcock Ashdown. Mukand Iron have been bought on expansion prospects. Among motor-vehicle shares, Hindustan Motors have been supported. Premier Automobiles have met with scattered buying.

Selected cotton mill shares have been bought at rising prices. The improved cloth offtake has been an important stimulating factor. Interest has been taken in Century at Rs. 552, in Bombay Dyeing at Rs. 60 and in Kohinoor at Rs. 283. Svadeshi, Tata Mills, Standard and India United ordinary have been taken. Gokak, Morarjee and Simplex have met with support.

The improvement in chemical shares has been outstanding in the miscellaneous section. Indian Dye-stuff and Polychem have gained considerably. Support has been extended to Tata Chemicals. Cement shares have been sluggish and stray business has been transacted in Associated Cement and Digvijay. Steamship company shares have been quiet, and business has been done in Scindia Steam. Among mining shares, B. B. Petrol have improved, but Shivrampur Syndicate have been neglected.

The earlier interest in sugar shares has not been maintained at the close.

Belapur and Walchandnagar Industries have been sold freely. Rayon shares have been steady, and National Rayon recovered on short-covering. Interest has been taken in Gwalior Rayon and Baroda Rayon. Bombay Burmah have gained on replacement purchases. Support has been extended to Voltas on prospects of expansion and a rights issue. Tata Oil have been bought. Permanent Magnets and S.L.M. Maneklal have gained.

Bank shares have been quietly steady. Bank of India and Bank of Baroda have been dealt in. Among insurance shares, New India Assurance have been prominent on the news that the Company will soon issue bonus shares. Electric companies have been quietly steady. Business has been transacted in Ahmedabad, Bombay Suburban and Tata Hydro.

Madras

MARKET DISCOUNTS BUDGET FEARS

SHARE PRICES REMAIN STEADY

Tuesday Evening.

THE Madras stock market has been steadier during the past week because of higher advices from Dalal Street. Although fresh support has been cautious, selling pressure has abated considerably. There has been growing outside interest in some clearing shares. Operators are inclined to think that the new tax measures in the Central Budget may not be very stiff. This optimism

apparently stems from the fact that the five State Governments, which have presented their Budgets so far, have proposed only modest new levies.

Government securities have generally been quiet and holders have been inclined to cut prices on firm buying indications. Bank shares have generally lacked interest. Canara Bank has declared a taxable ordinary dividend of 15 percent. Stray support has been extended to selected electric companies such as Negapatnam and Vellore. Sugar shares have been dealt in cautiously on fears of an increase in excise duty. E.I.D. have nevertheless been steady around Rs. 40 due to the shortage of scrip. Interest has been shown in Andhra and Mysore.

Selected tea and coffee shares have been bought on good corporate reports. Investors have also been impressed by the steady auction prices for tea. Blue Mountain have come to hand at Rs. 256. Consolidated Coffee at Rs. 18.00 and Periakaramalai at Rs. 3.08. Mysore Coffee have paid a taxable ordinary dividend of 15 percent and Vaikundam a taxable final ordinary dividend of 20 percent. Rubber shares have evoked little interest. In the textile section, South India Viscose have been an outstanding feature and the price has improved to Rs. 157 on prospects of an excellent report. Travancore Rayon have hardened to Rs. 26.75 on short-covering. Madura have been steady at Rs. 31.50. Dhana-lakshmi have declared a taxable ordinary dividend of 17.5 percent. Anglo-French and Bangalore Woollen have been steady.

Selected cement and chemical shares have been supported in the miscellaneous section. India Cement

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations. Highest for the week. Lowest for the week. Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs. 29/69—30/37—29/62—30/37—(34/31).
Burrakur Coal—Rs. 15/62 S.T.—16/12—15/62—15/69—(18/00).
Dunlop Rubber—Rs. 35/50—36/87—35/50—36/75—(42/75).
Guest, Keen, Williams—Rs. 33/06—33/56—32/94—33/50—(45/75).
Hindustan Motors—Rs. 17/22—18/00—17/19—17/87—(20/81).

Howrah Jute—Rs. 18/50—18/87—18/50—18/81—(20/25).
Indian Aluminium—Rs. 32/44—33/25—32/44—32/94—(39/56).
Indian Iron—Rs. 21/15—21/70—21/13—21/70—(25/00).
Indian Copper—Rs. 4/38—4/50—4/38—4/50—(5/07).
Indian Cable—Rs. 34/00—34/00—34/00—34/00—(37/37).
J. K. Cotton Spg. & Wvg—14/00 S.T.—14/19—14/00—14/00—(22/69).
Jaipur Udyog—Rs. 11/12—11/31—11/12—11/19—(14/00).
Kesoram Industries—Rs. 21/19—22/00—21/19—21/87—(34/31).
Orient Paper—Rs. 33/80—37/10—34/45—37/10—(41/96).
Orissa Cement—Rs. 15/66—16/06—15/44—15/81—(19/75).
Rohtas Industries—Rs. 12/00—12/06—11/94—12/06—(17/75).
Shree Copal—Rs. 22/94—23/00—22/81—22/81—(26/31).
Textile Machinery—Rs. 21/40—22/20—21/30—21/85—(20/75).

GOVERNMENT SECURITIES

3 % Govt. Paper—Rs. 62/00—62/00—62/00—62/00.
3 % Loan (1986)—Rs. 63/25 S.T.—63/25—63/00—63/25.
3 % " (1970-75)—Rs. 86/00—86/00—85/60—85/50.
4 % " (1980)—Rs. 98/16—98/16—98/16—98/16.
4 1/2 % Orissa (1972)—Rs. 95/10—95/10—95/10—95/10.
4 1/2 % U.P. (1974)—Rs. 97/30—97/30—96/25—96/25.

BANK

United Bank of India (Rs. 10/- paid)—Rs. 7/25 S.T.—7/56—7/25—7/56—(7/00).

TEXTILES

Basanti—Rs. 12/75—12/75—12/75—12/75—(17/19).
Bengal Nappur—Rs. 3/25—3/37—3/25—3/37—(3/37).
Bharat Commerce—Rs. 23/00—24/12—23/00—24/12—(29/50).
Elgin—Rs. 20/69—20/69—20/69—20/69—(25/00).
Jiya Jeerao—Rs. 9/87—11/00—9/31—11/00.
Jay Shree—Rs. 14/94—15/50—14/94—15/37—(17/75).
New Victoria—Rs. 1/62—1/62—1/56—1/62—(1/72).
Do. (Pref.)—Rs. 2/69—2/69—2/69—2/69—(3/16).
Swadeshi (P.O.)—Rs. 7/06—7/06—6/91—7/00—(9/12).

RAILWAY

Dehri Rohtas—Rs. 13/75—14/06—13/75—14/06—(19/62).

COALS

Central India—Rs. 10/25—10/31—10/25—10/31—(11/94).
Equitable—Rs. 25/12—25/62—25/00—25/62—(27/25).
Pench Valley—Rs. 19/12—19/12—19/12—19/12—(15/94).
Rewa Coalfields—Rs. 28/50—28/50—28/50—28/50—(30/00).
Western Bengal—Rs. 9/00—9/06—9/00—9/06—(9/56).

JUTES

Agarpara—Rs. 10/56—10/87—10/44—10/56—(11/37).
Auckland—Rs. 150/00—150/00—150/00—150/00—(164/00).
Anglo-India (Pref.)—Rs. 92/00—94/00—92/00—94/00—(91/00).
Cheviot—Rs. 23/44—23/44—23/37—23/37—(20/31).
Dalhousie—Rs. 135/00—150/00—134/00—150/00—(129/00).
Empire—Rs. 15/31—15/31—15/31—15/31—(19/12).
Ganges—Rs. 13/87—14/25—13/87—14/25—(13/75).
India—Rs. 18/56—18/87—18/56—18/87—(16/50).
Kinnison—Rs. 150/00—150/00—150/00—150/00—(169/00).
Kamarhaty—Rs. 180/00—180/00—180/00—180/00—(155/00).
Lansdowne (Pref.)—Rs. 90/00—90/00—90/00—90/00—(89/00).
Megna—Rs. 13/94—14/19—13/87—13/87—(12/62).
Nellimarla—Rs. 11/50—11/50—11/50—11/50—(11/62).
New Central—Rs. 14/00—14/25—13/81—14/06—(18/44).
Northbrook—Rs. 31/87—32/00—31/87—32/00—(35/62).
Nuddea—Rs. 57/00—57/00—57/00—57/00—(66/50).
Presidency—Rs. 5/37—5/37—5/37—5/37—(5/31).

Reliance—Rs. 6/94—7/00—6/87—7/00—(6/69).
Do. (Pref.)—Rs. 91/00—93/00—91/00—93/00—(81/00).

MININGS

Chrestien Mica—Rs. 10/25—10/50—10/25—10/50—(11/75).
Do. (Pref.)—Rs. 38/00—38/00—38/00—38/00—(43/00).
Metal Corp.—Rs. 8/44—8/44—8/44—8/44—(12/96).
Orissa Minerals—Rs. 32/00—32/00—32/00—32/00—(45/37).
Sutna Stone Lime—Rs. 35/00—35/00—35/00—35/00—(35/00).

CEMENTS

Dalmia (Bharat)—Rs. 13/75—14/00—13/87—13/94—(13/12).
Do. (Pref.)—Rs. 8/62—8/69—8/56—8/62—(8/12).
Sone Valley—Rs. 4/37—4/41—4/25—4/37—(5/06).

CHEMICALS

Alkali & Chemical—Rs. 34/50—34/56—34/00—34/00—(44/00).
Kanoria—Rs. 4/00—4/00—4/00—4/00—(4/00).
Smith Stanistreet—Rs. 13/37—13/37—13/37—13/37—(16/37).

ELECTRICS

Bareilly—Rs. 14/75—14/75—14/75—14/75—(11/75).
Calcutta—Rs. 14/19—14/31—14/16—14/19—(14/87).
Do. (Pref.)—Rs. 8/31—8/37—8/12—8/12—(8/62).
Upper Jumna—Rs. 14/00—14/00—14/00—14/00—(14/65).

ENGINEERINGS

Braithwaite & Co.—Rs. 36/25—36/50—36/25—36/50—(48/37).
Do. (Pref.)—Rs. 104/50 x.d.—104/50 x.d.—104/50 x.d.—104/50 x.d.—(107/87).
Binani Metal—Rs. 10/87—10/87—10/62—10/81—(10/81).
Bharat Ball Bearing—Rs. 13/94—13/94—13/94—13/94—(13/94).
Burn & Co.—Rs. 519/00—519/00—519/00—519/00—(570/00).
Calcutta Steel—Rs. 14/50—14/50—14/22—14/37—(14/37).
Hindustan Wire—Rs. 10/75—11/00—10/44—10/50—(10/44).
Indian Iron (Pref.)—Rs. 84/00—84/00—84/00—84/00—(88/00).
Jesop & Co.—Rs. 23/19—23/31—23/12—23/12—(23/06).
J. K. Steel—Rs. 15/50—16/25—15/37—15/75—(20/12).
Kumardhubi—Rs. 7/44—7/44—7/44—7/44—(8/37).
Marshalls—Rs. 3/25—3/25—3/19—3/25—(3/62).
National Iron—Rs. 4/25—4/25—4/25—4/25—(5/75).
Saran Eng.—Rs. 8/00—8/00—8/00—8/00—(10/31).
Wellman Incandescent—Rs. 5/87—6/34—5/87—6/34—(8/37).

INSURANCE

New Asiatic—Rs. 8/56—8/56—8/31—8/50—(8/56).

MISCELLANEOUS

Aluminium Corp.—Rs. 13/87—14/37—13/75—14/37—(18/75).
Do. (5% Pref.)—Rs. 62/00—62/00—62/00—62/00—(70/00).
Angelo Brothers—Rs. 23/00—23/31—23/12—23/12—(23/19).
Asian Refractories—Rs. 7/50—8/00—7/44—7/75—(8/37).
Asiatic Oxygen—Rs. 9/44—9/56—9/10—9/56—(13/06).
Associated Battery—Rs. 26/12—26/12—26/12—26/12—(32/06).
B. I. Corp.—Rs. 9/06—9/25—9/06—9/12—(11/56).
British Paints—Rs. 19/50—20/50—19/37—20/50—(26/25).
Bararee Coke—Rs. 23/87—24/00—23/87—24/00—(16/00).
Calcutta Safe Deposit—Rs. 8/00—8/00—8/00—8/00—(7/25).
Calcutta Tramways—Rs. 11/00—11/00—11/00—11/00—(12/12).
Do. (Pref.)—Rs. 8/19—8/25—8/19—8/25—(7/69).
Dr. Paul Lohmann—Rs. 18/00—18/50—18/00—18/50—(18/00).
East Anglia Plastics—Rs. 11/25—11/25—11/25—11/25—(11/25).
Electric Construction—Rs. 14/12—14/25—14/00—14/12—(14/84).
Gillanders—Rs. 13/69—13/81—13/69—13/81—(14/40).
Goodyear India—Rs. 40/50—40/50—40/50—40/50—(40/50).
Gwalior Rayon—Rs. 48/00—48/00—48/00—48/00—(48/00).
General Tyres—Rs. 8/75—8/81—8/69—8/69—(8/69).
Hindustan Aluminium—Rs. 14/00—14/19—13/87—14/12—(14/12).
Hindustan Wire Products—Rs. 16/00—16/00—16/00—16/00—(16/00).

Hindustan Twyford—Rs. 15/75—15/75—15/75—15/75—(16/87).
Hoare Miller—Rs. 6/25—6/25—6/19—6/19—(6/94).
India Forge & Drop Stamping—Rs. 3/94—3/94—3/94—3/94—(3/94).

Imperial Tobacco—Rs. 10/62—10/62—10/62—10/62—(12/87).
India Carbon—Rs. 22/00 S.T.—22/00—22/00—22/00—(22/00).

Indian Oxygen—Rs. 28/12—28/25—28/12—28/25—(40/12).
Isaac Holdens—Rs. 14/75—14/87—14/75—14/87—(17/25).

Indian Wood Products—Rs. 31/00—31/25—31/00—31/25—(32/37).
J. K. Synthetics—Rs. 11/75—11/87—11/56—11/69—(11/69).

Jardine Henderson—Rs. 74/00—74/00—73/25—73/25—(80/50).
Do. (Pref.)—Rs. 54/50—54/50—54/50—54/50—(53/75).

Jayshree Industries—Rs. 15/87—16/00—15/87—16/00—(20/81).
Kesoram Industries (1st Pref.)—Rs. 107/00—107/00—107/00—107/00—(91/50).

Do. (2nd Pref.)—Rs. 93/00—93/00—93/00—93/00—(93/00).
Martin Burn—Rs. 30/31—30/44—30/12—30/44—(33/62).

Metal Box—Rs. 50/37—50/87—50/37—50/87—(62/25).
Metal Distributors—Rs. 5/06—5/06—5/06—5/06—(5/06).

National Pipes & Tubes—Rs. 29/25—29/37—29/25—29/37—(30/50).
National Tobacco—Rs. 11/50—11/75—11/37—11/62—(18/06).

National Rubber Mfg.—Rs. 11/62—11/62—11/62—11/62—(12/94).
National Insulated Cable—Rs. 25/06—25/19—25/00—25/19—(44/37).

Phillips Carbon—Rs. 19/25—20/12—19/25—20/12—(19/25).
Sirsik—Rs. 8/62—9/19—8/62—9/06—(10/87).

Sen-Raleigh—Rs. 14/25—14/25—14/00—14/00—(22/56).
Shaw Wallace—Rs. 18/19—18/37—18/19—18/37—(24/19).

Do. (Pref.)—Rs. 55/75—55/75—55/00—55/00—(39/50).
Union Carbide—Rs. 41/87—42/50—41/87—42/50—(55/00).

Universal Cables—Rs. 8/50—9/62—8/50—9/62—(9/62).
Usha Martin Black—Rs. 14/06—14/06—14/00—14/00—(14/00).

Walford Transport—Rs. 3/50—3/56—3/44—3/56—(4/12).
Indo-Burma Petroleum—Rs. 23/62—23/62—23/30—23/50—(29/00).

PAPERS

Ballarpur—Rs. 17/06—17/06—17/00—17/00—(17/06).
Bengal—Rs. 31/75—31/94—31/25—31/37—18/69—18/81—(19/94).
India Paper Pulp—Rs. 18/69—18/81—18/69—18/81—(19/94).
Sirpur—Rs. 11/75—12/37—11/69—12/12—(16/12).

Straw Products—Rs. 9/00—10/00—9/00—9/94—(9/94).
Seshasayee—Rs. 8/00—8/06—8/00—8/06—18/06—18/19—18/06—18/19—(42/75).

Titagur—Rs. 18/06—18/19—18/06—18/19—(42/75).

REAL PROPERTY

Humayun Properties (Pref.)—Rs. 6/56—6/62—6/56—6/62—(6/75).

SHIPPING

India Steamship—Rs. 6/06—6/00—5/94—6/00—(7/19).

SUGARS

Carew & Co.—Rs. 12/50—12/50—12/50—12/50—(13/06).
Do. (Pref.)—Rs. 72/50—73/00—72/00—73/00—(81/00).

Dyer Meakin Brew.—Rs. 28/50—28/50—28/50—28/50—(41/37).
Raza Buland—Rs. 9/81—9/87—9/69—9/75—(10/31).

Shree Krishna Gyanodaya—Rs. 7/50—7/50—7/50—7/50—(9/94).
TEAS

Baradighi—Rs. 22/75—23/00—22/75—23/00—(26/37).
Darjeeling Tea & Chinchona—Rs. 196/00—197/00—196/00—197/00—(164/00).

Hasimara—Rs. 13/25—13/37—12/75—12/75—13/00—13/06—13/00—13/00—(13/00).
Hoolingorie—Rs. 186/00—186/00—186/00—186/00—(155/00).
Loobah—Rs. 4/37—4/37—4/37—4/37—(3/75).

Lackatorrah—Rs. 15/75—15/87—15/75—15/87—(16/56).
Tezpur—Rs. 15/19—15/25—15/19—15/25—(16/56).

DEBENTURES

5 % Calcutta Elec. Supply—Rs. 92/50—92/50—92/50—92/50—(92/50).
51 % Burmah Shell—Rs. 91/50—91/50—91/50—91/50—(91/50).
61 % Indian Aluminium—Rs. 97/00—97/00—97/00—97/00—(97/00).

London

ECONOMIC POLICY HELPS SENTIMENT

EQUITIES RISE

London, 27th February.

WITH the British Government now committed to a programme of spending to boost the economy, buyers have been taking a greater interest in the stock market in the past few days with the idea that the forthcoming Budget in April will provide a strong stimulus to industry. Sentiment has also been helped by some encouraging statements from leading companies, and the recovery in profits announced by English Electric and Monsanto Chemicals has made a good impression. I.C.I.'s preliminary statement, it was thought, would be of a similar pattern, and should the dividend be lifted slightly, the shares ought to continue the good recovery they have made since their "low" of 47s 6d last year. Cotton textiles were helped by the optimism of the chairman of Lancashire Cotton Corporation on the outlook. There was a good demand for engineering and machine tool shares and stores were supported. Motors made good headway under the lead of B.M.C., although the unchanged dividend from Jaguars was a disappointment. But while equities were favoured gilt-edged drifted lower. Dollar stocks lost some ground in the past day or two particularly following President Kennedy's warning on the danger of another post-war recession if Congress refuses tax cuts. Gold shares moved irregularly, but Anglo-American Corporation were wanted following the big investment deal. Charterers who were also involved in the transaction were wanted. Oils were supported at times with Shell and Royal Dutch wanted in front of the quarterly statement which is due in March. Rubbers and teas held steady.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Durbhanga Sugar Co. Ltd.	28-2-63	10-30 a.m.
Indian Iron & Steel Co. Ltd.	28-2-63	11 a.m.
South Karanpura Coal Co. Ltd.	28-2-63	11 a.m.
Burn & Co. Ltd.	28-2-63	11-20 a.m.
Indian Standard Wagon Co. Ltd.	28-2-63	11-25 a.m.
State Bank of India Eastern Investments Ltd.	7-3-63	4 p.m.
Punjab Minerals Co. Ltd.	11-3-63	11 a.m.
Birds Investments Ltd.	19-3-63	11-15 a.m.
Alkali & Chemical Corp. of India Ltd.	21-3-63	2-30 p.m.
United Bank of India Ltd.	25-3-63	11 a.m.
National Pipes & Tubes Co. Ltd.	29-3-63	3-30 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Devakaram Nanjee Banking Co. Ltd.—Rs. 350 per old share (1), subject to tax; Shriumbadi Rubber Co. Ltd.—10 pc. (a), subject to tax; Birds Investments Ltd.—10 pc. (a), subject to tax.

For a nominal charge, "Capital's Statistical Department can provide you with a certificate of share prices.



But what can I do to help?

RESERVE BANK

ISSUE DEPARTMENT		Week Ended	
(In 000's of Rupees)		22-2-63	15-2-63
Liabilities—			
Notes in Banking Dept. ...	...	12,63.43	18,12.18
Notes in Circulation ...	...	21,94,47.89	22,06,53.31
Total Notes Issued ...	...	22,07,11.32	22,26,65.49
Assets—			
A. Gold Coin and Bullion	...	1,17,76.70	1,17,76.03
Foreign Securities ...	...	55,08.43	55,08.43
Total of A ...	...	2,12,85.13	2,12,84.46
B. Rupee Coin	...	1,17,84.58	1,17,38.75
Rupee Securities ...	...	18,76,42.21	18,96,42.21
Total ...	...	22,07,11.32	22,26,65.49

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	61,00.00	61,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund	...	7,00.00	7,00.00	6,00.00
Deposits—				
(a) 1. Central Govt.	...	84,56.38	86,37.94	82,64.70
2. State Govts.	...	9,79.74	9,91.50	11,20.17
(b) Banks—	...			
(i) Scheduled Banks	...	77,84.22	79,05.42	81,69.50
(ii) State Co-operative Banks	...	2,30.38	1,83.79	...
(iii) Other Banks	...	5.39	4.80	...
(c) Others	...	1,62,85.72	1,63,37.51	1,47,97.35
Bills Payable	...	31,36.76	30,53.84	32,49.80
Other Liabilities	...	58,65.80	60,37.12	53,46.80
Total	...	5,81,54.84	5,83,54.83	5,19,93.32
Assets—				
Notes	...	12,63.43	18,12.18	25,81.97
Rupee Coin	...	1.50	2.30	1.16
Small Coin	...	2.00	1.83	3.22
National Agricultural Credit (Long Term Operations) Fund	...			
(a) Loans and Advances to—	...			
(i) State Govts.	...	23,67.59	23,69.56	...
(ii) State Co-operative Banks	...	10,62.10	10,75.84	...
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	...	2,84.88	2,84.88	...
National Agricultural Credit (Stabilisation) Fund	...			
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—	...			
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. Treasury Bills	...	61,25.56	78,39.88	29,49.73
Balance Held Abroad	...	11,85.89	10,00.65	11,96.25
Loans and Advances to Govt.	...	26,52.21	27,43.55	88,65.49
Loans and Advances to—	...			
(i) Scheduled Banks	...	38,60.80	37,55.20	1,00,74.93
(ii) State Co-operative Banks	...	1,31,19.23	1,32,35.17	...
(iii) Others	...	1,44.57	1,42.57	...
Investments	...	2,26,67.59	2,06,63.84	1,93,92.00
Other Assets	...	34,07.89	34,27.90	31,27.47
Total	...	5,81,54.84	5,83,54.83	5,19,93.32

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended	
		15-2-63	8-2-63
(i) Demand Liabilities—			
(a) Demand Deposits	...	46,73.42	45,82.17
(b) From Banks	...	8,16,38.95	8,09,72.14
(c) From Others	...	21,10.90	20,24.53
(d) Borrowing from Banks	...	56,97.13	58,24.44
(e) Others	...	...	54,09.11
(ii) Time Liabilities—			
(a) Time Deposits	...	21,15.38	22,49.50
(b) From Banks	...	12,23,75.82	12,20,92.98
(c) From Others	...	20,01.73	19,45.80
(d) Borrowing from Banks	...	11,82.20	11,31.09
(e) Others	...	...	22,88.44
(iii) Borrowing from State Bank—			
(a) Demand Liabilities	...	9,58.59	7,16.16
(b) Time Liabilities	...	7,07.50	8,61.00
(c) From Banks	...	37,49.97	43,13.18
(d) From Others	...	50,67.00	47,98.30
(e) Cash	...	61,54.55	50,67.00
(f) Balances with the Reserve Bank	...	76,14.41	78,03.79
(g) Balances with other Banks in current account	...	18,76.09	18,60.87
(h) Money at call and short notice	...	39,23.82	38,32.03
(i) Investments in Central and State Govt. Securities	...	6,05,69.30	6,22,14.47
(j) Loans, Cash credits and Overdrafts	...	12,77,20.71	12,77,11.58
(k) Due from Banks	...	12,96.98	12,61.49
(l) Friend Bills purchased and discounted	...	1,87,70.53	1,80,23.11
(m) Foreign Bills purchased and discounted	...	50,07.73	51,45.05
(n) Total of X, XI and XII	...	15,27,95.95	15,22,01.03

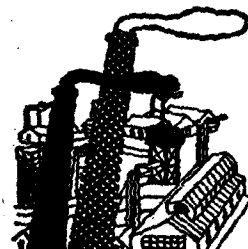
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Money

THE CALCUTTA MONEY MARKET

INTERBANK CONDITIONS TIGHT

Wednesday, 27th February.

THE general level of advances has again shown a fair increase in the Calcutta money market during the past week. The requirements of the iron, steel and engineering industries have risen substantially, while those of the cotton and sugar mills are also slightly higher. Credit for the storage of foodgrains and seeds shows a small decrease, but the advances to the jute mills are unchanged. In the inter-bank market, conditions are tight and the call rate is quoted at 6 percent.

The exchange market has been slightly more active, mainly because of an improved supply of gunny bills. The flow of tea bills remains unchanged. The demand for remittance has been keener. The trend in sterling has been mixed, the fluctuations being within narrow limits.

SILVER WAS QUIET IN CALCUTTA during the past week due to profit-taking. The price fell from the previous week's level of Rs. 276.25 to Rs. 275 quoted today for ready delivery and no forward transaction was reported. The London and New York prices were 108½ and 125½ cents. There was no trading in gold.

DURING THE WEEK ENDED 22ND February, Government of India Treasury bills for Rs. 17,44,50,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-day Government of India Treasury bills were opened on 25th February. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.405 percent and above were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.365 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 4th March.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 27th February to 2nd March at Rs. 99.426 percent, subject to the conditions previously announced that sales can be stopped at any time without notice if the Government thinks it necessary. These bills, sold from 20th February to 23rd February, amounted to Rs. 5,75,000.

THERE WERE DECLINES OF RS. 19.54 crores to Rs. 2,207.11 crores in the total note issue and Rs. 14.05 crores to Rs. 2,194.48 crores in active notes, according to the return of the Reserve Bank of India for the week ended 22nd February, 1963. The currency contraction was covered by reducing rupee securities of the paper currency reserve by Rs. 20 crores to Rs. 1,876.42 crores. This was done by transferring these securities to the Banking Department in which investments were Rs. 20.03 crores larger at Rs. 226.67 crores. Deposits of the Government of India fell by Rs. 1.82 crores to Rs. 84.56 crores while other Government accounts rose by Rs. 85 lakhs to Rs. 9.80 crores. Balances of scheduled banks at Rs. 77.84 crores showed a fall of Rs. 1.21 crores. Balances held abroad were Rs. 1.95 crores bigger at Rs. 11.96 crores. Loans to scheduled banks

rose from Rs. 37.55 crores to Rs. 38.61 crores, of which advances against usance bills were Rs. 26.82 crores (Rs. 25.52 crores). Ways and means advances stood at Rs. 26.52 crores, against Rs. 27.44 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 15th February, 1963, shows a rise of Rs. 2.79 crores to Rs. 554.37 crores in total deposits. Investments in Government securities are down by Rs. 8 crores to Rs. 215.27 crores, while other authorised investments are up by Rs. 30 lakhs to Rs. 10.37 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have increased by Rs. 65 lakhs to Rs. 303.51 crores. Cash and balances are, in consequence, shown at Rs. 26.90 crores or Rs. 4.71 crores higher.

THE STATEMENT OF THE POSITION OF schedule banks for the week ended 15th February, 1963, shows Demand and Time liabilities at Rs. 941.20 crores (Rs. 21.11 crores on account of borrowings from banks) and Rs. 1,276.36 crores (Rs. 20.02 crores) compared with Rs. 932.95 crores (Rs. 19.16 crores) and Rs. 1,274.18 crores (Rs. 19.43 crores) in the previous week. Cash has increased by Rs. 88 lakhs to Rs. 51.55 crores, while balances with the Reserve Bank have declined by Rs. 1.90 crores to Rs. 76.14 crores. There is a drop of Rs. 16.47 crores to Rs. 605.69 crores in investments. Advances and bills discounted at Rs. 1,527.96 crores show a rise of Rs. 5.94 crores. The ratios to total liabilities of cash and balances and of advances and discounts are, in consequence, shown at 5.8 percent and 68.9 percent, against 5.8 percent and 69.0 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 1-3-63.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Rate
1-3-63	4-6-63	2,00.00	Rs. 2.365%
22-2-63	25-5-63	2,00.00	Rs. 2.365%
15-2-63	18-5-63	2,00.00	Rs. 2.365%
8-2-63	11-5-63	2,00.00	Rs. 2.360%
1-2-63	4-5-63	2,00.00	Rs. 2.355%
25-1-63	28-4-63	2,00.00	Rs. 2.355%
18-1-63	21-4-63	2,00.00	Rs. 2.355%
4-1-63	7-4-63	2,00.00	Rs. 2.355%
11-1-63	14-4-63	2,00.00	Rs. 2.353%
21-12-62	24-3-63	2,00.00	Rs. 2.353%
14-12-62	17-3-63	2,00.00	Rs. 2.350%
7-12-62	10-3-63	2,00.00	Rs. 2.350%
30-11-62	3-3-63	2,00.00	Rs. 2.345%
(Monthly Maturities 000's omitted)			
March 1963		8,00.00	
April 1963		8,00.00	
May 1963		8,00.00	
June 1963		2,00.00	
Total		26,00.00	

CLEARING HOUSE RETURNS

Week ended	Calcutta Rs. (Lakhs)	Bombay
15-2-63	...	1,12.70
8-2-63	1,00.09	1,08.52
1-2-63	88.81	1,06.29
25-1-63	91.47	1,09.35

GOVERNMENT EXPENDITURE NEEDS TO BE REDUCED

(FROM OUR NEW DELHI CORRESPONDENT)

IN his address to Parliament last week, the President, Dr. S. Radhakrishnan, said: "Economy in expenditure, the elimination of waste, conservation of our limited material resources and restraint on consumption, always important, are of particular importance today." The address, however, gave no indication how the Government is implementing these cardinal principles. The President referred to the goodwill visits of foreign dignitaries during the year, "which we have welcomed, from many heads of States and Prime Ministers and others from many countries. Among them were their Majesties the King and Queen of Nepal, President Lope-Mateos of Mexico, Mr. George Gheorghiu-Dej, President of the People's Republic of Rumania, President Makarios of Cyprus, Dr. Heinrich Lübke, President of West Germany, His Royal Highness Prince Norodom Sihanouk of Cambodia, their Majesties the King and Queen of Greece, Prime Minister Mr. Lee Kuan Yew of Singapore, Prime Minister Tanu Abdul Rahman of Malaya, Mr. Edward Kardelj, Vice-President of Yugoslavia, and Dr. Rachid Karamé, Prime Minister of the Lebanon."

The Delhi Municipal Corporation, it is learnt, has been spending, on average, Rs. 1.5 lakhs a year on civic receptions for these dignitaries. Two features are noticeable today. Under planning, the Constitutional division of functions—the most remarkable feature of a federal Constitution—has been removed. Even primary education, which is not even the responsibility of a State but of a municipal board, is being financed by the Centre. The following is another quotation from the President's address to illustrate the point further:

"The community development programme now almost covers the entire country, and panchayati raj is now functioning in nine States. In view of the emergency, a special programme has been started for the full mobilisation of rural India to meet the challenge of national defence. Village volunteer forces will be organised in every panchayat with a three-fold programme—production, mass education and village defence. An integral part of the scheme is the creation of a defence labour bank based on the donation of free labour at the minimum rate of one day's labour a month by every adult. The co-operative movement in the rural areas has made considerable progress and the membership of primary agricultural credit societies, which is 20 million now, is expected to rise to 24 million in 1963 and to 28 million next year. More than a thousand co-operative farming societies have been organised so far."

But the question is whether all these responsibilities, however desirable they may be, should be borne by the Centre. If the latter overburdens itself, it may be unable to do now important work for defence and development.

The other noticeable feature is that even the stress on economy has been discarded. The Central Finance Ministry, for example, has rejected the Estimates Committee's suggestion that the Planning Commission should conduct a special study of the trend in economic and administrative ex-

penditure in order to effect economies. The ground for rejection is that adequate machinery already exists in the Government to effect all possible economies. The Government's unwillingness to reduce expenditure is probably due to its fear that it may lead to a fall in employment. Khadi, for example, is heavily subsidised because it provides employment to Congress workers.

The former Central Finance Minister, Mr. C. D. Deshmukh, once created a cell to recommend economies in expenditure. But many recommendations it made were not implemented in later years. The Prime Minister lays a statement before Parliament at least once a year, showing economies. But in spite of the continuous clamour for economy, Governmental expenditure has been continuously increasing. The Central Budget will illustrate this point.

The unwillingness of State Governments to raise additional revenues, as envisaged by the Planning Commission, is another disturbing factor. One obvious result of this will be that the Centre will have to raise money for State Governments as well.

PRICE LEVEL

Policy Clarified

The Central Minister for Planning, Mr. Gulzarilal Nanda, expressed fears last week that the stability of the price line might be upset by the anticipated increase in defence expenditure and the accelerated rate of economic development.

When replying to a debate on the Government's price policy in Parliament, the Minister said that the downward trend in prices, which continued till the end of December last, had stopped and there had been "a slight upward trend" during the past ten weeks. The Minister added that "there is no room for complacency." At the last meeting of the standing committee of the National Development Council, it was pointed out that the full implementation of the plan and the defence build-up, now in progress, were financially impracticable and could lead to inflation. In a nationwide broadcast on 6th February, Mr. Nanda, on the other hand, posed a question and himself gave the answer in the following words:

"Can we then afford to maintain, during the period of the emergency, the outlays on development as envisaged in the third five year plan? Should not the plan be pruned for the sake of defence? These questions are based on an erroneous view of the nature of the defence requirements and the processes by which they can be fulfilled. If the emergency were to be thought of in terms of a brief duration—a matter of a few months—civil consumption might be drastically cut down and development could be temporarily slowed down with a view to diverting resources for defence. The emergency is, however, going to be with us for a long period, during which the apparatus of defence will have to be expanded in a very large way. This involves naturally a corresponding expansion of the economy. Our approach will have to be in conson-

ance with these realities. From now on, defence and development must be regarded as integral and fully related parts of the national economic plan."

Mr. Nanda did not, however, say how the Government proposes to find money for defence and development expenditure. Side by side, he has been giving assurances that the price line will be maintained. Meanwhile, the rates of water and electricity in Delhi have been enhanced. The Railway Budget has imposed an additional levy on goods freights, and the inter-State sales tax has been doubled. All these increases will inevitably be reflected in the price structure. Further taxation in the Central Budget will also prove inflationary. In due course, organised labour will demand an increase in the dearness allowance. This will further increase prices. So the vicious circle will go on.

POWER SURVEY

Shortage Forecast

The first annual power survey conference, which concluded its three-day meeting here last week, was of the opinion that there would be a slight power shortage towards the end of the second year of the third plan. This will be mainly due to the shortage in anticipated and actual power production at the beginning of the third plan. According to the targets fixed, the aggregate installed generating capacity by the end of 1962-63 was to be 7.03 million kilowatts while actually it is going to be 6.83 million kilowatts, resulting in a shortage of 200,000 kilowatts. The backlog of shortage between the anticipated and actual power production at the beginning of the third plan was 100,000 kilowatts.

Attended by the representatives of the State Electricity Boards, electric undertakings and the Planning Commission, the conference was presided over by Mr. K. P. S. Nair, member of the Central Water and Power Commission.

The conference, which considered in detail the approach to the fourth plan power programme, emphasised that future power plans cannot be related as at present merely to the resources and requirements of any individual State. The comparatively slow economic development in the past had enabled the plans of the State Governments to be made substantially independent of each other. But with the present magnitude of power development and the tremendous increase envisaged for the future, it is not possible to continue the pattern of largely isolated development. Future power development, it was agreed has, therefore, to be planned first on a national basis; this plan being later broken up into appropriate portions to be allotted to individual States and authorities.

The conference agreed on three basic requirements for power planning for the fourth plan. Firstly, the implementation of continuing schemes under the second and third plans, whose benefits will be partially or fully derived during the fourth plan period. Secondly, the launching of new schemes in addition to those already existing, to meet the expected demand for power in the fourth plan;

and, thirdly, investigation and sanction of preliminary work for the schemes required for the fifth plan. In order to ensure that benefits from new schemes for the fourth plan are derived in time, the conference thought it necessary to sanction these schemes during the third plan itself.

It has been estimated that 2 million kilowatts of generating capacity will be available during the first two years of the fourth plan from the existing schemes. Plans are being considered to provide another 2 million kilowatts during the period. One of the points emphasised at the conference is the need for standardisation of power plants and transmission lines to avoid varying degrees of performance, to effect economy, to facilitate construction and to help manufacturers produce standardised equipment. The conference reconciled the figures about load forecasting from different States. The power survey is expected to be completed by June this year.

In his concluding remarks, the chairman hoped that it might be possible to conduct surveys in the country twice a year in the future. These surveys, he emphasised, are necessary for realistic power planning.

INDONESIA

Trade Team Expected

An Indonesian delegation of technical experts and trade representatives is expected to arrive in India soon. After the delegation has explored the field in detail, a Governmental delegation led by the Indonesian Minister of Trade will come to India for concluding a trade agreement between the two countries. Mr. Manubhai Shah, Central Minister of International Trade, said this in the Lok Sabha last week. Indonesia, it is reported, is wanting to import on a deferred payment basis.

CUSTOMS ACT

Preventing Smuggling

As part of the anti-smuggling measures under the new Customs Act, the Government of India is taking steps to prevent the open sale of consumer goods whose import for trade purposes had been banned. Such goods, which have been brought to India free of duty or import restrictions for the personal or household of passengers or as gifts by post, etc., will now be liable to confiscation if they are sold, offered or advertised for sale before the original market price has depreciated to less than 50 percent. Buyers and sellers of such goods will be liable to heavy personal penalties.

Furthermore, the possession, sale or purchase of banned goods, which a person knows or has reason to believe to be smuggled goods, is an offence involving heavy penalties. "For instance, a person who keeps for sale or sells banned goods or who attempts to buy or buys such goods will not only lose the goods but will also become liable to heavy personal penalty."

MICA

Making Insulating Bricks

About 75 percent to 80 percent of the crude mica mined in the country, it is estimated, constitutes waste mica. A small portion of waste mica is used for manufacturing insulating mica bricks and for making mica powder used by rubber, paints and printing material manufacturers. The manufacture of insulating bricks, which started only in 1958 on the basis of a

patent obtained from the Central Glass and Ceramic Research Institute, was not a success.

COAL

Procedure for Grading

An expert committee, which recently examined the procedure for the sampling and grading of coals, has recommended that all coals, whether coking or non-coking, should be graded on the basis of calorific value. The present basis of grading coal is related to its ash and moisture content, and the prices for various grades are determined accordingly. The Government is examining the possibility of grading coals on the basis of calorific value as recommended by the committee. As a first step, samples are proposed to be drawn from a representative cross-section of collieries, and then analysed in order to find out what final picture of the new gradewise production emerges. This analysis, it has been decided, should be completed by the Coal Board by 30th April, 1963. The question of fitting in the existing price structure in the new categories of coal will then be examined.

MOTOR-CARS

Loans from A.I.D.

The following motor-car manufacturers have recently secured direct loans from the U.S. Agency for International Development for producing components as well as for increasing their plant capacity and production:

Name of manufacturer	Amount of loan	Loan agreement signed on	Remarks
Premier Automobiles Ltd, Bombay	\$ 3 million	28th June, 1962	(The firm had obtained a direct loan of \$7.2 million in 1961 also.)
Tata Engineering and Locomotive Co. Ltd, Bombay	\$13.7 million	25th September, 1962	
Hindustan Motors Ltd, Calcutta	\$15.8 million	8th November, 1962	

While the loan in the first case is repayable in 27 half-yearly instalments it is repayable in 17 half-yearly instalments in the other two cases. A credit fee of 1 percent and a special charge of 5 percent a year are payable on the unpaid balance of the loans. These payments are to be made in rupees to the Government of India, which will repay the loans to the U.S. Agency for International Development, in accordance with separate special loan repayment procedure agreements concluded between the Government of India and the A.I.D.

COTTON

Threat to Millowners

The Central Minister of Food and Agriculture, Mr. S. K. Patil, said in the Lok Sabha last week that compulsion "will inevitably follow" if the efforts to persuade millowners to buy cotton from growers should fail. "This is a hint and a warning to millowners that if they did not lift the cotton in time, compulsion would necessarily follow", the Minister said.

Earlier, while replying to a question, Dr. Ram Subhag Singh assured the House that all the cotton grown during the season will be bought by millowners by March at reasonable prices.

QUALITY CONTROL

Scheme for Spices

Compulsory quality control before export has been introduced for black

pepper, chillies and cardamom from 1st January, 1963. Similar compulsory quality control before export is likely to be introduced by the Cashew Export Promotion Council shortly for cashewnuts. Meanwhile, short-term loans are being granted to the State Governments for the replanting of the old cardamom plantations.

FERTILISER

Equipment for Gorakhpur

A Japanese consortium has agreed to supply the main equipment for the Gorakhpur fertiliser project. The foreign exchange expenditure involved is Rs. 10.44 crores. Terms of the agreement are still being negotiated.

The Government is considering constituting a fertiliser distribution corporation, it is learnt.

TANKERS

Tonnage Being Increased

The Government has recently granted permission for the construction abroad of an overseas tanker of about 32,000 deadweight tons for the public sector. There is also a proposal from a private shipping company for the construction abroad of another overseas tanker of about 51,800 deadweight tons. One overseas and three coastal tankers are on the Indian register, with a total tonnage of 44,247 g.r.t. (67,538 d.w.t.)

POLYESTER FIBRE

Industrial Licence for I.C.I.

The Government has granted an industrial licence to Messrs I.C.I. (India) Private Ltd for the establishment of an undertaking to make polyester fibre with a capacity of 4.5 million lbs a year. Terylene requirements are estimated at about 8 million lbs a year. Polyester fibre is used in

mixture with wool tops and also with other fibres.

PIG IRON

Goa and Hospet

To increase the production of pig iron, the Government asked a firm of consulting engineers to prepare a feasibility report for a blast furnace complex to produce pig iron in Goa or Hospet. The Government has already received a preliminary report.

PANNA PROJECT

Fee for Consultants

The fee payable to John Taylor and Sons, London, as consultants for the Panna diamond mining project is £5,000 a year payable in sterling in London plus Rs. 1.23 lakhs a year payable in India in rupees, it is learnt.

NEW ZEALAND

Plant for Dairy Project

The New Zealand Government had agreed to supply under the Colombo Plan a milk evaporator plant for the central dairy of the Delhi milk project. It is being installed and may be commissioned in March 1963. It is designed to concentrate 3,000 litres of skimmed milk from 9.5 percent to 30 percent of total solids an hour.

SWEDEN

Exhibition Organised

The Swedish Embassy in New Delhi is now holding an exhibition. The exhibition includes both utility glass and objects d'art. Products of ceramic art from Rorstrand and Gustavsberg are special attractions. Swedish stainless steel has gained in popularity during the last decade. Items of

CAPITAL, 28th February, 1963.

Swedish homecraft are also on display, as well as a new telephone, the "Ericofon" constructed in one unit by I.M. Ericsson. These items are exhibited against a background of Indian textiles of the latest design. Their colour scheme and texture are attractive.

SUGAR

Subsidy for Exports

The loss on sugar exports during the financial year 1960-61 worked out to about 50nP a maund and was met by the industry. Since 1961-62, the losses are mainly met by the Government. A subsidy of Rs. 5.5 crores was paid on exports during 1961-62. The total subsidy for 1962-63 is estimated at Rs. 14.70 crores.

SATELLITE COMMUNICATION

U.S. Help for India

The National Aeronautics and Space Administration of the United States has expressed its willingness to collaborate with India's Department of Atomic Energy in carrying out tests for the development of the Satellite communication system. The system has been used as a means of communication between the different parts of the United States. It will make possible long-distance communication with India without the use of underground or overground cables. Furthermore, satellite communication at very high frequencies will not only provide all weather communication over a large number of channels, but may also make worldwide television possible for the first time. The system envisages a limited number of ground stations for serving the surrounding areas and also for forming links in the chain of world communications. Such stations have either been or are being set up in Brazil, France, Germany, Italy, the U.K. and Japan. Between Italy and Japan, however, there is a large gap in the chain of such stations. The setting up of a station in India will fill the gap.

The total cost of the project is estimated at Rs. 59 lakhs, of which Rs. 43 lakhs will be in foreign exchange. The latter figure represents the cost of "receiving and relaying" equipment (\$800,000) and services of U.S. experts and the cost of training Indian technicians (\$100,000). Efforts are being made to obtain aid from the United Nations Special Fund for Economic Development to cover the foreign exchange component of the project. The cost of providing a site and building for the station and the expenditure on its maintenance as well as on technical and other personnel for the duration of the project, which is four years, is expected to be about Rs. 16 lakhs. The expenditure on the project during the current year is likely to be about Rs. 20,000, mainly on certain preliminary items of work such as the acquisition of the site, construction of building and the recruitment of skeleton staff.

OUTER SPACE

New Research Project

The U. N. Committee on the Peaceful Uses of Outer Space set up in March 1962 a scientific and technical sub-committee on which India was also represented for the purpose of formulating proposals for international co-operation in the peaceful exploration and use of outer space. One of the recommendations of the sub-committee related to the setting up of international sounding rocket launching facilities for the experimental study of a wide range of atmospheric phenomena. Sounding

rockets have already contributed significantly to the success of such programmes as the International Geophysical Year and are also expected to make notable contributions to the programmes of the International Quiet Sun Year, the International Indian Ocean Expedition, etcetera. The scientific and technical sub-committee urged that the sounding rocket launching facility be established as soon as possible, on the geomagnetic equator, which passes through the southern tip of the Indian Peninsula. Accordingly, India will provide a launching site on the west coast in Kerala as well as road and telecommunication facilities to the site, living accommodation, meteorological and range safety services and the personnel for manning the site. India has also offered to act as the host State for this facility. The project envisages the co-operation of four countries, namely, Russia, the U.S.A., the U.K. and France, who will provide rockets and equipment as well as the technical know-how.

The cost of the project, to be borne by India, is estimated at Rs. 3.87 lakhs (non-recurring) and Rs. 2.47 lakhs (recurring) a year. In addition, the land required for the project at the site selected for the purpose is estimated to cost about Rs. 20 lakhs. The expenditure during the current year is expected to be Rs. 10 lakhs on land and Rs. 1.30 lakhs on some preliminary work.

TRADE PACTS

Short Credit Offered

India's trade agreements with Russia and some east European countries as well as the United Arab Republic provide for transactions being financed by non-convertible Indian rupees through the accounts maintained by each country with the Reserve Bank of India, Bombay. In order to ensure that the flow of Indian exports to these countries is not hindered by a temporary shortage of Indian rupees held by them in India, the Government of India has agreed to offer credits to these countries, partly interest-free and partly with interest at the current Treasury bill rate. These credits are in the nature of short-term advances which are repaid as soon as the rupee balances are built up in the accounts with the Reserve Bank in payment for imports from these countries.

The 1962-63 Central Budget included Rs. 12 crores for providing short-term advances to various countries in terms of the trade agreements with them. The export targets to east European countries have since been increased. It has also been decided to grant larger credits to the United Arab Republic for financing the purchase of commodities, particularly tea, from India amounting to Rs. 7 crores. Total requirements of short-term advances to various countries in the current year are now estimated at Rs. 19.85 crores, thus necessitating an additional provision of Rs. 7.85 crores. A sum of Rs. 2 crores will be met out of savings available within the "voted" portion of the grant, and for the balance of Rs. 5.85 crores from a supplementary grant.

An advance of Rs. 3.5 crores was obtained from India's Contingency Fund to meet urgent additional requirements for granting short-term advances. It will be recouped to the fund after the supplementary grant is sanctioned.

HEAVY ENGINEERING

Purchase of Shares

An additional provision is required for the purchase of shares of the Heavy Engineering Corporation, which has been set up to develop and

manufacture heavy capital equipment. The Corporation has to implement four projects, namely, (1) the heavy machine building project, (2) the coal mining machinery project, (3) the heavy machine tools project and (4) the foundry-forge project.

The heavy machine building and the coal mining machinery projects, which are being implemented with Russian credit and assistance, are expected to go into production by the end of the current year, while the other two, which are being implemented with Czech credit and assistance, will go into production in 1965-66. The third plan includes a provision of Rs. 130 crores for the Heavy Engineering Corporation.

The Corporation had a subscribed share capital of Rs. 21.65 crores at the end of 1961-62. A Budget provision of Rs. 20 crores for the purchase of further shares was made during the current year. The total value of machinery and equipment to be imported under the credit arrangements for various projects is now estimated at Rs. 17.20 crores during the current year, while payments to consultants, expenses of training abroad, salaries of foreign experts and the expenditure on civil construction works, stores, etcetera, are estimated at Rs. 17.80 crores, making a total of Rs. 35 crores. Accordingly, it is proposed to make available Rs. 30 crores to the Corporation by way of share capital and Rs. 5 crores by way of loans during the current year. Of the additional provision of Rs. 10 crores required for the purchase of shares, Rs. 1.52 crores will be met from out of the savings within the grant and for the balance of Rs. 8.48 crores from a supplementary grant.

F. A. C. T.

Majority Shareholding

An additional provision is also required for the purchase of shares of

the Fertilisers and Chemicals (Travancore) Ltd. The Company had a paid-up capital of Rs. 3.46 crores at the end of 1961-62, which was subscribed to the extent of Rs. 2.17 crores by the Kerala Government and Rs. 41.10 lakhs by other State Governments, the balance being private holdings. The Company has undertaken an expansion scheme involving a total outlay of Rs. 10 crores which will raise its capacity from 30,000 tons of nitrogen to 70,000 tons of nitrogen a year. The scheme is scheduled to be completed by 1963-64. The Government of India will provide funds amounting to Rs. 8 crores, partly as share capital and partly as loan. The rest of the requirements is to be met by the Company from its own resources. As a result, the Government of India will acquire the majority shareholding in the equity capital of the Company. The 1962-63 Budget included Rs. 1.50 crores for the purchase of shares of the Company, but on the basis of its requirements it is now proposed to make available Rs. 1.50 crores as loan and Rs. 2.10 crores as equity capital, thus necessitating an additional provision of Rs. 60.07 lakhs.

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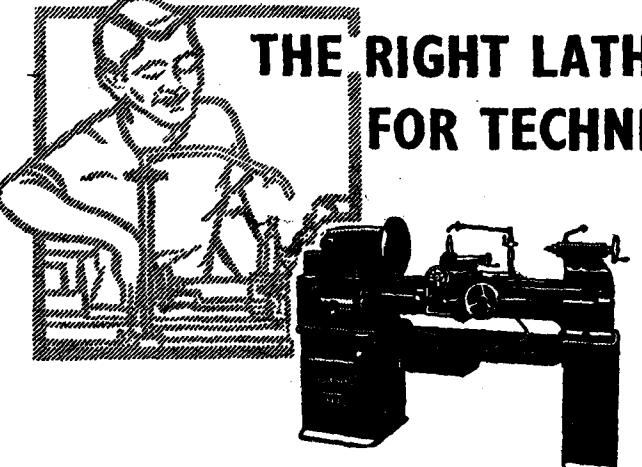
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REDUCING U.K. UNEMPLOYMENT THROUGH DEFICIT SPENDING

(FROM OUR LONDON CORRESPONDENT)

THE Government will have to inject a further £400 million of purchasing power into the economy if it wants to make sure that unemployment drops below 500,000 by next winter. That is the view of the National Institute of Economic and Social Research as set out in its latest *Economic Review*. The expansionary measures the Government has so far taken will be sufficient only to raise the growth rate from last year's 1½-2 percent to perhaps 3½ percent during 1963. Increased production on this scale could be provided by the normal rise in productivity only, leaving unemployment virtually unchanged except for seasonal movements; nor would this rate of expansion reduce the large amount of spare capacity that now exists. "We doubt," says the Institute, "whether the Government can afford to have over 500,000 people out of work again next Christmas, and so we would expect an expansionary budget."

Expansion could go a long way this time without pushing demand up to the limits of productive resources, it is argued. The reasons are summarised as follows: (1) employment could rise by something like 400,000 to 500,000 before there was any question of an overall excess demand for labour. (2) The economy has a wide margin of spare plant capacity—probably wider than any year since the end of the war. (3) After two-and-a-half years of restraint in output at a time of high capital investment, there is now a "reserve of productivity."

Payments Balance

On present policies, the argument continues, there might be a "true" balance of payments current surplus of perhaps £150 million and a deficit of between £50 million and £100 million on current and long-term capital transactions together in 1963. Against this economic background, the Government, having accepted the aim of a 4 percent growth rate over the period 1961-66, will have to aim in the current year at a growth

rate of at least 5 percent. Any lower figure would be too low to achieve the average for the five-year period of which two years are already gone.

Next, the Review deals with the obvious objection that a 5 percent expansion for this year is not a sustainable rate of growth and may lead to a repetition of stop-go policies. It will certainly be argued that such an expansion would lead to excessive pressure of demand by 1964 and a rapid rise in wage rates. The balance of payments overall deficit would then increase and restrictions would have to be reimposed. The Institute does not accept this reasoning. It is true that this is what happened in 1958-60. But the stimulus provided at the end of 1958, after three years of stagnation, was much greater than is now proposed. This time there is not much chance that the expansion of demand will be swollen by big increases in consumer borrowing. In fact, the Institute does not expect consumer credit to rise any faster than it has been doing recently. Admittedly, 5 percent is probably too fast to be sustained over three or four years in present conditions, but that does not matter much so long as it can be followed by 3½ to 4 percent—and not by 1 to 2 percent. What matters is that the future attainment of the average rate of growth should not be jeopardised. Meanwhile, the growth rate should be varied so that when there is slack it is taken up. Average earnings would be likely to rise. But in view of the wide margin of spare capacity a faster rise in demand would also raise productivity. There are a number of industries now where unit costs are well above their normal level simply because capacity working is so low. "Consequently, on balance, it is most unlikely that a 5 percent rate this year would be worse for price stability than a 3½ percent rate."

Effect on Exports

Much the same arguments are applied to the effect on exports.

Home demand and exports may conflict when the economy is fully employed. This year such conflicts would hardly be likely. Indeed, the Government has now recognised that higher home demand, by reducing unit costs, might help and not hinder exports by making export prices more competitive. As for the effect on imports, if output grew this year by 5 percent instead of by 3½ percent, it would probably raise imports eventually by another £50-£100 million a year. It could worsen the balance of payments by that amount. There might still be a small "true" current surplus if one assumes that rather over £100 million of the balancing item consists of unidentified current credits. But it might lead to an overall deficit on current and long-term capital account of perhaps £150 million.

It is argued that this risk should be accepted for a year or so. An overall deficit of £150 million is not substantial, set against the U.K.'s reserves and drawing rights on the I.M.F. The Fund at the moment "would be most unlikely to require Britain to adopt restrictive policies as a condition of its assistance." In any case, the Government was prepared to risk a temporary payments deficit when it considered joining the Common Market. If it was prepared to accept this risk in exchange for the stimulus which joining the Market would have provided, the Government could also accept it for the sake of the stimulus provided by a period of faster growth produced by other means.

Whether the weakening of the payments balance would be temporary or enduring would, of course, depend heavily on the success or failure of an incomes policy. If this should go wrong, and the Government found after a year or two that the U.K.'s exports were still not sufficiently competitive to sustain a high rate of growth, then the remedy would not be a further period of slow growth. It should rather be some measure "such as export subsidies or devaluation" which acted more directly to correct the competitive weakness.

Boosting Consumption

Discussing the kind of stimulus required to produce quick results, the Institute suggests that this will have to be done mainly by stimulating consumption. All other methods would be too slow. To create roughly £400 million of additional purchasing power a large part of budgetary action would have to consist in reducing indirect taxes. The repeal of the "regulator" would produce some £250 million of purchasing power, but as this has an unduly large effect on highly taxed commodities—alcohol, tobacco and petrol—there may be a case for consolidating all purchase tax rates at 10 percent, which would release just over £200 million. Cuts in the standard rate and the abolition of Schedule A are other possible weapons. In the view of the Institute, a big injection of purchasing power is essential now both to reduce unemployment and to make possible a new confidence in future expansion.

There is much to be said for a bold approach to economic expansion, as recommended by the Institute. It would not be surprising if the Chancellor of the Exchequer is not thinking along these lines. Already, his fiscal changes add up to a pretty large overall Budget deficit. The Treasury's borrowing requirements, which in the current Budget year may not exceed £100 million, are almost certain to rise above £400 million in 1963-64 without allowing for any further tax reductions in the Budget. Borrowing on this scale can hardly be good for the gilt-edged market and may well frustrate further efforts to reduce the long-term rate of interest. But if personal savings continue at the present high rate, a large part of the deficit may well be met from "small" savings which do not directly impinge on the market. It may well be possible for the Treasury to deal with a deficit of this order without the need for any new large Government issue in the market this year—leaving aside any consolidation of corporation borrowing. But the financial picture would look very different if the deficit were increased by another £400 million, or at least by a large proportion of this sum, allowing for something to be recouped by rising tax yields. There is no basic theoretical objection to a deliberate Budget deficit of, say, £300 million in a year when large, idle resources can be taken up. The practical drawback is that investors would not see it that way, particularly foreign investors.

Views on Devaluation

In the opinion of the Financial Editor of *The Guardian*, the whole argument of the Institute rests, in fact, on one word—devaluation. It is only casually mentioned as if it was a minor drawback compared with the great benefits that would flow from the policy at home. But, with any Government elected to look after the nation, the risk of currency devaluation at the end of the experiment in induced expansion must loom large. No doubt the French example can be quoted as an encouragement. But France devalued on joining the Common Market after a period of striking industrial modernisation and financial reform. She has, so far, been able to sustain a high rate of growth combined with a stable exchange rate because the Government was able, for a time, to keep wage claims in check. Her success is now becoming more doubtful. The U.K.'s position is not comparable. In fact, the most worrying aspect of the present situation is that the small increase in last year's exports seems to have been achieved in a large number of cases by cutting profit margins to the bone. Many exporters can make considerably larger profits in the home markets than on foreign orders. In particular, firms have been selling to the markets of the E.E.C. at often painfully low prices to build up their outlets in preparation for the time when Britain should be inside the Common Market tariff wall.

Three questions arise. If so many British firms can only sell abroad at profitless prices at a time when costs have been held relatively steady while foreign costs have risen, how are they going to compete when this temporary advantage has gone? Again, will they make the same effort to get these unattractive export orders when there is plenty of business to be got at home? Thirdly, will not exports become much harder to maintain in any case now that Britain is going to stay outside the Common Market? There is only too much evidence that large parts of British industry are still not truly competitive. Devaluation in these circumstances would only be the beginning of a declining spiral. As long as this evidence is not disproved by a vigorous upsurge in exports, the injection of massive purchasing power into the economy will only produce a temporary flush.

PRIORITIES IN THE CAMPAIGN TO GROW BETTER JUTE

THE stress laid by the Jute Commissioner on the need to improve the quality of India's jute, at a recent meeting with the Chief Ministers of West Bengal, Bihar and Orissa, is timely but not new. Ever since partition, the problem has been highlighted at regular intervals. Although much has been said and something done, the fact remains that the Indian farmer in general is still uneducated in the finer arts of growing jute.

It is significant that the parts of India where the better fibres are grown are the ones where the East Bengal refugees have settled after partition; there they have applied their specialised knowledge of cultivation and fibre extraction. It would be good if some of the former refugees could be sent to advise growers in other parts of the country. To change the traditional methods may be difficult. But if it could be demonstrated to growers in say North Bengal or Bihar that the East Bengal methods produce better jute, and so better prices, something might be achieved.

Spinning Quality

At present, a large proportion of the fibre grown in India is mesta and bimli. But these varieties are not popular because their poor spinning quality affects the quality of the cloth produced, and because the rate of wastage during the manufacturing process is high. In recent years, some improvement has been achieved, in the quality of mesta particularly. But mills are forced to use substantial quantities of this and other low-grade fibres; as a result, the quality of the goods they produce has suffered.

The deterioration in the quality of Indian goods would have been serious even in the days when Calcutta had a near-monopoly of the supply of jute manufactures. Now, when the local mills have to compete with Pakistan and Europe, the improvement of quality is doubly important. Indian mills, therefore, have to be assured of adequate supplies of high-grade jute. To achieve a return to the previous high standard of Calcutta goods, it would be desirable to eliminate as far as possible the use of jungli fibres and certain types of mesta and bimli. But as the Government wants to improve the lot of the cultivators in these areas, that is not practicable at present. Meantime, something has to be done to improve the quality of the fibres themselves. The use of better seeds and better handling of the crop might bring early results.

It is important that the yield and quality of Indian jute and mesta should be improved. To do this, propaganda has to be concentrated on the areas and districts which have proved to be suitable. But there must also be some certainty that, in normal conditions, adequate water is available for retting purposes. No encouragement or help should be given to grow jute on marginal lands which cannot give a good yield and in districts where the water supply is inadequate for the satisfactory preparation of the fibre. This will mean a reduction in the total quantity of the crop, but it can be compensated for by an increase in the yield and output of the best areas. Only thus can India

hope to improve the quality of her jute, and of her jute products.

Gunny Market Dull

There has been another sharp fall in Calcutta jute goods prices during the past week. Prices have fluctuated widely, but the general tendency has been downwards. Reports that a large American trader was seeking to withdraw from his commitments caused consternation in Clive Row, and led to a collapse in the market. Local operators, however, refused to let this deter them; they soon invented rumours about trouble between the United States and Cuba, and thus managed to recoup the losses sustained earlier. In general, however, the market is dull. Fresh business is hard to come by, and trading is extremely limited. Local bazar covering has been the main activity.

Purchase Quotas for March

The Jute Commissioner is asking member-mills of the I.J.M.A. to buy 500,000 bales and non-members 30,000 bales of jute during March. Including the February allocation of 640,000 bales, total purchases by mills so far are 5.78 million bales, while the Jute Buffer Stock Association and the State Trading Corporation have lifted 400,000 bales and 80,000 bales, respectively. Thus, the total offtake by the end of March will be 6.77 million bales out of an estimated supply of 9.7 million bales, which includes the season's production of 7.1 million bales and the previous season's carry-over of 2.6 million bales.

Giving this information at a Press conference last Monday, Mr. G. C. L. Joneja, Jute Commissioner, stated that there may be "increased availability" of about 600,000 bales because of smuggling from Pakistan. But even after taking this into account, he felt that there would be no marketing problem since the next crop would begin to arrive in the market only after five or six months. He also mentioned that

purchases by co-operative societies, although small so far, would play an important rôle in stabilising prices in future. Referring to the export of raw jute, he stated that about 150,000 bales would be bought by east European countries this season. Commitments have been made for 120,000 bales so far.

Raw Jute Arrivals

Arrivals of raw jute in Calcutta and mill stations during January 1963 were 761,800 bales, being made up of 46,500 bales from Pakistan and 715,300 bales from India. The total is considerably lower than the previous month's and also 5,350 bales less than in January 1962. Total arrivals during the current season, from July 1962 to January 1963, are now 3,822,550 bales, made up of 197,100 bales from Pakistan and 3,625,450 bales from India. In the corresponding period of the 1961-62 season, total arrivals were 4,210,400 bales, made up of 257,750 bales from Pakistan and 3,952,650 bales from India. Thus, arrivals this season fall short of those during the same period of the last season by 387,050 bales, those from Pakistan being down by 60,650 bales and those from India lower by 327,200 bales.

THE JUTE MARKETS

Manufactured Goods: The undertone of the market was weak and there were considerable fluctuations from day to day. Only small business was reported from overseas buyers, and the main buying was confined to local operators. Mills were not able to sell as much as they would have liked to, but they were not inclined to cut prices. On the contrary, they were reserved and unwilling to sell unless they got the prices they wanted. Good prices were paid for early shipment goods and for specialities.

At the opening last Thursday, the market showed a slight improve-

ment, with ready B Twills quoted at Rs. 113.70 and October-December at a discount of only 20nP. In hessian, 40in. 10oz. was unchanged at Rs. 49.75, but forward shipment moved up slightly to Rs. 48. Covering in ready and near delivery goods caused prices to move up slightly during the day. But by Saturday morning, a reaction had set in, and in the absence of overseas enquiries, prices slumped. Read B Twills fell back to Rs. 112.50, and hessian declined to the week's opening rates. Rumours were mainly responsible for the price movements over the week-end and immediately afterwards. Tuesday was a holiday, so the market was closed.

Opening quotations on Wednesday morning were as follows:

	Feb.	March	Apr.-	June	July-	Oct.-
40in. 7½oz.	39.00	37.80	36.90	35.90	35.25	
40in. 8oz.	41.75	40.50	39.75	38.50	37.75	
40in. 10oz.	48.45	48.50	48.10	47.50	47.00	
B Twills	112.40	113.00	112.70	112.25	112.75	
Cornsacks	116.00	116.00	116.25	116.00	115.75	
Heavy Ceers	111.50	112.75	113.50	112.25	112.75	
(Plain)						
A Twills	138.50	139.25	138.00	137.50	137.00	
Liverpools	128.50	127.50	127.50	127.25	126.75	

Raw Jute: The fibre market was quieter, but only in the mesta and white categories did prices show any appreciable decline. Tossa, Daissee and high-grade jute continued to command a premium but only limited quantities were on offer. Mills bought steadily against their quotas, but in most cases buyers were looking for delayed shipment to relieve their already congested godowns. Arrivals on an all-India basis remained at about 50,000 maunds daily, but there were definite signs of supplies decreasing. In Cossipore, arrivals amounted to 660 wagons, which was above average for the time of year. There was no rain in any of the jute growing areas to enable farmers to prepare the land for sowing. Normally, at this time of year, much of the ground has already been tilled.

Opening quotations on Wednesday morning were as follows:

	Landed at Mills (Basis Bottoms)	Current Prices	Minimum Prices	T.S.D. Rs.
		Rs.	Rs.	Rs.
		A Ql.	A Md.	A Ql.
Assam-Agartala				
Jute	77.70	29.00	28.38	30.00
Northern Jute	76.36	28.50	27.94	29.50
Western-Desal				
Jute	72.34	27.00	26.68	27.50

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Selected Daissee	89.75	33.50	85.74	32.00
Assam-Agartala				
Tossa	85.73	32.00	83.05	31.00
Mesta :				
Assam-Northern	69.66	26.00	72.31	27.00
Local Daissee	71.00	26.50	72.34	27.00
Bihar Dist.	65.64	24.50	66.98	25.00
Pakistani N.C.	92.00	a bale	March-April	

THE U.K. JUTE MARKETS

FIBRE REMAINS WEAK

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market in Pakistan it is reported, has been steady, and loose jute imports there has decreased. The position appears to be about unchanged with some buying interest shown by Continental countries. On the other hand, the raw jute market in Dundee has remained weak with holders of secured parcels willing to accept low prices for quite a few grades. This has made the position very irregular, but very little

movement has taken place in fibre at the lowest quoted rates.

There is a substantial quantity of fibre available ex-warehouse, Dundee, and further unsold parcels are at present afloat to this port. This is a very satisfactory position for spinners to have stocks of unsold jute in warehouses to be taken up and paid for when required. The quantity of spot and afloat jute unsold to spinners is estimated to be nearly 75,000 bales. This may not appear to be a very large quantity, but it must be remembered that spinners are also holding large stocks of raw material.

Offers made in Dundee last week were very irregular. Many shippers asked current E.P.C. levels, but holders of secured parcels were willing to discount the official rates by substantial amounts, especially for lower grades. Mill Firsts were named at £146, Mill Lightnings at £115, Mill Hearts at £93 and Grade

Hearts at £79, c.i.f. U.K., for February-March shipment. There were sellers of Grade Tossa-2/3 at £124 and of Grade Tossa-4 at £108 15s. Dacca Tossa-5 was named at £128 and Dacca Tossa-6 at £113. Outport Tossa-2/3 was lowest at £96 15s and Outport Tossa-4 at £85 15s, for February-March shipment. Cuttings were about unchanged with S.N.C. at £53 and N.C. at £46 10s. Only a few offers of Siam jute were made and no buying interest was shown at the present price levels. Grade A was offered at £80, grade B at £76 and grade C at £69, delivered mill Dundee for March-April shipment.

The Calcutta goods market became much easier during the past week. Hessian prices were at the lowest level for some time, but there was not very much buying interest shown. Quotations were at 75s 6d for 40in. 10oz. and at 60s 3d for 74oz. a 100 yards f.o.b. Calcutta for February shipment, at 75s 3d and 58s 6d March and at 74s 3d and 57s April-June. B Twills were at 172s 6d, 173s and 173s 3d for the respective shipment periods.

Demand for yarns and cloth in Dundee was less. Buyers have slowed down deliveries from contracts already placed, but the position remains satisfactory. Certain descriptions of yarns are still difficult to obtain, but the carpet trade was not taking quite as much as previously. Movement in linoleum Hessians was also less. The heavy end of the trade was busy, but new orders were not now coming in so fast. The Dundee jute industry has had a very long busy spell, and there is no reason why this should not continue for some time yet.

THE PAKISTANI JUTE MARKETS

EASIER TREND IN FIBRE

(FROM OUR Dacca CORRESPONDENT)

THE cloudy weather and scattered rains referred to last week had a slightly easier effect on the market but little or no effect on sowings. It is now reported that scattered rains fell lightly only in the Chandpur-Comilla area. The land there is, therefore, being prepared for sowings. Elsewhere, rains are still required, so there is little chance of an early crop. Meanwhile, the Pakistani Commerce Minister's announcement banning cultivation of jute in border areas has been confirmed and will be implemented. In spite of the lack of rains and the banning of cultivation in border areas, there is no improvement in the market where dull and inactive conditions prevail.

Some of the Iron Curtain countries are reported to have bought fibre but not enough of it to have any effect on the market. Small transactions—mainly in cuttings—continue in the Narayanganj market but the biggest buyers, namely, the mills appear to be too heavily stocked to be able to buy substantial quantities. The cuttings market has also weakened further on reports that India will not be buying any more cuttings. In the loose jute markets there is no change in arrivals. Prices are quieter and, it is reported, business in some areas has been transacted below the statutory minima.

E.P.C. registrations during the first fortnight of February totalled 113,145 bales, of which 44,800 bales were bought by China. India bought only 2,860 bales. Mesta sales continue in spite of high prices, and the total registered to date amounts to 80,583 bales.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption in January 1963 was 6 million yards less than during December 1962, and 20 million yards less than a year ago. The fall in consumption may be attributed in part to a lack of availability of goods during the longshoremen's strike. January's bag cut-up was 52.1 million yards and piecegoods deliveries 15.5 million yards, compared with 67.0 million yards and 21.2 million yards, respectively, in January 1962. U.S. spot stocks and afloats continued to increase due to the heavy buying following the Cuban and Indian-Chinese crises. At 306 million yards, 112 million yards were spots and 194 million yards were afloats. In January, therefore, spot stocks declined 4.7 million yards due to the dock strike, while afloats increased by 33.5 million yards.

Appearing below are two tables which include the January figures: (1) based on member reports to the Textile Bag Manufacturers Association and the Burlap and Jute Association and (2) projected to represent the estimated consumption and stocks for the entire industry. (All figures in million yards.)

	U.S. burlap consumption (as reported to F.B.M.A.)		U.S. burlap consumption (estimated industry total)	
	1963	1962	1963	1962
Jan.	61	82	68	88
Feb.	69	78	78	78
Mar.	67	75	75	75
Apr.	62	70	70	70
May	64	73	73	73
June	56	61	61	61
July	57	63	63	63
Aug.	65	73	73	73
Sept.	64	71	71	71
Oct.	69	75	75	75
Nov.	70	77	77	77
Dec.	66	74	74	74
Total	791	878	878	878
Mo. Av.	66	73	73	73

	U.S. burlap stocks (as reported to F.B.M.A.)		U.S. burlap stocks (estimated industry total)	
	1963	1962	1963	1962
Jan.	266	200	306	241
Feb.	215	254	254	254
Mar.	222	259	259	259
Apr.	213	250	250	250
May	199	234	234	234
June	207	241	241	241
July	204	237	237	237
Aug.	207	243	243	243
Sept.	204	236	236	236
Oct.	203	249	249	249
Nov.	223	261	261	261
Dec.	239	277	277	277

NEW COMMITTEE OF BENGAL CHAMBER

The following gentlemen were elected to the committee of the Bengal Chamber of Commerce and Industry for 1963-64 at the annual general meeting held on 22nd February, 1963. President, Mr. A. R. Foster of Imperial Chemical Industries (India) Private Ltd. and vice-president, Mr. A. D. Ogilvie of Andrew Yule and Co. Ltd. The members of the committee are: Mr. F. A. Collett of the Imperial Tobacco Co. of India Ltd, Mr. J. W. Easson of Gillanders Arbuthnot and Co. Ltd, Mr. J. V. Jardine Paterson of Jardine Henderson Ltd, Mr. H. K. S. Lindsay of the Metal Box Co. of India Ltd, Mr. H. Mackay Tallack of Macneill and Barry Ltd, Mr. A. I. Murison of James Finlay and Co. Ltd, Mr. D. C. B. Pilkington of Bird and Co. (Private) Ltd, Mr. S. M. Smith of Shaw Wallace and Co. Ltd, and Mr. I. G. Thomson of the Chartered Bank.

Commodity Markets

GROWERS OPPOSED TO NEW CARDAMOM BODY

(BY OUR SOUTH INDIAN CORRESPONDENT)

THERE is no universal welcome for the recently-constituted Cardamom Development and Marketing Advisory Committee, which is headed by the Coffee Board chief, Mr. Sitarama Reddy. A section of the growers are not pleased with it, and their case in brief is: the constitution of the committee was hasty and there was no mature consideration of all the factors involved. The growers are not properly and adequately represented on this body which is charged with the important functions of promotion and extension of cardamom plantations, improvement of the quality of cardamom and productivity of estates, financial assistance to growers and marketing of the crop. Although the original plan to form a Cardamom Board as a wing of the Coffee Board has been changed it does not appear that the newly-constituted advisory committee is a completely independent body.

If the Cardamom Advisory Committee is going to function as a wing or a satellite of the Coffee Board, the latter's weaknesses, especially in the field of marketing, are likely to affect the working of the new body. There are also apprehensions about the distribution of the new body's working expense. Some coffee-growing interests have been opposed to the idea of linking the two organisations due to fears that the Coffee Board may have to bear at least a portion of the cost of the Cardamom Board. In the meanwhile, cardamom growers in the Vandanmedu area in Kerala—this area accounts for about 40 per cent of the country's total production—are agitating for better recognition. They say that they have not got their due representation in the Cardamom Advisory Committee.

This committee had its first sitting recently in Bangalore. The chairman, Mr. Sitarama Reddy, told the meeting, "we have to plan and devise methods for the collection of the crop, storage, processing and marketing". He urged for immediate steps to arrest the serious setback in cardamom prices noticed during the past two years, and for developing the cardamom-growing industry in India on sound lines. Cardamom was the fourth plantation crop in the country to come under the control of the

Central Government, the other three being tea, coffee and rubber. For the past two years, the cardamom-growing industry has been suffering as a result of price falls. The position this year is worse and the growers are thinking in terms of abandoning cardamom altogether in favour of some more remunerative crop.

It would be unfortunate if such a thing were allowed to develop as India held a monopoly in cardamom, a good foreign exchange earner, Mr. Reddy said. Most of the cardamom is grown in areas where coffee is also grown. It is complementary to the coffee economy as many of the growers cultivate both the crops. Therefore, the experience of the Coffee Board in marketing coffee might be of great assistance to the Cardamom Committee, he added. Mr. Reddy stressed that the marketing of cardamom should receive immediate attention. It is necessary to arrest falling prices and ensure a fair and steady return to the grower as an incentive for developing this branch of the planting industry.

Wage Increase for Tea Workers

The interim wage increase recently announced for the tea estate workers of Mysore is to be revised soon. The Government notification which is based on the recommendations of the Central Wage Board has been opposed by the employers on the ground that it has not taken into account the existing wages and the differential scale based on the categorisation of estates according to their size. Consequently, the interim wage structure is full of glaring anomalies. For instance, there are cases in which the difference between the existing wage and the new interim wage is as wide as more than Re. 1, while the maximum increase given for a male worker of the largest estate in Mysore is 8nP a day. Employers have refused to implement the notification. Labour is agitating. It is said that the Wage Board has understood the anomalies in its original recommendation and has put up fresh recommendations on the basis

of which a revised notification is expected soon.

Central Wage Board for Rubber

The Central Wage Board for the rubber planting industry with Mr. L. P. Dave as chairman had a few days' sitting recently in south India. It collected evidence from representatives of the employers, staff union and labour unions. The evidence collection part of the Board's job is nearing completion. In the course of the examination in Trivandrum, labour pleaded for an enhancement of the existing wages, while the employers argued that any increase in wages should be on the basis of an increase in the workload. As they are today, wages have no relation to the actual work turned out. They also complained that they were not getting in most cases a fair day's work from labour. The employers pleaded for a fresh and scientific approach to the problem of fixing wages instead of making peremptory concessions to pacify labour.

Kerala Oil Millers Aggrieved

The oil millers of Kerala are aggrieved over the Central Government's decision to grant copra import licences to exporters alone, as a part of the export promotion scheme. The Travancore Oil Millers Association in Alleppey in a memorandum addressed to the Central Minister for Commerce and Industry said that the denial of licences to coconut oil millers for the import of copra was contrary to all assurances given by the Centre that copra import licences would be issued only to actual users. This policy, the memorandum said, would spell ruin to the coconut oil milling industry in Kerala which in a large measure depended on imported copra for working the mills. According to the Association, over 900 small units of the coconut oil milling industry employing about 40,000 workers will be hit by this measure. In the meanwhile, the industry is put to difficulties due to the recently introduced 40 per cent power cut in Kerala which is expected to last until monsoon in May-June. Production of coconut oil is hit by power cut and import difficulties. These are mentioned among the reasons for the present high prices of coconut oil.

World Surplus in Tea Forecast

The Financial Times of London forecasts a world surplus of tea this

year. This would be a novel experience for a market which has been used to more or less a continuous balance between supply and demand since the war. Last year's world tea production was slightly below that of 1961 mainly because of drought in India and Ceylon. Ceylon is aiming to produce 530 million lbs, compared with 445 million lbs in 1961 and Pakistan, which is temporarily out of the market due to the level of domestic consumption, has a target of 65 million lbs, compared with only 51 million lbs last year. One should allow for an element of hope in all these figures, the paper says, and adds that Far East is not the only part of the world where production is growing rapidly. East Africa is now producing over 100 million lbs a year, compared with 62 million lbs eight years ago. Whether the world market can stand the impact of so much extra tea will only become gradually apparent. But the U.K., which has long been the world's biggest importer with an intake of five to six cups of tea a head daily, cannot be counted on for any major increase in its consumption.

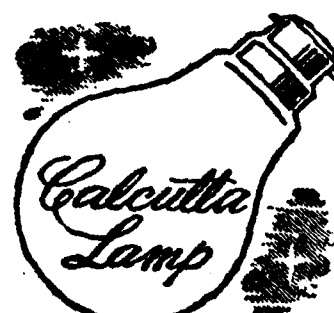
Indian Tea Losing Market in Australia

(BY A SPECIAL CORRESPONDENT)

THE Tea Board delegation's visit to the West last year has apparently produced useful results. Some information is now available about its more recent visit to Australia, New Zealand and Singapore. The delegation went to explore the possibilities of expanding the market for Indian tea in those areas.

Australia's consumption is estimated at 60 million lbs a year and there seems to be little chance of stepping up this figure without extensive advertising. Ten years ago, Australia was taking 59 to 60 million lbs and in 1960, the figure given was 62.794 million lbs. Of this total, Ceylon supplied over 50 million lbs. That country's share fell to 33 million lbs to 34 million lbs by 1956 and 1957.

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MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

THE Middle Class Cost of Living indices, by groups, have now been brought up to January 1963. As compared with December, the January

index for Food shows a drop of 12 points, while those for Miscellaneous, Clothing and Fuel & Lighting remain unchanged at 311, 598 and 299 points.

Combining all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living declined by 7 points during January 1963.

Middle Class Cost of Living Index Number for Calcutta. Prices in August 1939=100

Groups	Weights	GROUP INDICES											
		Jan. 1962	Feb. 1962	Mar. 1962	Apr. 1962	May 1962	June 1962	July 1962	Aug. 1962	Sept. 1962	Oct. 1962	Nov. 1962	Dec. 1962
Food	53.6	538	532	538	547	548	551	555	563	568	573	573	562
Fuel and Lighting	4.4	291	291	291	291	291	291	299	299	299	299	299	299
Clothing	12.4	588	588	588	592	592	592	592	596	596	598	598	598
Miscellaneous	29.6	308	309	309	310	310	310	311	311	311	311	311	311
Combined Index	100.0	465	462	466	471	471	473	476	481	484	487	487	481

Compiled and constructed by the Statistical Department of "Capital"



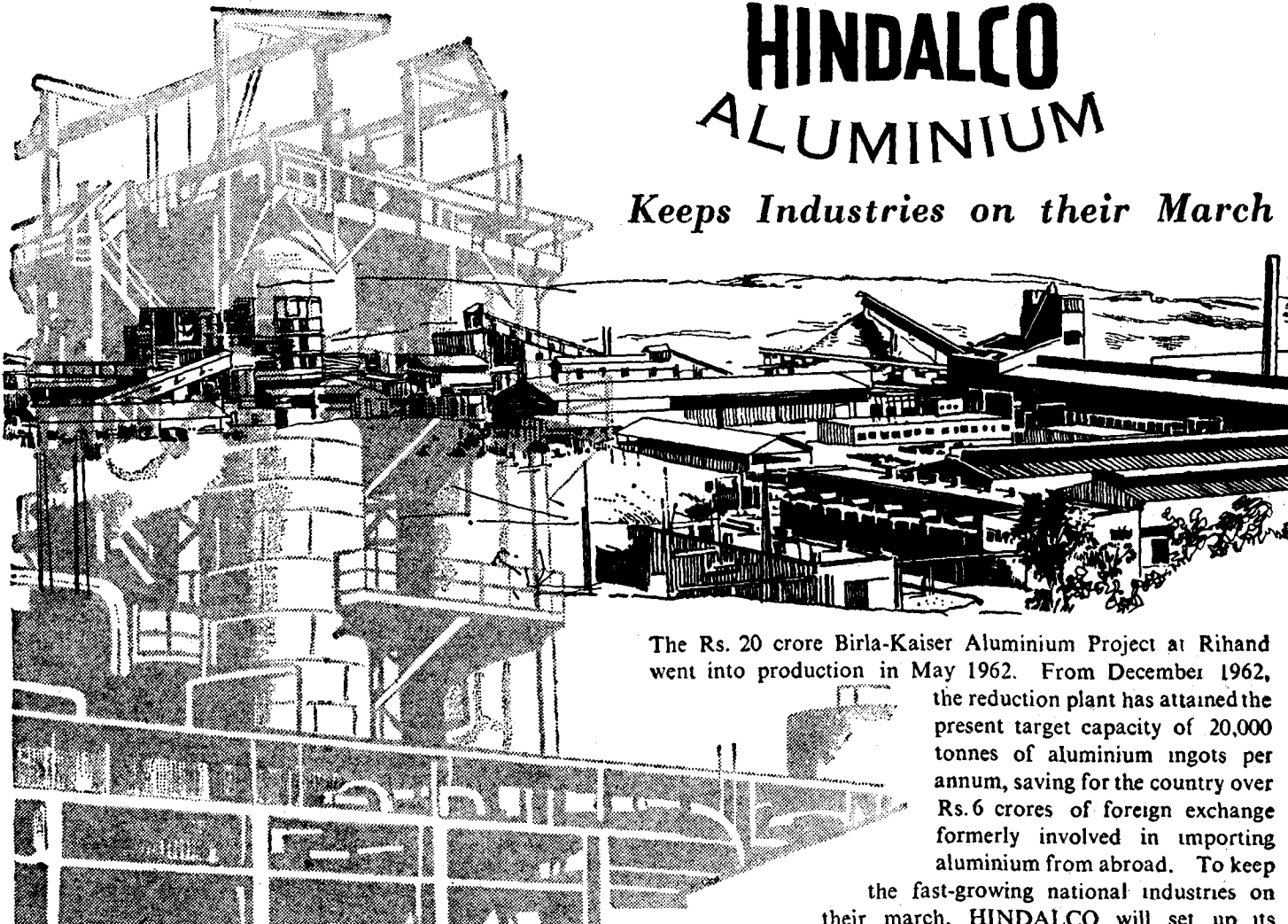
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but since then Ceylon has made some recovery, and in 1961, she exported 43 million lbs.

Indonesia is shipping from 10 to 12 million lbs a year, and India has a poor third place. She supplied 12½ million lbs in 1952-53, in 1956-57, 8 million lbs and in 1961 her exports fell to 4 million lbs. The situation concerning New Zealand is no better.

The delegation has pointed out that Ceylon teas are cheaper, and as far as Singapore is concerned, Indonesia dominates the market because of the price advantage and nearness of the source of supply.

U.K. Tea Stocks Rise

London tea stocks are slowly rising and stood at 146.35 million lbs last week, compared with 144.95 million lbs in the previous week. This is seasonal. Tea afloat is lower at 37.25 million lbs, which does not contain any shipment from Pakistan. But London prices last week were a full 2d a lb lower than a year ago.

Tea Output of Tripura

Tripura has probably been growing tea in a small way for about 50 to 60 years, and a large proportion of the current crop is produced by small farmers. A recent survey gives the annual production an acre at about 380 lbs.

U.S. Tea Imports

The U.S.A. reports total imports of tea during the past 11 months at 116.71 million lbs, compared with 102.79 million lbs in the same period last season. This shows some gain but hardly enough to justify all the advertising and publicity expenditure incurred in the United States. The following are the figures of U.S. imports, including Alaska and Hawaii (in million lbs.):

1954	1955	1956	1957	1958	1959	1960	1961
114	104.1	100	101.5	102.6	108.2	114.1	109

Ceylon Expanding Tea Exports

Reports from Ceylon show that that country continues to explore markets for its tea. Russia, it appears, is specially interested in the Colombo market and it is reported, that country has recently taken a shipment of 3 million lbs. By January, about 6 million lbs had been exported to Russia. Despatches of Ceylon tea in the recent past to Russia have been irregular. In 1948, they were 2.130 million lbs, followed by several blank years. Russia seems to have renewed its operations in the Colombo market ten years later when shipments were given as 2.729 million lbs, with another blank year in 1959. In both 1960 and 1961, exports from Ceylon to Russia were below the 1 million lbs. But the latter is expected to take more tea in the coming years under a recent trade and payments agreement.

Good progress with the manufacture of instant tea in Ceylon has also been reported. It is said to be processed direct from green leaf. Other varieties, it is understood, are procured from black tea. The manufacturers, it is said, are Messrs Haelssen and Lyon of Hamburg who are working in partnership with the Government of Ceylon.

Ceylon plans to keep going ahead with her production. Due possibly to a better distribution of rainfall, that country has an almost unbroken series of rising output year after year since 1946. There were small falls in 1952 and 1956, but yields have increased from 282.911 million lbs in 1946 to 453.229 million lbs in 1961. The Government of Ceylon is keen on exploring the possibilities of expanding markets, and special attention is being given to the Sudan, the

U.A.R. and other Middle East countries.

Without official statistics, it is not possible to forecast the trend of market prices during 1963, but although many new areas in the world are being planted with tea, the immediate outlook appears moderately sound, for Pakistan seems to have decided to import tea. So far in the 1962-63 season, the supply does not look like exceeding the previous season's supply while more tea appears to have gone into consumption.

World Tea Outlook

In 1963, tea producers are likely to take full advantage of recent scientific findings in both the field and factories. In past years, planters have been largely at the mercy of the monsoon, but with fertilisers and the monsoon, the loss in crop special irrigation, the loss in crop has been mitigated, while there is now no doubt that scientific investigation in all manufacturing processes helps management to regulate operation in the factory. The year 1963 is, therefore, expected to show a useful increase in output from India. Until further statistics concerning consumption are available, it is difficult to estimate how prices will react to increased production. Fortunately, supplies from Pakistan are not likely to be available for export. Incidentally, it will be interesting to see from which source Pakistan will import tea. With Cachar and Tripura round the borders of East Pakistan, India should be favourably placed but the consuming area in the western wing might favour Ceylon. As a matter of fact Ceylon has already secured this business on a cross-trading basis.

Checking Textile Stock Accumulation in U.K.

A PLEA for positive action to prevent the accumulation once more of excessive stocks of textiles in the U.K. is made in the latest issue of the Cotton Board's Quarterly Statistical Review. It records the lengthening of cotton goods producers' order books in September and October and then the expansion in retail sales clothing after July. Whether the destocking process has yet run its course or not, it continues, experience suggests that this phase of the textile cycle will be succeeded by an upswing in which excessive stocks, including in particular imported cloth, will again be built up, to be followed in due course by the inevitable painful correction of the position.

How the need for this correction could be avoided the Review then indicates. The course of stockbuilding depends primarily on the converters, who are much the largest holders of stocks within the industry. It is not in the collective interest of converters, it is emphasised, to allow burdensome stocks to accumulate, nor is it in the long-term interest of the converting section that the producing sections should be weakened further by a repetition of the boom-slump sequence. In the long run, the Review points out, a viable converting section can only continue in conjunction with healthy spinning and weaving sections. The producing sections are fully capable of meeting any normal increase in demand—that is, any increase which will not cause excessive stockbuilding. Finally, the Review says, the individual converter should bear in mind that any increase in orders which he himself receives probably represents, at least in part, stockbuilding by his customers or his customers' customers. Accordingly, he should not base his buying policy on the assumption that the whole of the increase in orders necessarily represents a genuine expansion in final offtake.

Cotton yarn production in India, which had been running above last year's level in the first half of 1962, was about 4 percent less than in the corresponding period of 1961 in the third quarter. Mill production of cloth was also smaller than a year earlier, as it had been in the first two quarters of the year. It is reported that stocks of cloth have mounted, partly because of the poor export performance and partly because of pressure on transport following the Chinese invasion. The future outlook is considered to be somewhat brighter, however, in view of increased defence requirements. Apparently, the Government has called for an extra 250 to 300 million yards of cloth for defence purposes. This may entail additional imports of raw cotton, and it is reported that the Government has re-allocated certain imported cotton from existing licence-holders to mills producing service requirements.

Indian exports of cotton piecegoods are thought to have totalled about 129 million yards in the third quarter of 1962, compared with 116 million in the second quarter of 1962, and 127 million in the third quarter of 1961. This slight improvement will not suffice to prevent the 1962 total showing a decline from the previous year's level for the third year in succession. High raw cotton prices and inefficient labour utilisation are reported to be the main cause of this poor performance, which the wide variety of official incentives and pressures to ex-

port have been unable to correct so far. It has even been suggested that India may not be able to fill the increased French and German quotas arising out of the Geneva agreement. On the other hand, it is reported that the average price of a yard of cotton piecegoods exported has fallen since the coming into force in July of the obligation on mills to export a specified proportion of their output. If this is cause and effect, any improvement in volume is likely to be largely offset by a decline in average value.

It is understood that the number of spindles in the Pakistani cotton textile industry is to be increased from its present total of 2.3 million to about 2.8 million by the end of 1963, and that finishing capacity is also being expanded. Other reports, however, state that the Government intends to discourage further expansion of the textile industry in view of the uncertain prospect for exports. It is of interest to note that official encouragement is being given for the export of made-up garments. Certain Pakistani interests are reported to desire an international cartel to regulate trade in cotton textiles.

With the application of stringent restrictions in the U.S. market, Hongkong shipments of cotton piecegoods have fallen drastically since the first quarter of 1962. Other countries to invoke the Geneva arrangements against Hongkong include West Germany (shirts) and Norway (shirts and nightwear). The level at which exports to West Germany are being restricted is well above the permissible level laid down in the Geneva agreement. On the other hand, in the case of Norway, the permitted ceilings are initially well below the "Geneva" level; in return, the Norwegians have agreed not to invoke the agreement against other items without proof of market disruption, and if they do they have agreed to allow a 10 percent growth rate instead of the 5 percent minimum specified in the agreement.

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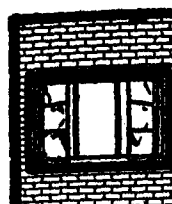
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Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations	Amount	Interest per cent	Year of issue	Repayable	Market quotations	Amount	Interest per cent	Year of issue	Repayable	Market quotations
Ra				Ra	Ra				Ra	Ra				Ra
GOVERNMENT OF INDIA														
2,48.91	12.000	3	1946	1986 or later	63/25	90.24 300	4	1914 1974	98/25	36.50 000	4	1904 1964	96/00	50.00.000
				At the option of the Government of India after a months notice		76.90.100	4	1915 1975	98/25	35.00.000	4	1905 1965	96/00	35.00.000
8.93.33.000		3	1896-97		62/00	68.02.300	3	1921 2nd 1981	82/00	15.00.000	4	1906 1967	96/00	30.00.000
						1,50.00.000	6	1921 2nd 1981	144/00N	44.00.000	4	1907 1968	96/00	30.00.000
1.16.17.46.000		3	1938		99/00	2,892.600	5	1923 1953-83	£61	75.00.000	4	1908 1968	96/00	20.00.000
1,10.11.78.000		3	1943		96/20	2,901.000	5	1924 1954-84	£61	40.00.000	4	1909 1970	92/00	80.00.000
						1,24.00.000	4	1957 1987	99/50	56.00.000	4	1910 1971	92/00	1,02.00.000
30.00.10.000		3	1950		98/90	30.00.000	4	1958 1988	98/00	75.00.000	4	1911 1972	92/00	75.00.000
14.77.48.000		2	1946		83/50	1,50.00.000	4	1959 1989	99/00					
1.15.05.83.000		3	1948		85/50	30.00.000	4	1961 1971	98/75					
1.58.17.94.000		3	1954		99/10			1931 1991	93/00					
1.53.67.92.000		3	1955		99/00	80.00.000	3	1935 1965	99/00	£892.600	5	1923 1953-83	£63	80.00.000
						50.00.000	3	1946 1976	83/50	£901.000	5	1924 1954-84	£63	50.00.000
58.05.92.000		3	1958		99/90			1-2-2005	72/00	£835.100	5	1932 1962	£96	50.00.000
86.63.53.000		3	1456		97/90	50.00.000	3	1945 1-2-1975	83/75					
56.99.30.000		3	1957		99/05									
49.17.27.000		4	1957		97/12	25.00.000	3	1938 1963-68	93/00					
49.51.44.000		4	1958		97/18	50.00.000	3	1946 2006	72/00	28.48.275	3	1947 1977	A	20.00.000
1.97.26.27.000		3	1956		98/10	50.00.000	2	1947 1977	75/50	9.88.000	3	1947 1977	A	15.00.000
70.00.00.000		3	1958		98/00	50.00.000	3	1948 1978	83/00	8.00.000	3	1949 1979	A	30.00.000
1.90.85.37.000		3	1959		97/00			1980	81/00					
81.05.39.000		4	1959		98/33	50.00.000	3	1950 1980						
82.65.41.000		3	1960		98/95			1981	80/50					
98.04.98.000		4	1960		98/16	50.00.000	3	1951 1981						
65.66.25.000		4	1961		98/25									
						50.00.000	4	1953 1983	100/00	A=Held by the Govt of India.				
						50.00.000	4	1953 1983	97/50					
						50.00.000	4	1955 1985	97/25					
						30.00.000	4	1956 1986	97/25					

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months notice—

- (a) Option to extend the redemption period for further 10 years.
- (b) at any time after.
- (c) on or after 1-1-61.
- (d) option to redeem at 2½% Prem. after 14-5-64 and before 15-5-69

Option to repay on 6 months notice—

- (e) at any time after 30-6-61 at 101%.
- (f) at 101% between 1-1-60 & 31-12-64.
- (g) at 102½% after 30-6-59 but before 30-6-64.
- (h) at any time after 30-6-65 at 101%.

Option to repay on 3 months notice—

- (i) at any time at 3% Premium
- (j) at 1% Prem. after 1-3-64 but before 1-3-67 and 1% Prem. on or after 1-3-67
- (k) at any time at par.
- (l) at any time after 31-3-62 at the rate of 1% Premium.

(m) redeemable at 102% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.	(v) Rs. 20,00,000 are being redeemed annually repayment of Debentures commencing serially from No. 1 to No. 80 on 31-12-48.
(n) at any time on two months notice—	(w) Redeemable at any time at 5 per cent premium (a) on 6 months notice by the Company or (b) in the event of the security becoming enforceable or at par if the Corporation of Calcutta or Howrah purchase the undertaking on 1st January 1945 or every seventh year thereafter
(o) to be redeemed at a premium of 10% Rs. 70,000 to be redeemed annually by drawing on 3 months notice with option to redeem all after 6 years from date of issue on 6 months notice. Option not exercised repayment to be made after full term.	(x) At par all or any of the Debts on 31st December, 1900 or on any subsequent interest date.
Option to repay	(y) Redeemable (a) at 102% on 1st October 1974 or in the event of voluntary liquidation of the undertaking being purchased or (b) in the event of the Security becoming enforceable or (c) at 105% at any time after 31st March 1953 on 6 months notice from the Co. (c) also redeemable out of a sinking fund (commencing in 1938) by drawing at 102% or purchase at or under 102%.
(p) at par after September 1900.	(z) Also redeemable out of a cumulative sinking fund of 1½% per annum commencing in 1943 by purchase at any price less than par or by annual drawing at par.
(q) at par on or after 1-12-59.	
(r) with option to redeem at 101% after 10 years or at 100½% after 12 years	
(s) Rs. 1 lac Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100½% between 1-6-57 to 1-6-60 and at 101% afterwards.	
(t) with option to redeem at 101% after 10 years or at 100½% after 13 years	
(u) with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100½% at any time after 31-3-66	

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's	Rate per Share	Paid-up per Share	Market Quotations 27-2-63	A year ago	Year of Issue	NAMES	Amount Issued in 000's	Rate per Share	Paid-up per Share	Market Quotations 27-2-63	A year ago
		Rs.		Rs.	Rs.	Rs.			Rs.		Rs.	Rs.	Rs.
BANK													
1901	Allahabad Bank (May Nov.)	15.00	6	100	96/00	95/50	1895	Bengal Assam Steamship (Nov.)	3.00	7	60	47/00	43/87
COALS													
1896-97	Borra (June Dec.)	4.00	6	100	84/00	66/55	1926	Bengal Chemical (Aug.)	6.25	7	10	11/62	11/69
1901-19	Burrakur (Jan July)	22.98	7	100	93/00	94/50	1889	Bengal Paper Mill (Mar Sept.)	2.00	7	50	46/50	46/50
1946	Burrakur (June Dec.)	4.50	6T	100	8/10	7/50	1928	Bengal Paper Mill "A" (Mar Sept.)	4.00	7	100	98/00	98/00
1895	Equitable (May Nov.)	4.00	6	100	79/00	79/00	1962	Birds Investments (Dec.)	24.00	5T	100	53/37	53/37
1931	Khas Kajora (March Sept.)	1.93	6	10	6/87	6/95	1914	Britannia Biscuit (Feb Aug.)	40.00	9T	100	104/50	104/50
1920	New Beerboom (Jan July)	2.00	7	10	10/25	9/50	1920	British India Corporation (Feb.)	15.00	8	10	11/00	11/50
1898-90	Ondal (June Dec.)	2.00	6	100	64/10	64/10	1995-99	Burn Eng (1st & 2nd Feb Aug.)	81.00	8	100	115/00	115/00
							1903-5	Burn Engineering (Feb Aug.)	15.00	6	100	101/00	99/50
COTTONS													
1902	Ahmedabad Advance (Apr Oct.)	10.00	5	100	70/00	71/00	1909-11	Calcutta Electric Supply (Mar Sept.)	£1,900	5	£1	8/12	8/12
1894	Bangalore (Jan July)	6.00	6	100	106/90	106/63	1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	49/12	49/12
1938	Basanti (Oct.)	5.00	6	100	106/63	106/63	1906	Calcutta Tramways (Jan July)	£250	5T	£1	8/25	8/25
1896	Bengal-Nagpur (Apr Oct.)	3.00	7	100	49/00	49/50	1905-24	Cannore Sugar Works (Feb Aug.)	8.00	6T	100	73/00	73/00
1900	Bowreah "A" (Apr Oct.)	6.00	8	100	114/00	110/00	1940	Chrestien Mica Industries Ltd.	30.00	5T	100	38/00	38/00
1900	Bowreah "B" (6 (1) (Apr Oct.)	6.00	7	100	82/50	71/00	1937	Dalmia Cement (Bharat)	35.00	6	10	8/62	8/12
1919	Bradbury "B" (Jan Dec.)	14.85	7	50	53/00	49/50	1916	Delhi Flour Mills (Oct.)	90.00	7T	100	101/00	101/00
1920	Buckingham & Carnatic (Jan July)	21.30	7	100	114/59	118/00	1935	Deshergarh Power Supply "A" (Jan.)	16.00	5	100	73/62	73/62
1928	Cambodia (July)	1.00	7	100	83/63	90/00	1940	Duncan Brothers & Co Ltd.	45.00	4	100	56/00	56/00
1912	Central India (Apr Oct.)	50.00	5	500	405/00	427/50	1926	Dunlop Rubber "First" (Jan July)	30.00	6	100	103/50	107/00
1912	Central India & General (Oct.)	20.00	4	25	16/63	16/63	1936	Dunlop Rubber "Second" (Apr.)	40.00	6T	100	76/50	79/00
1912	Delhi Cloth & General (Oct.)	20.00	4	25	16/63	16/63	1897	East India Distilleries (Jan July)	£200	7	20st	18/90	18/90
1912	Elgin (May Nov.)	11.00	8	100	113/00	112/00	1908	General Investment & Trust (Feb Aug.)	1.00	5	100	56/00	56/00
1943	Elgin "B"	10.00	5	100	7/25	8/97	1947	General Investment & Trust (Feb Aug.)	1.00	6T	100	48/00	48/00
1919	Elphinstone (May Nov.)	25.00	7T	100	74/00	71/00	1946	Gillanders Arbuthnot (Apr Oct.)	25.00	5T	100	55/00	55/75
1919	Kesoram (June Dec.)	20.00	7	100	107/00	91/50	1946	Gladstone Lyall & Co Ltd.	15.00	6T	100	60/00	60/00
1925	Khatana Makani (Nov.)	10.00	6	100	80/50	77/00	1948	Godfrey Phillips India Ltd.	30.00	5T	100	56/00	57/00
1937	Kotnari (Nov.)	12.00	6	10	8/76	8/60	1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	62/00	62/00
1900	Muir (Feb Aug.)	30.00	6	100	130/00	101/00	1940	Gwalior Sugar (Dec.)	5.00	7	100	62/00	62/00
1913	New Great Eastern (Mar.)	8.00	5	200	107/00	107/00	1936	Humayan Properties Ltd (Nov.)	12.00	6	10	6/62	6/75
1920	New Victoria (Apr Oct.)	16.06	6	5	2/96	3/16	1936	Indian Aluminium (Mar Sept.)	40.00	5T	100	67/37	70/00
1933	Palani Andavar (Mar.)	2.00	7	50	118/64	121/82	1927	Indo Burma Petroleum (Jan July)	50.00	7T	100	78/00	82/00
1935	Swadeshi (Bombay) (May)	15.00	5	100	82/00	86/00	1899	India General Navg & Railways	£244	6	£10	79/00	77/00
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	86/00	86/00	1923	Indian Cable Co (Nov.)	12.88	6	10	31/75	31/75
1931	Vasanta (Apr Oct.)	3.00	6	100	92/04	95/00	1918	Indian Standard Wagon (Aug or Sept.)	19.66	7	100	113/50	112/00
1908	Vishnu (Apr.)	16.00	7	500	385/00	385/00	1936	Indian Iron & Steel	2.69.95	5	100	84/00	88/00
JUTES													
1927	Agarpara (Jan July)	10.00	7	100	90/50	82/00	1936	Investment and Finance (Feb Aug.)	2.00	5	100	69/00	69/00
1905	Alexandra (Feb Aug.)	9.00	7	100	85/50	86/00	1935	Investment and Finance (Feb Aug.)	2.00	6T	100	60/00	60/00
1895	Alliance (March Sept.)	15.00	6	100	68/50	60/00	1937	James Wright (Jan July)	1.30	6	50	14/00	19/75
1917	Anglo-India (May Nov.)	40.00	7	100	94/00	91/00	1937	Jardine Henderson Ltd.	50.00	5T	100	54/50	53/75
1909	Auckland (July Jan.)	10.00	5	100	68/50	69/00	1941	Jessop & Co	10.00	5	100	75/50	78/00
1945	Auckland (July Jan.)	15.00	4	100	56/00	56/00	1915	Kumardhubi Engineering (June)	12.00	5	100	68/00	70/00
1918	Bally (Jan July)	20.00	7	100	96/50	95/50	1915	Martin Burn Ltd.	30.00	5	100	84/00	85/00
1896	Barnagore (Oct Dec.)	£200	5T	£5	38/00	38/00	1946	McLeod & Co.	10.00	5T	100	45/00	47/78
1940	Bengal (June Dec.)	10.00	5	100	62/50	53/00	1930	McLeod & Co.	40.00	5	100	61/00	61/00
1919	Birds (June Dec.)	23.64	7T	100	77/00	88/50	1936	Metallurgical Chemical & Industrial (Sept.)	20.00	6	10	9/25	9/70
1894	Budge Budge (May Nov.)	8.00	7	100	90/50	90/00	1938	Metal Box Co of India Ltd.	30.00	6T	100	83/50	84/00
1934	Calcutta (Jan July)	6.00	6	100	59/00	45/00	1938	Mysore Chemical Mfg (Sept.)	2.00	6	10	7/83	7/83
1915	Caledonian (June Dec.)	10.00	7	100	91/50	80/00	1942	National Tobacco (June Dec.)	25.00	5	100	66/00	67/00
1919	Cheviot (June Dec.)	10.00	7	100	90/50	91/50	1944	National Tobacco (Jan Dec.)	20.00	4	100	57/50	61/50
1928	Chitavalah (Mar Dec.)	5.00	7	100	89/00	89/00	1917	Poona Electric Supply Co Ltd (June Dec.)	4.00	7	100	101/00	101/00
1900	Clive (First) (May Dec.)	8.00	6	100	52/00	68/00	1935	Premier Construction "First" (Apr.)	10.00	6T	100	73/50	72/50
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	66/50	66/50	1936	Premier Construction "Second" (Apr.)	15.00	6T	100	69/50	68/00
1903-13	Dalhousie (July Jan.)	11.76	7	100	87/50	86/00	1922	Purtapore (Sugar) (Oct.)	6.00	10	10	10/50	10/75
1897	Delta (June Dec.)	5.00	6	100	64/75	70/00	1936	Ramnugger Cane & Sugar (Aug.)	4.00	6	100	82/00	86/00
1912	Empire (Jan July)	10.00	7	100	90/25	87/25	1933-38	Rohas Industries (April)	20.00	7	100	97/00	106/50
1912	Fort Gloster (Jan July)	14.00	7	100	97/00	92/00	1935	Rohas Industries "B" (April)	88.00	4	100	52/50	54/50
1890-93	Fort Gloster (2nd)	7.00	5	100	65/50	60/00	1944-48	Shaw Wallace & Co Ltd.	75.00	6T	100	55/00	59/50
1911	Fort William (May Nov.)	10.00	7	100	80/80	80/80	1936	Shree Gopal Paper	7.50	8	100	104/00	96/50
1916	Ganges (June Dec.)	6.00	8	100	102/00	104/00	1930-38	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	62/00	63/30
1895-04	Gouropore (June Dec.)	26.50	6	100	87/00	81/50	1937	Shree Krishna Gyanodaya Sugar "B"	12.00	5	100	70/00	68/00
1935	Hastings (Aug Feb.)	25.00	6	100	84/50	83/00	1918	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	62/50	62/50
1913	Hooghly (July)	11.76	10	10	10/25	10/87	1933	South Behar Sugar (Oct.)	6.00	9	100	20/50	20/00
1890	Howrah (Jan July)	8.75	7	100	90/50	90/00	1923	Spencer & Co "A" (Provisions) (Jan July)	23.20	8T	10	6/69	7/36
1903-06	Howrah "A" (Jan July)	17.50	7	100	92/00	91/00	1936	Spencer & Co "B" (Provisions) (Jan July)	30.90	8T	10	9/55	10/29
1919	Hukumchand (June Dec.)	40.00	7	100	92/00	81/00	1925	Star Paper (Apr Oct.)	10.00	5	100	65/90	65/90
1898-04	Kamarhatti (Apr Oct.)	16.00	6	100	73/00	72/00	1936	Surat Electricity (April)	5.00	6	100	107/00	107/00
1900	Kankarnath (Apr Oct.)	10.00	6	100	126/00	75/50	1939	Tata Chemicals (Nov.)	60.00	5	100	85/50	85/30
1935	Kedarnath (Jan July)	2.00	7	100	90/50	90/50	1910	Tata Hydro Electric Power (Sept Mar.)	89.28	7	100	92/50	100/00
1907	Kelvin (Mar Sept.)	10.00	7	100	91/50	92/00	1908	Tata Iron & Steel (First) (Nov.)	75.00	6T	150	132/50	134/50
1895-09	Khardah (May Nov.)	9.00	6	100	77/00	77/00	1918	Tata Iron & Steel (Second) (May)	6.93.82	7T	100	100/00	105/00
1900-13	Kinnison (July Jan.)	15.00	7	100	90/00	89/00	1919	Tata Power (May Nov.)	68.97	7	100	980/00	1,025/00
1905	Landsdowne (July Jan.)	15.00	7	100	91/00	90/00	1928	Titagur Paper Mills (Mar Sept.)	11.50	8	100	117/00	107/00
1912	Lawrence "A" (July Jan.)	15.00	7	100	89/50	87/45	1934	Titagur Paper Mills "2nd" (Mar Sept.)	15.00	4	100	70/00	71/00
1906-07	Naihati (July Jan.)	10.00	5	100	64/50	66/97			1.25	6	10	5/81	5/81
1919	Naihati (July Jan.)	7.50	7	100	112/00	110/00	TEAS						
1945	Naihati (July Jan.)	10.00	4	100	83/00	84/12	1903	Amulckie (May Nov.)	75.00	7	10	21/98	21/98
1917	National (May Nov.)	5.00	7	100	88/50	88/50	1901	Banarhat (Jan.)	4.00	6	100	75/08	75/08
1939	Nellimaria (Apr Oct.)	5.00	6	100	76/00	76/50	1900	Birpara (Jan.)	1.00	8	100	104/00	104/00
1915	New Central (Jan July)	33.00	7	100	94/00	90/00	1947	Brooke Bond Estate India Ltd.	35.00	6T	100	55/00	58/37
1908-09	Northbrook (July Jan.)	15.00	7	100	72/00	70/50	1914	Choonabhutti (Jan.)	2.00	6	100	92/64	92/64
1935	Rameshwara (Jan July)	7.00	6	10	10/00	8/06	1901	Dumakuti (June Dec.)	70.00	8	10	9/50	10/00
1906-12	Reliance (Jan July)	20.00	7	100	93/00	81/00	1894	Gielle (Sept.)	1.20	10	10	7/00	7/00
1928	Shree Ambica (Mar Sept.)	11.70	7	100	82/55	92/00	1901	Hantapara (Jan.)	2.00	6	100	50/00	50/00
1920	Soorab (Feb Aug.)	10.00	7	100	96/00	93/00	1904	Hasimara (Mar.)	50.00	8	100	89/84	89/84
1901-02													

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

BANKS

Paid-up Capital Ordinary	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
Ra	Ra	Ra	Ra	Ra			1959	1960	1961	Ra	27-2-63	20-2-63	A year ago Ra
67.50.000	1,23,75,000	27,37,97,908	13,24,414	6,09,614	12	Allahabad Bank P.	18	18	18	100	398/00	396/00	328/00
1,50,00,000H	1,81,24,560	33,09,58,958	67,63,195	3,02,553	12	Bank of Baroda	14	17	17	50	93/50	93/50	121/00
3,00,00,000H	3,28,00,000	33,83,61,910	1,10,31,508	29,16,350	12	Bank of India	16	20	20	50	112/00	112/00	152/50
2,62,50,000H 52,50,000	3,68,08,624	79,29,75,001	1,93,04,910	18,61,470	12	Central Bank of India	17-1/5	20 2/5	22	25	59/30	59/30	72/00
26,60,000	27,15,000	2141,890,310	2990,238	2540,648	12	Chartered Bank	15	15	15	£1	sh. 60/9	sh. 59/6	sh. 58/2
1,25,00,000H	10,00,000	3,44,38,609	13,78,657	13,261	12	Hindusthan Commercial	Nil	Nil	Nil	50	17/12	17/12	20/50
50,00,000H	2,85,000	94,21,680	1,68,130	28,889	12	Hindusthan Mercantile	Nil	Nil	Nil	50	15/62	15/62	17/60
HK\$79,046,125	£15,000,000	£165,691,749	HK\$43,315,459	HK\$2,340,534	12	Hong Kong & Shanghai	£3	£3	£3	HK\$25	£17 1/2	£17 1/2	£18
60,60,000 22,40,000	63,01,884	19,38,59,976	36,84,210	80,143	12	Indian Bank	15	15	22	100	174/50	174/50	180/00
75,00,000	78,36,660	14,65,60,072	43,80,498	2,22,933	12	Indian Overseas Bank	12	14	14	100	161/00	161/00	181/00
5,00,00,000	74,41,264	2,23,84,659	7,80,776	21,25,000	12	Industrial Finance Corpn.	22	22	22	50	22	22	22
£5,703,000	£4,760,400	£105,373,912	£644,273	£311,105	12	National & Grindlays Bank	12 1/2	13 1/2	14	sh 15	sh. 34/7 1/2	sh 35/4 1/2	sh. 37/1/2
1,99,36,910	2,10,93,691	69,22,46,887	1,18,39,595	10,37,738	12	Punjab National Bank	20	20	20	10	19/00	19/00	22/00
60,00,000	43,00,000	10,42,69,664	14,75,220	1,14,531	12	Union Bank of India	22	22	22	8	6/52	6/52	9/7
2,68,94,370	90,74,000	25,80,78,402	20,50,008	2,39,604	12	United Bank of India	4.3	4.3	6	10	7/56	7/44	7/0
2,00,00,000	2,35,00,000	36,83,34,071	72,60,557	2,07,428	12	United Commercial Bank	11	12	12	50	75/25	75/25	103/00

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Managing Agents etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				1960	1961	1962	Rs.	Rs.	Rs.	A year ago
25.50.000	58.52.284	43.77.870	3.90.484	16.40.057	39.096	6-12	315	Amalgamated	10	12½	15	10	24/81	24/81	21/75
1,29,00,000	3,15,46,504	2,44,30,490	36,33,088	86,08,875	10,42,254	3	236	Bengal P.	25	21	..	100	299/00	299/00	354/00
4.48.350	4.37.896	1.30.152	91.196	43.397	4.471	10	2	Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48
2.25.000	3.06.216	5.45.835	5.19.015	1.55.638	16.129	12	368	Bengal Nagpur	10	26	..	10	22/00	22/00	20/19
15.97.000	23.27.321	4.87.408	63.982	2,62,417	21,275	12	..	Bhagirathi	..	..	..	10	5/00	5/00	4/75
40,00,000	67,23,820	2,75,000	21,19,681	11,80,816	2,120	9	152	Bharat Collieries P.	..	..	..	10	3/53	3/53	3/50
7.15.000	14.96.845	11,02,672	64,329	-3,06,406	-4,92,536	6	335	Bhulanbararee	..	..	..	10	12/00	12/00	5/00
16,00,000	38,87,275	16,18,636	7,185	1,21,936	-79,196	12	362	Bokaro & Ramgur	..	..	..	10	11/19	11/19	14/06
7.50.000	19.13.792	22.77.003	12.32.439	5.26.414	33.647	12	106	Bokaro & Ramgur	15	15	..	10	23/87	23/87	23/12
90.92.480	2.32.19.267	1.46.53.383	33.70.740	37.97.832	90.768	6	21	Burrakur P.	13	13	13	10	15/69	15/62	18/00
49.97.000	50.93.751	8.86.129	6.35.532	16.11.089	3.58.023	3	168	Central India	8	10	10	10	10/31	10/00	11/94
8.00.000	18.69.439	12.97.430	98.440	6.357	214	12	..	Central Kurkend P.	..	..	..	10	8/00	8/00	7/00
6.00.000	1.55.159	8.05.672	63.756	7.043	12	106	Churulia	3	..	..	..	4	3/06	3/06	3/06
16.00.000	25.01.705	Nil	19.429	-6.45.261	-5.39.034	12	444	Dhemo Main	Nil	Nil	..	10	5/..	5/94	6/00
22.40.000	28.68.390	£561.905	£13.858	£288.492	£6.234	4	128	East Indian	7½	15	20½	21	37/00	37/00	35/12
29.63.700	1.42.23.054	1.18.76.888	27.65.725	10.14.185	33.594	12	19	Equitable P.	15	10	..	10	25/62	25/87	27/25
10.00.000	6.74.708	2.07.486	3.32.973	12.979	24.444	3	307	Ghusick & Musila	..	..	..	10	15/00	15/00	14/00
6.50.000	2.21.847	..	12.025	10.370	-14.105	12	30	Guzdar Kalora	..	..	..	10	2/03	2/03	2/75
8.00.000	5.43.022	..	16.702	-10.172	-3.65.025	12	393	Hurridadih	..	..	..	10	8/12	8/12	14/37
15.00.000	23.47.952	27.81.955	39.74.704	3.95.071	1.40.029	12	21	Karanpura Developmen	5	5	..	100	11/62	11/62	16/69
5.00.000	18.69.439	15.01.825	8.75.590	8.29.982	1,11,842	1	21	Karanpura Collieries P.	15	15	..	100	10F	10F	10F
20.00.000	34.15.535	9.86.018	3.72.692	8.92.065	32.810	2	21	Katras Jherriah	7½	10	10	10	18/00	18/00	19/04
14.88.460	20.68.761	16.01.825	8.75.590	8.29.982	1,11,842	1	21	Khas Kalora P.	95	40	25	10	48/75	48/75	49/00
1.38.400	6.75.000	..	..	..	1,918	6-12	337	Khas Kalora P.	..	..	..	10	18/70	18/70	18/70
5.65.750	9.95.833	Nil	9.780	-1.80.535	-16.47.497	3	372	Mundulpur	..	..	..	10	2/89	2/89	2/82
7.48.240	3.46.425	2.50.000	7.62.441	1.28.839	94.963	12	347	Nazira	..	..	..	10	5/12	5/12	6/87
31.97.210	61.58.848	34.47.233	3.39.407	9.75.812	93.645	10	2	New Beerbhoom P.	16	10	..	10	19/84	19/84	21/75
9.90.340	9.04.373	5.21.710	75.374	4.12.216	43.822	3	202	New Manbhoom	7½	9	12	10	13/75	13/75	13/62
15.00.000	7.05.719	4.31.409	40.384	1.44.042	15.045	12	441	North West	20	20	..	10	19/75	19/75	22/06
57.50.000	1.33.788	13.22.645	22.85.097	1.91.515	45.060	12	106	Ondal P.	6	7½	..	10	13/00	13/00	14/40
8.34.000	23.69.066	1.52.212	4.78.984	1.79.344	589	12	207	Parasae P.	1½	1½	..	10	16/00	16/00	17/88
15.75.000	32.93.192	24.59.125	4.11.055	5.41.674	54.253	3	236	Pench Valley	10	10	10	10	19/12	19/06	15/94
2.50.000	6.62.405	2.30.000	11.530	1.500	18.581	6-12	5	Pure Sitapur	..	..	..	10	8/00	8/00	8/00
33.58.900	60.26.723	40.85.000	1.26.141	11.54.576	35.781	3	370	Raneegunge	15	17	17	10	15/00	15/00	15/00
13.50.000	25.32.135	20.80.190	16.89.318	13.18.197	41.523	12	236	Rewa	20	20	..	10	28/50	29/12	30/00
37.50.000	74.38.430	38.61.070	1.69.086	12.37.914	26.993	12	48	Samla	10	..	..	10	10/03	10/03	8/87
2.50.000	4.47.534	74.281	10.748	-19.279	-4.27.396	1	353	Searsole	Nil	Nil	..	2½	1/94	1/94	0/78
2.80.000	10.74.006	12.23.716	10.17.267	5.13.147	67.383	12	2	Seepore P.	42 6/7	42 6/7	..	7	45/00	45/00	47/00
8.00.000	6.203	4.54.648	13.04.570	78.390	1.540	12	106	Sendra	6	3½	..	10	5/75	5/75	6/44
17.50.000	28.29.652	10.02.341	50.728	2.66.373	2.926	8	21	South Karanpura	2½	Nil	Nil	10	8/56	8/56	7/25
8.00.000	1.30.001	15.48.969	26.78.255	1.84.925	38.908	12	106	Standard	15	10	..	10	16/00	16/00	13/31
2.50.000	4.38.300	3.23.000	36.660	1.37.973	1.77.952	12	..	Union	..	..	..	10	10/37	10/37	10/00
49.98.000	63.57.150	6.09.055	2.69.620	11.72.192	1.19.162	3	106	Western Bengal	6	7½	9	10	9/06	8/97	9/56
7.00.000	26.06.335	Nil	47.091	-6.51.403	-6.23.711	12	444	West Jamuria	Nil	Nil	..	10	9/37	9/37	9/37

COTTON MILLS

Paid-up Capital Ordinary	Number on Spindle Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Managing Agents etc.	NAMES	Dividends per cent	Latest Market Quotations as available until	Paid-up Capital Ordinary	27-2-63	20-2-63	A year ago
Rs.		Rs.	Rs.	Rs.	Rs.	Rs.				1960 1961 1962	Ra. Ra. A year ago Ra.	Ra.	Ra.	Ra.	
15 00.000	14 108	356	14 06.983	3.15.002	12.59.541	26.012	41.532	12 49	Basanti P	.. ..	10	12/75	12/75	7/19	
1.11.280	36.000	932	17.17.120	2.20.369	30.942	3.66.177	47.813	3 27	Banga Luxmi	.. ..	40	28/00	28/00	28/00	
27.00.000	31.476	624	17.77.373	.. ..	93.872	-6.24.150	-6.86.163	12 223	Bengal Nagpur P.	Nil ..	10	3/37	2/50	3/37	
50.00.000	.. ..	..	11.03.831	39.06.800	9.82.146	55.78.866	1.45.829	12 394	Bharat Commerce	6 15	..	24/12	23/25	29/50	
39.95.950	38.764	992	60.94.300	1.21.02.782	53.37.204	39.77.025	1.67.525	3 22	Birla Cotton	10 20	20	22/75	22/75	28/00	
24.00.000	43.136	641	49.15.536	31.39.700	2.59.240	30.41.946	1.25.857	12 138	Bowreah P.	10 20	..	23/81	23/81	39/00	
30.00.000	22.000	510	23.07.805	48.99.554	5.33.310	20.76.448	47.303	12 25	Cawnpore Textiles	7-1/2 10	..	6/94	5/94	10/06	
3.78.33.535	1.97.348	3.307	6.72.37.739	6.96.27.768	77.81.228	3.08.40.769	4.03.436	6 238	Delhi Cloth & Genl. P.	12 13	13	48/37	48/00	62/53	
33.00.000	43.049	518	55.25.204	46.09.112	2.35.557	40.11.298	2.29.807	12 138	Dunbar	20 20	..	26/87	26/87	35/37	
63.00.000	64.000	1.200	72.11.946	1.75.75.771	91.53.931	73.50.384	80.801	9 389	Elgin P.	11 1/2 17 1/2	..	20/69	19/87	25/00	
1.25.00.000	.. ..	..	3.48.97.571	66.34.321	85.50.730	19.28.764	1.22.795	12 158	J. K. Cotton (Rayon) P.	12 1/2 ..	..	14/00	14/00	22/69	
49.18.000	6.272	202	51.44.000	24.71.500	4.75.536	28.42.100	87.266	12 22	Jay Shree	10 10	..	15/37	14/75	17/75	
30.00.000	38.000	1.825	47.44.548	62.19.301	92.85.055	18.77.941	-7.77.290	12 208	Mulr	.. ..	100	135/00	135/00	87/00	
35.11.583	78.843	1.367	47.49.840	3.96.960	1.08.256	12.73.361	-63.55.495	12 337	New Victoria P.	Nil ..	..	1/62	1/56	1/70	
48.00.200		..	1.08.10.352	78.144	2.34.188	12.34.741	-22.17.524	3 399	Orissa Textiles P.	Nil ..	..	10	9/00	10/25	11/00
19 47.750	23.196	795	15.49.229	80.773	2.37.475	3.38.087	..	6 4	Rampoor Cotton	3 Nil	..	12/00	12/00	11/00	
6.00.000		..	..	..	..	..	..	..	..	Nil ..	..	1	2/00	2/00	2/00
17.50.000		..	..	..	..	..	..	..	..	5 ..	..	100	11/50	11/50	11/50
5.57.50.000	1.14.836	2.077	4.48.79.351	2.63.83.071	2.15.81.189	76.20.241	5.044	12 333	Swadeshi (Kanpur) P.	5.51 ..	100	7/00	6/00	8/12	

TEA COMPANIES

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

Paid-up Capital				Net Block Accounts	Reserve & other Funds	Accrued interest	Outturn and Average Price realised for crop				Estimate	Net Profits including taxation	Accounts closed	Managing Agents etc.	NAMES	Dividends per cent			Paid-up Capital	Latest Market Quotations as available until	Quotations as available until																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							
Ordinary	Preference	Reserve	Other Funds				1960	1961	1962	1963						1964	1965	1966				1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500	2501	2502	2503	2504	2505	2506	2507	2508	2509	2510	2511	2512	2513	2514	2515	2516	2517	2518	2519	2520	2521	2522	2523	2524	2525	2526	2527	2528	2529	2530	2531	2532	2533	2534	2535	2536	2537	2538	2539	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563	2564	2565	2566	2567	2568	2569	2570	2571	2572	2573	2574	2575	2576	2577	2578	2579	2580	2581	2582	2583	2584	2585	2586	2587	2588	2589	2590	2591	2592	2593	2594	2595	2596	2597	2598	2599	2600	2601	2602	2603	2604	2605	2606	2607	2608	2609	2610	2611	2612	2613	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912	2913	2914	2915	2916	2917	2918	2919	2920	2921	2922	2923	2924	2925	2926	2927	2928	2929	2930	2931	2932	2933	2934	2935	2936	2937	2938	2939	2940	2941	2942	2943	2944	2945	2946	2947	2948	2949	2950	2951	2952	2953	2954	2955	2956	2957	2958	2959	2960	2961	2962	2963	2964	2965	2966	2967	2968	2969	2970	2971	2972	2973	2974	2975	2976	2977	2978	2979	2980	2981	2982	2983	2984	2985	2986	2987	2988	2989	2990	2991	2992	2993	2994	2995	2996	2997	2998	2999	3000	3001	3002	3003	3004	3005	3006	3007	3008	3009	3010	3011	3012	3013	3014	3015	3016	3017	3018	3019	3020	3021	3022	3023	3024	3025	3026	3027	3028	3029	3030	3031	3032	3033	3034	3035	3036	3037	3038	3039	3040	3041	3042	3043	3044	3045	3046	3047	3048	3049	3050	3051	3052	3053	3054	3055	3056	3057	3058	3059	3060	3061	3062	3063	3064	3065	3066	3067	3068	3069	3070	3071	3072	3073	3074	3075	3076	3077	3078	3079	3080	3081	3082	3083	3084	3085	3086	3087	3088	3089	3090	3091	3092	3093	3094	3095	3096	3097	3098	3099	3100	3101	3102	3103	3104	3105	3106	3107	3108	3109	3110	3111	3112	3113	3114	3115	3116	3117	3118	3119	3120	3121	3122	3123	3124	3125	3126	3127	3128	3129	3130	3131	3132	3133	3134	3135	3136	3137	3138	3139	3140	3141	3142	3143	3144	3145	3146	3147	3148	3149	3150	3151	3152	3153	3154	3155	3156	3157	3158	3159	3160	3161	3162	3163	3164	3165	3166	3167	3168	3169	3170	3171	3172	3173	3174	3175	3176	3177	3178	3179	3180	3181	3182	3183	3184	3185	3186	3187	3188	3189	3190	3191	3192	3193	3194	3195	3196	3197	3198	3199	3200	3201	3202	3203	3204	3205	3206	3207	3208	3209	3210	3211	3212	3213	3214	3215	3216	3217	3218	3219	3220	3221	3222	3223	3224	3225	3226	3227	3228	3229	3230	3231	3232	3233	3234	3235	3236	3237	3238	3239	3240	3241	3242	3243	3244	3245	3246	3247	3248	3249	3250	3251	3252	3253	3254	3255	3256	3257	3258	3259	3260	3261	3262	3263	3264	3265	3266	3267	3268	3269	3270	3271	3272	3273	3274	3275	3276	3277	3278	3279	3280	3281	3282	3283	3284	3285	3286	3287	3288	3289	3290	3291	3292	3293	3294	3295	3296	3297	3298	3299	3300	3301

TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Accrue Tea	Dividend and Average Price per Kg/lb realised for crop	Estimate	Net Profit including taxation	Accounts closed	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	27-2-63	20-2-63	A year ago
Rs.	Rs.	Rs.	Rs.	1960	1961	1962	Rs.		1960	1961	1962	Rs.	Rs.	Rs.
DOOARS														
27,00,000	55,50,730	32,07,760	1,0231	1,408,000	511	1,551,500	4.51	1,525,000	11.55,236	12	2	255/00	255/00	275/00
12,00,000	23,85,571	21,47,404	4361	721,583	3.20	729,364	4.99	982,130	5.82,191	12	128	23/00	23/00	28/37
9,00,000	17,32,115	18,96,100	1,112	558,147	4.99	595,617	4.92	380,809	2,94,647	12	306	17/51	17/51	18/00
9,00,000	21,54,171	19,34,000	555	643,381	3.52	685,763	4.37	909,000	4,10,601	12	35	151/00	151/00	149/00
6,00,000	11,79,375	9,70,500	2431	305,122	5.01	299,250	4.17	299,000	1,08,487	12	35	145/00	145/00	145/00
9,00,000	21,89,098	14,50,681	3851	5,33,300	5.15	514,200	4.45	530,300	2,23,822	12	2	262/00	262/00	262/00
3,00,000	5,34,585	5,17,500	1971	171,106	3.00	219,480	4.35	204,200	79,168	12	3	184/00	184/00	170/00
1,20,000	3,31,260	3,17,245	265	134,440	4.20	162,264	3.73	160,000	1,15,471	12	391	136/00	136/00	136/00
4,90,000	8,15,062	70,656	180	218,696	3.86	224,026	...	...	50,788	12	354	13/12	13/12	4/19
7,50,000	10,03,911	7,97,827	900	523,656	3.03	533,082	4.88	...	3,52,027	12	40	21/50	21/50	24/81
14,00,000	27,43,996	19,20,959	4181	1,122,800	2.11	1,094,000	1.71	...	1,19,268	12	387	20/00	20/00	18/62
38,00,000	49,19,787	40,85,000	1,0341	1,401,804	4.99	1,433,022	4.07	1,380,000	1,19,305	12	65	103/00	103/00	113/00
32,00,000	64,79,518	76,71,749	2,3141	2,767,460	5.78	28,48,021	5.54	3,012,569	29,24,415	3	74	12/75	13/37	32/81
8,25,000	20,48,832	22,92,078	6111	890,959	4.52	889,068	4.02	...	3,32,189	12	1	13/00	13/00	32/00
7,00,000	1,79,450	2,18,193	2461	215,100	4.91	190,300	4.48	...	1,50,219	12	1	11/06	11/06	14/37
9,00,000	14,44,954	20,35,500	3771	539,462	3.09	563,397	4.23	620,000	3,87,639	12	63	17/31	17/31	20/59
2,00,000	10,41,117	5,27,720	2461	244,220	3.96	2,47,991	...	...	47,780	12	354	59/50	59/50	56/37
8,60,000	17,91,254	22,58,500	1,129	642,139	5.10	603,619	4.07	490,000	4,66,532	12	63	169/50	169/50	177/00
14,00,000	28,28,996	21,35,696	4711	812,200	5.28	784,700	4.31	750,000	4,53,104	12	2	258/00	258/00	286/00
6,40,000	5,40,172	6,77,528	2811	291,297	4.14	307,645	3.89	308,400	1,58,909	12	363	14/25	14/25	15/25
2,50,000	4,03,726	3,11,000	330	112,988	4.90	100,575	4.22	116,100	78,071	12	63	127/00	127/00	127/00
6,00,000	9,02,274	7,77,334	764	357,499	4.82	363,864	4.36	362,900	67,304	12	63	12/12	12/12	12/37
7,65,000	16,33,948	18,37,050	1,635	457,274	4.96	503,858	4.32	534,100	2,37,892	12	165	16/75	16/75	17/75
14,92,800	34,73,439	28,87,329	7131	854,415	5.21	921,964	4.78	1,008,645	4,75,664	12	128	27/31	27/31	28/62
3,46,000	5,36,428	9,68,534	2781	300,700	4.79	400,500	4.10	...	3,60,822	12	44	36/25	36/25	36/00

4,50,000	13,66,318	1,61,700	627	2,17,325	4.93	...	...	1,50,753	12	101	Atal	6/75	6/75	6/00
6,00,000	6,01,415	6,10,382	223	2,40,454	3.43	...	...	2,98,178	12	141	Belgachi	20/30	20/30	21/62
13,44,000	17,81,100	25,47,000	4331	6,99,341	4.85	794,331	4.37	6,70,000	5,31,984	12	63	20/00	20/00	16/31
5,00,000	10,87,941	12,09,500	2141	2,81,270	4.84	288,960	4.29	2,54,900	2,10,540	12	64	44/00	44/00	33/50
3,00,000	5,94,258	6,71,307	472	2,53,883	4.72	275,784	4.10	275,784	15,355	12	74	38/00	38/00	35/00
4,50,000	8,14,996	6,51,400	4421	3,99,412	5.05	...	...	3,14,780	12	139	New Fera	31/12	31/12	27/19
8,85,000	7,31,628	10,29,030	4071	4,00,643	5.04	...	...	8,69,729	12	139	Panarkoomiab	26	14	...
1,00,000	2,27,050	2,24,244	119	49,461	4.39	...	...	43,176	12	63	Puntharee	30	40	...
2,20,000	8,34,600	10,76,160	649	9,121	2.02	...	...	2,85,088	12	165	Tirthannab P.	49/00	49/00	49/00

1,25,000	63,465	4,22,450	2061	1,19,459	5.03	...	...	23,045	12	139	Kodala	Nil	Nil	8/25
2,40,000	1,37,056	2,42,992	3971	1,30,649	5.12	...	...	12,742	12	139	Korhfull	Nil	Nil	12/12
2,00,000	1,31,925	3,95,000	2161	1,24,798	5.02	...	...	1,26,040	12	139	Oodalean	Nil	Nil	8/00

3,00,000	11,41,512	8,41,647	617	1,64,340	5.14	276,309	4.48	2,90,300	339,312	12	...	23/00	23/00	24/00
6,00,000	8,76,635	13,11,051	554	1,64,602	5.65	2,33,890	4.97	1,94,690	4,42,536	12	63	7/31	7/31	7/06
2,48,000	3,02,022	Nil	479	88,302	5.00	1,26,336	4.28	1,34,269	24,335	12	358	10/00	10/00	9/25
5,59,930	8,70,647	14,67,800	1,030	9,16,480	2.40	11,42,720	1.99	10,40,000	3,44,758	12	238	18/37	18/37	19/25
36,00,000	48,80,181	75,27,644	4,128	11,23,857	5.40	19,52,002	5.00	18,51,000	42,44,455	12	63	148/00	148/00	138/00
3,20,000	3,83,671	1,46,250	724	2,65,920	2.22	...	...	179,428	12	236	Rainagar	Nil	Nil	9/56
9,00,000	17,77,855	25,69,827	1,182	3,08,754	5.57	4,16,826	5.01	4,07,080	625,281	12	63	99/00	99/00	112/00

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Ms. Asst. Secretaries etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago			
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		1956	1960	1961	Rs.	Rs.	Rs.	Rs.
MININGS															
22,369,796	..	£201,900	£2,766,792	£7,458	£164,295	12	153	Burma Mines	241/42	23/5	Nil	34S	0/44	0/44	0/53
30,00,000	37,08,889	32,54,468	54,05,355	15,96,846	13,914	12	312	Chresten Mica Industries P.	15	15	121	100	10/50	9/44	11/75
15,00,000								Indian Copper Corporation	25	25	20	5Dd	8/45	8/8	7/10
£1,371,300	£1,798,381	£225,873	£2,756,274	£1,051,183	£72,310	12	85	Metal Corporation P	27	27	27	25	4/50	4/39	5/07
30,00,000	51,72,081	10,43,352	53,971	5,86,976	14,41,622	3	343	Orissa Mineral Development	Nil	Nil	100	100	8/44	8/25	12/98
20,00,000	46,05,415	67,67,431	55,46,956	13,17,757	38,801	6	21		36	36	28-20*	10	32/00	36/50	45/37
CEMENT, LIME, SLATE ETC.															
59,90,343	1,64,85,110	12,01,831	18,510	7,17,476	14,986	3	381	Ashoka Cement	45	7	7-7*	10	7/37	7/37	8/12
43,14,800	41,51,412	21,43,429	29,64,072	1,70,813	6,44,675	3	60	Assam Bengal Cement	..	..	..	100	4/00	4/00	4/00
70,97,600	98,02,889	19,77,396	66,723	24,46,663	1,703	12	156	Bengal Potteries	14/29/100	15	..	1Dd	9/69	9/69	9/70
65,22,146	73,55,750	28,31,157	3,76,724	23,10,445	60,122	3	31	Bisra Stone Lime	18/7	30	30-10*	10	5/66	5/66	7/03
40,00,000													35/00	27/87	106/00
1,86,00,000	1,99,87,060	78,78,500	1,78,46,612	55,28,120	18,971	12	123	Dalmia Cement (Bharat) P.	12	12	12	100	13/94	13/56	13/19
5,00,000												1Dd	2/15	2/15	2/15
2,50,00,000	5,94,43,483	94,05,545	5,54,170	65,02,100	4,94,598	3	335	Jaipur Udyog P.	Nil	6	8-8.36*	10	11/19	11/25	14/00
30,00,000	65,83,756	48,53,199	5,16,752	26,19,499	34,654	12	21	Kumardhubi Fireclay & Silica P.	18	18	..	10	18/45	18/45	18/45
2,25,00,000	3,31,87,214	1,14,16,181	41,93,096	1,15,68,481	1,10,784	12	362	Orissa Cement P.	11	15	15*	10	15/81	15/56	19/75
6,00,000	20,07,006	21,78,065	17,41,738	4,85,806	30,441	2	223	Reliance Firebricks & Pottery	40	22	15-10*	10	22/75	22/75	22/75
75,00,000	70,40,378	22,40,000	3,27,800	5,34,591	31,640	12	397	Sone Valley Portland Cement	Nil	4	..	10	4/37	4/37	5/06
6,64,520	18,00,054	10,46,690	6,23,484	10,16,971	23,403	12	3	Sutna Stone & Lime	20	271	..	10	35/00	37/00	23/37

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	27-2-63	20-2-63	A year ago	
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		1960	1961		Rs.	Rs.	Rs.	
CHEMICAL INDUSTRIES														
48,00,000	5,93,45,653	1,96,10,273	4,78,066	71,72,056	1,37,284	9	Alkali & Chemical Corp. of (I)	61	12	15-15*	10	34/00	34/37	44/00
20,00,000	18,48,048	15,681	5,858	2,50,346	8,53,535	12	Bathgate & Co. Ltd P.	Nil	Nil	..	6	0/84	0/84	0/72
15,00,000	76,41,343	68,84,805	21,11,440	18,06,053	1,30,717	3	Bengal Chemical & Pharm. P.	2	6	10	100	101/00	101/00	107/00
22,34,700	36,34,102	22,82,883	19,49,050	12,04,892	6,978	6	Calcutta Chemical P.	18	18	18-18*	10	18/00	18/00	17/62
15,00,000	4,48,000	Nil	41,554	72,146	2,560	2	Frank Ross P.	..	..	3/25	6	3/25	3/25	3/25
20,00,000	11,71,084	16,07,251	9,33,133	92,801	92,801	6	Smith Stanistræur P.	25	25	25-25*	5	13/37	13/44	16/37
ELECTRIC LIGHTING POWERS														
19,99,600	1,15,72,761	51,20,883	27,74,218	4,56,810	52,899	8	Agri Electric Supply	10	11	11-11*	100	120/00	120/00	125/00
4,00,000	29,33,899	15,51,802	8,09,008	2,00,831	25,623	3	Bareilly Electric Supply	10	11	11-11*	10	14/75	11/75	11/75
17,00,000	1,03,03,450	52,26,411	19,58,483	4,34,454	39,312	3	Bengares Electric Supply	10	11	11-11*	10	12/37	12/37	12/12
5,91,360	15,55,473	607,902	2,70,659	1,38,558	41,750	3	Bhagalpur Electric Supply	5	8	10-5*	5	6/08	5/08	6/03
4,282,646	221,040,641	110,815,240	17,79,696	11,598,018	110,524	3	Calcutta Electric Supply	7	7	11-7*	21	14/19	14/12	14/87
6,80,040	22,78,403	1,71,141	32,614	151,465	63,849	3	Cuttack Electric Supply	64	74	10-10*	10	12/62	12/62	12/62
43,20,000	66,87,445	29,73,446	41,87,140	14,42,862	4,27,783	8	Dishergarh Power Supply P.	74	10	10-10*	100	88/00	88/00	93/00
5,34,840	17,29,086	96,513	95,409	65,283	3,590	3	Jhansi Electric Supply	61/5	..	..	10	5/90	5/90	6/00
22,49,550	66,50,843	29,21,749	5,35,563	2,69,098	33,302	3	Jubbulpore Electric Supply	91/5	10	10-10*	10	11/37	11/37	11/75
4,95,000	4,70,424	2,24,145	1,04,770	40,495	39,312	5	Mirzapur Electric Supply	5	..	..	8	12/00	12/00	7/00
5,82,390	24,50,815	6,87,284	3,48,886	2,22,292	22,259	3	Muzaffarpore Electric Supply	10	124	124-124*	10	12/25	12/25	11/75
6,98,700	13,47,574	1,14,377	2,15,991	43,664	18,988	3	Muttra Electric Supply	8	..	..	10	11/12	11/12	9/84
35,07,380	96,50,374	48,67,675	3,95,468	12,96,460	1,27,547	3	Patna Electric Supply	74	10	10-10*	10	10/48	10/48	10/87
9,10,000	8,77,208	2,86,692	3,19,022	1,58,661	17,201	5	Shahjahanpur Electric P.	5	64	51-61*	10	7/00	7/00	6/75
16,80,000	24,13,949	16,03,685	9,75,497	458,680	3,975	3	Siliga (Ubernah) Electric	74	10	9-0*	10	9/06	9/06	8/75
56,00,000	2,03,16,819	80,84,613	25,43,668	11,08,426	92,879	3	United Provinces Electric	10	11	11-11*	100	119/00	119/00	119/00
5,00,000	21,74,345	14,00,467	7,69,903	1,92,745	33,674	3	Upper Juma Valley Electric	124	134	134-134*	10	14/00	15/25	14/63
ENGINEERING & METAL														
5,00,000	6,61,485	63,426	1,48,213	1,93,396	1,52,122	12	Arthur Butler (Muzaffarpore) P.	..	..	..	10	14/50	14/50	14/06
80,00,000	37,72,597	31,83,321	1,07,272	12,85,530	46,999	13	Bharati Electric Steel	15	10	10	10	14/00	14/00	10/62
10,00,000	1,03,33,194	61,14,305	10,86,741	68,11,414	5,914	12	Braithwaite India	224	25	25	10	36/50	36/50	48/37
12,00,000	36,67,140	40,28,697	7,66,530	18,96,673	1,82,241	12	Bridge & Roof	30	30	30	10	52/25	52/25	52/25
19,88,670	33,56,748	1,09,796	1,86,939	1,80,148	811,196	12	Britannia Building & Iron P.	6	Nil	Nil-Nil*	10	3/65	3/65	3/50
50,00,000	97,34,575	47,45,365	1,14,334	11,48,142	1,11,267	12	Britannia Engineering P.	10	10	10	10	10/37	10/37	12/44
15,00,000	12,12,376	14,63,600	14,598	10,02,402	94,447	12	British India Electric Cons	25	45	40	10	33/12	33/12	39/50
84,00,000	3,32,64,591	2,78,94,425	40,25,787	1,39,62,242	1,08,751	4	Burt P. (Engineering)	284	284	284-284*	100	519/00	504/00	570/00
1,00,00,000	59,09,200	12,29,727	8,51,964	24,04,947	3,67,903	3	Calcutta Steel	74	Nil	15	10	14/37	13/69	13/69
60,00,000	1,12,20,938	24,07,000	2,00,672	22,94,248	1,08,021	9	Dalmia Iron	..	10	10-10*	10	11/87	11/87	11/81
4,00,00,000	6,44,65,941	6,76,06,738	2,02,29,683	1,04,26,264	..	12	Guest, Keen Williams	24	16	14	10	33/50	32/25	45/75
12,50,000	19,80,979	23,65,649	47,073	20,18,457	..	12	Hooghly Docking	12	Nil	Nil	50	102/00	102/00	108/00
12,44,08,990	63,85,01,242	27,48,83,378	2,11,83,832	6,18,78,416	24,72,163	3	Indian Iron & Steel P.	10	15	16-16*	10	21/70	21/10	25/00
3,85,00,000	11,52,812	14,001	1,82,994	4,15,836	4,03,294	3	Indian Malleable Casting	6	Nil	..	50	9/00	9/00	6/00
1,54,00,000	49,44,759	95,69,160	43,31,087	67,96,336	78,603	6	Indian Standard Wagon P.	284	284	284-284*	10	28/50	30/50	31/12
96,79,7400	3,27,37,733	2,72,79,488	1,63,11,480	39,84,892	2,31,048	3	Indian Steel & Wire Products	122	23	24-23*	100	49/00	49/00	47/87
12,00,070	8,18,350	1,41,916	2,530	6,15,154	45,149	12	Industrial Containers	..	Nil	10	10	22/00	22/00	..
1,51,83,883	2,75,25,083	1,27,78,829	9,03,784	56,79,346	9,036	3	Jay Engineering	12	17,30,20	17,30,20-15*	10	24/25	24/25	..
40,00,000	59,72,635	35,85,700	10,46,860	20,45,860	86,647	10	J K Steel P.	124	20	20-10*	10	15/75	15/00	20/12
4,04,00,000	2,86,54,999	1,98,14,815	76,75,724	1,16,61,943	91,571	10	Jessoo & Co P.	8,58	8,58	4,58	10	23/12	23/25	23/06
27,64,800	54,66,353	48,98,269	1,31,269	7,79,896	13,779	11	Kumarchubi Engineering P.	10	10	114	8	7/44	7/19	8/87
10,50,000	4,02,051	19,21,798	6,45,599	3,25,891	4,63,688	6	Marshall Sons (India)	10	Nil	Nil	2	3/25	3/37	3/62
49,96,000	61,93,987	13,58,398	8,33,036	2,56,716	4,42,917	3	National Iron and Steel	64	Nil	Nil-124*	10	4/25	4/00	5/75
6,00,000	10,13,254	16,86,378	1,40,370	6,90,089	11,859	3	Nars Engineering	74	64	10-10*	4	8/00	7/65	10/31
14,00,070	8,20,458	8,56,154	25,69,46	12,24,473	77,796	12	Steel Containers	..	30	20	10	19/75	19/75	..
1,50,00,000	2,73,21,766	61,37,433	13,28,341	52,01,525	62,642	12	Textile Machinery	20	10	10	10	21/85	21/10	20/75
SUGAR & BEVERAGES ETC.														
14,00,000	17,28,660	10,85,148	39,573	1,10,785	15,763	6	Batrapur Sugar	8	8	8-4*	24	2/00	2/00	2/50
29,23,537	26,29,299	11,36,627	10,02,614	5,72,506	3,552	9	Beldund Sugar	189	189	10	19	9/62	9/62	10/11
22,00,000	5,84,327	13,51,513	18,14,343	1,94,561	2,330	6	Bharat Sugar P.	..	..	..	10	13/90	13/00	16/50
32,00,000	45,72,835	43,34,048	27,81,820	33,71,567	3,71,540	1	Bawa (Sugar) P.	Nil	Nil	Nil-Nil*	10	12/50	12/62	13/06
30,00,000	82,18,328	79,62,480	1,45,201	27,372	3,70,213	10	Jawadpur Sugar P.	Nil	Nil	Nil	10	11/12	11/12	13/06
18,00,000	27,85,833	46,06,937	9,09,574	9,07,232	9,07,232	1	Champanar Sugar	15	15	12-12*	10	15/84	15/84	18/00
26,00,000	28,75,947	31,58,160	42,423	1,36,346	12,448	8	Durbhanga	20	4	Nil	10	8/12	8/12	10/50
27,56,355	1,31,99,222	1,76,30,099	24,30,790	1,90,50,837	12,604	8	Durr Meekin (Breweries)	16	25	30	6	28/50	28/69	41/37
11,00,000	6,45,722	3,75,000	10,90,564	95,437	52,205	6	New Saven Sugar and Gur	..	..	..	10	5/25	5/26	6/79
9,00,000	19,47,931	23,02,870	2,06,743	2,86,458	4,006	10	Purnapur Sugar P.	Nil	..	..	10	11/50	11/50	11/81
16,59,820	41,29,933	57,22,889	2,532	9,47,183	79,042	1	Hammugger Lane & Sugar P.	213/7	30	35-30*	10	30/37	30/37	31/25
63,00,000	49,82,574	35,85,645	1,86,145	34,557	46,557	10	Rasa Buland	124	124	10	10	9/75	9/75	10/31
8,00,000	5,07,248	1,72,778	3,77,844	4,24,482	13,204	6	Ryan Sugar P.	..	..	..	10	8/06	8/06	8/12
11,99,000	22,10,181	18,54,007	2,09,102	3,24,407	2,20,853	6	Samarapuri Central Sugar	..	..	..	10	9/62	9/62	10/12
39,00,000	67,83,005	25,33,624	21,44,756	16,75,658	34,776	10	Shree Krishna Gyanoday Sugar P.	18	18	..	10	7/50	7/75	9/94
7,94,500	13,54,858	11,65,175	11,16,368	1,90,057	1,991	6	Shree Sitaram Sugar	..	..	..	10	7/12	7/12	7/12
9,89,830	17,83,543	67,398	2,82,356	6,97,443	6,89,968	6	Sitalpore Sugar	Nil	4	Nil-Nil*	10	6/12	6/12	8/62
16,00,000	18,38,740	1,81,632	3,86,436	7,06,053	35,366	9	United Provinces	16	16	..	10	10/62	10/62	15/50
8,00,000	90,57,769	67,09,675	9,18,326	37,10,125	25,765	6	Upper Ganges Sugar P.	724	724	724-724*	10	60/00	60/00	77/00

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra	Ra	Ra	Ra	Ra	Ra		1955 1956 1957	Ra	27-2-53 20-2-53 A year ago		1956 1957 1958	Ra	27-2-53 20-2-53 A year ago
MISCELLANEOUS													
8,30,000	3,97,903	1,70,000	5,86,425	1,53,521	3,834	10	85 A Firpo (Restaurant)	10	5/90	5/90	5/90	5/90	5/90
93,75,000	4,66,28,334	219,45,591	9,97,266	21,38,820	1,20,001	10	132 Aluminium Corporation P.	10	14/37	14/00	18/75	14/37	14/00
20,00,000	42,19,616	16,50,000	52,45,375	3,36,834	90,514	12	382 Anderson Wright Ltd P.	10	11/00	11/50	11/50	11/00	11/50
30,00,000	13,34,003	43,57,426	25,11,996	21,50,119	2,34,634	8	288 Anand Bros	20	25	22-28*	10	23/19	24/87
30,00,000	19,07,741	28,03,816	36,63,364	18,71,969	1,49,964	12	274 Assam Match	10	28/75	28/75	25/25	28/75	25/25
13,99,998	20,17,690	19,73,119	31,224	2,57,148	10,925	5	344 Assam Saw Mills & Timber	10	2/50	2/50	2/50	2/50	2/50
1,18,00,000	53,91,481	93,43,093	59,95,725	50,77,803	7,18,123	8	391 Associated Battery	40	25	15-15*	10	26/12	26/30
20,00,000	43,09,876	44,17,208	43,55,171	7,61,605	1,22,491	3	204 Associated Hotels of India P.	10	10/31	10/31	10/31	10/31	10/31
80,01,400	41,69,783	1,00,44,367	89,25,652	41,27,153	5,49,959	12	396 Balmer Lawrie & Co.	25	25	25	100	257/00	257/00
12,00,000	5,96,566	10,21,983	6,94,300	9,56,254	46,563	3	124 Barrow Coal	10	24/00	21/87	16/00	24/00	21/87
44,00,000	1,01,23,412	3,72,000	67,35,380	8,94,375	30,926	9	160 Birds Investments P.	11	11/50	11/50	12/62	11/50	11/50
68,95,530	1,01,23,412	67,97,735	7,04,768	72,75,311	2,84,100	3	50 Britannia Biscuit P.	14	37	30-25*	10	43/87	43/87
5,25,00,000	73,67,363	2,01,22,345	1,58,91,691	1,06,65,119	3,91,983	12	33 British India Corporation P.	10	9/12	9/15	11/56	9/12	9/15
50,00,000	21,14,667	40,83,960	2,92,254	13,04,762	19,948	12	392 British Paints	10	20/50	19/19	20/25	20/50	19/19
5,00,000	6,83,781	1,65,739	1,54,429	2,63,717	6,201	8	213 Calcutta Silk Manufacturing P.	10	7/15	7/15	7/12	7/15	7/12
1,38,80,000	14,79,453	1,92,04,790	14,62,760	2,49,217	12	2 Olive Grow Investment	10	8	8/19	8/19	9/00	8/19	9/00
90,00,000	22,97,556	1,21,50,000	2,48,19,559	37,24,110	3,46,877	12	169 Duncan Brothers & Co Ltd P.	14	159/00	159/00	152/00	159/00	152/00
45,00,000	6,31,32,676	4,12,74,162	6,32,011	2,87,37,462	25,38,694	12	96 Dunlop Rubber Co (India) P.	214	36/75	35/75	42/75	36/75	35/75
51,26,000	61,19,702	1,64,42,198	17,23,955	2,67,785	12	21 Eastern Investments Ltd P.	14	14	129/00	129/00	147/00	129/00	147/00
60,93,400	64,20,000	20,22,000	1,61,547	19,35,092	12,311	10	388 Electric Construction	5	14/12	14/00	14/84	14/12	14/00
80,00,000	28,94,553	27,23,508	19,90,832	15,65,118	2,10,371	3	51 French Motor Car	20	35/12	35/12	34/50	35/12	34/50
14,00,000	21,39,604	17,97,347	25,404	6,52,807	46,218	12	19 Ganges Rope	17	236/00	236/00	231/00	236/00	236/00
2,25,000	56,065	5,62,570	35,240	6,305	2	21 General Investments Trust P.	34	43/00	43/00	43/00	43/00	43/00	
65,00,000	32,50,865	50,30,906	1,51,98,383	28,70,050	1,68,102	3	105 Gillanders Arbuthnot & Co Ltd P	10	13/81	13/62	14/40	13/81	13/62
40,00,000	17,69,681	7,21,344	36,90,302	5,43,868	8,524	12	209 Gladstone Lyall & Co Ltd P.	10	42/5	42/5	42/5	42/5	42/5
40,00,000	33,21,954	5,22,500	87,620	46,18,514	17,00,907	12	310 Godfrey Phillips (India) Ltd P.	26	33/25	33/25	31/00	33/25	31/00
30,00,000	43,74,306	17,66,560	1,60,432	1,09,512	794	3	225 Great Eastern Hotel	6	241/00	241/00	240/00	241/00	240/00
4,68,75,000	3,08,46,438	1,97,01,491	4,19,55,625	3,13,19,271	1,26,139	4	22 Hindustan Motors P.	10	17/87	17/12	20/81	17/87	17/12
7,91,91,760	5,13,91,859	1,97,01,491	4,19,55,625	3,13,19,271	1,26,139	4	22 Hindustan Motors P.	10	17/87	17/12	20/81	17/87	17/12
80,00,000	66,37,207	16,00,000	39,09,797	28,38,718	1,31,125	10	11 Hindustan Pilkington	12	18/25	18/25	32/12	18/25	18/25
39,64,650	46,43,081	1,27,855	1,66,274	1,66,274	3	211 Hindusthan Pyrolysis P.	10	15/75	15/50	16/87	15/75	15/50	
35,20,000	23,35,537	16,00,000	24,48,098	36,50,910	12	324 Hoare Miller & Co Ltd	6	6/19	6/21	6/94	6/19	6/21	
15,16,00,000	3,38,69,674	9,97,38,292	17,80,428	24,56,089	3	325 Imperial Tobacco	10	10/62	10/62	12/81	10/62	10/62	
3,98,90,640	13,63,35,090	3,45,09,860	10,45,969	2,09,54,000	92,31,753	12	293 Indian Aluminium Co. Ltd P.	15	32/94	32/00	39/56	32/94	32/00
2,35,77,700	1,61,90,633	2,47,87,168	99,57,176	1,37,75,998	50,15,117	3	34 Indian Cable P.	15	34/00	33/75	37/37	34/00	33/75
3,64,00,000	5,56,27,815	1,22,35,821	44,62,878	1,35,49,869	17,61,389	9	386 Indian Oxygen	15	28/25	27/87	40/12	28/25	27/87
6,27,970	8,30,780	9,65,146	10,77,314	9,35,909	80,309	3	223 Indian Rubber Manufacturers P.	15	21/06	21/06	20/25	21/06	21/06
20,00,000	3,37,220	25,48,665	21,98,914	16,32,571	1,65,076	5	38 Indian Wood Products	10	31/25	30/50	32/37	31/25	30/50
74,89,150	72,05,408	2,48,602	—8,28,769	—14,68,458	12	63 Isaac Holden	10	14/87	15/00	17/25	14/87	15/00	
5,00,000	2,75,959	13,26,325	93,493	—26,270	2	21 Investments and Finance P.	10	55/00	55/00	55/00	55/00	55/00	
72,62,500	23,44,049	64,37,500	3,02,73,819	8,00,318	44,050	6	439 J K Synthetics	10	11/69	11/50	11/50	11/69	11/50
5,57,500	2,28,843	1,17,500	6,68,284	—1,19,242	—1,18,804	12	281 James Wright P.	10	2/75	2/75	2/75	2/75	2/75
2,00,00,000	59,52,034	74,40,380	6,22,38,928	16,43,783	4,99,956	3	39 Jardine Henderson Ltd P.	10	00/43	00/43	00/43	00/43	00/43
67,46,620	1,02,75,000	73,74,120	6,46,513	37,33,223	18,455	12	22 Jay Shree Industries P.	14	73/25	73/00	80/50	73/25	73/00
1,39,51,750	8,61,41,569	3,32,78,328	49,57,935	1,00,74,268	43,454	5	22 Kesoram Industries P.	24	10/00	15/19	20/81	10/00	15/19
6,34,00,000	3,17,363	6,02,958	3,21,617	—14,078	—4,549	3	133 Macfarlane & Co.	10	21/87	21/06	34/31	21/87	21/06
1,50,00,000	88,29,556	92,10,447	2,71,03,736	35,11,058	3,38,739	12	334 Macneil & Barry Ltd P.	10	7/00	7/00	7/62	7/00	7/00
1,47,12,250	70,19,751	1,21,48,546	2,06,18,318	81,01,941	2,45,501	9	309 Martin Burn Ltd P.	10	2/50	2/50	2/59	2/50	2/50
40,00,000	18,23,673	80,84,814	2,07,07,892	14,08,964	2,00,558	12	282 McLeod & Co P.	10	30/44	30/12	33/62	30/44	30/12
1,61,00,000	2,44,54,393	1,96,95,151	34,56,436	1,13,74,876	39,83,294	3	181 Meta Box Co of India Ltd P.	10	50/75	50/50	62/25	50/75	50/50
90,00,000	78,16,858	16,89,17,95	8,13,375	68,52,568	1,73,333	3	1 National Insulated Cable P.	20	25/19	24/75	44/37	25/19	24/75
80,00,000	22,72,420	31,10,565	28,84,743	25,46,005	67,385	9	1 National Pipes & Tubes P.	10	29/25	29/06	30/50	29/25	29/06
60,00,000	37,29,364	39,77,465	81,24,718	20,83,112	35,985	6	1 National Rolling & Steel Ropes	10	11/62	11/87	12/94	11/62	11/87
80,00,000	69,57,402	15,06,140	1,89,821	8,66,613	58,466	12	875 National Rubber P.	10	90/00	90/00	65/25	90/00	90/00
79,97,000	81,44,183	1,21,10,510	29,60,555	17,89,972	1,39,128	12	79 National Tobacco P.	10	80/00	80/00	65/25	80/00	80/00
32,31,000	1,014	13,02,991	8,90,509	6,26,950	40,375	12	85 New India Investment Corpn.	10	80/00	80/00	65/25	80/00	80/00

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts Closed	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
								1956	1957	1958		27-2-63	20-2-63	A year ago
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.					Ra.	Ra.	Ra.	Ra.	
MISCELLANEOUS—(Contd.)														
60.00.000	6,74,367	66,56,843	65,18,613	12,27,365	2,77,718	12 321	Octavius Steel P.	12 1/2	10	100	..	..	..	
2,20,00,000	1,65,84,981	63,83,140	25,36,442	66,19,862	1,43,464	12 304	Philips India	12 12	12	10	26/25	26/25	39/50	
2,86,200	31,000	5,62,800	2,80,533	4,74,286	82,858	3 145	Publicity Society	37 1/2	10	75-75*	4	26/19	24/75	
2,25,00,000	86,77,634	14,24,127	1,33,25,576	44,48,355	3,23,563	8 332	Rallis India P.	Nil 4	84-84*	100	130/00	130/00	159/00	
6,00,00,000	8,03,38,621	2,57,80,000	1,14,05,040	49,28,459	5,08,029	8 335	Rohtas Industries P.	15 20	10-8*	10	12/06	11/75	17/75	
94,27,380	5,55,68,635	Nil	14,04,497	3,80,253	37,513	9 22	Sursilk P.	.. Nil	..	10	9/06	8/50	10/87	
70,00,000	2,25,52,451	61,94,790	1,77,92,109	21,56,385	7,622	9 376	Sen Raleigh Industries P.	8 8	8	10	14/00	13/19	22/56	
75,00,000	1,05,26,889	41,88,000	1,77,92,109	21,56,385	7,622	12 278	Shaw Wallace P.	15 15	15	10	18/37	18/19	24/19	
3,00,000	3,33,174	23,169	90,501	17,483	1,739	12 111	Spencer's Hotel	14 24	24	8	0/94	0/94	1/50	
2,80,00,000	5,97,89,163	2,48,69,275	24,48,825	63,20,569	42,35,939	12 301	Union Carbide	18 18	18	10	42/50	41/75	55/00	
2,10,200PO	8,40,800	24,12,476	10,86,208	13,99,207	3,87,027	12 195	Walford Transport	15 30	30	1FO	2/25	2/25	3/00	
								20 20	20	1O	3/56	3/50	4/12	
INSURANCE COMPANIES														
13,50,000	6,47,527	54,93,120	1,31,72,690	6,70,637	78,475	12 174	Concord of India	20 20	20	5	11/00	11/00	10/75	
24,00,000	65,903	82,46,577	1,27,34,440	16,71,905	3,93,660	12 248	Hercules	20 22 1/2	26 1/2	10	25/00	25/00	24/12	
32,00,000	7,51,382	1,15,82,907	2,08,14,578	12,75,071	4,95,149	12 38	Ruby General	10 10	13 1/4	8	9/69	9/69	9/25	
8,00,000		21,62,372	27,92,806	51,893	12,241	12 ..	Standard General	.. ..	..	10	8/00	8/00	5/23	
5,75,000	25,990	73,52,563	98,05,303	7,07,189	1,95,530	12 39	Triton	45 45	55	25	131/00	131/00	133/00	
FLOUR MILLS														
12,00,000	4,80,900	26,61,133	10,62,993	7,30,069	1,68,614	12 24	Bengal	45 40	25	10	34/25	34/25	38/62	
5,80,000	6,51,040	2,47,038	2,17,808	1,05,473	1,26,880	10 97	Oishi P.	.. ..	..	10	14/00	14/00	14/00	
48,80,137	47,18,433	77,72,310	56,85,368	33,61,767	4,07,358	9 175	Ganesh P.	12 12	..	12 1/2	15/75	15/75	25/00	
9,00,000	4,36,798	4,52,302	24,041	6,269	-4,356	12 236	Hooshy	27 15	Nil	10	19/75	19/75	19/75	
5,00,000	2,92,255	6,61,791	3,26,246	1,14,554	10,571	11 236	United	52 13	53	10	30/00	30/00	38/00	
OIL COMPANIES														
22,900,001	22,383,591	21,700,442	25,507,508	21,073,511	21,000,742	12 249	Attock Oil	13 13 1/2	13 1/2	21	sh. 33/3	sh.33/3	sh. 24/3	
282,418,080	235,643,356	212,750,000	213,148,421	218,446,093	2,582,861	12 52	Burmab Oil P.	.. 9-2 1/2	..	21	sh. 48/3	sh.47/7 1/2	sh. 33/6	
1,00,00,000	56,10,926	2,56,15,353	3,11,16,359	63,36,353	5,00,220	12 249	Indo-Burmab Petroleum P.	25 30	25	10	23/50	23/44	29/00	
6,00,000	2,79,005	9,89,137	5,10,244	4,10,168	92,708	10 2	Tide. Water Oil	22 30	35	10	28/00	28/00	24/25	
PAPER MILLS														
45,00,000	1,00,03,801	62,77,149	4,73,511	41,43,085	1,40,204	12 436	Bengal P.	32 32	27 1/2	10	31/37	31/75	..	
86,20,000	1,18,96,091	94,80,934	10,28,515	23,47,414	46,493	3 2	India Paper Pulp	10 15	13-12*	10	18/81	18/69	19/94	
1,51,83,668	6,50,00,000	3,92,78,014	59,38,470	1,41,20,011	2,25,574	3 22	Orient Paper P.	15 22 1/2	22 1/2*	10	37/10	36/10	41/96	
1,25,51,920	4,31,23,687	1,49,74,478	71,97,660	38,83,929	31,55,867	12 140	Shree Gopal Paper P.	17 6/7	17-6/7	17-6/7	10	22/81	22/56	26/31
2,18,55,240	4,62,89,589	72,10,000	8,79,140	33,33,899	99,729	6 22	Sirpur P.	6 1/2	8 1/2	10	12/12	11/62	16/12	
50,00,000			4,35,569	703,201	3,97,323	9 36	Star Paper P.	3 Nil	..	10	10/00	10/00	10/44	
10,00,000PO	3,54,48,618	851,143						10 10	13-13*	21PO	3/78	3/78	3/06	
4,37,500POA				-11,38,443	58,939	3 106	Titaghur P.	25 25	20-10*	10AO	18/19	17/81	42/75	
56,00,000AO	4,96,82,144	3,30,31,629	21,85,452		17,196	6 373	West Coast P.	25 25	20-10*	10BO	18/19	17/81	42/75	
56,04,000BO				58,44,196				Nil 6	7 1/2	100	180/50	160/50	192/50	
1,50,00,000O	4,95,97,051	85,00,000	1,73,752											
PRESSING COMPANY														
4,30,000	1,81,531	1,45,000	5,34,786	65,294	24,928	7 526	Camperdown	11 11	11	100	105/00	100/00	101/00	
REAL PROPERTY STORAGE														
10,00,000A											A300	1050/00	1050/00	565/00
1,25,00,000B											B82 1/2	135/00	135/00	58/44
2,00,00,000C	14,75,599	7,71,511	6,55,848	1,14,879	3,609	4-10 73	Bengal Bonded Warehouse	8 11	8-6*	10	C100	122/00	122/00	87/00
25,00,000D											D13 1/2	14/75	14/75	12/14
7,42,150	11,68,346	4,23,135	33,823	61,259	3,142	3 6	Calcutta Safe Deposit	.. ..	..	100	8/00	7/25	7/25	
1,00,00,780O	19,85,068	9,01,590	13,43,272	3,61,779	1,33,593	9 432	Humayan Properties P.	12 1/2	Nil	..	100	11/00	11/00	11/00
2,00,00,000Dd											1Dd	2/15	2/15	2/19
7,99,00,000	13,373	Nil	13,17,810	-95,757	-21,89,033	4 8	Midnapore Zemindary P.	Nil Nil	Nil-Nil*	85	10/06	10/06	10/77	
TRAMWAYS & STEAMER														
20,00,000	29,74,805	27,13,587	10,28,887	5,59,472	11,785	10 2	Bengal Assam Steamship P.	3 7 1/2	7 1/2	100	106/00	106/00	118/50	
6,25,000	5,95,186	6,22,000	4,23,357	1,34,197	16,331	10 98	Calcutta Landing & Shipping	34 34	34	10	35/06	35/06	12/94	
12,60,000	23,78,412	13,83,110	42,995	28,490	-42,659	6 338	Calcutta Steam Navigation	10 10	Nil-Nil*	10	8/87	8/87	12/37	
7,00,000	2,2,937,715	21,56,682	2,315,682	21,05,500	21,407	12 93	Calcutta Tramways P.	7 1/2	..	..	21	11/00	11/00	12/19
6,04,880	6,97,587	6,56,706	33,440	1,35,098	-637	3 139	Fraser	Nil Nil	..	10	10/00	10/00	10/06	
2,655,580	21,970,808	2,432,856	2,419,313	-280,988	-284,854	3 431	India General Nav. Railway P.	Nil Nil	..	10	6/00	6/10	7/19	
2,47,50,000	16,80,59,821	1,57,51,783	1,36,10,394	-41,42,006	-41,42,006	3 291	India Steamship P.	Nil Nil	Nil-Nil*	10	12/06	12/06	11/06	
14,08,220	13,34,804	74,870	7,851	-62,391	-4,09,480	12 ..	Port Shipping	Nil Nil	Nil	10				

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of Spindles Looms	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mt. Age Series etc.	NAMES OF MILLS	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until					
Ra.		Ra.	Ra.	Ra.	Ra.	Ra.				1959	1960	1961	25-2-63	19-2-63	A year ago		
40,00,000	48,652	1,016	1,28,56,156	46,70,828	20,69,878	10,39,741	26,620	..	269	Ahmedabad Advance P.	7	18	100	170/00	170/00	222/50	
50,00,000	48,254	896	20,17,010	3,99,960	10,78,394	1,49,301	2,24,486	12	229	Apollis	..	..	100	1/98	1/96	2/28	
40,00,000	41,135	889	43,32,511	11,42,761	4,76,501	1,42,728	..	3	350	Benarasi Ramcharan	Nil	Nil	100	82/50	82/50	94/40	
2,50,98,000	2,03,942	4,911	6,03,86,319	3,79,10,818	45,17,329	72,20,563	69,609	12	199	Bombay Dyeing etc.	14	14	25	61/30	61/30	70/40	
10,00,000	35,052	848	32,07,778	34,59,612	3,45,173	10,89,180	9,53,942	12	22	Century	10	10	25	50	150/00	150/00	195/00
1,27,75,700	1,18,296	2,760	4,98,32,541	1,26,61,466	25,80,076	80,66,550	1,37,996	6	269	Central India P.	Nil	Nil	Nil	100	548/00	524/00	615/00
46,87,500	1,15,188	2,062	3,08,53,158	10,75,722	32,81,429	20,50,911	1,28,751	8	269	Cooria	Nil	Nil	100	103/00	95/00	145/00	
26,00,000	24,916	119	37,34,829	32,52,434	1,01,653	4,45,029	2,06,873	12	262	Dawn	20	30	30	50	150/00	150/00	151/25
28,00,000	43,512	..	33,97,504	29,03,230	5,19,246	23,98,267	2,06,873	12	262	Edward Textiles	9	9	..	200	325/00	325/00	450/00
34,00,000	49,164	920	30,75,497	37,58,286	14,81,779	18,79,801	37,155	12	241	Elphinstone P.	14	18	22	50	99/00	96/00	131/00
29,98,050	47,700	886	1,30,16,691	50,97,407	2,85,110	31,72,674	1,36,630	12	59	Elphinstone P.	9	9	..	200	310/00	310/00	376/00
50,00,000	63,212	784	85,32,658	71,62,852	16,836	4,09,432	37,155	12	241	Finlay	..	..	..	100	178/00	178/50	224/00
39,94,700	77,966	..	19,75,396	43,25,176	23,64,706	12,85,523	85,195	12	56	Gokak	..	..	..	100	965/00	965/00	..
12,00,000	40,856	1,116	64,14,596	68,13,239	10,75,932	4,27,954	5,195	3	305	Hindooistan	..	..	..	250	..	..	..
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,022	31,82,629	1,32,22,197	5,89,816	12	15	India United	..	..	..	10	23/60	23/52	21/04
60,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	..	26,590	3	305	Indian	..	..	..	1Dd	2/88	2/72	3/42
50,00,000	50,074	1,426	43,26,958	23,00,000	27,35,146	24,86,863	26,590	12	103	Indore Malwa United	7	8 1/2	10	100	760/00	760/00	..
59,85,000	65,260	1,514	1,07,21,545	82,79,165	25,00,707	76,87,297	38,751	6	149	Khatua Makanji P.	18	32	..	100	397/50	370/00	473/75
1,00,00,000	1,20,504	1,846	1,38,52,384	1,07,07,211	9,13,088	38,39,253	1,555	12	146	Kohinoor	9 1/2	15	18	100	282/00	275/00	316/00
89,60,000	49,880	1,369	83,54,669	55,99,043	8,90,538	28,76,041	-8,13,701	12	83	Lakshmi-Vishnu P.	Nil	5 7/8	6	100	106/25	107/50	650/00
51,75,000	71,652	1,620	1,31,30,107	72,11,813	63,197	50,67,194	1,09,099	6	104	Morarjee Goudaldas P.	21 1/2	24	24*	100	450/00	441/00	414/00
39,88,250	50,480	500	55,13,433	39,56,794	22,08,037	2,05,250	Nil	2	261	Mysore Spg. & Mfg. P.	10	14	14	50	46/00	54/00	67/50
24,00,000	45,944	432	23,52,760	7,45,700	10,79,000	15,87,753	8,456	12	..	New City of Bombay	..	..	..	100	142/50	142/50	185/00
30,00,000	46,884	1,029	22,27,098	25,72,444	27,32,568	12,46,697	153	12	..	New Great Eastern P.	..	..	..	100	270/00	270/00	287/00
48,00,000	54,244	728	53,94,222	35,02,899	1,54,21,523	31,027	27,380	12	118	Phoenix	..	..	..	100	206/00	202/00	269/00
10,00,000	9,520	277	13,17,604	2,78,222	8,963	3,22,456	-1,07,771	12	357	Sassoon & Alliance	Nil	Nil	..	10	13/00	13/00	13/00
75,40,000	96,493	2,127	1,86,66,252	1,46,91,699	9,85,923	52,69,671	30,196	12	357	Sassoon Spinning	15	15	20	10	47/50	46/50	72/50
50,40,000	49,840	1,258	1,26,34,913	22,64,619	1,37,279	1,24,433	-5,86,457	3	379	Simplex	25	17	Nil	50	143/50	138/50	171/50
90,00,000	77,436	1,640	1,44,03,087	87,99,257	95,30,537	61,50,016	1,06,435	12	379	Shree Niwas P.	15	18	20	100	232/00	230/00	310/00
1,00,00,000	65,040	2,000	1,68,10,102	1,05,78,408	19,38,911	24,20,000	24,523	12	369	Svadeshi P.	14	17	..	100	258/00	256/00	300/50
36,00,000	40,328	549	56,94,838	71,73,336	7,774	8,20,551	26,062	12	341	Swan	..	..	..	100	280/00	270/00	335/00
65,51,875	63,248	1,800	81,82,429	61,75,268	10,05,865	31,74,545	26,322	12	290	Tata	10	20	..	25	60/00	57/20	435/00
12,00,000	45,508	1,308	62,07,521	12,11,933	31,81,227	52,10,985	8,027	3	205	Western India	..	..	..	250	835/00	835/00	79/00

* 1962

BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including Taxation	Carry Forward	Accounts closed	Ag. Agents & etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Rs	267		1959	1960	1961	25-2-63	19-2-63	A year ago	
												Ra.	Ra.	Ra.	
CEMENT															
19,06,49,908	26,78,49,366	10,52,33,092	4,94,54,294	7,57,20,456	65,991	7	53	Associated Cement	11	12 1/2	12-12*	100	142/50	141/00	152/00
ELECTRIC LTG POWER															
8,74,77,100	11,61,05,785	1,36,05,785	30,82,878	78,42,905	638			Ahmedabad Electricity	6 1/2	7	8	100	93/80	93/00	96/30
3,02,77,000	9,34,77,781	1,23,89,917	32,52,570	52,28,395	36,154	3	146	Andhra Valley Power P.	8	5 1/2	5-5*	100	1,005/00	1,005/00	1,030/00
1,74,99,700	2,14,85,122	39,32,465	5,79,834	19,21,739	45	3	267	Bombay Suburban Elec.	..	..	..	100	101/00	101/00	103/75
2,39,99,979	7,17,76,350	1,39,56,941	51,65,971	60,68,808	27,536	3	146	Tata Hydro Elec. Power P.	8	5 1/2	5-5*	100	104/00	102/00	112/50
6,15,36,000	17,59,03,832	3,61,11,341	57,28,753	1,22,80,113	29,988	3	267	Tata Power P.	8	5 1/2	5-5*	1000	1,070/00	1,057/50	1,145/00
ENGINEERING & METAL															
31,42,200	17,06,292	44,16,374	1,54,08,311	5,79,666	1,35,820	12	268	Alcock Ashdown	..	..	..	100	321/00	310/00	367/00
6,00,000	2,88,390	4,73,722	16,18,228	1,48,734	2,147	3	115	Just's Engineering	10	8	10-10*	50	98/00	98/00	100/00
1,10,00,000	1,16,50,921	43,23,121	75,17,436	40,26,365	1,50,895	3	351	Larsen & Toubro P.	12 1/2	12 1/2	18-14*	10	27/00	24/92	42/75
11,00,000	1,03,70,225	3,45,914	..	..	1,016	7	283	McKenzie's	12 1/2	..	..	100	140/00	140/00	148/75
2,50,000	5,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12	294	Premier Construction P.	..	..	..	300	133/00	128/00	191/00
1,31,250	16,18,43,951	3,03,75,403	18,14,244	3,78,39,743	3,61,752	3	269	Tata Eng & Locomotive P.	9.9	12 1/2	14 1/2-14 1/2*	100	298/00	284/00	358/00
1,99,97,300	1,09,05,81,517	29,28,64,147	9,76,72,406	6,08,66,595	34,084	3	269	Tata Iron & Steel P.	9.1	9.1	10.36-10.36*	750	121/25	118/25	140/00
27,55,65,204								INSURANCE COMPANIES							
20,00,000	..	23,84,913	95,96,033	4,24,629	1,18,806	12	297	British India General	..	..	..	10	11/60	11/60	12/00
18,74,940	25,01,134	2,88,61,156	2,61,49,442	38,951	4,65,316	12	65	Jupiter General P.	..	..	..	15	12/52	12/52	13/00
1,42,42,125	23,46,782	8,80,68,899	9,41,74,741	92,81,250	44,28,397	12	179	New India	..	..	..	15	58/50	58/30	59/50
15,99,270	..	29,41,860	99,96,789	6,05,803	3,81,242	12	236	Vulcan	..	..	..	10	16/40	16/40	16/52
MISCELLANEOUS															
70,49,850	41,70,604	1,23,53,608	1,09,82,038	67,94,850	3,00,263	9	42	Belapur Sugar	..	..	..	50	200/00	201/00	234/00
82,25,000	3,32,42,226	3,91,11,720	2,03,23,186	1,01,08,049	2,03,146	5	285	Bombay Burmah Trading	19	30	33-33*	125	647/00	624/00	651/00
6,97,00,000	4,30,49,524	3,87,16,743	2,96,13,157	4,18,26,728	80,69,128	12	91	Hindustan Lever	24	26	26-26*	50	240/00	240/00	283/75
99,99,250	3,754	20,08,796	1,44,51,515	8,97,490	30,418	12	299	Industrial Inv. Trust	6	6 1/2	6 1/2	100	45/00	45/00	68/00
11,99,900	13,82,937	7,94,147	14,05,2231	68,232	16,942	5	87	Kem. (Chemists)	..	..	..	200	72/00	72/00	74/50
1,41,12,100	7,40,36,031	2,63,71,190	27,33,067	1,00,61,608	4,41,151	12	192	National Rayon	22	22	..	100	308/00	305/00	315/00
11,27,98,680	25,25,08,055	11,58,24,547	11,18,89,883	48,75,907	2,82,649	6	356	Scindia Steam Navign.	..	..	..	20	395/00	387/00	542/50
20,86,500	6,11,57,364	59,26,413	25,12,521	11,30,191	18,94,201	4	266	Shivrajpur Synd.	60	80	3-3*	10	10/08	10/04	12/52
3,02,33,705	1,82,93,580	61,03,586	40,41,890	38,79,799	10,154	3	360	Tata Chemicals P.	13	23	6 1/2-6 1/2*	25	14/52	14/00	18/60
70,07,478	1,16,85,362	1,08,92,603	71,80,468	1,37,48,151	2,91,854	8	360	Tata Oil P.	13	23	23-23*	25	61/00	60/00	85/50
2,55,00,000	2,76,96,622	2,02,75,541	1,56,63,919	1,11,07,649	5,11,264	12	274	Western India Match	16	16	16	100	258/00	248/00	302/00
1,75,00,000												100	255/00	255/00	312/00

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SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Acres	Outturn and Average Price per lb. realised for crop 1960	Net Profits	Accounts closed	Names	Dividend per cent	Paid-up per share	Latest Market Quotations as available until			
Ra.	Ra.	Ra.	Lbs.	Ra.	Ra.			1959	1960	1961	25-2-63	19-2-63	A year ago
6.75 000	16.06.067	1.50.000	1.992	7.996cwt	9.68	1.19.757	3 401	Amalgamated P.	7 1/2	10	10/36	10/36	11/06
2.50.000	12.57.795	5.72.253	878	1.12.000	1.43	70.011	12 402	Anandam P.	15	15	15/24	15/24	13/22
3.25.000	6.09.131	1.50.000	402	1.28.902	1.47cwt	3.501	2 403	Annamattam	Nil	Nil	0/80	0/80	0/78
10.98.990	13.96.078	4.83.841	1.630	225.1681	4.34	4.11.290	3 287	Bananoor P.	15	12	12/91	12/91	13/75
3.00.000	3.73.933	2.35.000	319	76.517cwt	3.2	27.863	5 404	Banarades P.	7 1/2	7 1/2	1/90	1/90	1/92
17.32.230	13.36.710	3.36.253	977	3.59.581	1.65cwt	63.110	6 270	Blue Mt. P.	20	20	2/15	2/15	2/43
84.00.000	1.15.75.030	26.08.425	1.329	7.16.2447	4.84	12.42.823	6 141	Blue Mountain	12 1/2	12 1/2	10-10*	2/56	2/53
14.00.100	19.05.883	12.45.700	1.336	7.58.0971	4.19	7.16.036	3 210	Chemura Peak	15	20	20-20*	3/62	3/57
26.91.278	47.43.806	19.53.790	8.050	11.59.8881	..	15.14.112	2 210	Cochin Malabar P.	15	17 1/2	20-20*	6/18	6/40
22.50.000	39.31.708	30.58.661	2.710	19.48.320	..	8.71.249	6 405	Coffee Lands P.	25	6	..	12/75	12/75
71.55.000	1.15.74.494	63.44.278	7.001	80.81.120	..	25.60.562	6 406	Consolidated Coffee P.	25	20	..	16/00	15/55
5.66.420	21.24.818	12.20.975	372	4.04.6551	28.13	2.55.424	9 203	Coonoor P.	20	17 1/2	..	19/25	22/47
4.80.000	10.36.448	4.76.798	432	3.53.888	1.52	1.19.880	3 407	Coorg P.	20	20	..	3/93	3/98
6.00.000	11.82.508	2.17.761	1.028	1.57.785	1.47	46.942	3 12	Cottanad Plantation P.	15	10	..	9/31	9/31
6.00.000	8.89.831	4.80.155	345	3.25.3101	2.66	1.25.313	12 212	Deshvashola (Nilgiri)	25	20	..	25/50	25/50
7.74.650	9.14.944	3.31.040	450	1.38.3861	4.26	1.36.712	3 287	Devon P.	15	15	12	12/66	12/66
6.50.000	3.38.952	1.26.500	197	1.12.9361	2.68	28.121	12 408	Emerald Valley	8	..	..	5/06	5/06
4.50.000	3.64.462	20.000	278	82.850	..	40.424	12 409	Gokul	9	10	..	1/90	1/90
25.000.000	42.82.150	17.77.500	1.465	17.21.550	2.04	2.13.414	12 410	Haileyburia P.	12 1/2	15	..	12/62	12/62
11.85.700	28.02.058	10.77.705	1.528	9.59.804	1.67	3.60.461	2 402	Kailas	20	22 1/2	..	5/05	5/05
6.00.000	11.83.359	8.66.159	465	2.92.2001	4.64	4.14.877	3 210	Kaiaasa Tea Produce	15	20	25	3/45	3/30
17.17.076	27.90.278	9.40.446	741	4.46.673	5.17	5.88.891	3 210	Kil Kotagiri P.	35	25	..	5/15	5/15
9.00.000	9.11.259	1.21.604	267	305.757	2.31	96.485	12 203	Lucky Valley	10	10	..	11/00	11/00
13.50.000	17.31.286	4.65.241	1.681	6.70.174	1.48	2.09.136	3 411	Malankara	16	15	..	15/92	15/92
40.50.000	74.75.217	14.33.242	4.013	740.8001	4.47	13.89.961	3 270	Midland Rub. & Prod. P.	10	12 1/2	12 1/2	10/18	10/18
14.06.250	33.53.804	1.45.346	1.587	9.98.596	2.80	1.60.000	3 402	Nilgiri P.	5	8	..	8/90	8/90
23.10.000	22.24.327	57.73.357	1.057	13.82.095	..	14.10.257	6 14	Nonsuch	20	20	20	22/15	22/15
6.50.000	7.07.991	5.71.464	510	1.35.2301	..	1.41.776	3 210	Ossoor	15	15	..	2/72	2/75
19.45.980	34.53.670	25.53.533	1.498	5.77.573	4.84	6.27.824	10 210	Oucherlonry	15	13	12	4/30	4/30
14.88.960	26.94.916	16.87.414	1.563	10.83.5651	4.20	11.29.838	12 2	Parkside Neigherry	27 1/2	27 1/2	22 1/2	24/00	24/00
17.00.000	27.36.576	7.26.318	1.167	3.83.268	1.50	1.65.244	2 259	Peermada P.	20	22 1/2	25	22/50	22/50
6.00.000	1.90.316	3.35.530	1.167	3.83.268	1.50	1.65.244	2 259	Peninsular	20	20	..	10/70	10/70
57.94.880	75.03.172	22.04.711	3.724	23.32.1421	..	26.86.596	3 210	Perakamalai	12 1/2	13 1/2	20	3/08	3/05
13.50.000	45.61.490	9.28.404	2.827	798.8331	3.30	9.83.709	6 270	Rajendra Rub. & Prod. P.	20	20	20	18/70	18/70
2.00.000	3.14.567	1.53.963	711	3.320cwt	1.32	1.18.791	3 412	Rajendra P.	50	25	..	9/80	9/80
1.25.000	1.90.373	15.000	216	..	..	43.141	3 413	Swinton	7 1/2	12 1/2	..	2/82	2/82
10.00.000	20.71.084	2.48.373	1.454	4.30.695	1.51	63.263	3 172	Teekoy P.	6	Nil	..	5/03	5/03
9.15.300	13.14.493	10.80.000	2.227	2.45.5481	3.76	127.943	9 210	Thirumbadi	7	7	12	1/54	1/34
6.00.000	6.51.402	48.6742	1.307	2.23.784	3.21	80.950	12 414	Travancore Rubber	10	13	..	10/93	10/93
41.00.000	70.55.954	10.78.688	5.028	12.05.8901	..	11.13.227	12 9	Travancore Rub. & Tea P.	7 1/2	9	10	9/00	9/00
20.000.000	23.48.701	1.36.000	3.028	6.38.402	1.00	2.02.782	12 410	Tropical Plantations	8	8	..	19/75	19/75
21.83.280	30.03.223	17.04.089	3.638	8.28.9781	5.11	12.85.658	12 410	Twyford	10	10	..	9/10	9/10
3.80.010	9.26.839	2.82.051	962	1.94.400	1.50	2.20.096	12 415	United Nilgiri	19 1/2	21	22	20/87	20/87
47.25.000	54.71.548	32.98.030	2.344	11.30.431	1.78	12.73.061	6 157	Vaikundam	25	30	..	30/83	30/85
8.85.000	12.64.609	6.35.454	971	1.65.429	1.78	88.225	3 416	Waterfall Estates P.	12 1/2	12 1/2	..	2/20	2/20
									6	10	..	7/85	7/85

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MANAGING AGENTS, MANAGING DIRECTORS, DIRECTORS OR SECRETARIES WITH THEIR RESPECTIVE ADDRESSES.

1. Anderson Wright Ltd.—7, Wellesley Place Calcutta.
2. Andrew Yule & Co. Ltd.—8, Clive Row Calcutta
3. S. N. Beri—6, Middle Road, Hastings, Calcutta
4. Hazareemul, Heeralal—148, Cotton Street Calcutta
5. Amritlal Ojha & Co. Ltd.—"Security House" Netaji Subhas Road Calcutta
6. Alcoor, N. C.—Ruitadrot Mills, Colombo
7. Associated Industrial Development Co. (Private) Ltd.—"Nico House", Hare Street Calcutta-1
8. Agarwala S. L.—Indian Insurance Building Old Cantonment Road, Dehra Dun.
9. Aspinwall & Co. (Travancore) Ltd.—Alleppey
10. Aryan Planter Agency—P-12, Chowringhee Square Calcutta
11. Allum Bharucha & Co.—214 Hornby Road Bombay
12. Associated Planters Private Ltd.—25, General Patters Road Madras.
13. Antony M K.—Alleppey.
14. Harrison and Crossfield Ltd.—Cochin.
15. Agarwal & Co.—E D Sassoon Building Douglas Road Ballard Estate, Bombay
16. Andhra Eng Co. Ltd.—22/422, Dana-vaideta Rajahmundry.
17. Amte & Co.—Hubli.
18. B. M. Krishnan—Sri Jayachamarajwadevar Road Bangalore-2
19. Macneil and Barry Ltd.—2, Fairlie Place Calcutta
20. Ojha Brothers Ltd.—Security House, Netaji Subhas Road Calcutta
21. Bird & Co. (Private) Ltd.—Chartered Bank Buildings Calcutta
22. Birla Bros Private Ltd.—8, India Exchange Place Calcutta
23. Babulal & Co. Ltd.—13, Syed Saiyid Lane Calcutta
24. Balmer Lawrie & Co. Ltd.—21, Netaji Subhas Road Calcutta
25. British India Corporation Ltd.—Sutherland House Kanpur.
26. R. L. Thompson. Agharam Road, Bangalore-2
27. Bengal Textile Agency Ltd.—11, Clive Row Calcutta
28. Swadesh Enterprise Ltd.—41, Chowringhee Road Calcutta
29. Beardsell, W. A. & Co Private Ltd.—Second Line Beach Calcutta
30. Bhagyalakshmi & Co.—Dehali Road, Udamaipet Dt. Coimbatore
31. Rameshwar Lal Pantia—1 & 2, Old Court House Street Calcutta
32. Martin Burn Ltd.—12, Mission Row, Calcutta.
33. K. M. Wilcox—Sutherland House, Kanpur.
34. Sir John Brown—9 Hare St. Calcutta.
35. Ramdutt Ramkissendas—9, Brabourne Road Calcutta
36. Bajoria & Co.—27, Brabourne Road, Calcutta.
37. Birla, L. N.—8, Royal Exchange Place, Calcutta.
38. Birla B. M.—"India Exchange", Calcutta-1
39. Sir John Brown—4, Clive Row, Calcutta.
40. Bhargava R. K.—Mohalla Masjid Bagh Badshahgarh.
41. Biharlal Lahoty—161-1, Harrison Road Calcutta
42. W. B. Brady & Co. Ltd.—Brady House 12-14, Veer Nariman Road, Bombay-1
43. Brijlal Bilasval & Co.—Aga Khan Buildings Dalal Street, Fort Bombay.
44. Punam Chand Batia—19, Circular Garden Reach Road Calcutta
45. Chakravarty Sons & Co.—22, Canning Street Calcutta
46. G. I. Purushotham Naidu—24, Krishnaswamy Mudaliar Road, Coimbatore
47. Chetty R. K. S. & Bros.—Singanailur, Coimbatore-5
48. S. R. Poddar—33, Netaji Subhas Road, Calcutta.
49. Calcutta Agency Ltd.—24, Netaji Subhas Road Calcutta.
50. Chanda, A. P.—15, Faratola Road, Calcutta
51. Shoocridge F. G.—234-3, Lower Circular Road Calcutta
52. R. A. R. Mackay—175, West George Street Glasgow C.2
53. Cement Agencies (Private) Ltd.—121, Queen's Road Fort Bombay
54. Consolidated Elec. Agencies—17-B, Convent Road Calcutta
55. K. S. R. Iyer—Imperial Bank Buildings Bank Street, Fort Bombay
56. Chhony P. M. & Co. Ltd.—Radio House Apollo Bunder Bombay.
57. Cumberbatch & Co.—Colombo.
58. Cowasjee Jehangir & Co. Ltd.—Ready Money Mansion, Churchgate Street, Fort Bombay
59. N. K. Jalan—Kamini Chamber, 32 Nicol Road, Ballard Estate, Bombay.
60. Chandrie & Co. Ltd.—Madras.
61. Bagaria More Co. Ltd.—5, Clive Row, Calcutta
62. Dayaram & Sons—9, Old Court House Street Calcutta.
63. Duncan Brothers & Co., Ltd.—31, Netaji Subhas Road, Calcutta.
64. Dutt Thomas & Co.—2 and 3, Clive Row Calcutta
65. Dass Bros.—29 and 30, Strand Road, Calcutta.
66. A. K. Das—15, Netaji Subhas Road, Calcutta.
67. Day, P. E.—Alderman's House, Bishopsgate, London E.C.2
68. Hari Brothers Private Ltd.—Scindia House New Delhi
69. Dadaaboy, Sir M. B.—Kampte Road, Civil Lines Nagpur.
70. N. D. Gangur—14, Netaji Subhas Road, Calcutta
71. B. C. Roy—Hindusthan Buildings, 4, Chittaranjan Avenue Calcutta.
72. Datta, J. C. & Co., Ltd.—National Bank Buildings, Netaji Subhas Road, Calcutta.
73. C. L. Day—25, Netaji Subhas Road, Calcutta.
74. Davenport & Co. Private Ltd.—6, Church Lane Calcutta.
75. Desai, R. M.—14, Nicol Road, Ballard Estate, Fort, Bombay.
76. Dudwell & Co., Ltd.—Glennie Street, Slave Island Colombo.
77. Darragh Small & Co., Ltd.—Alleppey.
78. Dadaaboy B. A. & Co.—Ilaac House, Sir Phiroozesab Mehta Road Bombay.
79. B. N. Elias & Co. Private Ltd.—1 and 2, Old Court House Corner Calcutta.
80. Eastern Corp. Ltd.—7, Wellesley Place, Calcutta.
81. Ebeeling A. F.—Rawalpindi.
82. Poddar, P. L.—135, Canning Street, Calcutta.
83. Pratapsingh Mathuradas—9, Wallace Street, Fort Bombay.
84. S. B. Industrial Development Co. Ltd.—12, Old Court House Street, Calcutta.
85. A. Firpo Jr.—18/2, Chowringhee, Calcutta.
86. Forbes Forbes, Campbell Ltd.—Forbes Buildings, Home Street, Fort, Bombay.
87. S. V. S. Iyer—38C, Old Prabhadevi Road Bombay-28.
88. Gillanders Arouthnot & Co. Ltd.—Clive Buildings Netaji Subhas Road, Calcutta
89. Gladstone Lyall & Co., Ltd.—4, Fairlie Place, Calcutta
90. H. C. Bowker—"Victoria House", Calcutta.
91. P. L. Tandon—India House, Fort Street, Bombay.
92. Govan Bros. (Rampur) Private Ltd.—4, Scindia House New Delhi.
93. Govan Bros. Ltd.—Malhotra Building, Queensway New Delhi
94. R. K. Deva—93-A, Dharamtalla St., Calcutta.
95. Daga & Co., Ltd.—9, Royal Exchange Place Calcutta.
96. M. L. Bexon—57B, Free School Street, Calcutta-16
97. Govan R. G. & Co.—Scindia House, Connaught Circus New Delhi.
98. Turnbull R. W.—P-4, Mission Row Extension Calcutta
99. Abinash Chandra Das—Jalpaiguri.
100. Guha Nalini Kumar—18/11-1-B Raja Raj Ballyav Street Calcutta
101. Purushottam Lal—5, Clive Row, Calcutta
102. George, A. V. & Co. Ltd.—Anchoril, Bank Bldgs Kottayam Travancore.
103. Kundlia, G. Sekaria—139, Meadow Street Fort Bombay
104. Gopikisan Piramali—Soparibaug Road, Parel Bombay-12
105. P. E. G. W. Parish—Gillander House, Netaji Subhas Road Calcutta
106. F. W. Heilgers & Co. (Private) Ltd.—Chartered Bank Buildings Calcutta
107. Howrah Trading Co. Ltd.—8, Dalhousie Square East Calcutta
108. A. & F. Harvey Ltd.—Madurai.
109. Holmes Wilson & Co. Ltd.—"Stephen House" Calcutta.
110. R. G. Khanna—Solani Brewery Simla.
111. Hotel (Control) Private Ltd.—4 & 4/1, Wellesley Place, Calcutta.
112. Glass, I. O. H.—Bilbao House 36, New Broad Street, London E.C.2
113. B. P. Khaitan—14, Netaji Subhas Road, Calcutta
114. Harrison & Crossfield Ltd.—Calcutta.
115. I. V. Braddelley—The Great Social Buildings, Sir Phirozesab Mehta Road Fort Bombay
116. K. G. Khanna—Solani Brewery (H.P.), Hari Sons—Avlur (Cochin State).
117. Hormusjee Sons & Co.—605, Gligram Road Dhobi Talao Bombay-2.
118. Ramnarayan Sons Ltd.—Bombay.
119. Industrial Financing Co.—63, College Street, Calcutta.
120. Imperial Chemical Industries (India) Private Ltd.—34, Chowringhee, Calcutta.
121. Indra Singh & Sons Private Ltd.—7, Wellesley Place, Calcutta.
122. Hari Brothers Private Ltd.—Scindia House New Delhi-1.
123. R. Raja Rao—Honawal Road, Shimoga.
124. Iyer, I. R. Anantharam & Bros Ltd.—Pushpagiri Trichur
125. N. Sirur & Co. Private Ltd.—70, Forbes Street Fort Bombay
126. J. P. Hannay—2 Metcalfe St. Calcutta.
127. Jardine Henderson Ltd.—4, Clive Row, Calcutta
128. S. S. Bhimwal—7, Chowringhee Road, Calcutta
129. Jhazharia Bros Ltd.—138, Harrison Road Calcutta.
130. Jain, N. K. & Co. Ltd.—"Devasnam", Arrah Shahabad
131. J. K. Industries (Private) Ltd.—7, Council House Street Calcutta.
132. James & Co. Ltd.—25, Netaji Subhas Road Calcutta.
133. Late Industries Ltd.—4, Lyons Range, Calcutta
134. John, V. C.—Kottayam, Travancore State
135. Jones, H. Edwin—Oriental Building, Bombay Elec. House, Ahmedabad
136. John Kurian—Kottayam, Travancore State
137. Kettewell Bullen & Co. Ltd.—21, Strand Road Calcutta.
138. Kilburn & Co. Private Ltd.—4, Fairlie Place Calcutta.
139. Karamchand Thapper & Bros. Private Ltd.—Ilaac House, 25, Brabourne Road Calcutta-1.
140. Kotbari & Sons Agency Private Ltd.—Armenian Street Madras.
141. R. Suryanarayan Rao—Channanpatti, Mysore State
142. S. L. Dhanuka—P-15, Bentinck Street, Calcutta
143. Khaitan, D. & Sons—14, Netaji Subhas Road Calcutta
144. P. S. Nikantan—1, Waterloo Street, Calcutta
145. Killick Industries Ltd.—Home Street, Fort Bombay
146. Kanga, R. D.—Electric House, Post Fort Bombay.
147. Kurian John—Alleppey.
148. Khatau Makani & Co.—6, Ballard Road Fort Bombay
149. Killick A. S.—2-6, 2nd Line Beach, Madras.
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MANAGING AGENTS.

217. L. C. Kanol-P-8, Mission Row Extension Calcutta.
218. Parry & Co. Ltd.—Dare House, Parry's Corner Madras.
219. India Sugar Agencies Ltd.—Mangalore, Madras.
220. Price, R. G. N.—National Bank Bldgs., Madras.
221. Z. R. Iranl—1/153, Mount Road, Madras.
222. Chrestien Mica Industries Ltd.—4, Lyons Range, Calcutta.
223. R. N. Agarwala—4, Lyons Range, Calcutta.
224. Lohia Brothers Ltd.—138, Canning Street, Calcutta.
225. Roy, B. K.—1, 2 and 3, Old Court House Street, Calcutta.
226. M. D. Shivananjappa—Kampegowda Road, Bangalore 9.
227. W. Morris—41, Chowringhee Road, Calcutta.
228. Ramnarain Sons Ltd.—Bank Street, Fort Bombay.
229. Rajputana Textile (Agencies) Ltd.—Delisle Road, Chenchpokla, Bombay.
230. Rajam, C.—Oriental Bldgs Armenian Street, Madras.
231. Ramamurthy, A.—Rovakhada (Orissa), Koraput Dist.
232. Ratnams Ltd.—Pugalar Trichinopoly.
233. T. Shamanna—1129, Vani Vilasa Road, Mysore.
234. Bangur Bros. Ltd.—14, Netaji Subhas Road, Calcutta.
235. Soorajmull Nagarmull—8, Dalhousie Square East, Calcutta.
236. Shaw Wallace & Co. Ltd.—4/5, Bankshall Street, Calcutta.
237. Srivastava, J. P. & Sons—Kanpur.
238. Bharat Ram Charat Ram Private Ltd.—Bara Hindu Rao, Delhi.
239. A. R. Kaisaraja Chettiar—Coimbatore.
240. A. K. I. K. M. Narayanan Nambodirupad—Kallai Malabar.
241. Singh, Ranjit—Lucknow.
242. N. L. Roy & Co.—9, Royal Exchange Place, Calcutta.
243. Shyamai Agarwal—9, Dalhousie Sq. East, Calcutta.
244. Sovaram Keshavdeo—15, Netaji Subhas Road, Calcutta.
245. Dr. B. N. Ghose—6, Ganesh Avenue, Calcutta-13.
246. Sundaren, S.—Indian Mercantile Chambers, Nicol Road, Bombay.
247. Singanania Padampat—Kannala Tower, Kanpur.
248. E. K. Srinivasan—16, Hare Street, Calcutta.
249. Steel Bros. & Co. Ltd.—Gillanders House, Netaji Subhas Road Calcutta.
250. T. Stanes & Co.—Coimbatore.
251. Southern India Plantations Agency Ltd.—Coonor.
252. Sana, Banubailav—18/11/13, Raja Raj Ballav Street, Calcutta.
253. R. B. Pradhan—Empire House, 214, Hornby Road, Bombay.
254. Sindia, M. Ramchandra Rao—3rd Road, Chamarajpet, Bangalore City.
255. Setalvad, J. C.—12, Oppo. Churchgate Station, Fort Bombay.
256. Scindia Steam Navigation Co., Ltd.—Ballard Estate, Bombay.
257. Rannath A. Podar—Podar Chambers, Farsee Bazar St., Fort Bombay.
258. Swedish Match Co.—Nicol Road, Ballard Estate, Bombay.
259. S. Ramasramony Aiyer—Trivandrum.
260. Puranmai Subna Sons—Indu House, Douglall Road, Ballard Estate, Bombay.
261. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort Bombay.
262. Ramnarayan Sons Ltd.—Bank Street, Fort Bombay.
263. Seshasayee Bros. Private Ltd.—Met-tur Dam, R.S.
264. V. Venugopal Naidu—Sir Jayachama-raja Wadiyar Road Bangalore-2.
265. Shree Hanuman Invt. Co. Ltd.—173, Harrison Road, Calcutta.
266. Talukdar, B. S. Amiasadarpur, Nadia (West Bengal).
267. Tata Hydro-Elec. Agency. Ltd.—34, Bruce Street Bombay.
268. Turner Morrison & Co. Ltd.—8, Lyons Range, Calcutta.
269. Tata Industries Private Ltd.—Bombay House, Bruce Street, Fort Bombay.
270. Thomas, A. V. & Co. Ltd.—Alleppey, drum.
271. Thomas, P. T.—Kottayam (Kerala State).
272. Thomas, M. K. & Co. Ltd.—Trivandrum.
273. Tayanjee, O. S.—159, Guntfoundry Rd., Hyderabad (Deccan).
274. A. Hyndin & S. Gohberg—Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay.

MANAGING DIRECTORS, DIRECTORS OR SECRETARIES WITH THEIR RESPECTIVE ADDRESSES.

275. United Eastern Agencies—Bombay House, Bruce Street, Fort Bombay.
276. United Agencies Ltd.—Punatur.
277. Villiers Private Ltd.—F-3, Clive Buildings, Calcutta.
278. S. M. Smith—4 Bankshall St., Calcutta.
279. Williamson Magor & Co., Ltd.—1, Mangoe Lane Calcutta.
280. Whitman, M. J. M. C.—Mayo Road, Rawalpindi.
281. N. K. Jhajarla—22, Chittaranjan Avenue Calcutta.
282. C. Hockley—3, Netaji Subhas Road, Calcutta.
283. P. R. Jhunjhunwala—Sewrie, Bombay-15.
284. Walchand & Co. Ltd.—Ballard Estate, Fort Bombay.
285. Wallace & Co.—9, Wallace Street, Bombay.
286. Wilkinson, A.—117/119, Esplanade Road Bombay.
287. Young India Agencies Private Ltd.—175/1, Mount Road, Madras-2.
288. Dass Group Private Ltd.—29, Strand Road, Calcutta.
289. Y. S. Fayal—4, Clive Row, Calcutta-1.
290. K. S. Basu—63, Netaji Subhas Road, Calcutta.
291. Lionel Edwards (Private) Ltd.—21, Old Court House Street, Calcutta.
292. R. N. Jhunjhunwala & Co., Ltd.—9, Ezra Street, Calcutta.
293. J. F. Horwood—31, Chowringhee Road, Calcutta.
294. R. L. Rumpura—8, Fairlie Place, Calcutta.
295. Premnath & Sons, Ltd.—New Delhi.
296. S. N. Pantia—1 & 2, Old Court House Corner, Calcutta.
297. F. H. Menta—Menta House, Apollo Street, Bombay.
298. L. S. Vaidyanathan—Oriental Build-ings Bombay.
299. Kishore M. Premchand—61, Apollo Street, Fort Bombay.
300. Madanilal Kakarania—P-23/24, Radha Bazar Street, Calcutta-1.
301. Jennis Roy Galloway—1 & 3, Brabourne Road, Calcutta-1.
302. Mitra Mondal—Khatauli, Dt. Muzaf-farnagar.
303. G. S. Shroff—2, Hardinge Avenue, New Delhi.
304. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.
305. Thackersey Mooljee & Co.—16, Apollo Street, Fort Bombay.
306. Jatta Brothers Ltd.—21, Rupchand Roy Street, Calcutta.
307. Shatter's Agency Ltd.—18, Netaji Subhas Road Calcutta.
308. The Hyderabad Constructions Co., Ltd.—Kothagudim Collieries, Singa-reni P.O., Deccan.
309. T. Leslie Martin—12, Mission Row, Calcutta.
310. D. S. Barron—Chakala Andheri P.O., Bombay.
311. Pyne & Sons—23A, Netaji Subhas Road, Calcutta.
312. Ram Kumar Agarwalla & Sons.—4, Lyons Range, Calcutta.
313. Bullion Co. Ltd.—, Canning Street, Calcutta.
314. Brooke Bond India Ltd.—2, Metcalfe Street, Calcutta.
315. Anderson Wright (Rangbar) Ltd.—7, Wellesley Place, Calcutta.
316. The Cotton Agents Private Ltd.—14, Radha Bazar Lane, Calcutta-1.
317. Bird & Co. (Pakistan) Ltd.—Narayan-ganj.
318. Shree Krishna Investment Co., Ltd.—1-B, Halwastiya Road, Calcutta.
319. H. V. R. Jengar—Dare House, Parry's Corner, Madras.
320. F. W. J. Penn—32, Grant Road, Ban-galore-1.
321. B. Ghosh—14, Old Court House Street, Calcutta.
322. Messrs Fata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Road, Fort Bombay-1.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.
324. Indo Corporation Private Ltd.—5, Swinhoe Street, Calcutta-18.
325. Brian Granger Pearson—Virginia House, 37, Chowringhee, Calcutta.
326. B. L. Pyne—14, India Exchange Place, Calcutta.
327. Marwai Textiles (Agency) Ltd.—Waudby Road, Fort Bombay-1.
328. John Taylor & Sons (India) Ltd.—Mysore Coogram, South India.

329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.
330. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder Bombay.
331. N. L. Roy & Sons—Canning Street, Calcutta.
332. M. P. A. Paspatti—16, Hare Street, Calcutta.
333. Mungturam Jalpuria—Swadeshi House, Civil Lines Kanpur.
334. H. Mackay Pailack—2, Fairlie Place, Calcutta.
335. Sahu Jain Ltd.—11, Clive Row, Calcutta.
336. Iuldasas Kilachand—Scindia House, Douglall Road, Bombay.
337. Beriwalla & Co.—63, Netaji Subhas Road, Calcutta.
338. D. R. Sons Ltd.—Hornby Road, Fort, Bombay.
339. M. G. Investment Corp., Ltd.—Mafatalal House, Backbay Reclama-tion, Bombay-1.
340. K. O. Cheriyan—Travancore.
341. N. L. Kanoria—India Exchange, Calcutta-1.
342. O. N. Chatterjee—2, Royal Exchange Place, Calcutta.
343. Indra Singh—135, Canning Street, Calcutta-1.
344. V. J. Pillani—Victoria Bunder, Colaba.
345. The National Tea Corporation—130, Cotton Street, Calcutta.
346. Seshasayee Brothers (Travancore) Ltd.—Eloor Factory, Alwaye.
347. Tania Brothers Private Ltd.—1 & 2, Old Court House Corner, Calcutta.
348. M. D. Jalan—82, Ballygunge Circular Road, Calcutta-19.
349. Seth, Sonalal Murarka—19, Circular Road, Calcutta-23.
350. K. Agarwal—Empire House, Dr. Dada-Bhoj Naooji Road, Fort Bombay.
351. L. & I. (Management) Private Ltd.—I. C. House, Douglall Road, Ballard Estate, Bombay.
352. Chinai And Co. Private Ltd.—Sadha-na Rayon House, Dr. Dadabhai Nao-roji Road, Bombay-1.
353. N. K. Jhajarla—14, Netaji Subhas Road, Calcutta.
354. L. C. Kanol—P-8, Mission Row Exten-sion, Calcutta.
355. T. R. Jalan—18, Strand Road, Cal-cutta.
356. R. Bajoria—10, Clive Row, Calcutta.
357. A. K. Jain—11, Clive Row, Calcutta.
358. L. P. Goenka—14, Old Court House Street, Calcutta-1.
359. G. D. Kothari—15, India Exchange Place, Calcutta.
360. S. K. Handoo—Volkart Building, 19, Graham Road, Bombay-1.
361. N. K. Bose—85, Netaji Subhas Road, Calcutta.
362. Dalmia Agencies Private Ltd.—Raj-gangpur (Orissa).
363. G. L. Nahata—14, Old Court House Street, Calcutta.
364. C. P. Vink—7, Justice Chandra Madhab Road, Calcutta-20.
365. S. L. Dhanuka & P. L. Dhanuka—5, Mission Row, Calcutta.
366. A. K. Sen—48/1, Diamond Harbour Road, Calcutta-27.
367. Lakshmiptat Singhanla—7, Council House Street, Calcutta.
368. Kalyanji Mavji & Company—14, Netaji Subhas Road, Calcutta.
369. P. L. Batia—7, Canning Street, Calcutta.
370. Pannalal Saraogi—8, Lyons Range, Calcutta-1.
371. P. L. Sarogi—58, Sir Hariam Goenka Street, Calcutta-7.
372. B. K. Newar—8, Brabourne Road, Calcutta.
373. C. L. Maheswari—Shreenivas House, Waudby Road, Fort Bombay.
374. Talukdas Law & Co. Private Ltd.—4, Chittaranjan Avenue, Calcutta-13.
375. R. N. Mookerjee—Leslie House, 19, Chowringhee, Calcutta-13.
376. K. D. Ganguli—Mercantile Buildings, Lalbazar, Calcutta.
377. K. C. Dass & S. Maitra—35, Panditla Road, Calcutta-20.
378. R. N. Goenka—18-A, Brabourne Road, Calcutta.
379. S. R. Damani—30, Clerk Road, Bombay-11.
380. British India Corporation Ltd.—Sutherland House, Kanpur.
381. S. P. Jain—Dalmiansagar Bihar.
382. B. P. Kedia—7, Wellesley Place, Calcutta-1.
383. W. B. G. Baird—9, Brabourne Road, Calcutta.
384. Punam Chand Batia—19, Circular Garden Reach Road, Calcutta-23.

385. G. P. Kanoria—3, Clive Row, Calcutta, Lane, Calcutta.
386. O. N. Jalan—McLeod House, 1, Netaji Subhas Road, Calcutta.
387. Shibendra Sankar Sarbadhyakha—Jaipalguri.
388. A. V. Birja—8, Kaliprasanna Singhee Road, Calcutta-2.
389. British India Corporation Ltd.—Kanpur.
390. T. Ratan—16/3, Chowringhee Road, Calcutta-13.
391. H. M. Cox—59-C, Chowringhee Road, Calcutta-20.
392. A. V. Niblett—32, Chowringhee Road, Calcutta-16.
393. Khatau M. Shethia—14, Netaji Subhas Road, Calcutta-1.
394. B. M. Birja—India Exchange, Calcutta-1.
395. W. F. Malden—Lohat, Darbhanga.
396. G. D. Wilson—21, Netaji Subhas Road, Calcutta.
397. N. M. Ghuwalka—135, Canning Street, Calcutta.
398. Hoare Miller & Co., Ltd.—5, Fairlie Place, Calcutta.
399. B. Patnaik & Co. Private Ltd.—P.O. Chowdwar, Cuttack.
400. R. K. Kanoria—9, Brabourne Road, Calcutta-1.
401. K. V. Venkatasubramoney Iyer—Seeta-gundy Estate Sitharkunda P.O., Pal-ghat, Dist. Kerala State.
402. A. V. George & Co., Ltd.—Anchorli Bank Buildings, Post Box 1, Kotta-vam Kerala State.
403. Mathew Sebastian—Thodupuzha, Kerala State.
404. Planning Agencies Private Ltd.—Ori-ental Buildings, Armenian Street, Madras-1.
405. The Consolidated Coffee Estates (1949) Ltd.—Pollibetta, Coorg.
406. C. I. Machia—Pollibetta S. Coorg.
407. Srinivas Agencies—Coimbatore-2.
408. K. N. Krishna Iyer—22, Royapettah High Road, Madras-14.
409. Young India Agencies, Pvt. Ltd.—Monorams Bldgs, K. K. Road, Kot-tayam (Kerala State).
410. Parkins Private Ltd.—Kottayam.
411. Johnsons Estates & Agencies (Private) Ltd.—Malankara Bldgs., Kodimatha, Kottayam Kerala.
412. Associated Planters (Pvt.) Ltd.—25, General Patters Road, Madras-2.
413. J. R. Moithshaw—Mercantile Bank Build-ing 18, First Line Beach, Madras-1.
414. K. V. Mathew—Kottayam, Kerala State.
415. K. Ramachandran—Pattom Palace, P.O., Trivandrum-4.
416. N. Kunjarkrishna Pillai—T. C. 6/730, Patton Palace, P.O. Trivandrum-4.
417. Rangoo Rao & Co.—Venkataraypuram, Tankku, West Godavari Dist., Andhra Pradesh.
418. The India Sugar Agencies Private Ltd.—139 Meadows Street, Fort Bombay-1.
419. R. S. Industrial Corporation Private Ltd.—Rayagada, Koraput Dist., Orissa State.
420. V. Ramakrishna Sons (Private) Ltd.—38 Mount Road, Madras-6.
421. Seshasayee Brothers (Travancore) Pvt. Ltd.—Ceramic Factory Road, Kun-dara (Kerala).
422. Sir A. Ramaswamy Mudaliar—Ennore, Madras.
423. P. J. M. Leigh—7, Armenian Street, Madras-1.
424. K. R. Sundaram Iyer—Tiruvottiyur, Madras-19.
425. Essen Private Ltd.—175/1, Mount Road, Madras-2.
426. J. L. O'Sa—Old Rumkur Road Malles-waram, Bangalore-12.
427. The Standard Motor Co. (India) Pvt. Ltd.—28, Mount Road, Madras-2.
428. E. H. Stanes—6/33 Race Course Road, Coimbatore-1.
429. Balasundaram & Co.—Satyamangalam Road Ganapathy P.O., Coimbatore-3.
430. A. M. M. Arunachalam—52/53, Jehan-gir Street, Madras-1.
431. J. M. Parsons—2, Fairlie Place, Calcutta-1.
432. Manabir S. J. B. Rana—1, Humayan Place, Calcutta.
433. G. N. Sam & Co.—Senthottam Sow-ripalyam P.O., Coimbatore-4.
434. G. Kejriwal—Rajgangpur, Dist. Sun-dergarh, Orissa State.
435. D. C. Ghosh & Co. (Agents) Private Ltd.—11, Government Place East, Calcutta.
436. N. D. Bangur—14, Netaji Subhas Road, Calcutta.
437. R. N. Bhotika—4, Old Court House St., Calcutta.
438. Birja Gwallor Private Ltd.—Industry House, 159 Churchgate Reclamation, Bombay-1.
439. R. S. Bajpal—Kamala Tower, Kanpur.
440. R. L. Jatta—9, Brabourne Road, Calcutta-1.
441. S. K. Agarwalla—24, Netaji Subhas Road, Calcutta-1.
442. S. P. Shoumik—17, 18 & 19, Old Court House Street, Calcutta.
443. Madan Mohan Lall Shri Ram Ltd.—D.C.M. Premises, Bara Hindi Rao, Delhi-4.
444. T. R. Jalan—3, Brabourne Road, Calcutta-1.



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A DISTURBING BUDGET FROM MR. DESAI

THE Central Budget for 1963-64, presented by the Finance Minister, Mr. Morarji Desai, last Thursday, stands a fair chance of going down as not only the biggest but also the most controversial in Indian economic history. It is easy to sympathise with the Finance Minister in his difficulties. The revenue and capital expenditure on defence was originally intended to be Rs. 376 crores in 1962-63; because of the Chinese invasion, it will now be over Rs. 500 crores, and in the coming year, 1963-64, it will skyrocket to Rs. 867 crores. In addition, the Centre's capital outlay on the plan is budgeted to rise from Rs. 719 crores in the current year to Rs. 901 crores in the coming one. Allowing for certain adjustments, Mr. Desai is thus faced with the formidable task of somehow finding another Rs. 610 crores to spend in 1963-64. This he has done with vigour and ingenuity. But he has done it in a way which, to state the matter in complete seriousness, threatens steady economic decline.

The first problem facing those analysing the Budget is that they cannot easily assess the assumptions on which the main expenditure estimates are based. Mr. Desai had long ago given notice that defence expenditure would have to be doubled, which was taken as implying that it would have to rise from Rs. 376 crores to around Rs. 750 crores. The increase, in fact, is going to be bigger—to Rs. 867 crores. The rise, and the defence preparations it is going to finance, are quite properly not a matter for public dispute and detailed scrutiny. But three comments may nevertheless be made. One is that if this is judged to be the price required now for a decade of miscalculation in foreign affairs, the nation has to pay it. The second is that it reflects a certain deep pessimism about the intentions of the Chinese. The news has apparently leaked through to New Delhi that they are not yet stitching the garlands this country has been hoping to receive over the negotiating table screwed up by the Colombo Powers; and, furthermore, the Himalayan snows will soon be melting. The third comment is that it is easy enough to more than double one's expenditure in a year. But to do so sensibly and efficiently is rather more difficult. It calls for not only organisational ability but also a certain complement of foreign aid, both of which problems, it must be presumed, the Government of India has attended to more carefully than in the past.

If Rs. 867 crores is assessed as the country's requirement for defence in the coming year, there can be absolutely no question but that it must somehow be found. The next problem still remains: can the third plan survive in the form in which it was originally presented, and in the form in which it is even now being proudly advertised? Mr. Desai has given a disguised answer: he has declared that the budgeted outlay, of the Centre and the States together, on the third plan is to increase from Rs. 1,465 crores in 1962-63 to Rs. 1,651 crores in 1963-64. But he has not mentioned that the latter figure is nearly Rs. 100 crores short of what the standing committee of the National Development Council bravely recommended a mere

seven weeks ago. The deduction may be permissible, therefore, that this is the extent to which the third plan programmes for the coming year have been cut—and the Rs. 100-odd crores thus saved siphoned off into the defence budget. The conclusion follows that, in spite of brave talk to the contrary these past five months, defence expenditure has hit the plan. To say that "the whole of the third plan is an integral part of the defence effort" is plainly wrong. If new slogans must be coined, a more truthful one would be that only "part of the third plan is an integral part of part of the defence effort." The rest of the plan, whether one likes it or not, has to be scrapped.

Indeed, it could not be otherwise. What the Government describes as "the vast upsurge of popular enthusiasm", admirable though it may be, could not have yielded enough rupees and naye paise once its main component proved to be verbosity. In any case, even if the money could have been found, it would never by itself have been enough, for it would have had to be backed by physical resources. India could in the coming year finance a plan outlay of not Rs. 1,651 crores, but ten times that much, by working the Nasik printing press overtime and by squeezing the pips of the population dry. But she still would not implement the plan fully; she would only succeed in sending the economy careering down the road to chaos. Therefore, by restricting the increase in the plan outlay to something smaller than the National Development Council had recommended, Mr. Desai has taken a step in the right direction. It now remains to be seen whether even the figure he has suggested can be financed without the economy bursting at the seams.

At the moment, the danger is that the strain on the seams apart, the country might be left wearing no trousers at all. Faced with an estimated revenue deficit of Rs. 266.87 crores and an overall deficit of Rs. 454 crores for 1963-64, the Finance Minister has decided that discretion is not the better part of valour. So, in conformity with the theories of sound budgeting, he has decided almost to wipe out the revenue deficit through new taxation which will bring the Centre Rs. 265.90 crores. As for the Rs. 188-odd crores which are then left of the overall deficit, a minor proportion is to come from a bigger programme for public borrowing. But no less than Rs. 151 crores is to come from that one-time deity of the Indian Exchequer—deficit financing.

The important point to note, however, is that the additional amount of Rs. 265.90 crores is not all that the Central Government is going to siphon out of private pockets into Government exchequers. This total does not include the Rs. 9.60 crores which the States will be getting as their share of the heavier excise duties. It does not include the Rs. 4.6 crores expected from the increases in postal, telegraphic and telephone rates. It does not include the yield from compulsory savings, which Mr. Desai says may bring something between Rs. 65 crores and Rs. 70 crores (of which Rs. 40 crores will accrue to the Centre). Finally, it

does not include the premia under the emergency risks insurance schemes, which Mr. Desai assumes might amount to Rs. 33 crores in the coming year but which others confidently believe might be a lot more. These last two—compulsory savings and emergency insurance—are not tax measures in the strict sense of the term. But the effect on those compelled to pay them will, in the short run at least, be almost exactly the same as if they were straightforward taxes. Two other measures still remain to be considered. The first is the doubling of the Central sales tax to 2 percent (mainly for the benefit of the States); this is estimated to yield Rs. 30 crores in a full year, although only Rs. 23.5 crores in 1963-64. The second is the surcharge on railway freights, which will bring Rs. 19 crores for the temporary or permanent benefit of the Central Exchequer.

The point is this: does New Delhi seriously think that the economy can stand tax and quasi-tax measures, worked through the Central Budget, which are designed to yield, on the official esti-

mate, well over Rs. 400 crores extra in a single year? If the economy were disciplined, vigorous and booming, there might have been some slight justification for a fiscal effort approaching this scale. But over the past year it has been sick and sluggish; nothing that Mr. Desai has done will make it better. In the circumstances, the Central Budget is not an act of courage and heroism. It is an act of extremism. The point is underlined by the fact that the extra revenue has almost certainly once again been grossly and deliberately underestimated. Nobody can fail to notice that the 1962-63 Budget presented last April imposed new taxes totalling about Rs. 60 crores in order to take the Central Government's total revenue up to Rs. 1,381 crores. According to the revised estimates just presented, the revenue is actually likely to go up, not by Rs. 60 crores, but by Rs. 180 crores—to Rs. 1,560 crores. The Budget speech contains a long explanation purporting to show how the Almighty brought bundles of notes down from the sky into the Central kitty. But, for most people, the impression will remain that the

deliberate under-estimation of revenue is now getting to the stage where the arithmetic of the tax-collectors is comparable to the arithmetic of the tax-evaders.

The scale of taxation apart, the nature of some of the new levies is such that, unless drastically amended, they might well bring economic, especially industrial, expansion to a stop. For companies generally, quite the worst of the new levies is the super profits tax. (Its effects are analysed in greater detail in a special article on page 332, and investors' reactions to the tax, as well as to the Budget generally, are reviewed in the "Guide for Investors" section on page 339.) The super profits tax is the centre-piece of a new scheme of direct taxation which displays the murky passions of socialist ideology at their worst. More than anything else, it constitutes a penalty on efficiency in that it is applicable to all companies which achieve a reasonable level of profitability. As the Finance Minister says, "the tax will operate when the income of a company after deducting the in-

come tax and super tax payable by it exceeds 6 percent of its capital and reserves, except for such amounts of reserves which have been allowed as deduction in computing the total income for income tax. The rate of tax will be 50 percent when that income is above 6 percent but not above 10 percent of the capital, and 60 percent on incomes above 10 percent." Mr. Desai has expressed the hope that, apart from discouraging "excessive profits", the levy will help "to keep down the prices". There are excellent reasons for believing that it will do nothing of the sort.

The first main consequence of the super profits tax will be that it will encourage companies to become inefficient. Cost-consciousness, about which Government spokesmen chatter interminably, will vanish. The tendency, on the contrary, will be to allow costs to rise so that profits come down to the level Mr. Desai likes and the full impact of the super profits tax does not have to be borne. The second main consequence will be that "growth" companies will be very badly hit, especially since it appears that the development rebate reserves are to be excluded from the computation of the capital-reserve base. In fact, although it is less than seven days since the super profits tax was announced, reports are already current that a number of companies propose to fold up the expansion plans they were thinking of launching. New companies will wonder how they are to repay their debts, leave alone the servicing of their share capital. And the Finance Minister has yet to explain why, if Government-sponsored bodies like the Industrial Finance Corporation want 7½ percent on their loans, private investors who accept bigger risks should be satisfied with something around 6 percent. Any talk that the super profits tax will help bring prices down is eye-wash. The Finance Ministry must know that in a shortage economy like India's, prices are determined mainly by the demand-supply position. If manufacturing companies cut their prices, there is no chance that the trade, which is largely outside the corporate sector, will. The net result will be a transfer of profits, and later of capital investment, from manufacturing to trading. One wonders if Mr. Desai thinks that a good idea.

Surcharge on Income

The wishy-washy socialism implicit in the super profits tax is seen in the pattern of the other direct taxes too. The withdrawal of the partial exemption for jewellery under the wealth tax is not too objectionable, unless the principle underlying the wealth tax as such is questioned. One only hopes the Government will spend the Rs. 40 lakhs thus acquired on getting itself a longer nose to discover where such jewellery is usually hidden. The additional Union surcharge on incomes is drastic, especially in view of the scale of progression on the higher incomes. Like the super profits tax, it represents a novel contribution to the world's fiscal wisdom in that it introduces the principle whereunder after-tax incomes are once again taxed. The idea sounds terribly clever; if there is nothing to be said for it, one can at least claim that it is new, and therefore ingenious. But the Finance Minister's purpose in doing what he has done is rather more humdrum. It is to spit in the States' eye, by ensuring that they get no share of the extra revenue.

The whole scheme for increasing personal taxation—although its effects are mitigated, in a manner of speaking, by the scheme for compulsory savings—suffers from one crucial defect. It is that it hits hardest those sections of the population who contribute their savings freely to the growth of private industry; and who, for their skill, experience and talent, deserve better rewards. Mr. Desai has shown some courage by applying the compulsory savings scheme to those earning more than Rs. 1,500 a year. But the courage might have been better demonstrated if he had done the straightforward thing by lowering the income tax exemption limit, especially since the administrative difficulties of collection would have been no greater. Because the political courage has been lacking, the Finance Minister has offered as a sop the "soak-the-rich" Union surcharge on the after-tax incomes of the taxable groups. Minor incentives have been given to those who may care to pay their taxes promptly. But these are of little relevance in a

Budget which gives powerful new incentives for evading taxes altogether. India thus moves fast to the stage where, having adopted M. Peacock as its National Bird, it might soon adopt M. Poujade as its National Hero.

On a longer view, among the most serious of the new levies might well be the one which penalises companies for spending more than Rs. 60,000 a year on the remuneration and perquisites of an individual employee. It would perhaps be impertinent to enquire how much the Government spends on an individual Minister, or even on the more favoured among his hangers-on. But the idea that anything above Rs. 60,000 a year spent on an employee should be added back to the company's income, and taxed accordingly, is basically wrong. As an attempt to bring incomes in the private sector down to what they are in the public sector, it is at best an unworthy subterfuge. Many companies will find their senior employees costing them much more than they had expected. Many others may find themselves compelled to revise the terms of employment, which, if the employees decide to leave, will deprive the companies of the skill and experience they have carefully tried to conserve. Less honest organisations could no doubt find ways of avoiding the penalty even though sweeping new powers have been given to income tax officers. But a sound Budgetary policy cannot be one that from year to year puts new premia on dishonesty.

Foreign Investment

The most disastrous effect—of the super profits tax, of the surcharge on personal incomes, and of the virtual restriction on the earnings of senior employees—will almost certainly be seen in the flow of private foreign investment to this country. Mr. Desai cannot be unaware that even the very minor concessions he has given to foreign investors in earlier years have brought a modest, but still encouraging, increase in the inflow of foreign capital. If the Budget stands as it is, it can be said with confidence that that inflow will virtually stop. At a time when the foreign exchange reserves are dangerously small, and when private foreign capital and know-how is desperately

required even for the defence build-up, the prospect cannot be contemplated with equanimity. India has to shake herself out of the dream where she thinks she has become a glorious haven for foreign investors merely because the Chinese are thumbing their nose at her, or because 440 million people are standing around waiting to buy any rubbish that can be made. The fact has to be faced that better returns are available to foreign investors in other countries; and if foreign technicians and managers are wanted here, they cannot be expected to run around in saintly austerity however elaborately the idea might be advertised by prosperous Congressmen.

Indirect Levies

Broadly speaking, one of the more rational features of Mr. Desai's Budget is that he has relied quite heavily on indirect taxes. Out of the total additional revenue of Rs. 265.90 crores accruing to the Centre, as much as Rs. 106.61 crores will come from excise duties and Rs. 87.39 crores from Customs duties. A major aim here again has been to ensure that the States benefit as little as possible, so the device of surcharges on the existing excise duties has been used quite widely. (The States' share in the additional excise revenue will be only Rs. 9.60 crores.) The most notable of the new indirect levies is the 10 percent surcharge on import duties, which is interpreted in some circles as an alternative to the devaluation of the rupee—especially when combined with the minor incentive for exports. Since a large proportion of imports are on Government account, the surcharge to some extent is a measure merely for transferring money from the Exchequer's left pocket to the Exchequer's right pocket. But there can be no doubt that it will do much to raise costs and prices, in a way not very dissimilar from what devaluation might have done. Along with the heavier impost on machinery imports, it will mean that the cost assumptions on which third plan projects are based will now be wrecked. Expansion in private industry too will become more expensive.

The unfortunate feature of the indirect levies is that only a limited attempt has been made to tax articles of general consumption. In particular, the political courage to reimpose the salt duty has been lacking. Instead, Mr. Desai has concentrated his attention not only on the so-called "luxury" goods, but also on many raw materials and intermediate products used by manufacturing industry. In a number of cases, the taxes on the latter categories of goods can be passed on to domestic consumers; but they cannot be passed on to foreign buyers. The rise in the cost of exportable goods will inevitably be extremely damaging. Stronger export incentives are needed if that damage is to be avoided.

In sum, the Budget which Mr. Desai has presented promises to be among the most memorable disappointments in Indian fiscal history. Inflicted on an economy which has already been seriously debilitated, it offers no incentive to move to a phase of expansion and optimism again. It does nothing to revive the domestic capital market, nor to attract the foreign investor. Its chief achievement may be to induce cost inflation on a scale India has perhaps rarely experienced before.

Additional Surcharge on Incomes

IN the Finance Bill, 1963, it is proposed to levy for the assessment year 1963-64 an additional surcharge on income tax in the cases of individuals, Hindu undivided families, unregistered firms, associations of persons, etcetera. This surcharge, which will be for the purposes of the Union, will be calculated on the residual income, that is the total income (exclusive of capital gains, if any), as reduced by the income tax or super tax chargeable on it. For this purpose, the gross amount of income tax and super tax will be deducted from the total income and not the net amount after allowing any rebates that is, rebates on life insurance premia and provident fund contributions, etcetera.

The rates of this additional surcharge, which rise progressively on higher slabs of residual income, are as follows:

Percent	
On the first Rs. 6,000 of the residual income	4
On the next Rs. 9,000	6
On the next Rs. 12,000	8
On the next Rs. 15,000	9
On the balance of the residual income	10

In the case of income from salaries, this additional surcharge will be deductible at source from the payments made during the financial year 1963-64. It will, however, not be charged on the

salary income earned during the financial year 1962-63 because that income is assessable to tax at the rates in force under the Finance (No. 2) Act, 1962. In the case of income other than salaries, the additional surcharge will be levied in making assessments for the assessment year 1963-64.

It has been provided in the Compulsory Deposit Scheme Bill, 1963, that an assessee who makes a deposit under its provisions will be entitled to a certain deduction from the amount of additional surcharge payable by him. This deduction is at the rate of 3 percent on the first Rs. 6,000 of the residual income and at the rate of 2 percent on the balance amount. If the deposit made is smaller in amount, the deduction will, of course, be restricted to that amount. The deposit bears an interest at the rate of 4 percent a year and such interest, it is proposed, will be exempted from tax.

The tables given below show the amount of tax payable by a married individual with more than one child at various levels of total income at the rates proposed for 1963-64, on (i) income from salaries, (ii) earned income other than salaries, and (iii) wholly unearned income. The amount of the maximum deduction from additional surcharge which will be admissible on making a deposit under the Compulsory Deposit Scheme Bill, 1963, is also shown in these tables.

TABLE I

MARRIED INDIVIDUAL WITH MORE THAN ONE CHILD
(WHOLLY UNEARNED INCOME)

Income	Total tax including additional surcharge	Maximum deduction admissible	Net amount of tax payable after maximum deduction allowed for making deposit under the Compulsory Deposit Scheme
3,600	Nil	Nil	Nil (but will have to make a compulsory deposit at 3 percent under the C.D.S.)
4,200	189	125	64
4,800	233	143	90
5,000	248	148	100
6,000	368	176	192
7,200	533	199	334
8,400	730	221	509
9,600	937	242	695
10,000	1,006	249	757
12,000	1,397	283	1,114
13,200	1,655	303	1,352
14,400	1,930	323	1,607
15,000	2,068	333	1,735
16,800	2,582	360	2,222
18,000	2,969	378	2,581
20,000	3,627	407	3,220
27,000	7,045	485	6,560
33,000	10,506	540	9,966
36,000	12,302	566	11,736
48,000	20,397	651	19,746
55,000	25,821	686	25,135
70,000	38,364	740	37,624
90,000	55,998	792	55,206
100,000	64,815	818	63,997
200,000	1,53,075	1,078	1,51,997
300,000	2,41,375	1,338	2,40,037

TABLE II
MARRIED INDIVIDUAL WITH MORE THAN ONE CHILD
(WHOLLY EARNED INCOME OTHER THAN SALARIES)

Income	Total tax including additional surcharge	Maximum deduction admissible	Net amount of tax payable after maximum deduction allowed for making deposit under the Compulsory Deposit Scheme
3,600	Nil	Nil	Nil (but will have to make a compulsory deposit at 3 percent under the C.D.S.)
4,200	186	125	61
4,800	228	143	85
5,000	242	149	93
6,000	353	176	177
7,200	505	200	305
8,400	686	222	464
9,600	877	243	634
10,000	940	250	690
12,000	1,297	285	1,012
13,200	1,533	306	1,227
14,400	1,782	326	1,456
15,000	1,907	336	1,571
16,800	2,375	364	2,011
18,000	2,717	383	2,334
20,000	3,322	413	2,909
27,000	6,381	499	5,882
33,000	9,470	562	8,908
36,000	11,072	593	10,479
48,000	18,301	698	17,603
55,000	23,126	745	22,381
70,000	34,270	830	33,440
90,000	49,938	926	49,012
1,00,000	57,789	973	56,816
2,00,000	1,42,826	1,306	1,41,520
3,00,000	2,27,864	1,638	2,26,226

TABLE III
MARRIED INDIVIDUAL WITH MORE THAN ONE CHILD (INCOME FROM SALARIES ONLY)

Income	Total tax including additional surcharge	Maximum deduction admissible	Net amount of tax payable after maximum deduction allowed for making deposit under the Compulsory Deposit Scheme
3,600	Nil	Nil	Nil (but will have to make a compulsory deposit at 3 percent under the C.D.S.)
4,200	185	125	60
4,800	227	143	84
5,000	241	149	92
6,000	350	177	173
7,200	501	200	301
8,400	680	222	458
9,600	867	243	624
10,000	930	250	680
12,000	1,281	286	995
13,200	1,512	306	1,206
14,400	1,757	326	1,431
15,000	1,881	337	1,544
16,800	2,341	365	1,976
18,000	2,677	384	2,293
20,000	3,270	415	2,855
27,000	6,271	501	5,770
33,000	9,297	566	8,731
36,000	10,867	597	10,270
48,000	17,952	705	17,247
55,000	22,677	755	21,922
70,000	33,588	845	32,743
90,000	48,937	948	47,989
1,00,000	56,825	999	55,826
2,00,000	1,40,031	1,368	1,38,663
3,00,000	2,23,438	1,737	2,21,701

Note: In all three cases, the figures in column 3 relate to the maximum deduction admissible from the additional surcharge on making a deposit under the Compulsory Deposit Scheme.

In all three cases, a married individual with more than one child with an annual income of Rs. 3,600 will pay no tax, but will make a compulsory deposit at 3 percent, that is, Rs. 108 under the C.D.S.

TAX PROPOSALS

(Rupees in crores)

Customs	...	87.39
Excise	...	106.61 (Excludes States' share of Rs. 9.60 crores)
Sales tax	...	1.50 (Excludes States' share of Rs. 21 crores from the increased rate of sales tax on inter-State trade)
Super profits tax	25.00	
Surcharge on income tax	...	33.00
Tax rationalisation	...	12.40
Total	...	265.90
Compulsory savings	...	40.00 (No effect on revenue deficit)
Postal rates	...	4.60 (No effect on revenue deficit)

TAX COMPARISONS

Tax (income tax, super tax and surcharges, including for the assessment year 1963-64, the additional surcharge) payable by a married individual with more than one child.

Income	Income from Salaries only		Wholly earned income other than Salaries		Wholly unearned income	
	1962-63	1963-64	1962-63	1963-64	1962-63	1963-64
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
3,000	42	241	42	242	42	248
10,000	479	930	940	940	560	1,006
15,000	1,171	1,881	1,199	1,907	1,370	2,068
20,000	2,272	3,270	2,328	3,322	2,660	3,627
25,000	4,044	5,300	4,142	5,390	4,734	5,935
40,000	11,065	12,979	11,334	13,224	12,954	14,698
70,000	30,745	33,588	31,495	34,270	35,994	38,364
100,000	53,639	56,625	54,332	57,789	62,094	64,815
200,000	134,601	140,031	137,707	142,826	149,094	153,075

SUPER PROFITS TAX: GUILLOTINE FOR EFFICIENCY

By K. C. Khanna

IT is stated that when Mr. Neville Chamberlain was called upon in 1937 to explain why the tax (then known as National Defence Contribution) was being imposed on companies, he made the frank admission that "it seemed to me the natural thing was to go where the money was". In introducing the Super Profits Tax Bill, 1963, Mr. Morarji Desai has managed to emulate this example of "doing what comes naturally", and companies being less articulate, he has gone to the quarter in which collection of the tax would be assured.

The Super Profits Tax Bill, 1963, if enacted, will come into force from 1st April, 1963, with the result that for every assessment year commencing on and from 1st April, 1963, super profits tax shall be levied, at specified rates, on the chargeable profits of the previous year or previous years ending after 1st April, 1962, of every company, excepting companies having no share capital. Chargeable profits have been defined to mean the total income of a company from all sources computed under the Income Tax Act with the exclusion of capital gains, compensation or similar payment, profits of any business of life insurance and adjusted in accordance with the provisions of the First Schedule. Unfortunately, the relevant provisions of the said Schedule are couched in words of such ambiguity that it cannot be stated with certainty whether, in arriving at the figure of chargeable profits, the income tax and super tax to be deducted from the total income shall be the income tax and super tax actually payable by the company, or the income tax and super tax chargeable on the company, or the tax leviable at the maximum rate of income tax and super tax on a company.

The Finance Minister, in his Budget speech, refers to "the income of a company after deducting the income tax and super tax payable by it". The statement of objects and reasons appended to the Bill refers to the imposition of the tax on "income and profits as reduced by the income and super tax chargeable thereon". A plain reading of Rule 2 of the First Schedule leads to the interpretation that the total income shall be reduced by the income tax and super tax calculated thereon, without deduction of any rebates and reliefs provided in the annual Finance Act. The possible intention is the one adopted in the calculations given later in this article, but it is neither specific nor clear from the wording used in the proposed statute and the confusion remains.

From the balance of the total income remaining after the deduction of income tax and super tax as discussed above, a standard deduction has to be made which is calculated by reference to the capital and reserves of the company at the beginning of the previous year relevant to the assessment year. The rules for computing the capital and reserves are contained in the Second Schedule to the Bill. Briefly, the computation of the capital and the reserves means the total of the paid-up capital of the company and its reserves, with the exception of such reserves which have been allowed as a deduction in the computation of the total income for income tax, for example, the development rebate reserve. A reserve created by revaluing or increasing any book asset shall be excluded, but premium received in cash on the issue of shares and credited to the share premium

account shall be included. In the case of a company, part of whose total income is exempt from income tax—for instance, a tea company—a proportionate reduction shall be made in the amount of capital and reserves for the purposes of calculating the standard deduction. Thus, if only 40 percent of the profits of a tea company are taxed, the standard deduction will be calculated at 6 percent on 40 percent of its capital and reserves.

The example below shows the impact of the super profits tax on a company with share capital. The total tax burden on the basis of a

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minimum distribution of 45 percent of distributable income, including the tax payable on inter-corporate dividends, but ignoring the holding company's own liability to super profits tax, amounts to 71 percent, a record figure compared with rates of similar taxation in force in other developed and developing countries of the world. This burden of 71 percent will rise still further if there is a non-resident minority shareholder, as happens often in foreign collaboration agreements these days. The total amount left with the company for appropriation to reserves and for ploughing-back is about 19 percent of its total profits, assuming that the taxable profits are equal to book profits. If the entire profits are distributed, the total tax burden will rise to 77 percent. This denudation of resources is bound to slacken efforts towards further expansion and will inevitably retard capital formation. It will also act as a big deterrent to foreign investment in corporate

XXX Manufacturing Co. Ltd			
BALANCE SHEET AS AT 31ST DECEMBER, 1962			
LIABILITIES	(In lakhs of rupees)	ASSETS	(In lakhs of rupees)
Share capital	300	Fixed assets	200
Share premium	45	Less: Depreciation	30
Capital reserve	50		170
Development rebate reserve	5		
General reserve	100	Other assets	530
	500		
Liabilities and provisions	200		
	700		700

- Notes: (1) The Company is a wholly-owned Indian subsidiary in which the public are not substantially interested within the meaning of the Income Tax Act, 1961, and was formed on or after 1st April, 1961.
- (2) Share premium was received in cash.
- (3) Capital reserve was created by revaluation of book assets.
- (4) Depreciation allowed in income tax assessments amounts to Rs. 25 lakhs.
- (5) The credit balance, if any, of the profit and loss account has been deliberately omitted from the above balance-sheet as the inclusion of the said balance in capital and reserves is not free from doubt and will depend on the facts of each case.

Total taxable profits excluding capital gains for the accounting year ended 31st December, 1962, amount to	Rs. 1,20,00,000
Deduct income tax and super tax thereon at 50%	Rs. 60,00,000
Balance	Rs. 60,00,000
Less: Standard deduction computed as under:	
Share Capital and Reserves as per Balance-sheet	Rs. 5,00,00,000
Deduct Capital Reserve and Development Rebate Reserve	Rs. 55,00,000
	Rs. 4,45,00,000
Add: Depreciation not allowed in income tax assessments	Rs. 5,00,000
6% on	Rs. 4,50,00,000
Chargeable profits	Rs. 27,00,000
Super profits tax on 4% of capital and reserves—Rs. 18,00,000 at 50%	Rs. 33,00,000
On balance of Rs. 15,00,000 at 60%	Rs. 9,00,000
Total super profits tax	Rs. 9,00,000
Percentage of super profits tax to total profits—15.	Rs. 18,00,000
Total taxable profits as above	Rs. 1,20,00,000
Less: Income tax and super tax as above	Rs. 60,00,000
Super profits tax as above	Rs. 18,00,000
Balance	Rs. 42,00,000
Percentage of total company's tax to total profits—65.	
Balance available for distribution	Rs. 42,00,000
45% of above distribution as dividend	Rs. 18,90,000
Balance	Rs. 23,10,000
Percentage of retained profits to total profits—19.	
Shareholder's tax at 35% on dividend of Rs. 18,90,000	Rs. 6,61,500
Company's total tax, including super profits tax as shown above	Rs. 78,00,000
Total corporate and inter-corporate tax	Rs. 84,61,500
Percentage of total tax to total profits—71.	

N.B. The above illustration takes into account a distribution of 45 percent of the distributable balance only. In a discussion of the total burden, however, the ultimate liability should be based on full distribution. On this basis, the

tax payable by the shareholding company on the dividend of Rs. 42 lakhs will amount to Rs. 14,70,000 making an aggregate tax figure of Rs. 92,70,000 against Rs. 84,61,500 shown above. The percentage burden will then be 77.

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finance as other developing countries are offering a measure of liberal profits to foreign investors.

The Finance Minister has tried to justify the imposition of super profits tax on the following grounds (1) there is no correlation between the rate of tax and the percentage of profits; (2) the corporate sector, like the rest of the community, must bear its share of the increased national responsibility; and (3) the super profits tax will act as disincentive to excessive profits and will help to keep down the prices. Let us examine these grounds in detail.

Assuming that it is desirable to have a correlation between the rate of tax and the percentage of profits, does Mr. Morarji Desai's proposal achieve the objective? It will be seen on closer examination that the super profits tax, as proposed, is completely divorced from the principle enunciated by Mr. Desai and, however desirable the objective may be, for reasons stated below, the tax proposal made by the Finance Minister runs counter to it. Firstly, does the arbitrary figure of 6 percent of capital and reserves proposed by the Finance Minister bear any correlation to the present state of the country's developing economy? Does it take into account the fact that expectations of yield from equity investment are higher and that even bank finance and preference capital are not now available at the normal rate of return proposed by the Finance Minister? Mr. Desai is no doubt aware of the keen competition among developing nations to attract foreign capital and the generous terms offered by them to prospective investors. Is it, then, just and proper to peg the normal yield from equity investment to a wholly unremunerative and unrealistic percentage?

Secondly, should the return on investment in all forms of equity finance be kept at the same low figure of 6 percent? Why should an investor finance a risky enterprise when the return to him is to be limited to the same percentage as a return on "blue chips" or gilt-edged securities? It is palpably wrong to prescribe a uniform percentage of return on all types of equity investment. Thirdly, the Finance Minister's proposal takes no account whatsoever of the fluctuations in the percentage of profits from year to year. It is obviously unrealistic to expect a business to earn and maintain a stable level of profits. There are industries with a long gestation period which yield high profits only after a long period of investment. There are industries whose profits are affected by good or bad crops and other factors beyond their control. What remedy or relief is proposed in a case where a year of super profits, assuming that any return over 6 percent of capital employed is super, is followed by a year of super losses or was preceded by years of sub-standard profits? The super profits tax makes no provision for the carry-forward and set-off of deficiency in profits and grants no relief by refund or otherwise in this respect. Why? Any tax system which desires to achieve the objective outlined by Mr. Desai must be fine and flexible but the super profits tax proposed by him appears to be too crude and rigid a measure to achieve his objective and will inflict numerous inequities and hardships.

The Finance Minister's second reason for the levy of the super profits tax is that the corporate sector must bear its share of the increased national responsibility like the rest of the community. This contention is based on a gross misunderstanding. It has been stated time and again that when individuals form a company, they do not acquire a capacity to bear taxes quite different from and additional to their taxable capacity in relation to other forms of income. Companies are merely filters through which rewards of business pass from one set of personal pockets to another set of personal pockets. It is by now generally recognised that all taxation is personal taxation and is ultimately suffered by living persons. It is, therefore, quite wrong to contend that the corporate sector is something different from and additional to the rest of the community. In fact, it is nothing but part and parcel of the community and any burden imposed on the corporate sector will ultimately be borne by the community itself.

As regards the contention that super profits tax will act as a disincentive to excessive profits and will help to keep down prices, experience in other countries shows that "the most important figure to management and shareholders in companies'

accounts is the amount of net profit available for distribution. If this figure is considered to be an adequate return on capital employed, enabling sufficient reserve appropriations to be made and reasonable dividends to be paid, all is well. If not, something has to be done about it. Where heavy taxation reduces the net profits of a company below a satisfactory figure, there is a determined attempt to restore the position and increased selling prices generally result." (A. Dale in *Accountant* dated 16th December, 1961.) It is quite likely, then, that, to some extent at least, company taxation is passed on to the consumer and to this extent the super profits tax may belie the Finance Minister's expectations.

It will be evident from what has been stated above that the super profits tax as proposed cannot be justified on any valid ground. A tax is either a charge to profits or an appropriation of profits. But when a levy is made, like the super profits tax is, on net profits after tax, it is neither a charge nor an appropriation; it is expropriation. It will deplete corporate resources to the maximum and will ultimately lead people to desist from risk-carrying enterprises. In a developing economy, corporate finance must play an increasing rôle in the growth of new industries and nothing should be done which discourages such investment and hinders foreign collaboration.

COMPULSORY SAVINGS SCHEME

AN important feature of the Central Budget proposals this year is that the Finance Minister has introduced a compulsory savings scheme. In 1963-64, the scheme is expected to bring Rs. 65 crores or Rs. 70 crores, out of which the share of the Central Government will be Rs. 40 crores. With remarkable optimism, Mr. Desai hopes that this yield will be in addition to the net realisation of Rs. 105 crores from voluntary small savings. The Finance Minister has cast his net wide, and has covered not only all classes paying income tax but also many who do not at present pay income tax. Shopkeepers, business men, professional people and cultivators too are covered. The most notable feature of the coverage is that it applies to people earning more than Rs. 1,500 a year—that is, even to many who do not at present pay income tax. Instead of lowering the income tax exemption limit, Mr. Desai has thus judged it to be politically wiser to take the money in the form of compulsory savings. The main argument in support of the scheme is that it will raise large additional resources, inculcate a habit of saving, and provide the people with accumulated savings five years after they make their deposits on which they will be able to earn interest at 4 percent a year. Another major argument in favour of compulsory savings is that it will reduce the purchasing power in the market and will to that extent prove disinflationary. At a time when deficit financing and additional taxation will add to the inflationary pressures, this effect of compulsory savings should be welcome.

Sample details about the rates at which compulsory savings will be taken from different classes of tax payers are given on page 330. The methods of collection have apparently not yet been worked out in any great detail. But the Finance Minister has announced maximum limits beyond which the compulsory savings rates will not be increased. These maximum limits will be 50 percent of the basic land revenue on the 1959-60 assessment for agriculturists, 3 percent of the annual rental value of property for property-owners in urban areas, and 3 percent of salary for employees who earn more than Rs. 1,500 a year but are

Because the super profits tax is drastic and threatens serious harm to companies, several suggestions have been discussed as to how it might be made less irrational. The amendments which some have suggested include: (1) an increase in the percentage on capital and reserves to bring it to a realistic figure; (2) provision of flexibility in the basis of calculation of the said percentage to cater to the needs of different industries and trades; (3) provision for the carry-forward and set-off of deficiency of profits and grant of refund; (4) reduction in the rates of super profits tax; (5) allowance of super profits tax paid as a deduction from taxable income of the following year; (6) and the enforcement of the levy from the assessment year 1964-65. To meet urgent financial requirements, suitable provisions may be introduced for advance payment of tax.

It is true that funds are needed for the national defence effort and it is not denied that the Finance Minister's task is onerous. But it is equally true that a strong and healthy economy is vital to the defence of the country and it is imperative that in the anxiety to raise necessary funds, nothing is done which weakens or stifles the economy. The super profits tax in its present form is wholly inequitable, untenable and unacceptable. It must be either scrapped or radically amended.

The maximum limit in the case of persons paying income tax but whose residual income after payment of tax does not exceed Rs. 6,000 a year will be 3 percent of such residual income. But compulsory savings can be deducted before paying the Union surcharge on income. In the case of others with a residual income exceeding Rs. 6,000 a year, the rate of compulsory savings will be 2 percent of the residual income. For people like shopkeepers, whose annual turnover is Rs. 15,000 or more and who are not liable to pay income tax, the rate would be 1/3 percent of the total annual turnover in the year immediately preceding the year in which the deposit is required. For persons other than shopkeepers liable to pay taxes on professions, trades, etcetera, the maximum rate would be an amount equal to the amount of these taxes.

The scheme of compulsory savings, although a unique feature of the Central Budget, has certain flaws which might cause headaches to both the Government and the people. Although the compulsory saving is not a tax, it is still "compulsory." Shopkeepers with an annual turnover of less than Rs. 15,000 and persons with an annual income of less than Rs. 1,500 have been left out of the scheme—presumably because of administrative and political difficulties. In the case of persons paying income tax, the collection of compulsory savings may not offer much practical difficulty, although it could lead to labour unrest among the lower-income groups. In the case of others, the trouble and bother would be considerable. The cost of collecting such deposits, and refunding them after a lapse of five years, has to be kept down if one is to justify the experiment. But the biggest implication of the scheme is that persons, whether paying income tax or not, who are forced to make the compulsory savings deposit, might reduce their usual savings which they were investing in other ways. This would not only reduce the net yield of small savings, but also contributions to Government loans and the finance which the private sector is able to raise from the capital market through shares and debentures. If this happens, the compulsory savings scheme would have a serious effect on the funds available for private investment.

THE ECONOMIC OUTLOOK

HOW will the Indian economy fare in the coming year? It is difficult to give an answer with any confidence, because major uncertainties are implicit in the assumptions on the basis of which the Central Finance Minister, Mr. Morarji Desai, has committed the country to a total outlay

of Rs. 3,672 crores, divided almost equally between the revenue and capital accounts. The biggest of these uncertainties arises from the shortage of foreign exchange, the crucial factor for maintaining output in many industries. In 1962-63, Mr. Desai had taken credit for Rs. 418 crores of foreign

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loans but actual receipts were Rs. 78 crores less. For the coming year, he is assuming that Rs. 115 crores will be available through fresh foreign credits, apart from the Rs. 347 crores he hopes to use out of the funds already committed. Until the Aid-India Club meets and the participants disclose their intentions for the rest of the third plan period, Mr. Desai's assumption rests on nothing more solid than hope. In any case, it is not the total amount of aid that is relevant in this context but the proportion untied to specific projects.

Another important uncertainty arises from the inability to foresee what agricultural output will be in the current crop year ending June 1963. Since the movement of the economy closely follows the swings in agriculture, this is another major premise still to be defined before one can make a reasonable guess for the coming year. The official *Economic Survey* commits itself to saying no more than that the crop prospects are by and large satisfactory, despite several adverse factors like an excess of rainfall and floods in some parts of the country and deficiency in others. No major advance is, however, expected over the peak level attained two years ago in 1960-61. The assessment is surprising because credit has been taken for a substantial improvement in the use of irrigation facilities, and for raising the total supply of fertilisers to 425,000 tons of nitrogen, against about 200,000 tons in 1960-61.

Looking back, one has to acknowledge that official policy has veered towards greater realism in several ways during the past year—and this may be among the few hopeful signposts for the future. The change has followed the rethinking forced on the planners by the setbacks suffered during 1961-62, when the economy seemed suddenly to lose the momentum with which it was advancing at the end of the second plan. Agricultural production as a whole showed no increase at all and there was an actual decline in the output of food-grains, sugarcane and raw cotton. Industrial production rose by 6.8 percent, against 10 percent or 11 percent in the two previous years. The shortages of coal, power and transport were clearly retarding economic growth.

Although it has taken time for these developments to register on the official mind, a number of remedial measures initiated last summer seem to have borne some result. There has been, for instance, a remarkable spurt in coal-mining, and it looks as if the year will end with a production of 62 million tons, or 7 million tons more than in 1961-62. Among the factors which have contributed to the improvement, more realistic pricing policies have played an important part. The differential between the lower and higher varieties of coal has been widened from Rs. 3 in 1960 to Rs. 7, and the allowances granted for stowing and difficult mining have been liberalised.

The fact that there was a basic deficiency in planning for power was recognised but not before industries in the West Bengal-Bihar area had paid heavily for the error. The Sachdev Committee's enquiry brought out the fact that while aggregate generating capacity in the country increased by 11.3 percent a year during the second plan period, the rise in the West Bengal-Bihar area—the region of heaviest industrial concentration—was at the rate of only 7.6 percent. The rethinking induced by this analysis has resulted in a decision to enlarge new capacity. For instance, Durgapur has been allowed to provide for a third 75 MW set; and a similar change has been made in Chandrapura. The power crisis has also compelled more expeditious work on new schemes, facilitated by quicker clearance given from New Delhi to meet the foreign exchange costs. From April to September 1962, the amount of aid used for power development amounted to Rs. 13.6 crores, against Rs. 5.6 crores in the corresponding months of 1961. Even though the Chinese invasion has accentuated the anxiety about foreign exchange, a categorical assurance has been given by Mr. Desai that power development will continue to receive top priority. In fact, studies have been initiated to assess future requirements and some advance action on fourth plan programmes is in hand. With over Rs. 1,500 crores of external assistance outstanding at the beginning of this year, there should be no parti-

cular worry about foreign exchange for power projects which have always ranked high with the aid-givers.

In transport, another basic sector, the shortages of 1961-62 have finally persuaded the Planning Commission to do the right thing. The railways have been allocated an additional Rs. 120 crores. Work on their expansion schemes has quickened, and about 40 percent of the funds earmarked for development will have been spent by March 1963. The acquisition of new wagons has been stepped up, with over 19,000 added in the first half of 1962-63, against 12,000 in the corresponding period of the previous year.

Industrial policy has changed for the better in several ways during the past year, although practical results cannot yet be seen. Among the major gains is the decision to accord emphasis in future licensing to the expansion of capacity rather than the setting up of new units. This follows recognition of the waste of foreign exchange implicit in adding new units indiscriminately when existing plants are badly under-utilised. That apart, the policy-makers seem to be better aware of the importance of the economies of scale in any rational programme of development. The change of policy, while dictated by the compulsion of circumstances, might imply that New Delhi is gathering courage to take a firm stand against regional ambitions,

even though it is occasionally inclined to slip back under strong political pressure.

Judging economic policy as it has unfolded over the past few months, the broad conclusion is that helpful gestures have been offset by shortsightedness on several important issues. The stock markets, where the boom had worn off by May 1962, have been given a jolt by the inadequate increase in steel prices. Not surprisingly, the downward trend in share prices has been accentuated since the Chinese invasion, which has already had the effect of inhibiting new issues. Although the total of capital issues sanctioned in 1962 rose to Rs. 165 crores from Rs. 133 crores in 1961, this cannot be accepted as a reliable indicator of investment intentions, especially now that the fresh levies on corporate enterprise make the future outlook for profitability uncommonly bleak. Corporate fortunes apart, one can hardly be sure that the massive dose of additional taxation Mr. Desai has announced, coupled with resort to deficit financing, will not prove more than the economy can take. As the *Economic Survey* acknowledges, the performance of the economy in the coming months will depend to "a significant extent" on the "confidence" of private investors and on their ability to raise the funds necessary for the expansion of essential business. The Budget has done nothing to help the investor; it has placed hurdles in his way which he cannot reasonably be expected to surmount.

COMMODITIES: AN OPEN QUESTION

COMMODITY dealers in London have reported recently the biggest speculation in commodities—specifically, cocoa and sugar—that they have experienced since the prewar era. Special factors have caused shortages of particular commodities and have distorted the indices of commodity prices. But the rise in prices has not been confined to abnormal cases: wool and coffee, for example, have risen considerably. And shipping freight rates have responded to the recent big movements of oil. The higher prices and freight rates are unstable; but many observers believe that the long-term trend of commodity prices turned upward last year. If this trend is substantiated, it will ease the problem of financing the development of underdeveloped countries. But it will deprive the developed countries—particularly Britain, in a period of economic stimulation—of some of the advantage of favourable terms of trade. However, it must be questioned whether the developed countries can achieve their desired growth of industrial production unless the markets for industrial products in the underdeveloped countries are much enlarged.

It is common knowledge that, whereas primary prices declined erratically for more than ten years from 1951, wholesale and retail prices in the developed countries rose during most of that period. The average level of prices has risen during most of 30 years, and many economists have accepted the idea that prices operate on a ratchet principle: they respond freely to upward pressure but are prevented from falling when that pressure is relaxed. This principle has obviously not been applicable to commodities, but it is consistent with the behaviour of wholesale and retail prices since the last war. However, the historical study of prices by Professor W. J. van de Woestijne, published recently by De Twentsche Bank, has been noticed far beyond Amsterdam. This eminent economist has made other economists—and business men—aware that there have been comparable periods in the history of many centuries when prices have risen for decades, or have seemed to be steady at a permanently raised level, but that always, sooner or later, prices have fallen back. He explained the collapse of prices in 1929-32 as a reaction from a level which, although drastically reduced in 1920-22, was still some 50 percent higher than in the decade before the first World War.

The behaviour of prices since the end of the second World War has been quite different. This is partly because prices were not allowed to rise as much in the second World War as they had risen in the first; partly because inflation continued (it was stimulated by a continuing high rate of military spending); and partly because economic

policies were directed towards full employment. Reparations and war debts, moreover, did not distort international trade and payments after the second World War as they had done after the first. Policies have been generally expansive since the second World War, not restrictive as they were between the wars. Yet some economists—Professor van de Woestijne is not the only one—are troubled by the possibility of world-scale deflation, involving a severe fall in prices and general loss of confidence among business men. The purpose of the professor's recent study was not to predict such a development but to warn that it would happen if history were allowed to repeat itself. The possibility was suggested nearly ten years ago by Mr. Colin Clark in Britain and a little later by Professor John Galbraith in America. But wholesale and retail prices continued to rise, despite the decline in commodity prices. Fears were revived near the middle of last year, when prices in the world's stock markets fell heavily. But confidence has been more or less restored by the subsequent recovery in those markets and by the upturn in various commodity markets. Such resistance to the forces of readjustment after a long rise in prices is historically not unprecedented. It is still an open question whether the "normal" readjustment has been delayed or fundamental economic changes have established prices on a permanently higher level. It can be argued (despite the illusions of some experts in the 1920s) that we have evolved techniques of economic regulation that can infallibly prevent a slump in business; but sceptics will say that these techniques have not yet been seriously tested.

It is not impossible that both the optimistic and the pessimistic forecasts will be proved right, for the experience of recent years suggests that stable, or even rising, prices are not incompatible with an economic recession. In the postwar era, there has not yet been a full-scale slump, and eminent economists' warnings of such a possibility will help to prevent it. But one factor that has sustained economic activity in this era has presented a new threat. In all developed countries organised labour is more effectively organised and more aggressive than it was between the wars, and it is still gaining increases in wages. As a considerable proportion of the increases is spent on services, not goods, industry's labour costs are rising faster than the market for its products is expanding. (For the same reason, and because synthetic materials are being developed to replace natural materials, consumption of primary products is not increasing as fast as wages are rising.) The incentive to substitute high-productivity machines for human labour is very strong, and this substitution is causing unemploy-

ment, so retarding the growth of aggregate personal income. These tendencies will not automatically reduce prices, but they will tend to restrict trade, which must, therefore, be developed

Current News and Comment

Waste in Public Expenditure

In its recent report, the Estimates Committee of Parliament has drawn the Central Government's attention to the huge waste in its non-plan and non-essential expenditure. In an earlier report, the Committee had pointed out that in the five-year period from 1956 to 1961, the Government's administrative expenditure had increased by a sizable amount of Rs. 199 crores. The Estimates Committee had expected that in view of its suggestions to reduce such expenditure a better picture would emerge in the first two years of the third plan. But this has not been the case and the administrative expenditure has increased by a further amount of Rs. 58.9 crores during the period. The Estimates Committee has rightly come to the conclusion that "the economies effected by Government as a result of study of selected sectors of activities of the administrative ministries must have been negligible as otherwise there would not have been such a large increase in expenditure". The Committee has, therefore, recommended that a panel of the Planning Commission should conduct a special study of the trends in development and administrative expenditure of the Government in order to be able to effect economies. Strangely enough, the Finance Ministry has rejected this plea on the ground that an adequate machinery for the purpose already exists in the Government itself. But the point is that if the existing machinery had succeeded in its efforts the administrative expenditure of the Government would have been reduced. It is because that machinery has failed that it has become necessary to entrust the work to another agency.

Some idea of the waste involved in administrative expenditure may be had from the fact that in the first two years of the third plan, the salaries of officers have increased from Rs. 16½ crores to Rs. 21½ crores, the pay of establishment from Rs. 82½ crores to Rs. 98½ crores, allowances from Rs. 36 crores to Rs. 47½ crores and contingencies from Rs. 37½ crores to Rs. 44½ crores. The Finance Ministry's argument that the increase in expenditure has been due to the appointment of additional staff for implementing the plan does not stand scrutiny because the increase has taken place not only in the Government departments directly dealing with the implementation of the plan but also in all the other departments. Moreover, there has been no proper rationalisation of work in the different departments. There are not only too many officers and staff in each department but the way in which they operate also hinders the implementation of the plan. No private enterprise would have survived the confusion which prevails in the Central Government's administrative departments.

In the Budget for 1963-64, Mr. Morarji Desai has sought to raise additional revenues to the extent of Rs. 275½ crores. The people who are called upon to bear the greatly increased sacrifices, which the huge additional revenue involves, have a right to expect that the Government would make all possible economies not only in their non-plan and non-essential outlay but also in the plan outlay. But unfortunately, the Finance Minister has not said anything in his Budget speech about the Government's efforts to reduce expenditure. In fact, the expenditure on administrative services has actually gone up from Rs. 70½ crores in the Budget estimates for 1962-63 to Rs. 76½ crores in the revised estimates for 1962-63 and to Rs. 88½ crores in the Budget estimates for 1963-64. There has also been an increase in other items of civil expenditure that are quite unrelated to the requirements of the third plan. In order to reduce the heavy burden of additional taxation on the people, to keep the inflationary forces in check and to convince

by liberal trading policies between nations and between groups of nations—particularly between the developed and the underdeveloped communities.

the people that they are not making sacrifices without purpose, the Government's administrative expenditure in the remaining three years of the plan will have to be drastically curtailed.

Tea Workers in Darjeeling

Enquiries into the socio-economic conditions of plantation labour were undertaken as far back as 1906 when the Assam Government appointed a committee with a view to improving the living conditions of workers in tea plantations in the State. Much has been done to improve the living standards of plantation labour, although it has had the effect of imposing serious burdens on planters. The Tea Board has undertaken a number of useful enquiries into the living conditions of plantation labour on a regional basis, and their findings, in most cases, have been interesting. The Board's latest booklet entitled *Survey of the Living Conditions of Tea Plantation Labour in Darjeeling Hills*, which is the result of a sample survey, gives information on the age-distribution, employment, income and expenditure patterns, etcetera, with a lot of statistical data. Not all the information contained in the booklet can be regarded as new. But the findings have been given a touch of authenticity with detailed statistical analyses.

The overall percentage of literacy among the surveyed labour population, the Tea Board says, was found to be only 21.43. The cause for concern is that the extent of literacy among the younger generation is no higher than among the grown-up population. Labourers have yet to be made aware of the necessity of schooling their children. But this will not be possible unless their expenditure on such non-essentials as liquor and smoking is cut substantially. According to the Tea Board survey, addition to liquor was found to be 53.81 percent among men, 47.42 percent among women and as high as 20 percent among adolescents. Among adult males, 77.64 percent were found to be smokers, while among the women the percentage was still higher at 81.69.

The Board refers to the housing accommodation provided by employers and points out that, of the 324 labour families surveyed 90 families were found to be living in pucca houses, 108 in semi-pucca houses and the remaining 126 families in kutcha houses. It says that the living space available in an average quarter, which works out to 281.34 square feet, is not unsatisfactory for an average family of 5.53 members. But the Board states that many of the quarters provided do not conform to the requirements under the Plantation Labour Act. The poor progress of housing schemes is due mainly to the shortage of building materials, high taxation and increased production costs which have squeezed profits. As for the wages of workers, the Board would have done well to show how these have increased under the pressure of welfare legislation for plantation labour.

Recovery in Shipbuilding

The annual figures of merchant ships launched last year, which have recently been compiled by Lloyd's Register of Shipping, show that the world shipbuilding output reached 8.4 million tons, or 434,749 tons more than in 1961. This welcome increase heralds a recovery in the world shipbuilding industry after three years of declining output when new orders, Lloyd's Register says, were difficult to obtain. But in spite of the rise in output, launching from the various shipbuilding countries during 1962 showed considerable differ-

ences in trends, compared with 1961. Notable increases occurred in such countries as Japan, Sweden and the United States while a fall in output was noticeable in Britain and Northern Ireland, the Netherlands, Yugoslavia, Spain and Belgium. Japan's performance has apparently been most remarkable, since after falling from a peak of 2.4 million tons in 1957 to 1.7 million tons in 1959, the output climbed back to 2.2 million tons in 1962. This output, Lloyd's Register says, is 26 percent of the world total, compared with 23 percent for 1961. The output in Britain and Northern Ireland fell from a peak of 1.5 million tons in 1955 to 1.1 million tons in 1962. This is 13 percent of the world total, compared with 15 percent in 1961. West Germany's output, on the other hand, recorded a recovery. After falling from a peak of 1,429,261 tons in 1958 to 962,407 tons in 1961, the output reached 1,009,698 tons in 1962. But more than two-thirds was for registration in other countries. This analysis shows that Japan is still the largest producer of merchant ships. The U.K., as the *Financial Times* says only narrowly retains her position as the world's second largest shipbuilding nation while West Germany occupies third place. The countries which built large amounts for export are: Japan 876,794 tons, West Germany 683,881 tons, Sweden 596,618 tons, France 308,833 tons and the Netherlands 243,541 tons.

Productivity in Oilseeds

The *vanaspatti* industry did reasonably well in 1962, with its production setting new records at 368,400 tonnes, compared with 338,544 tonnes in 1961 and exports rising from 4,220 tonnes to 12,134 tonnes. The current outlook seems more promising because of the improved supply of edible oils this season. Exports, of course, are possible only because of the incentive scheme. But since the industry's progress is closely linked with the increase in oilseeds production, it is naturally concerned about the growing unbalance between demand and supply, which is reflected in the continued high level of oilseeds prices. Not only have oilseeds prices been rising faster than foodgrain prices, Indian oils have been completely priced out of world markets. For a pretty long time now, Indian groundnut oil has been quoted Rs. 500 to Rs. 800 a ton higher than that from other sources like Africa and the Argentine. Once a leading exporter of oilseeds and oils, India has become a net importer of oils and fats since 1957. Exports, in terms of oil, fell sharply from 306,000 tons in 1955-56 to a mere 71,000 tons in 1960-61. Recently, however, groundnut oil exports have picked up as a result of liberal incentives.

If India is not to lose exports, face a growing fat shortage and end up as a large net importer of fats and oils, serious attention will have to be given to boosting oilseeds production which has persistently been lagging behind the growing demand. With production in the second year of the third plan at 6.8 million tons, still short of the second plan target of 7.5 million tons, one really wonders how the target of 9.8 million tons can be realised by 1965-66. In terms of the likely fat requirements of the country and the need to step up exports to earn valuable foreign exchange, the third plan target is by no means ambitious. But in view of the limited scope for bringing more areas under oilseeds, the production has naturally to be stepped up by increasing the yield.

It is, therefore, hardly surprising that the chairman of the Vanaspatti Manufacturers Association of India, Mr. P. L. Tandon, should have selected the problem of oilseeds productivity as the theme of his speech at the recent annual meeting of the Association. The point is best illustrated by groundnut. It is ironical that India which accounts for nearly 32 percent of the total world production of groundnut has an average yield of 640 lbs an acre, against the world average of 900 lbs. Uganda gets 950 lbs an acre, China 1,613 lbs, Egypt 1,784 lbs and Turkey 2,230 lbs. Mr. Tandon says that the saving grace in the oils and fats situation is the large scope for improving yields. But strangely enough, the yield has actually fallen over the past 15 years. A 50-percent increase in the yields, were it possible, would not only give every Indian mor-

oil, but also restore the country's dominant position in the world export markets.

In his presidential address at the last meeting of the Indian Central Oilseeds Committee, Mr. A. D. Pandit referred to the findings of an East African expert who conducted a study of groundnut cultivation in India. He attributes India's low yields to the low plant population achieved in most groundnut fields, inadequate and unsafe storage conditions for maintaining high germination capacity in seeds, ineffective distribution of seed and inefficient seed drill. Mr. Tandon says that the exploitation of the oilseeds yield potential is not as formidable as it looks. State Governments in the major growing areas have developed an excellent network of agricultural research stations which are known to have obtained a 35-percent increase in the yield through better farming practices, seed dressing, use of manure and improved seeds and appropriate pest control. If yields have not improved, it is because the benefit of research has not reached the farms. The scientist goes his way and the farmer goes his own. Most agronomists place too much emphasis on formal statistical experiments and neglect the practical aspects of cultivation. Red tape and apathy of the State Governments also stand in the way of prompt and fuller application of research for the benefit of the cultivator.

Expansion in Screws

In line with the general trend of industrial production in the country, the output of the

Indian screw industry has risen substantially over the past few years. Production of woodscrews has gone up by 69 percent between 1958 and 1962, while the output of machine screws has more than doubled during this period. Dealing with the industry's progress in his address at the annual general meeting of the Screw Manufacturers Association held last week in Calcutta, Mr. K. Varugis said that the industry is now spread all over the country; moreover, over the past few years, it has diversified its output. Of the 51 units manufacturing woodscrews, many are now making machine screws too. In response to the Government's invitation, the industry has submitted expansion plans. But the Government "appears to have decided" that the bulk of the proposed expansion should be reserved only for the small-scale sector. The larger units, therefore, will have to be content with only small increases in their capacity. The advantages of allowing larger units to reach their economic scale of production are so obvious that Mr. Varugis feels disappointed over the Government's decision.

The industry has its share of the raw materials problem also. Although wire, which is the raw material for the industry, can now be fully met out of domestic production, screw manufacturers have still been experiencing difficulties in obtaining their supply. The requirements of the screw industry forms only a very small part of the total capacity which has been installed for making wire in the country, Mr. Varugis pointed out. Yet the authorities responsible for the allocation of the raw material to the industry have not always

sanctioned the requisite quota for the screw manufacturers.

Policy for Drums and Containers

Reliable reports indicate that the Government of India has revised its policy on the manufacture of containers by "products manufacturers" for their own use because of the continuing general shortage of tinplates. Hitherto actual users (consumer fabricators) were being given preference to commercial fabricators in the licensing of drums and tin containers. This policy is now to be discouraged. All efforts will be made to use, to the maximum extent possible, the existing plant and machinery already installed in the country. This policy may be reviewed again as and when tinplate requirements are freely met for all the existing manufacturers. There are some 89 consumer fabricators and 288 commercial fabricators engaged in manufacturing drums and tin containers. Raw material requirements for the industry are being met both by indigenous as well as imported tinplates. But only about 70 percent of the industry's capacity is now being used. Since there is already unused capacity with commercial fabricators, the licensing of consumer fabricators will not only leave dormant capacity unutilised but also result in the installation of exact duplication of machinery involving avoidable expenditure of foreign exchange.

Besides, a policy of consistently allowing all types of manufacturers to have their own fabricating plants for containers will unnecessarily increase the diversification of manufacturing activities. In the long run, commercial fabricators who are specialising in the particular line will also be adversely affected. The chief consideration behind consumer licensing—especially in the case of the *vanaspati* industry—has been the saving of wagon space and transport costs. The Government now thinks that this can be avoided by a suitable dispersal of the existing tin container factories in the country or by encouraging and allowing the installation of the plant for manufacturing containers as much near the consumption centres as possible or, alternatively, the new licences for food preservation and fruit canning factories, etcetera, should take the nearness of a tin containers factory also into account while locating their plants.

SMOKE NUISANCE

MR. Fred Grover, who has been brought out by the Government of India to examine into the causes of our smoke nuisance with the view of suggesting a remedy, has not been long in settling to work after his arrival. He is to be with us about four months, and so will be able not only to see the conditions of fuel combustion under clear dry weather but also under all other variations of atmosphere onto the rains. Mr. Grover comes from Leeds, and has graduated in that famous University of Smoke. He is now an able Professor in his line, and has perhaps had more experience in fighting smoke along strictly scientific methods than most men of his age, and he is still a comparatively young man. He is thoroughly grounded in the principles that underlie the efficient combustion of fuel, and these he hopes to be able to apply to Calcutta when once he has investigated all the local conditions. Mr. Grover is quite delighted with the reception he is meeting with whatever he has gone in his work of investigation. The managers and owners of the mills look upon him as a friend, as, indeed, he is, and gladly supply him with all the data he wishes. He has already sent out circulars asking a number of questions, and the answers are coming in with cheerful alacrity. He is too wise to express any opinion yet as to what he will recommend as a remedy, or remedies, or on what lines a new Smoke Nuisance Act will require to be framed. He looks upon our venerable Act of 1863 as a perfect curiosity of legislation, in the light of present day conditions. But we may confidently expect that the new Act will be framed on lines which take into account what a steam user can do, and not upon what he cannot.

FROM

CAPITAL
12th March, 1963

A Ditcher's Diary

DR. RAJENDRA PRASAD, WHO DIED ON BUDGET DAY, was in many ways the very antithesis of Mr. Nehru; and, in retrospect, it seems a compliment to both that they worked together for so long with so few hitches even after the unifier, alien rule, had ceased. There was something very earthy about the man even when he was free India's first President and had to hold banquets and things for visiting kings and statesmen. He spoke the language of the Indian peasant and, if I may say so, often thought the thoughts of the Indian peasant. Now, I am not an uncritical admirer of the so-called peasant virtues, many of which I do not consider to be virtues at all. Yet the presence of Dr. Prasad in Rashtrapati Bhawan may have served a useful purpose in a difficult and transitory period. He never concealed his congenial conservatism and may well have been some sort of a restraint on the jet-age imagination of some of his colleagues. It is all very well to be aware of the unlimited possibilities of the nuclear age; but when you attach a couple of jets to a bullock cart you spend a lot of money and move no faster. Is not this true of too many of India's projects? Even on social reform my views are nearer Mr. Nehru's than Dr. Prasad's; this does not, however, make me forget that Dr. Prasad was much more representative of the people than I am or Mr. Nehru is. When Dr. Prasad argued that it was a mistake to give votes to the illiterate, that qualifications should have been laid down for M.P.s, he was being "unprogressive". Yet, not even the most ardent democrat can claim that either has been an unmixed blessing in India. The best thing about Dr. Prasad was the example he sought to set of simple living. He was in the event obliged to live differently, especially on ceremonial occasions; but his discomfort in luxury was ever evident. Again, I was of the view that a President should live like a President. Now I see his point. He knew, as I didn't, that most of his colleagues would succumb to expensive living once they got the taste for it; and that would be the beginning of all sorts of undesirable trends. How terribly right he seems when one looks around in present-day Delhi. Whose values have won—Dr. Prasad's or Mr. Nehru's? Some may be rejoicing too soon.

"BEAR IT WITH A SMILE: NEHRU"—SUCH WAS THE headline in Saturday's papers. Since the Government has the powers to collect any taxes it may choose to impose, bear "it" the people must. I have, however, consulted the Defence of India

Rules and can find in them nothing that empowers Authority to extract my smile; and this Mr. Nehru will not have. There was not a touch of even verbal humour in the whole Budget speech, although I can remember Raisman, Rowlands and other Finance Members who could on occasion be quite witty. (Perhaps Mr. Morarji Desai is too lofty for frivolities; and it is indeed difficult to see him appreciate some of the cracks an earlier Ditcher produced in the old Central Assembly; Mr. Tyson spoke of the spending spree and the inevitable morning after, and Raisman regretted there was so little Rose's lime juice to go round!) It is quite illogical to demand, as I have done and do, greater military preparedness and not be prepared to pay for it. It is, at the same time, equally pertinent to insist that the money raised be well spent. I have seen no contradiction yet to the report in the *Statesman* on 8th February last that all Ministers had refused to reduce their water and electricity bills to the not inconsiderable sum of Rs. 250 a month, that for the Prime Minister the monthly bill on this account is about Rs. 4,000 and for lesser Ministers nothing less than Rs. 1,000. (I can believe that you can drink water; but can you eat electricity?) I have since heard some reports about how much it costs the people, you and me, to air-condition and furnish Ministers' free quarters; and I doubt that many Maharajahs of yore spent on quite the same scale. And among the most liberal spenders are the Ministers who speak endlessly of the virtues of simple living and the need for austerity! (I wish some M.P. would ask questions on these items and elicit detailed replies.) One reader's reaction, in verse, is used as a tailpiece; the rest of mine is in the main unprintable. When I pay the new taxes, I shall do so in the knowledge that most of them have been necessitated not by the Chinese but by another enemy of democracy: callous waste in high places.

IT MIGHT BE POSSIBLE; ODD THINGS HAPPEN these days. Anyway, I am not prepared to subscribe to the comment of one British newspaper on the Russian claim to have brought two newt-like creatures back to life after being frozen for 5,000 years—that one would have to be as tight as a newt to believe it. I would prefer instead to accept the less scornful explanation that perhaps the little reptiles were rather more up-to-date than the scientists gave them credit for being, and I had merely been hibernating for the winter. But

trust the Russians to suggest the incident may have significance for future space flight. I should have thought its possibilities were much more immediate than that. What about long and boring air journeys for example? I once read with interest a suggestion by Malcolm Muggeridge that long-distance air passengers should be given knock-out pills when they step aboard their aircraft and then stacked in layers. Now how much better would it be if they could be popped into deep freeze as soon as the airport formalities are completed, loaded on to the aircraft mechanically, unloaded the same way at the other end, and then kept in a state of complete refrigeration until called for? That way there would be no bother about food, passport checks, being turfed off the aircraft half asleep in the middle of the night, or being forced to pay through the nose for a whisky and soda at intervening airports. It might even save the misery of having to fight for a shave in the early morning, although I am not clear what refrigeration does for the whiskers. Then there are the possibilities of escaping the Calcutta hot weather by going into deep freeze; from what I have been hearing through my correspondents in Britain, the temperature there would have needed to fall only a few degrees lower to have put them completely out of their misery this winter. And, of course, the compulsive Rip Van Winkles of this world could have a fine time popping up century after century until they found one that suited them. But that would not do for me, I am afraid; I have always been firmly of the opinion that it is better to get life over with in one sharp rush and be done with it. What does strike me, though, is that if it is really possible to revive life after a sleep of 5,000 years, then there might still be some hope for the Calcutta Corporation.

BUT WHAT ON EARTH IS GOING IN THE CALCUTTA CORPORATION? Or, perhaps, the question to ask is: What on earth is going on in Writers' Buildings? Even as I frame these questions, two faces of the same anomaly, I know that everyone knows the answers perfectly well and nobody will spell them out. Let me try. The Government of West Bengal, as represented by Mr. P. C. Sen, is, like every citizen in Calcutta, fed up with the Corporation and its Councillors whose indifference to civic welfare has now gone beyond all limits. On the other hand, the West Bengal Congress, as represented by Mr. Atulya Ghosh, needs control of the Corporation for reasons I would like to go into but can't. The differences between the two would have been less ludicrous if the Government were run by one Party and the Corporation by another. As it happens, both have been captured by a Party called the Indian National Congress. Personally I do not believe the stories one hears often of

GABRIEL INDIA LIMITED

FIVE-FOLD EXPANSION PROGRAMME

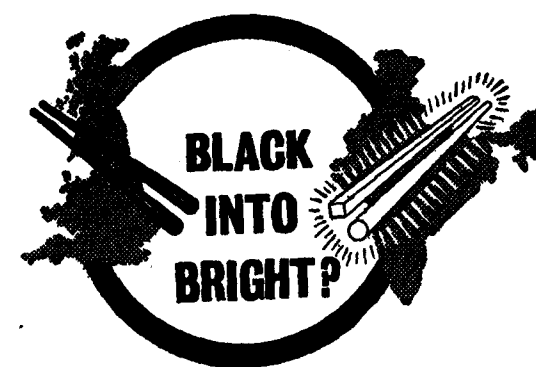
GABRIEL INDIA LIMITED, Mulund, Bombay, has recently been granted a licence by the Government of India to increase its production capacity from 120,000 to 600,000 Shock Absorbers per year. A joint enterprise of The Gabriel Company of Cleveland, Ohio, U.S.A. and Anand Automobiles of Bombay and New Delhi, the Company was granted the manufacturing licence in June 1960. Within days after the first prototype shock absorber came off the assembly line on August 8, 1961, the plant was operating at its full licensed capacity of 400 shock absorbers per day on a single shift basis. To date the Plant has manufactured 225,000 shock absorbers.

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Encouraged by the response of Original Equipment and Replacement markets, the Company has embarked on an ambitious expansion programme. The Capital of the Company is being doubled in equal proportions by U.S. collaborators, The Gabriel Company of Cleveland, Ohio and the Indian Associates, Anand Automobiles of Bombay and New Delhi.

The Expansion Programme promises considerable saving of foreign exchange for the country. The indigenous content of shock absorbers which is currently 60% will go up to 98% by the end of this year, which apart from saving foreign exchange will also help the ancillary industry in the country.

The Company is also contributing to the Defence effort by supplying Gabriel Shock Absorbers for Nissan 1-ton trucks and patrol jeeps currently being manufactured by the Ordnance Factory, Jabalpur.



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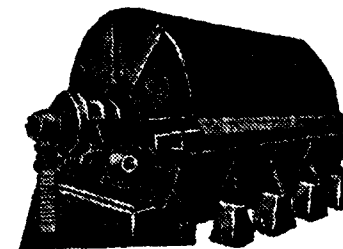


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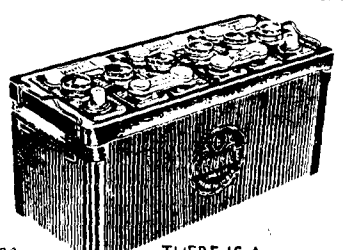
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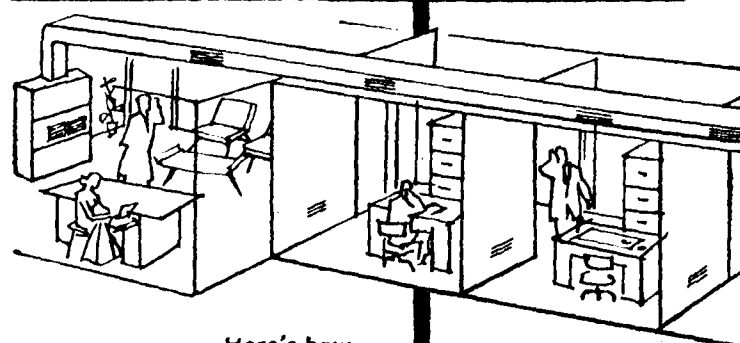


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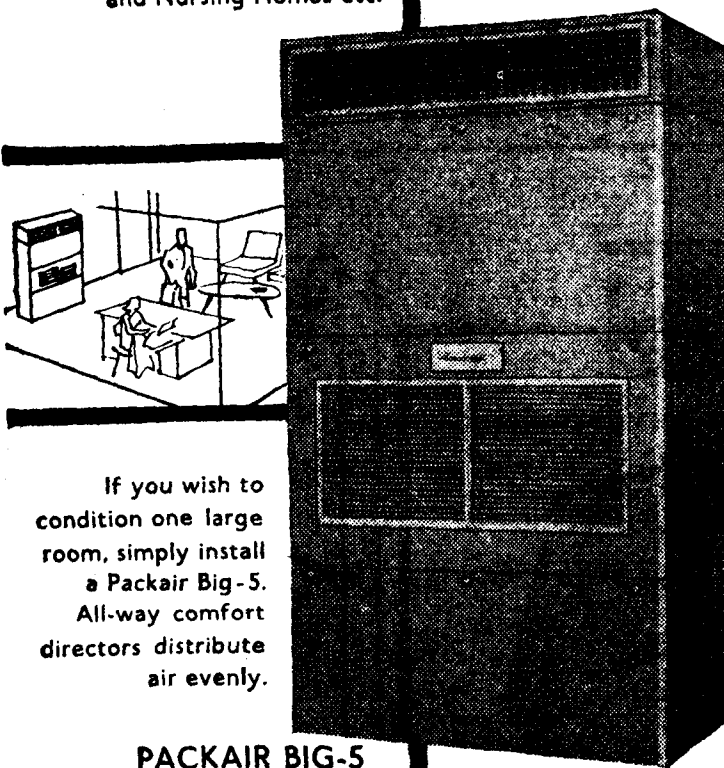


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Messrs Sen and Ghosh conducting a private war; I think they are as friendly as they say they are, if only because, at this point at any rate, each has need of the other. My submission is that both have need of a well-run Calcutta; and, for all the support the Congress commands in the countryside, the political Party that loses Calcutta will sooner or later lose all West Bengal. I am not appealing to anyone's nobility or the so-called higher sentiments. My appeal is purely to the political instincts of Mr. Sen and Mr. Ghosh. The former appeared to realise the truth of my thesis when he became Chief Minister; his zeal went to the extent of thinking of appointing a special Minister for Calcutta Affairs (which idea I did not approve of and has since been dropped). Considered as a politician, Mr. Ghosh is right (insofar as anything is right in politics) in seeking to retain his control of the Congress Municipal Association and hence of the Corporation. I suggest, then, that his self-interest demands that garbage be cleared and Calcutta's citizens made to feel that, while political battles are perhaps inescapable, civic affairs are not altogether absent from the minds of those who manipulate municipal politics. The political dividends the Congress will reap from a Corporation run efficiently are so big that I am surprised the Congress values more the current rewards of incompetence and worse. Alas, self-interest is rarely the self-evident thing we all imagine it to be.

THE RUSSIAN AUTHOR, VALERI TARSIS, HAS, I notice, been put in a lunatic asylum for sending the manuscript of a novel to the West. This sort of thing seems to be on the increase; there have been several incidents in the United States recently of people who have in some way rebelled against the established order being committed to mental institutions for inspection and treatment. If steps are not taken against it at the international level soon, I can foresee a rapid growth in the pernicious habit. After all, it has such obvious advantages over prison as a corrective for dissidents. For instance, backed as it is with all the powerful unassailability of science, it conveniently throws doubts on their sanity in the eyes of the public. Also, and perhaps worse, it can raise serious suspicions in the minds of the victims themselves about their own mental stability; not all of us have the technical training or insight to arrive at objective judgments about our own psychological make-up. Indeed, it can be asked quite rationally whether complete sanity or emotional stability are worthwhile criteria to use on would-be rebels and reformers. A deep conviction of being right is obviously indispensable to them—usually the first casualty in any course of psychiatric treatment—and absolute honesty of purpose is also a great help. But there has not been a rebel whose sanity has not at some time been doubted by somebody. Yet what would the world be without such men? No, genius, in whatever form it takes, always has about it the aspect of the unhinged, and that is something of which, in this scientific and impersonal age, we stand in great danger of losing sight. It is not difficult to appreciate why the Russian Government should choose this method of dealing with Valeri Tarsis in preference to the one which misfired so badly with Pasternak and his friends. But if we are not to see it eventually adopted by all governments as a convenient way of stifling opposition, it must be shown up at once for the tyranny that it is. Those who reject the established order, or fashion, or habit, are often eccentric, sometimes misguided, but seldom mad. In fact, they often prove to be the sanest ones among us, and are usually the most useful.

DESAI PRODUCED A MODEST BUDGET
And said to all, "Now please don't grudge it
For we've an electric bill
To pay into our till
To pay, and we can't fudge it."

THE DITCHER

BUDGET CAUSES COLLAPSE IN SHARE PRICES

(BY A SPECIAL CORRESPONDENT)

THE stock market has collapsed under the impact of new taxes proposed by the Central Finance Minister, Mr. Morarji Desai, in the 1963-64 Budget. The reaction was discernible when official trading started last Monday for the first time after the Budget. On Budget day last Thursday, the trend of share prices was erratic as operators were unable to understand the full implications of the financial proposals. The market was closed last Saturday as an emergency measure in order to give time to operators to understand the Budget proposals. On Wednesday, minimum prices were fixed for clearing cotton mill, engineering, miscellaneous and paper shares.

The sharp decline in share values, which has already taken place, is shown in the table below. But the decline by itself does not fully reflect the panic which has been caused since at current prices there are few buyers. Whatever purchases have been made are largely in the nature of short-covering. This apart, selling has been restrained by various restrictions, especially on forward trading. One must also remember that towards the end of 1962 share prices fell sharply following the Chinese invasion of India. These losses could not be fully recouped by Budget day.

	Minimum Prices on 6th March, 1963	Prices on 28th Feb- ruary, 1963
Indian Iron	19.70	21.65
Guest, Keen	30.00	33.25
Dunlop	32.00	36.62
Orient Paper	31.25	37.40
Hindustan Motors	15.90	17.56
Indian Alumi- nium	29.50	33.19
Indian Copper	4.10	4.46
Birla Jute	25.00	30.12
Kesoram Indus- tries	19.25	21.94

In view of the adverse effects of the new financial proposals, Lyons Range has taken a gloomy view of the outlook. Most disturbing has been the imposition of a super profits tax on companies. The tax will operate when the income of a company—after the deduction of income tax and super tax—is more than 6 percent of its capital and reserves, except for such amounts of reserves which have been allowed as deductions in computing the total income for income tax. The rate of the tax will be 50 percent when the income is more than 6 percent but not above 10 percent of capital and reserves. It will be 60 percent on income above 10 percent. Although it is not yet clear, it looks as if development rebate reserve will not be included in computing a company's total reserves.

There is no doubt that the burden of the tax will be crippling. Since the number of companies having a net income of more than 10 percent is not small, many will have to pay the 60-percent tax on income above 10 percent. Almost all profit-earning companies in the private sector will be subject to the new levy. Rough guesses made so far by market operators are that the Bank of India may have to pay super profits tax of Rs. 16 lakhs, Chitaval Sah Jute Rs. 3 lakhs, Burn and Co. Rs. 9 lakhs, Associated Battery Rs. 3 lakhs, Alkali and Chemical Rs. 8 lakhs, Carew and Co. Rs. 3 lakhs, Sirpur Paper Rs. 9 lakhs, Burrakur Coal Rs. 2 lakhs, Indian Oxygen Rs. 18 lakhs and

Volta Rs. 11 lakhs. In the case of several companies, it is estimated, the super profits tax will be nearly equivalent to increasing the corporation tax to more than 70 percent.

It is obvious that the new levy will have to be paid by pruning both dividends and retained profits. Since companies are keen on conserving resources for modernisation and expansion, they will be inclined to cut dividends. Judging by market trends, the pegging of profits at 6 percent looks grossly unfair. The dearer money policy has pushed up interest rates appreciably. Some banks are offering an interest rate of 5 percent on fixed deposits. Companies have been issuing preference shares by offering a fixed dividend of more than 9 percent. First-grade companies cannot float debentures unless they offer an interest rate of more than 6 percent. By exempting profits up to a ceiling of only 6 percent, companies in various industries will be unable to earn even the profits allowed by the Tariff Commission. Since the prices of some commodities have been fixed by the Government on the recommendations of the Tariff Commission, producers are permitted to earn a minimum level of profits, which will be affected by the new impost.

The tax is inequitable in principle. Mr. Desai is illogical in defending the levy on the ground that it will restrain excessive profits and regulate prices. A straightforward increase in corporation tax would, in fact, have been better than the super profits tax. The introduction of an element of progression in company taxation—as in the case of personal income tax—is unsound because it discourages enterprise and initiative. The new levy will also penalise efficiency and encourage extravagance. But it remains to be seen to what extent the expenditure on commission, advertisement and entertainment can be checked by an official edict. Meanwhile, companies which have a smaller share capital in proportion to their profits, will suffer heavily. Companies which finance their business by borrowings will be hard hit. Trading companies which generally have a small share capital will also be affected adversely.

It is thus not difficult to appreciate why there should be panic in the stock market. Firstly, the dividend outlook has become very discouraging. At current prices, dividend yields of several shares have already become unattractive due to higher interest rates. Secondly, with the imposition of the super profits tax the growth prospects of shares will suffer. Not only will the dividend-paying capacity of companies be impaired; several companies will find it almost impossible to plough back resources into business for development and modernisation. The impact of the tax on new companies will be especially serious, since they usually take a long time to build reserves. Thirdly, there is no doubt that the new issue market will suffer a further setback. In the recent past, support for new issues has largely been based on the fact that several companies have succeeded in securing foreign collaboration. Now that the profitability of companies will be affected due to the levy of the new impost, the flow of foreign capital will decline.

The effect of the increase in personal income tax, combined with compulsory savings, on the stock market will be quite serious. They will

interrupt the flow of funds into stocks and shares. The call rate has spurted to 6½ percent in Calcutta, which is the highest level in many years. This indicates that the shortage of funds will be aggravated in the near future. Concern has also been expressed about the possibility of a decline in the flow of institutional funds for private enterprise. The Budget provision for the Refinance Corporation has been cut from Rs. 7.5 crores for 1962-63 to Rs. 5 crores for 1963-64. As for the Industrial Finance Corporation, the Budget provision has been pruned from Rs. 6 crores for 1962-63 to Rs. 4 crores for 1963-64. Loans under P.L. 480 during 1963-64 are expected to be only Rs. 60 crores, against Rs. 80 crores in 1962-63.

In view of these developments, the removal of the export duty on tea has made no impression on the market. The beneficial effect of the removal has been largely offset by an increase in the excise duty on tea, which will henceforth not be refunded in the case of export tea. The stock market has taken little notice of the prospect

of inflation following the increased Budget provision for deficit financing. The increase in import and excise duties will, it is feared, boost production costs. But it is difficult to say to what extent the incidence of heavier taxation will be transferred to consumers in the form of higher prices.

Elgin Mills Repeats Dividend

IN their report for the year ended September 1962, the directors of Elgin Mills Co. Ltd point to various difficulties. The production costs have risen because of increase in wages and prices of raw materials. The results have, nevertheless, been fairly satisfactory on account of more efficient operation and greater economies in production. Although sales abroad have been more competitive, the Company has made good efforts to promote exports. Renovation and modernisation of the mills continue to be carried out. Capital expenditure for Rs. 20.10 lakhs has been committed since the close of the financial year ended September 1962. The mills have been busy producing defence goods. The Company has received a licence for the installation of 12,000 spindles. Efforts are being made to install these spindles as quickly as possible.

The profit has declined from Rs. 73.50 lakhs in 1960-61 to Rs. 70.11 lakhs in 1961-62, after providing Rs. 11.27 lakhs (against Rs. 9.57 lakhs)



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for depreciation. A taxable ordinary dividend of 17.5 percent has been repeated, which is nearly seven times covered and offers a yield of 8.5 percent at the present price of Rs. 20.69 a share of Rs. 10 each. Development rebate reserve is allocated Rs. 2.19 lakhs (against Rs. 4.93 lakhs), taxation Rs. 35.50 lakhs (against Rs. 31.75 lakhs), rehabilitation reserve Rs. 19.50 lakhs (against Rs. 10 lakhs) and capital reserve Rs. 13.17 lakhs. The carry-forward is Rs. 89,499, against Rs. 80,801 brought in.

Rights from East Anglia Plastics

EAST Anglia Plastics (India) Ltd has offered rights shares of Rs. 10 each at par to its shareholders in the proportion of one new share for every share held. The Controller of Capital Issues had permitted the Company to issue new shares for Rs. 2.125 crores, of which fully-paid shares of Rs. 12.5 lakhs are to be allotted to the foreign collaborators in payment of the remaining balance of their technical know-how fees. In view of the emergency the directors have decided to issue rights shares for only Rs. 1 crore since more money will not be required at the present stage.

The funds will be used to finance its expansion project. The Government of India has permitted the Company to import capital equipment for its flakes project under a French credit. The Andhra Pradesh Industrial Development Corporation has agreed in principle to guarantee the French credit. The flakes factory will be situated in Visakhapatnam. The construction has already started. This is an integrated project based on indigenous raw materials such as alcohol and cotton linters. An entire range of chemicals and plastics will be produced in this factory. The Company has also received an industrial licence for the production of plasticisers.

The compounding unit of the Company near Calcutta for the production of cellulose acetate and P.V.C. moulding powder has already started production. Judging by the quantity of imported raw materials which the Company will obtain, it is likely to produce more than 80 percent of the acetate moulding powder consumed in this country. But this production will be below the installed capacity of the factory. Even on this restricted output, sales are expected to be more than Rs. 1 crore. The directors hope to make substantial profits out of this turnover. When the acetate and plasticisers factories are set up, the compounding unit will have sufficient raw materials and its output may be trebled. The consumption of cellulose plastics has been estimated at 7,000 tons at the end of 1966 and may rise to 10,000 tons at the end of the fourth plan. The directors, therefore, consider the growth prospects of the shares as satisfactory.

Walchandnagar Industries Cuts Dividend

ALTHOUGH the dividend has been reduced from 15 percent to 12 percent, less tax, the working results of Walchandnagar Industries Ltd for the year ended September, 1962 show considerable improvement over the previous year's performance. Sales of sugar, spirit and sugar machinery have risen by 32.4 percent from Rs. 4.02 crores to Rs. 5.38 crores, and the gross profit at Rs. 67.11 lakhs shows an increase of about 25 percent over the previous year's figure of Rs. 53.73 lakhs. In spite of a substantial increase in the gross profit, the directors have had to withdraw

Rs. 17 lakhs from reserves, against Rs. 5 lakhs in the preceding year and to write back excess provisions amounting to Rs. 1.43 lakhs (against Rs. 58,765) no longer required, to provide for the reduced dividend. This is due to the decline in the net profit on account of the substantially larger provision for taxation.

After providing Rs. 29.13 lakhs (against Rs. 28.49 lakhs) for depreciation and Rs. 15.50 lakhs (against Rs. 2.50 lakhs) for taxation, the net profit amounts to Rs. 18.69 lakhs, against Rs. 20.33 lakhs in 1960-61. Allocation to development rebate reserve has been raised from Rs. 4 lakhs to Rs. 4.31 lakhs, and a sum of Rs. 5 lakhs has been set aside for additional taxation concerning earlier years on account of the change in the mode of computation of income tax. Preference dividend absorbs Rs. 5 lakhs (the same) and the ordinary dividend takes Rs. 18.12 lakhs, against Rs. 17.04 lakhs, leaving Rs. 1.19 lakhs to be carried forward, against Rs. 1.50 lakhs brought in.

The Company's sugar factory crushed during the year 200,003 metric tons of sugarcane producing 248,000 bags of one quintal each with a recovery of 12.25 percent. The corresponding figures for the previous year were 234,000 tonnes of sugarcane, 274,000 bags of sugar and 11.77 percent of recovery. The Company's distillery produced 700,002 litres of spirit, against 566,000 gallons in the previous year. The sugar machinery manufacturing division supplied machinery worth Rs. 2.13 crores, against Rs. 1.28 crores. The plastic factory supplied goods worth Rs. 5.05 lakhs, against Rs. 5.42 lakhs in 1960-61. The directors state that the supply of sugar machinery to three co-operative sugar factories is nearing completion. Two of these sugar factories are expected to go into production during the current season and the third one during the next season. The Central Government has recently given licences to start three sugar factories in the co-operative sector and one in the private sector.

Negotiations are in progress to secure orders for the supply of sugar machinery for these factories. Efforts are also being made to supply complete sugar machinery plant to foreign countries. The Company has recently entered into collaboration agreement with Cochran and Company of the U. K. for the manufacture of steam accumulators and with Technoexport of Czechoslovakia for the manufacture of Skoda water tube boilers. The collaboration agreement for the manufacture of cement manufacturing machinery and other ancillary equipment is under negotiation. The directors add that with the coming into force of the Maharashtra Agricultural Lands (Ceiling on Holdings) Act of 1961, land in excess of the ceiling area will vest in the State Government as from 1st April, 1963. The Company has offered for sale its dairy to the Government. After the lands are taken away, the Company will have no agricultural profits.

The Maharashtra Agricultural Income Tax Act, 1962, is deemed to have come into effect from April 1962, covering agricultural profits for the financial year 1960-61. As it is not clear from what date the tax is leviable, the directors have not made any provision for the same in the accounts for 1961-62. The Government of India has sanctioned the issue of debentures to the tune of Rs. 60 lakhs, carrying interest not exceeding 7 percent, redeemable after 15 years. These are proposed to be pledged with the bankers against overdraft account. The Company has an equity capital of Rs. 1.52 crores, which is supported by free reserves amounting to Rs. 1.25 crores. The Rs. 100-paid

share of the Company is currently quoted around Rs. 133.

Rights Issue by Atul Products

ATUL Products Ltd. Ahmedabad, proposes to raise its capital from Rs. 3 crores to Rs. 4 crores by the issue of 100,000 equity shares of Rs. 100 each for which necessary sanction from the Controller of Capital Issues is being sought. The proportion in which the new shares will be offered to existing shareholders will be decided after the official sanction is received. It is, however, believed that new shares will be offered in the ratio of one share for every three shares held. The Company is likely to seek permission to issue rights shares at par. The directors have also decided to issue debentures worth Rs. 3 crores which will be entirely taken up by the State Bank of India.

The borrowing programme will be spread over some three years. Additional funds are being raised to finance the Company's expansion programme, which, when completed, will enable the Company to meet 30 percent of its own raw material requirements. The total outlay on the expansion scheme, most of which is expected to be completed by the end of 1964 or early in 1965, is placed around Rs. 10 crores. The Rs. 100-paid share of Atul Products rose from Rs. 400 to Rs. 435, following the Company's decision on the bonus issue in spite of the post-Budget slump in the stock market.

Progress of State Bank

THE State Bank of India's report for 1962 shows satisfactory progress both in its traditional business and developmental activities. The bank's deposit resources showed an increase of Rs. 41.4 crores at Rs. 96.4 crores, against a fall Rs. 52 crores in 1961. If changes in P.L.480 funds are kept out of account, the increase in the bank's deposits was of the order of Rs. 56.7 crores, compared with Rs. 31.5 crores in 1961. Total deposits of other scheduled banks rose by Rs. 168.7 crores in 1962, compared with a rise of Rs. 118.4 crores in 1961. Apart from liberalising the savings bank rules, the bank introduced last year a special credit transfer system under which every personal account holder can transfer up to a fixed amount free of charge from one place to another.

The bank's investments in Government securities increased by Rs. 29.3 crores, compared with a fall of Rs. 69.2 crores in 1961. The demand for bank credit continued to increase in 1962. The State Bank's credit in India rose by Rs. 53.7 crores to Rs. 283.6 crores during the 1961-62 busy season, against an increase of Rs. 61 crores in the previous busy season. The bank's share in the total seasonal credit expansion was 26.4 percent in 1961-62, compared with 30.7 percent in 1960-61. Over the year, the bank's advances showed a net increase of Rs. 16.1 crores at Rs. 260.2 crores. Between December 1961 and 1962, the bank's advances to industry increased from Rs. 178.6 crores to Rs. 193 crores, advances to commerce and financial institutions rose from Rs. 19.3 crores and Rs. 15.1 crores to Rs. 25.6 crores and Rs. 19.2 crores, respectively, and advances to agriculture fell from Rs. 4 crores to Rs. 30 lakhs.

A notable feature of the bank's operations in 1962 was the introduction of the instalment credit scheme to finance purchases of equipment or machinery by small and medium-sized units engaged in approved

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manufacturing operations including those supplying defence requirements. The amount of loan would be normally Rs. 5 lakhs and the period of the loan five years. The total number of small units assisted by the bank rose by 12.2 percent to 3,153 and credit limits sanctioned rose by 16.7 percent to Rs. 11.82 crores. Outstandings increased by 17.9 percent to Rs. 597.8 lakhs. The bank paid special attention to the provision of medium-term finance to small-scale industries. Further progress was made in the provision of medium-term loans and the furnishing of deferred payment guarantees for acquiring plant and machinery to various industries. The list of industries eligible for medium-term loans was revised and enlarged.

In 1962, the State Bank opened 25 branches under the second branch expansion programme, against 12 branches opened in 1961. Thus, out of the 143 branches to be opened by the bank under this programme, 50 branches have been opened during the period of 24 years ended December 1962. This rate may appear to be rather slow, but this is because the bank has been making during these years necessary preparations. The rate, it is expected, will rise in future. The bank also opened during the year eight branches outside the expansion programme. On 31st December, 1962, the State Bank had a total of 1,010 branches and offices and its subsidiaries had 483 branches and 36 pay offices. The bank is now examining, in consultation with the Reserve Bank, a proposal concerning the opening of more branches at various non-banking treasury or sub-treasury centres during the course of the third plan.

In 1962, the State Bank earned a net profit of Rs. 2.69 crores, against Rs. 2.71 crores in 1961. Earnings from interest and discount rose from Rs. 14.12 crores to Rs. 16.19 crores. Earnings from commission, exchange and brokerage rose from Rs. 5.40 crores to Rs. 6.15 crores. On the expenditure side, interest paid on deposits, borrowings, etcetera, increased from Rs. 6.89 crores to Rs. 7.91 crores. Salaries, allowances and provident fund increased substantially from Rs. 7.90 crores to Rs. 9.42 crores due to the revision of the scales of pay and allowances of the workmen staff as also those of some supervisory staff. Dividend has been maintained at Rs. 23 a share. Reserve fund absorbs Rs. 55 lakhs, against Rs. 75 lakhs. Amounts transferred to pensions fund, staff welfare fund and staff co-operative housing fund are Rs. 7.62 lakhs, Rs. 5 lakhs and Rs. 5 lakhs, against Rs. 7.42 lakhs, Rs. 10 lakhs and Rs. 10 lakhs, respectively. Bonus to staff accounts for Rs. 72 lakhs, against Rs. 45 lakhs in 1961.

Voltas Rights Issue

VOLTAS Ltd had the best trading year of its career in 1961-62, although the results of its operations were not fully reflected in the year's accounts. Speaking to the shareholders at the annual meeting on 26th February, the chairman, Mr. J. D. Choksi, agreed that the present level of dividend paid by the Company is low, but he emphasised the need to conserve resources with a view to financing the various expansion plans. Mr. Choksi hinted at the possibility of a rights issue in the near future in order to raise funds for the expansion of its manufacturing activities and to invest in other companies whose selling and distributing agencies it held or intended to acquire in future. However, he was quick to add that the question

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of rights issue would be pursued more actively after the Central Budget. But since the Budget has frustrated all hopes of a recovery in the capital market, it is quite possible that the rights issue might be delayed for quite some time. It would be of interest to note that on the basis of its profits in 1961-62, the Company will have to pay an extra Rs. 17.26 lakhs by way of super profits tax. The Company made a net profit of Rs. 56.54 lakhs during the year, and its capital and reserves amounted to Rs. 366.84 lakhs. The ratio of the net profit to paid-up capital plus reserves works out to around 15.4 percent.

Andhra Sugars Results Impress

THE Andhra Sugars Ltd reports a highly encouraging results for the year ended September 1962. The sales are up by 41.2 percent from Rs. 1.65 crores to Rs. 2.33 crores, and the gross profit has increased by 52.4 percent from Rs. 26.32 lakhs to Rs. 40.11 lakhs. After providing Rs. 10.66 lakhs (against Rs. 8.94 lakhs) for depreciation and Rs. 7.50 lakhs (against Rs. 5.70 lakhs) for taxation, the net profit amounts to Rs. 19.08 lakhs, against Rs. 9.99 lakhs in 1960-61. After making some adjustments relating to the previous years and providing for donations and gratuity and transferring a sum of Rs. 3 lakhs from the general reserve, the directors have set aside Rs. 4.50 lakhs for the plant rehabilitation reserve and Rs. 8 lakhs for development rebate reserve. The dividend has been maintained at 16 percent on the increased capital. Dividends, ordinary as well as preference, absorb Rs. 8.74 lakhs.

Improved results are attributed to the diversification of the Company's activities which are expected to yield still better results in coming years. The production of sugar was lower at 165,000 bags, against 173,000 bags, but the production of superphosphate increased from 15,272 tons to 23,450 tons and sales of superphosphate rose from 12,434 tons to 25,886 tons. The industrial alcohol plant went into production in July 1962 and produced 664,000 litres of spirit; the acetic acid plant went into production at the end of September. Both the industrial alcohol plant and the acetic acid plant will be in full production in the current year and are expected to contribute substantially to the year's results.

The work on the caustic soda-chlorine plant in Kovvur has continued. The plant and machinery received from East Germany arrived last year and could not therefore, be commissioned as expected earlier. The caustic soda plant, which is being expanded to a capacity of 30 tons a day, is expected to go into production this year. The company has been licensed to undertake a fertiliser project in Kothagudem (Andhra Pradesh) and a new Company under the name of Hindustan Allied Chemicals Ltd will be formed to implement this project in collaboration with Allied Chemical Corporation of the U.S.A.

Brady Group Revises Dividend Decision

THE management of the three companies belonging to the Brady group—Brady Engineering Co. Ltd, G. Claridge and Co. Ltd and Commerce Ltd—has informed the Bombay Stock Exchange that it wishes to reconsider its earlier decisions concerning the dividends of these companies for the year ended December 1962. This is said to have become necessary as a result of the new tax proposals announced by

Mr. Morarji Desai. The corporate sector has been badly hit by the super profits tax and the stock market has suffered a heavy decline on fears that the super profits tax will make it difficult for many companies to maintain their dividends.

The decision taken by the management of the Brady group of companies is quite extraordinary, in that only in very exceptional circumstances do companies reconsider their decisions on dividends. It is quite likely that the dividends might be revised downward. The boards of directors of the three companies are expected to meet shortly. The dividends already announced are: Brady Engineering Rs. 7 a share plus bonus of Rs. 2, G. Claridge Rs. 20 a share on old shares and Rs. 5.50 a share on new shares, and Commerce Rs. 2.50 a share.

New Capital issues

FIVE companies have been authorised to issue capital totalling

Rs. 1.70 crores. Of these, three companies are raising equity shares, one company is issuing equity plus preference shares and the other one preference shares. The consent in all cases is valid for 12 months. The following are the details:

Tata Finlay Private Ltd, Bombay, will raise further capital of Rs. 1 crore in equity shares of Rs. 100 each at par. Out of this, 44,630 shares for cash and 4,600 shares for consideration other than cash against technical know-how will be offered to James Finlay and Co. Ltd of the U.K. and their associates and the remaining 50,770 shares for cash to Tata Sons Private Ltd and their associates. Proceeds of the issue will be used for manufacturing instant tea.

The National Suarg Mills Ltd, Calcutta, is issuing capital of Rs. 28 lakhs in 280,000 equity shares of Rs. 10 each for cash at par. The capital is required for the purchase of a sugar mill in Beldanga, Murshidabad District, which will be restarted after

a licence under the Industries (Development and Regulation) Act applied for by the Company, has been obtained.

Gajraj Pannalal Ltd, Calcutta, is to issue further capital of Rs. 2.50 lakhs in equity shares. The Company earlier obtained a consent to issue capital of Rs. 12.50 lakhs in August 1962, which has been raised. The additional capital is required to meet the cost of modernisation of the Shree Mahaluxmi Cotton Mills.

Telangana Spinning and Weaving Mills Ltd, Andhra Pradesh, will issue capital of Rs. 30 lakhs—Rs. 24 lakhs in equity shares (including shares worth Rs. 87,650 already subscribed) and Rs. 6 lakhs in 9 percent (less tax) preference shares of Rs. 10 each for cash at par. Proceeds will be used for setting up a spinning mill.

Sundaram Finance Ltd, Madras, is raising capital of Rs. 10 lakhs in the form of 9-percent preference shares of Rs. 100 each for cash at par to the existing shareholders.

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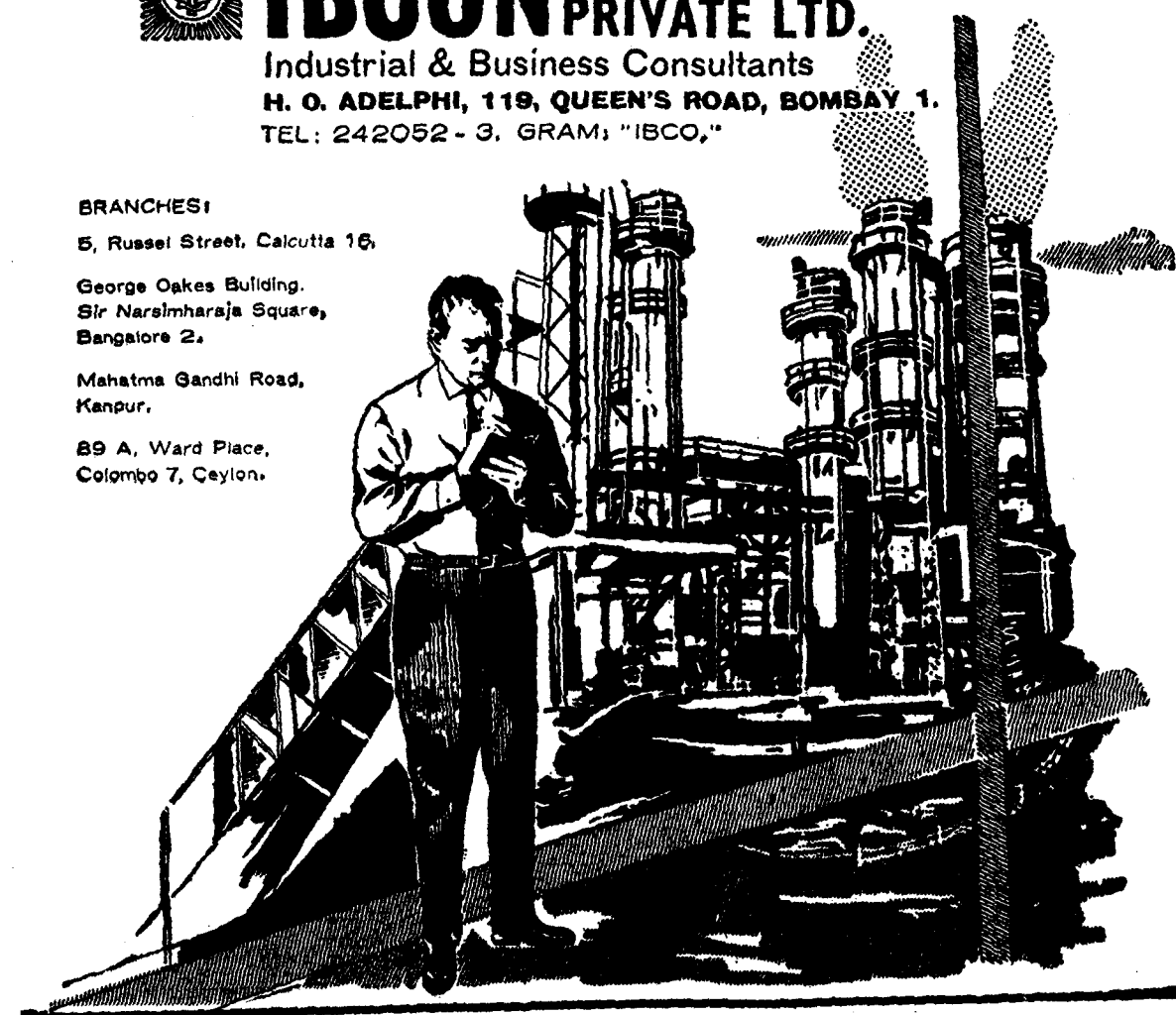
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FIXING THE RETIREMENT AGE OF EMPLOYEES

By M. S. Bala

THE age of retirement in Government service as well as in business, industry and other employment, has been widely discussed in recent times. For Government servants, the first and second Pay Commissions suggested that the age of retirement be raised from 55 to 58. The second Pay Commission, while recommending that the age of retirement be raised to 58, suggested that those who were entitled to continue in service up to the age of 60, should be allowed to do so. For scientific personnel, it was proposed, the age of retirement should be 60. But, except for scientists employed in Government or quasi-Government organisations, the Government did not accept the recommendation. Recently, however, it has been decided that the age of retirement should be raised to 58.

In industry, the question of retrenchment and the age of retirement came into prominence with the passing of the Industrial Disputes Act, 1947. The Act defines "retrenchment" as follows in Section 2: "Retrenchment means the termination by the employer of the service of a workman for any reason whatsoever, otherwise than as a punishment inflicted by way of disciplinary action, but does not include: (a) voluntary retirement of the workman; or (b) retirement of the workman on reaching the age of superannuation if the contract of employment between the employer and the workman concerned contains a stipulation in that behalf; or (c) termination of the service of a workman on the ground of continued ill-health."

Specifying the Age

In the case of most employees in industry, there never was a well-defined contract of employment, so the question of specifying an age of retirement in the contract seldom arose. Even the Industrial Employment (Standing Orders) Act, 1946—as it originally stood—was concerned mainly with the form of the standing order rather than with the substance. A dispute over the retiring age came up before the Supreme Court in the case of *Guest, Keen, Williams (Private) Ltd Vs. Sterling (P.J.) and others* (1959 L.L.J. II 405). In this case, after the Industrial Employment (Standing Orders) Act, 1946, came into force on 23rd April, 1946, the Company submitted standing orders for certification to the Certifying Officer. After giving the trade unions of the Company's workmen an opportunity to be heard and after considering their objections, the officer certified the standing orders on 19th December, 1953. No appeal was filed against the standing orders as provided under the law, so the orders became final and operative in governing the employees' conditions of service.

According to the standing orders, the workmen were to retire from the

service of the Company on reaching the age of 55, although the Company had the discretion to extend the age of retirement in individual cases. The Company retired 47 people with effect from 31st May, 1954. The union questioned these retirements, but the industrial tribunal upheld the management's decision. The now-defunct Labour Appellate Tribunal, however, took the view that workmen who joined the service of the Company prior to the framing of the standing orders, should be allowed to continue in service as long as they remained physically fit and that the new scheme could not be justly enforced in their case. The Supreme Court endorsed this view, but fixed 60 as the age of retirement for those workmen. The industrial tribunal, to which the case of the employees of the Dunlop Rubber Company was referred, fixed their age of retirement at 60. When the matter went on appeal, the Supreme Court did not interfere with the discretion exercised by the tribunal.

A number of factors induce people to wish to go on working as long as possible. Often there is no provision for old age. Light work for retired people cannot easily be found. The steadily rising cost of living depreciates the real value of one's earnings. But, on the other hand, the colossal problem of unemployment—particularly of the educated unemployed—indicates the need to retire people at a particular age, thus making room for younger men to step into vacancies caused by retirement.

On 11th December, 1962, the Lok Sabha referred the Constitution (15th Amendment) Bill to a joint committee of Parliament. The Bill, among other things, seeks to provide that the age of retirement of a High Court judge shall be raised from 60 to 62 years; and the disputes relating to the age of High Court judges (to determine the time of retirement) shall be decided by the President. Some of the members urged that disputes relating to the age of judges should be decided by civil courts or some other judicial authority, and not by the President. The Law Minister said that the question of deciding the correct age of a High Court judge was very important because under the Constitutional provisions, all orders passed by a judge, if he was over 60, were null and void.

Important Question

There can be no two opinions about what the Law Minister said. The amendment seems to be the result of the important question which came into prominence consequent on the retirement of Mr. Justice J. P. Mitter of the Calcutta High Court. The question was this: Is there a correct record of the age of all the people

in this country, on the basis of which it can truly be said that a person retires at a particular age? A brief recital of the points raised during Mr. Justice Mitter's case is necessary.

Mr. Justice Mitter was appointed an additional judge of the Calcutta High Court on 11th February, 1949, and as a permanent judge in January 1950. Prior to his appointment as an additional judge, Mr. Justice Mitter disclosed to Sir Trevor Harries—the then Chief Justice of the Calcutta High Court—the discrepancy between his real age and his matriculation age. The Chief Justice, it is stated, accepted the real age and forwarded it to the Government of India. The latter also, it is said, accepted that age and computed the date of Mr. Justice Mitter's retirement on that basis to be 27th December, 1964, his actual date of birth being 27th December, 1904. Subsequently, on 17th April, 1959, the Home Ministry of the Government of India decided to treat the matriculation age of Mr. Justice Mitter, namely, 27th December, 1901, as the age for official purposes. Mr. Justice Mitter, therefore, filed a writ petition before the Punjab High Court challenging the decision of the Central Home Ministry, in which he gave the particulars of 11 judges—seven from the Calcutta High Court and four from the Patna High Court—showing discrepancies between the matriculation age and the age given by the judges at the time of appointment. Mr. Justice Mitter also indicated that there were similar cases in other High Courts.

Cases of Disconformity

It was stated that in the case of a number of people holding such exalted positions as High Court judges, there was disconformity between the matriculation age and the real age. In a letter published in Capital of 11th January, 1962, a correspondent wrote: "It is notorious that by reason of the university regulation, once extant, that no candidate could sit for his matriculation examination unless he attained the minimum age of 16 years on 1st March of the year of the examination, the age of a candidate was often adjusted to that requirement and was seldom the correct age. An analysis of the Calcutta University calendars for the period 1930-40 shows that on the basis of the matriculation records, 92.7 percent of the candidates were born on 1st March—a most absurd phenomenon... It is clear that the Constitution enjoins that a judge shall hold office until he attains the real age of 60 years and not any notional age of 60 years."

In another letter published in Capital of 18th January, 1962, a former Judicial Minister of the West Bengal Government observed as follows: "If the Government can

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claim a right to reopen the question of a judge's age, so can a judge on the ground that his real age is less than the age given and accepted at the time of his appointment. On this basis, he can refuse to retire until, according to him, he reaches the age of superannuation. I know of two Calcutta cases in which the judges concerned were obliged to give their matriculation age which was in each case higher than the real age. Then what about those cases where the matriculation age was less than the real age as it sometimes happened?"

From all this, it seems fair to conclude that the age given by an individual while entering school should be carefully scrutinised, or he should at least be held down to whatever age he gives. The problem becomes particularly complicated in dealing with those who have not passed the matriculation examination. In their case, the insurance companies in the past—and perhaps the L.I.C. even now—accepts a horoscope as proof of age. However valuable this document may have been formerly, there is no denying that it is now sometimes abused. In many cases, a person may have three ages: (1) his actual age, (2) his matriculation age, and (3) his insurance age.

Thus, often no proper age record exists in non-government employment. Before the passing of the Industrial Disputes Act and the Industrial Employment (Standing Orders) Act, people were usually allowed to work as long as they were useful to the management and as long as their health permitted. But now it is not unusual to find employees attempting to get their ages reduced when they fear that the time of retirement is approaching. Where the matriculation certificate exists but is not helpful to the employee, its existence is denied. In the case of non-matriculates, a horoscope or a life insurance policy (which, incidentally, may be based on a horoscope) is produced as proof of age. In cases where none of these documents is available, the only course for assessing a person's age is to refer him to a doctor. Even when a doctor is completely uninfluenced, his opinion on the age of an individual referred to him would at best be an intelligent guess and would vary within wide limits. The doctor may give a prejudiced opinion depending upon who approached him first—the employee or the employer.

There was an instance in which a father and his third son were working in an organisation at the same time. The father claimed he was 48, the son swore he was 36, and the former's age of 48 was supported by an affidavit sworn by him before a magistrate. In view of modern practices like dyeing hair, using artificial teeth and wearing spectacles, the only help that an employer gets for disposing of a once-useful old employee who claims to be young, is the march of time and the hand of nature.

Registering Births

It is true that registration of births is an obligation under the law. But how carelessly births and deaths are registered is evident from the stupendous task the Census staff faces every ten years or so. The need to record the correct age of every child born in this country cannot be over-emphasised. In its absence, some people might tend to deceive one another or the Government. A mass enquiry is neither practicable nor desirable. But the Government can take steps to ensure that, from a particular date, the date of birth of every new-born child will be carefully recorded along with other details, and the date will again be carefully reproduced in school registers or when a person seeks employment through the employment exchange.

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NATIONAL AND GRINDLAYS BANK LIMITED

EXPANSION OF BUSINESS

CHAIRMAN, MR. J. K. MICHIE'S STATEMENT

The Annual General Meeting of National and Grindlays Bank, Ltd., will be held on April 2 in London.

The following are extracts from the circulated statement of the Chairman, Mr. J. K. Michie, for the year 1962:—

To quote the Editor of our quarterly Review, this year makes us "a proud and vigorous centenarian" for on 29th September, 1863 the National Bank of India was registered in Calcutta.

A history of our first hundred years is now being completed by Mr. Geoffrey Tyson, C.I.E., and we are expecting to publish it later this year.

The increases in capital both authorised and issued agreed to by you a year ago are reflected in the balance sheet which also shows a general expansion in our business. Total assets at 31st December last at £277,468,847 are higher by £26,184,257. Profits are £70,457 higher at £714,730 but the increase did not arise from our overseas operations where generally speaking conditions were more difficult than in 1961. The sum of £150,000 has been placed to Reserve Account. As you see we have also felt justified in transferring the sum of £387,365 from inner to published reserves bringing the total of the latter inclusive of Share Premium Account to £5,250,000.

In accordance with present day practice we have discontinued making allocations to premises out of published profits but have appropriated a sum for this purpose out of amounts placed to inner reserves.

The half-yearly dividend proposed is unchanged at 7% making 14% for the year as forecast.

A Centenary Bonus

To mark the Centenary of the Bank the Directors recommend the payment of a Centenary Bonus dividend of 2% leaving £316,941 to be carried forward in Profit and Loss Account.

On 30th September to celebrate the Centenary date we propose to pay an appropriate bonus to the staff of the Bank.

National and Grindlays Finance and Development Corporation: The net profit for the year was somewhat higher at £21,348. This sum is being retained in the business, and is reflected in the balance carried forward in the Consolidated Profit and Loss Account.

Exporters' Refinance Corporation: The Corporation has made an encouraging beginning but the volume of business accepted is still on a moderate scale.

Board: To replace those members who resigned after last Annual General Meeting we have been fortunate in recruiting Sir John Muir, Bart., Mr. G. W. Gemmell and Mr. J. R. Vernede, F.C.A., Chairman of James Finlay & Co. Ltd., Alex. Lawrie & Co. Ltd. and Walter Duncan & Goodricke Ltd. respectively.

Individually and collectively they have large interests in and great experience of the industries which we help to finance and the territories in which we operate and I strongly recommend that their appointments be confirmed by you.

India

The economic situation of India and its future policy are overshadowed and dominated by the emergency caused by the recent Chinese invasion of Assam and Ladakh.

It is true that proposals put forward by the "Colombo Conference" for reaching a settlement of the Indo-China

border problems are now under discussion and it is to be hoped these will end in success. Nonetheless it would be unrealistic to expect otherwise than that a great deal more of India's resources will be channelled into expenditure on defence with a consequent slowing up of development under the third five-year plan, an additional strain on her economy and a need for further aid to buttress her vulnerable reserves.

I am writing before the publication of the budget but have little doubt that taxation in some form or other will be increased while a deficit budget is being advocated and indeed may well be impossible to avoid. One source of finance the Finance Minister hopes to tap is the large amount of gold privately held in India variously estimated at from £1,400,000,000 up to £4,000,000,000—a wide variance presumably due to the equally wide difference between the external and internal values. It is now illegal to hold gold except in the form of ornaments and the price has fallen from its previous level of roughly double the international price but there seems to be no rush to take up Gold Bonds at Rs. 62.50 per tola. It is estimated that a cessation of imports by smuggling in itself would save £30,000,000 of foreign exchange per annum.

The Reserve Bank of India rate has recently been raised from 4% to 4½% and the bill discount facilities extended to commercial banks are being both reduced and made more expensive but with the proviso that they may be expanded in special cases albeit at penal rates. Call money in Calcutta has recently fetched as much as 6½% per annum.

Although it will not come into operation until September, 1964, an act has been passed whereby the proportion of assets which scheduled banks have to hold in Government Securities has been substantially increased and this, failing a very large expansion of deposits, will undoubtedly tend to restrict bank lendings. Meantime the pressure for additional finance by commerce and industry including many new and necessary projects continues unabated and as Government spending increases, and Gov-

ernments being notoriously slow payers, it seems inevitable that this pressure will mount.

It is therefore somewhat difficult to see how the situation will be met by the Banking system tho' met it must be.

The Government's Part

This is National Productivity Year and it is sincerely to be hoped that these three words will be no mere headline but will be translated by co-operation and imagination into fruitful action.

The coming budget should disclose the part the Government are prepared to play taking into account that our long drawn out negotiations for entry into the European Common Market have been rendered abortive. A reappraisal by both Government and the N.E.D.C. of our future international economic plans is now imperative. As I mentioned last year certain Commonwealth countries—and these included India and Pakistan—were apprehensive about our possible entry not only on economic grounds, and for varied reasons they may well be relieved by the outcome. However, the pattern of the overseas trade of Commonwealth countries is steadily changing, in many cases in directions other than towards the United Kingdom, and it will be interesting to see if they or any of them will now be willing to open their doors more widely to British goods in exchange for the relatively free entry into our market. I have my doubts if only because of their own plans for industrialisation and export.

It is obvious that the problem will have to be considered on a very wide basis otherwise it may well be that our "aid" will in future be tied far more than in the past to purchases in this country—where heavy industry is hungry for orders.

Bank Rate

A 4% Bank rate and a fairly firm pound sterling coupled with a considerable amount of money being pumped into the economy by the Chancellor of the Exchequer should result in a revival of trade this Spring but it is exports

that we want and must have, not merely home consumption.

So far as this Bank is concerned the reduction in the Bank rate will affect our earnings in this country but we hope to improve on last year's overseas results.

Nevertheless I must draw your attention to the continually mounting costs of providing banking services. Over the past two years these have risen materially throughout our sphere of operations and had we not been able to increase the volume of our deposits from the public, the results would have been much more apparent and unpalatable. These twin aspects of our business are having the unremitting attention of our General Management.

You will have noticed that the larger banks are turning increasingly to automation to deal with the rising volume of paper work. Our own problem is relatively a small one but it has been under close study and we have decided to install in London a computer of suitable capacity which primarily will serve our London business but which in due course will be able to cope with a wider field in such ways as storing information gathered from our whole system of branches.

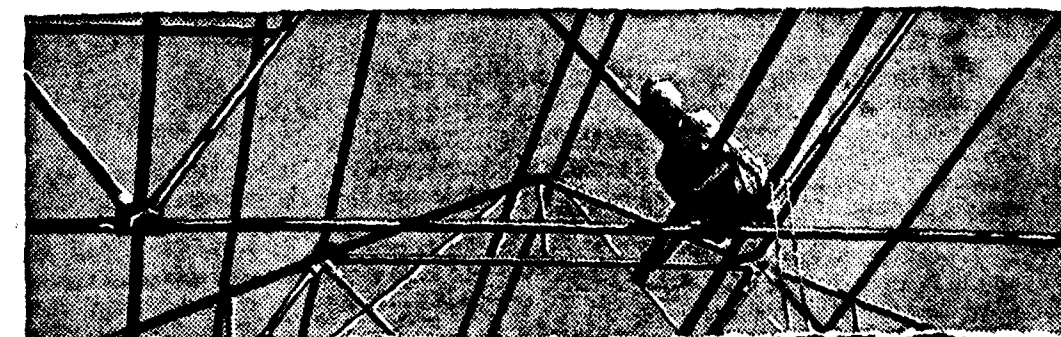
Tribute to Staff

Once again I wish to thank our General Manager and his staff throughout the Bank for their unstinting service to the interests of the Bank.

During the year Mr. Gillespie and his colleagues have visited most of the territories in which the Bank operates. The Directors have done their share—Lord Aldington visited Kenya and Uganda; Mr. Owen has just returned from a tour of our Rhodesian branches while Lord Lloyd is at time of writing on a comprehensive tour of India, Pakistan, Burma and Ceylon. In the course of business tours Mr. Vernede visited a considerable number of our branches in India, Pakistan and Ceylon and Sir John Muir made similar visits in Southern Rhodesia.

Mr. Wadia is continuously in touch with our Management in India and Lord Twining is on an extended visit to East Africa, where we have established a small advisory committee under his Chairmanship.

In September accompanied by the General Manager I attended the annual meetings of the World Bank and The International Monetary Fund and thereafter Mr. Gillespie called on our principal Correspondent Banks on the Eastern Seaboard of the United States and in Montreal and Toronto.



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The Stock Markets

LYONS RANGE SHAKEN BY CENTRAL BUDGET

Wednesday Evening.

THE Calcutta stock market has been shaken by the Central Budget. The shock has been the greater since the forecasts about the Budget proposals had gone awry. The market had expected additional taxation of only Rs. 150 crores, whereas the new taxes account for Rs. 265.9 crores. Lyons Range is greatly disturbed by the imposition of the super profits tax on companies (which is discussed in detail on page 332 of this issue). A fuller review of investors' reactions to the Budget is published on page 339.

Share prices have declined sharply all-round on a predominance of sellers. Buyers have been scarce. Whenever purchases have been made, they have been for short-covering. In order to stop the selling pressure, the authorities have fixed minimum prices for clearing, cotton mill, engineering, miscellaneous and paper shares. It has also been decided to introduce compulsory carry-over at fixed making-up prices. There was an interim clearing last Monday in order to prevent payment difficulties. Business has, meanwhile, been very thin since no support has been attracted at the minimum prices. Since the dividend and profit outlook of shares has been damaged by the super profits tax, the trend is unlikely to improve in the near future.

As for Government securities, the turnover has been dull because institutional support is lacking. Prices of short-dated loans have been about steady, while those of medium and long-dated stocks have been weaker. State Government loans have been offered freely.

The Indian Iron and Steel Co. Ltd produced 106,428 tons of pig iron in February, compared with 120,068 tons in January. The output of steel ingots declined from 86,248 tons to 79,233 tons while that of saleable steel rose from 68,972 tons to 69,816 tons. Despatches declined from 70,408 tons to 64,180 tons. The decline in output is largely due to the short working month. The managing agents point out that 7,600 tons of finished steel could not be despatched because of the wagon shortage.

Bombay

AUTHORITIES SUSPEND TRADING

MINIMUM PRICES FOR CLEARING SHARES

Wednesday Evening.

THE Bombay stock market has been overtaken by panic because of the tax proposals made by Mr. Morarji Desai. The authorities suspended trading last Tuesday and minimum prices have been fixed for clearing shares. It has also been decided to enforce compulsory carry-forward at a fixed budla rate of 9 percent a year. Making-up prices will also be fixed. There was also no trading on Wednesday. When the market opened last Saturday, share prices declined appreciably, but there was limited business since the full implications of the new tax measures were not understood. During Monday's session nervousness prevailed and investors wanted to sell their shares in panic.

Therefore, prices declined sharply, but it was difficult to get buyers even at lower levels.

Sentiment had improved appreciably before the Budget on hopes that the new taxes would not be very stiff. When the Finance Minister proposed new taxes for Rs. 265.90 crores, the market was shocked. Among the new levies, the super profits tax on companies is being considered very damaging. It is feared that the levy will cut dividends and hamper capital formation.

Minimum prices have been fixed as follows: Tata Steel ordinary Rs. 116.50, Indian Iron ordinary Rs. 19.70, Tata Locomotive Rs. 262, Bombay Dyeing Rs. 59, Century Rs. 490, Kohinoor Rs. 273, Voltas Rs. 245, Scindia Rs. 10, Tata Chemical ordinary Rs. 13.40 and Belapur Rs. 186.

Madras

TAX PROPOSALS FORCE PRICES DOWN

PANICKY CONDITIONS PREVAIL

Tuesday Evening.

THE Madras stock market has reacted very bearishly to the Central Budget. As there has been

very little trading since Budget day, it is difficult to gauge the extent of weakness. The new tax measures have led to panicky conditions. There has been a predominance of sellers and buyers have been conspicuous by their absence. South India Viscose, for instance, have declined from Rs. 156 to Rs. 139.

The fall in planting shares has been less pronounced in view of the removal of the export duty on tea. However, since the relief from the removal of the export duty has been partially offset by the decision to discontinue the refund of excise duty on tea exports and the 20-percent surcharge, investors have been examining the position closely. It is generally believed that selected tea shares may not suffer heavily considering that satisfactory prices are being realised for the commodity. Despite repeating a taxable ordinary dividend of 25 percent, Kil Kotagiri have been neglected.

Andhra Sugar has paid a taxable ordinary dividend of 16 percent and the Company has benefited from diversification plans. Mysore Coffee has paid a taxable ordinary dividend of 15 percent and United Nilgiri an interim taxable ordinary dividend of 7.5 percent. Dhanalakshmi has declared a taxable ordinary dividend of 17.5 percent and Parry's Confectionery an interim taxable ordinary

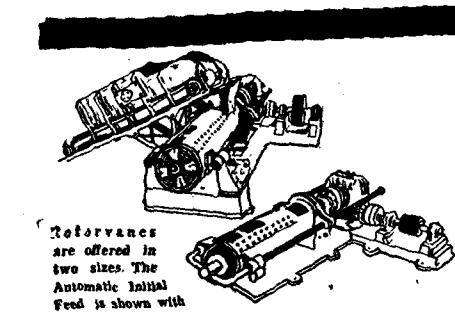
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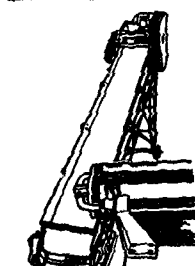


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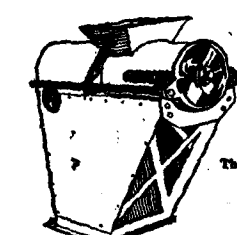
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dividend of 8 percent. Coonoor Tea has paid a final taxable ordinary dividend of 10 percent and India Sugar a taxable ordinary dividend of 8 percent.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs. 30/19—30/25—24/50—25/25—(35/25).
Burrakur Coal—Rs. 15/69—15/75—14/50—14/50—(17/87).
Dunlop Rubber—Rs. 36/87 S.T.—37/37—31/25—32/50—(43/44).

Guest. Keen. Williams—Rs. 33/37—33/37—29/12—29/94—(45/94).
Hindustan Motors—Rs. 17/62—17/87—15/19—15/90—(20/69).
Howrah Jute—Rs. 17/50—17/72—17/50—17/72—(20/25).
Indian Aluminium—Rs. 32/81—23/19—28/97—30/00—(39/25).
Do (Right)—Rs. 15/00—15/00—12/50—12/50.

GOVERNMENT SECURITIES

3 % Loan (1970-75)—Rs. 85/65—85/65—85/65—85/65.
3 % " (1986)—Rs. 63/20—63/20—63/10—63/10.
3 % " (1964)—Rs. 98/90—98/90—98/90—98/90.
3 1/2 % " (1966)—Rs. 99/00—99/00—98/95—98/95.
3 1/2 % " (1963)—Rs. 99/10—99/10—99/03—99/05.
3 1/2 % " (1964)—Rs. 99/20—99/20—99/20—99/20.
4 % " (1972)—Rs. 99/10—99/10—99/10—99/10.
4 % " (1980)—Rs. 98/21—98/21—98/21—98/21.
4 1/2 % Bihar (1974)—Rs. 96/10—96/10—96/10—96/10.

BANKS

Orissa Cement—Rs. 15/94—15/94—14/37—14/44—(19/69).
Rohtas Industries—Rs. 12/00—12/00—10/56—10/75—(17/31).
Shree Gopal Paper—Rs. 22/75—22/75—22/75—22/75—(28/12).

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THE JAUNPUR ELECTRIC LICENCE, 1934.

CAPITAL, 7th March, 1963.

United Bank of India (Rs. 10 paid)—Rs. 7/50—7/62—7/19—7/25—(7/10).

COTTONS

Basanti—Rs. 12/75—12/75—12/75—12/75—(17/10).
Bharat Commerce—Rs. 24/87—24/87—21/00—21/00—(30/25).
Bengal Nagpur—Rs. 3/00—3/00—3/00—3/00—(3/44).
Jay Shree—Rs. 15/69—15/69—13/12—13/19—(17/50).
Jiyajeerao—Rs. 9/94—9/94—9/00—9/00—(17/50).
Shree Madhusudan (Pref.)—Rs. 70/50—70/50—70/50—70/50—(87/50).

COALS

Central India—Rs. 10/28—10/31—10/19—10/25—(11/94).
Oriental—Rs. 6/00—6/00—6/00—6/00—(11/94).

JUTES

Anglo-India—Rs. 199/00—199/00—199/00—199/00—(199/00).
Do. (Pref.)—Rs. 93/25—93/25—93/25—93/25—(93/25).
Barnagore—Rs. 171/00—175/00—171/00—175/00—(156/00).
Cheviot—Rs. 23/62—23/62—23/62—23/62—(20/00).
Do. (Pref.)—Rs. 92/00—92/00—91/50—91/50—(91/50).
Dalhousie—Rs. 146/00—146/00—146/00—146/00—(135/00).
Do. (Pref.)—Rs. 88/00—88/00—88/00—88/00—(86/00).
Ganges—Rs. 14/00—14/31—12/37—12/37—(14/06).
Hukumchand (Pref.)—Rs. 92/00—92/50—92/00—92/50—(91/00).
India—Rs. 17/37—17/62—17/19—17/31—(16/12).
Kelvin—Rs. 197/00—197/00—175/00—176/00—(185/00).
Kamarhatti—Rs. 151/00—151/00—151/00—151/00—(159/00).
Kankannarah—Rs. 121/00—121/00—121/00—121/00—(98/50).
Meghna—Rs. 13/19—13/37—13/19—13/31—12/81—(18/00).
New Central—Rs. 13/56—13/56—12/62—12/81—(18/00).
Presidency—Rs. 5/31—5/31—5/06—5/06—(5/19).
Reliance (Pref.)—Rs. 95/00—95/00—95/00—95/00—(81/00).

MINING

Metal Corp.—Rs. 8/44—8/44—8/31—8/31—(12/62).

ELECTRICS

Calcutta—Rs. 14/25—14/25—14/06—14/06—(14/94).
Do. (Pref.)—Rs. 8/25—8/25—8/06—8/12—(8/69).

CHEMICAL

Alkali & Chemical—Rs. 33/81—34/50—31/00—31/00—(44/69).

CEMENT

Sone Valley—Rs. 4/12—4/19—4/12—4/19—(10/75).

ENGINEERINGS

Binani Metal—Rs. 10/75—10/75—10/75—10/75—(13/06).
Britannia Eng.—Rs. 10/44—10/50—9/37—9/50—(12/12).
Burn & Co.—Rs. 450/00—495/00—450/00—495/00—(576/00).
Calcutta Steel—Rs. 13/56—13/56—13/56—13/56—(15/87).
Dalmia Iron—Rs. 11/06 x.d.—11/06 x.d.—11/06—11/06—(11/94).
Hindusthan Wire—Rs. 10/62—10/62—10/56—10/56—(8/81).
Indian St. Wagon—Rs. 30/25—30/37—30/25—30/37—(22/69).
Jessop & Co.—Rs. 23/50—23/50—20/87—22/00—(22/69).
J. K. Steel—Rs. 16/12—16/12—16/12—16/12—(19/94).
Kumardhubi—Rs. 7/50—7/50—7/37—7/44—(8/25).
Marshalls—Rs. 3/19—3/22—3/19—3/22—(3/94).
Saran Eng.—Rs. 8/75—8/87—8/75—8/81—(10/31).
Textile Machinery (6 1/2 % Pref.)—Rs. 99/00—99/25—99/00—99/25—(99/25).

INSURANCE

New Asiatic—Rs. 8/31—8/31—8/25—8/25—(8/06).

MISCELLANEOUS

Aluminium Corp.—Rs. 14/25—14/25—12/75—12/75—(18/87).
Associated Battery—Rs. 26/19—26/19—26/19—26/19—(32/12).
Asiatic Oxygen—Rs. 8/25—8/81—8/25—8/81—(8/81).
Angelo Brothers—Rs. 21/56—21/75—21/56—21/75—(21/87).
Bharat Nidhi—Rs. 6/45—6/45—6/45—6/45—(8/81).
B. I. Corp.—Rs. 9/12—9/37—9/12—9/37—(11/56).
Dr. Paul Lohmann—Rs. 18/87—19/00—18/87—19/00—(14/00).

CAPITAL, 7th March, 1963.

East Anglia Plastics—Rs. 12/50—12/50—12/00 x.d.—12/00 x.d.—(17/10).
Electric Construction—Rs. 14/31—14/31—12/00—12/00—(15/00).
Goodyear India—Rs. 41/00—41/00—37/87—37/87—(39/94).
Hindustan Aluminium—Rs. 14/12—14/12—12/87—13/00—(15/94).
Hindusthan Pilkington Glass—Rs. 17/87—17/87—17/87—17/87—(21/87).
Imperial Tobacco—Rs. 10/56—10/75—10/25—10/25—(12/94).
India Carbon—Rs. 21/37—21/56—21/37—21/56—(13/00).
Isaac Holdens—Rs. 15/75—15/75—15/75—15/75—(18/12).
J. K. Synthetics—Rs. 11/56—11/56—10/12—10/37—(14/87).
Jardine Henderson—Rs. 71/75—71/75—71/75—71/75—(82/00).
Jay Shree Industries—Rs. 15/75—15/75—15/75—15/75—(20/87).
Macfarlane & Co. (Def.)—Rs. 2/37—2/37—2/37—2/37—(2/37).
Martin Burn—Rs. 30/62—30/62—30/50—30/50—(32/25).
Metal Distributors—Rs. 4/62—4/62—4/62—4/62—(4/82).
National Tobacco—Rs. 11/25—11/25—11/25—11/25—(18/25).
National Insulated Cable—Rs. 25/37—25/37—25/00—25/00—(43/75).
National Rolling & Steel Ropes—Rs. 19/37—19/37—19/37—19/37—(20/75).
Sirsilk—Rs. 9/12—9/12—8/00—8/00—(10/37).
Usha Martin Black—Rs. 12/87—12/87—12/25—12/25—(14/19).
Walford Transport—Rs. 3/19—3/19—3/19—3/19—(4/03).

OIL

Indo-Burma Petroleum—Rs. 24/12—24/12—24/12—24/12—(28/12).

PAPERS

Ballarpur—Rs. 17/12—17/12—17/12—17/12—(36/94).
Bengal—Rs. 31/25—31/25—31/25—31/25—(36/94).

Seshasayee—Rs. 8/06—8/06—8/06—8/06—(8/56).
Sirpur—Rs. 11/94—12/00—10/69—10/81—(16/25).
Titagur—Rs. 17/50—17/50—17/31—17/31—(42/19).

PRESSING

Camperdown—Rs. 104/00—104/00—104/00—104/00—(101/00).

SHIPPING

India Steamship—Rs. 6/19—6/19—5/87—5/87—(7/06).

SUGARS

Bharat—Rs. 12/50—12/50—11/50—11/50—(16/50).
Carew & Co. (Pref.)—Rs. 73/00—73/00—73/00—73/00—(118/00).
Dyer Meakin Breweries—Rs. 29/50—29/75—29/50—29/75—(42/00).
Govind—Rs. 10/50—10/50—10/50—10/50—(10/31).
New India—Rs. 26/00—26/00—26/00—26/00—(9/25).
Raza Buland—Rs. 9/75—9/75—9/25—9/25—(10/31).
Shree Krishna Gyanodaya—Rs. 7/81—7/81—7/75—7/75—(10/00).
Upper Ganges—Rs. 52/50—52/50—52/50—52/50—(67/00).

TEAS

Dhelakhat—Rs. 19/75—19/75—19/75—19/75—(19/75).
Dehra Dun—Rs. 80/00—80/00—80/00—80/00—(80/00).
Hasimara—Rs. 12/69—12/75—12/06—12/25—(31/75).
Huldhari—Rs. 13/12—13/25—13/06—13/06—(30/00).
Tezpur—Rs. 15/19—15/25—15/19—15/25—(16/56).

DEBENTURE

5% Calcutta Electric—Rs. 92/00—92/00—92/00—92/00—(92/00).

London

WIDESPREAD RISE IN EQUITIES

CORPORATE NEWS ENCOURAGING

London, 6th March.

THE stock market has been in good form over the past week, and although it became quieter in the last two days of the week, prices of equities were appreciably higher than a week ago. Buyers were encouraged by the very satisfactory preliminary statements which had been coming from certain of the industrial giants recently, including those of I.C.I. and Unilever. The Budget, which is only four weeks away, has also been very much in the minds of investors and there is much speculation as to how far the Chancellor will go in boosting the economy. Equities were the centre of attraction, and they advanced on a broad front with the lesser-known issues receiving most attention latterly. The Hoover results were well received, but after an initial burst of strength, profit-taking brought prices back.

Gilt-edged were a poor market and with the latest banking returns showing a marked expansion in bank loans, sellers came in on the view that the banks would take similar action in order to meet the expansion in borrowing by customers. The gradual slide on Wall Street left its

mark on dollar stocks, although a sharp rally towards the end brought some recovery there. Gold shares made a good showing, especially the finance issues and diamonds pushed ahead. Coppers displayed a marked strength. Oils trended irregularly, and the good quarterly profit figures from Royal Dutch Shell did not help the shares much. Rubbers and teas were quiet.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
State Bank of India	7-3-63	4 p.m.
Eastern Investments Ltd.	11-3-63	4 p.m.
Punjab Minerals Co. Ltd.	15-3-63	11 a.m.
Birds Investments Ltd.	19-3-63	11-15 a.m.
Alkali & Chemical Corp. of India Ltd.	21-3-63	2-30 p.m.
United Bank of India Ltd.	25-3-63	11 a.m.
Martin Burn Ltd.	27-3-63	12 noon
National Pipes & Tubes Co. Ltd.	29-3-63	3-30 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Martin Burn Ltd.—25 p.c. (o), subject to tax; National Pipes & Tubes Co. Ltd.—20 p.c. (o), subject to tax; Indian Wood Products Co. Ltd.—20 p.c. (o) (f), subject to tax.

An arsenal of sacrifice

Indian women have been noted for their bravery and courage. Padmini of Chittor, Chand Bibi of Ahmednagar, the Rani of Jhansi, Sita, Damayanti and Draupadi are glorious examples followed by Indian womanhood. Whenever the need arose, Indian women willingly sent their sons, brothers, husbands to the battlefield, with a blessing to them, a "tilak" on their brow, with a smile on their own lips, a prayer in their hearts. Today again they are facing a new threat. The Chinese have attacked our motherland, and our brave sons are fighting them. But they need more arms, more equipment, more warm clothes to help them defeat the enemy. While many women have given their gold, their jewellery, their valued possessions to help us convert them into an arsenal, greater sacrifice is needed. This is everyone's struggle... and all of you have to join in to help protect our honour, our freedom.



Jai Jawan: Jai Hind

Issued in the interests of the nation
BY SAHU JAIN GROUP OF INDUSTRIES



RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
		(In 000's of Rupees)	1-3-63	22-2-63
Liabilities—				
Notes in Banking Dept.	...	...	12.81.94	12.63.43
Notes in Circulation	...	...	21.93.56.50	21.94.47.89
Total Notes Issued	...	...	22.06.78.44	22.07.11.32
Assets—				
A. Gold Coin and Bullion	...	...	1.17.76.10	1.17.76.10
Foreign Securities	...	...	95.08.43	95.08.43
Total of A	...	...	2.12.84.53	2.12.84.53
B. Rupee Coin	...	...	1.17.51.76	1.17.84.58
Rupee Securities	...	...	18.76.42.15	18.76.42.21
Total	...	...	22.06.78.44	22.07.11.32

BANKING DEPARTMENT		Week Ended		
		(In 000's of Rupees)	1-3-63	22-2-63
Liabilities—				
Capital Paid-up	...	...	5.00.00	5.00.00
Reserve Fund	...	...	80.00.00	80.00.00
National Agricultural Credit (Long Term Operations) Fund	...	...	61.00.00	61.00.00
National Agricultural Credit (Stabilisation) Fund	...	...	7.00.00	7.00.00
Deposits—				
(a) 1. Central Govt.	...	...	1.03.94.67	81.56.38
2. State Govts.	...	...	12.86.55	9.79.74
(b) Banks—				
(i) Scheduled Banks	...	...	77.57.29	77.84.22
(ii) State Co-operative Banks	...	...	1.83.79	2.30.86
(iii) Other Banks	...	...	2.36	5.36
(c) Others	...	...	1.63.39.13	1.62.95.72
Bills Payable	...	...	36.49.92	31.36.76
Other Liabilities	...	...	60.95.90	59.65.80
Total	...	...	6.10.09.61	5.81.54.84
Assets—				
Notes	...	...	12.81.94	12.63.43
Rupee Coin	...	...	3.24	1.50
Small Coin	...	...	2.21	2.00
National Agricultural Credit (Long Term Operations) Fund	...	...	23.62.44	23.67.39
(a) Loans and Advances to—				
(i) State Govts.	...	...	10.50.28	10.62.10
(ii) State Co-operative Banks	...	...	...	...
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	...	2.84.88	2.84.88
Debentures	...	...	...	...
National Agricultural Credit (Stabilisation) Fund	...	...	...	...
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. treasury Bills	...	...	60.52.31	61.25.56
Balances Held abroad	...	...	13.19.93	11.95.89
Loans and Advances to Govt.	...	...	27.62.54	26.52.21
Loans and Advances to—				
(i) Scheduled Banks	...	...	57.17.37	38.60.80
(ii) State Co-operative Banks	...	...	1.32.84.74	1.31.19.23
(iii) Others	...	...	1.53.57	1.44.57
Investments	...	...	2.26.72.48	2.26.67.59
Other Assets	...	...	34.61.68	34.07.89
Total	...	...	6.10.09.61	5.81.54.84

SCHEDULED BANKS

		Week Ended		
		(In 000's of Rupees)	22-2-63	15-2-63
(i) Demand Liabilities—				
(a) Demand Deposits	...	...	46.69.19	46.73.42
(1) From Banks	...	...	8.22.08.33	8.16.38.95
(2) From others	...	...	18.74.24	21.10.90
(b) Borrowing from Banks	...	...	58.15.48	56.97.13
(c) Others	...	...	...	...
(ii) Time Liabilities—				
(a) Time Deposits	...	...	21.09.32	21.15.38
(1) From Banks	...	...	12.22.00.68	12.23.75.82
(2) From others	...	...	20.01.73	17.29.01
(b) Borrowing from Banks	...	...	11.65.00	11.43.20
(c) Others	...	...	...	...
(iii) Borrowing from State Bank—				
(a) Demand Liabilities	...	...	9.73.92	9.58.59
(b) Time Liabilities	...	...	9.46.97	7.07.50
(i) From Reserve Bank	...	...	38.68.82	37.49.97
(ii) Cash	...	...	51.01.64	51.54.55
(iii) Balances with the Reserve Bank	...	...	72.42.11	76.14.41
(iv) Balances with other Banks in current account	...	...	19.13.65	18.76.09
(v) Money at call and short notice	...	...	36.71.47	39.23.82
(vi) Investments in Central and State Govt. Securities	...	...	6.16.59.59	5.97.59.75
(x) (a) Loans, Cash credits and Overdrafts	...	...	12.72.84.19	12.77.20.71
(b) Due from Banks	...	...	13.13.33	12.96.08
(c) Inland Bills purchased and discounted	...	...	2.00.08.69	1.87.70.53
(d) Foreign Bills purchased and discounted	...	...	51.64.23	50.07.73
(xii) Total of X, XI and XII	...	...	15.97.70.44	15.97.95.95

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Money

THE CALCUTTA MONEY MARKET

CALL RATE SHOOTS UP

Wednesday, 6th March.

THE feature of the Calcutta money market during the past week has been the exceptional tightness of inter-bank funds. The call rate has shot up to 6½ percent, which is perhaps the highest level in living memory. Even so, the rate is to some extent nominal, since there are large borrowers over whose needs cannot be met. Otherwise, advances to trade and industry generally are almost unchanged. The credit given to the cotton, sugar and jute mills has increased a little, but this has been offset by a fair decline in iron, steel and engineering advances. The monetary accommodation given to the foodgrain and seeds trade remains around last week's level.

The exchange market has been extremely dull. The supply of both gunny and tea bills has decreased considerably, and remittance has been on a poor scale. Sterling has lost ground in relation to all the major currencies, except the Swiss franc.

THE CALCUTTA SILVER MARKET was quietly steady in the past week on better demand. The price advanced from the previous week's level of Rs. 275 to Rs. 276, quoted today for ready delivery. There was no forward business. The London and New York prices were 108½d and 125.6 cents.

DURING THE WEEK ENDED 1ST March, Government of India Treasury bills for Rs. 20,68,50,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 5th March. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.405 percent and above were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.365 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received in Kanpur and New Delhi up to the close of business on 9th March, and in Bangalore, Bombay, Calcutta, Madras and Nagpur up to the close of business on 11th March.

IT IS STATED THAT 91-DAY INTER-MEDIATE Treasury bills will be sold from 6th March to 9th March at Rs. 99.426 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills, sold from 27th February to 2nd March, amounted to Rs. 50,000.

ACTIVE NOTES FELL BY RS. 51 LAKHS to Rs. 2,193.97 crores and the total note issue by Rs. 33 lakhs to Rs. 2,206.78 crores, according to the return of the Reserve Bank of India for the week ended 1st March, 1963. Notes held in the Banking Department consequently rose by Rs. 19 lakhs to Rs. 12.82 crores. Deposits of the Government of India increased by Rs. 19.39 crores to Rs. 103.95 crores, and those of other Governments by Rs. 3.07 crores to Rs. 12.87 crores. Balances of scheduled banks at Rs. 77.57 crores showed a fall of Rs. 27 lakhs. Balances held abroad improved by Rs. 1.24 crores to Rs. 13.20 crores. Investments were fractionally higher by Rs. 5 lakhs to

Rs. 226.72 crores. Loans to scheduled banks rose from Rs. 38.61 crores to Rs. 57.17 crores, of which advances against usance bills were Rs. 38 crores (Rs. 26.82 crores). Ways and means advances stood at Rs. 27.63 crores, against Rs. 26.52 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 22nd February, 1963, shows a rise of Rs. 2.93 crores to Rs. 557.30 crores. Investments in Government securities are up by Rs. 11.03 crores to Rs. 226.30 crores, while other authorised investments are down by Rs. 3 lakhs to Rs. 10.34 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have increased by Rs. 5.44 crores to Rs. 308.95 crores. Cash and balances are, in consequence, shown at Rs. 21.66 crores, or Rs. 5.25 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 22nd February, 1963, shows Demand and Time liabilities at Rs. 945.67 crores (Rs. 18.74 crores on account of borrowings from banks) and Rs. 1,274.16 crores (Rs. 19.41 crores) compared with Rs. 941.20 crores (Rs. 21.11 crores) and Rs. 1,276.36 crores (Rs. 20.02 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have declined by Rs. 53 lakhs and Rs. 3.72 crores to Rs. 51.02 crores and Rs. 72.42 crores, respectively. There is a rise of Rs. 10.91 crores to Rs. 616.60 crores in investments. Advances and bills discounted at Rs. 1,537.70 crores show a rise of Rs. 9.74 crores. The ratios to total liabilities of cash and balances and of advances and discounts are, in consequence, shown at 5.6 percent and 69.2 percent, against 5.8 percent and 68.9 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 8-3-63.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
8-3-63	11-6-63	2,00.00	Rs. 2.365%
1-3-63	4-6-63	2,00.00	Rs. 2.365%
22-2-63	25-5-63	2,00.00	Rs. 2.365%
15-2-63	18-5-63	2,00.00	Rs. 2.365%
9-2-63	11-5-63	2,00.00	Rs. 2.360%
1-2-63	4-5-63	2,00.00	Rs. 2.355%
25-1-63	28-4-63	2,00.00	Rs. 2.355%
18-1-63	21-4-63	2,00.00	Rs. 2.355%
4-1-63	7-4-63	2,00.00	Rs. 2.355%
11-1-63	14-4-63	2,00.00	Rs. 2.355%
21-12-62	24-3-63	2,00.00	Rs. 2.355%
14-12-62	17-3-63	2,00.00	Rs. 2.355%
7-12-62	10-3-63	2,00.00	Rs. 2.350%

(Monthly Maturities 000's omitted)		
March 1963	6,00.00	
April 1963	8,00.00	
May 1963	8,00.00	
June 1963	4,00.00	
Total	26,00.00	

CLEARING HOUSE RETURNS

Week ended	Calcutta Rs. (Lakhs)	Bombay Rs. (Lakhs)
22-2-63	.....	1,00.17
15-2-63	.....	1,12.70
8-2-63	1,00.09	1,08.52
1-2-63	88.21	1,06.29

BUDGET WILL DISCOURAGE FOREIGN INVESTMENT

(FROM OUR NEW DELHI CORRESPONDENT)

ACCORDING to lobby circles, the taxation proposals of Mr. Morarji Desai, Central Finance Minister, are not only drastic but also reflect his helplessness. Unless it was done by design, the proposals will stop the flow of foreign investment to this country. The foreign investor is already reluctant to bring in capital to India in view of the heavy burden of taxation, the increasing difficulty of importing raw materials as well as the transport shortage. In the last analysis, it is the yield on foreign investment which determines the movement of capital. But under Mr. Desai's latest taxation proposals, the profits of companies will fall to about 6 percent. Mr. Desai probably agrees with his two colleagues, the Central Ministers for Mines and Fuel and Steel, who are apparently opposed to foreign investments in India, that such investments lead to a heavy drain on India's resources through commissions, salaries and dividends. But they are oblivious of the need for foreign investment for the supply of technical know-how and to ease the foreign exchange shortage.

The basic philosophy underlying western aid is to save India from going communist just as aid is given by the communist bloc to prevent India from joining the western bloc. Britain, the U.S.A. and West Germany have done their best to increase the flow of private investment to India. The effect of Mr. Desai's Budget on the flow of foreign investment to this country will be extremely adverse. The direct impact of the Budget will be to stop the inflow of foreign private capital to India.

Mr. Desai's compulsory saving scheme is based on a realistic approach. It applies to millions of people who are not assessed to income tax. But to rope in the vast multitude of people under the compulsory saving scheme will create serious administrative problems. The basic assumption underlying planning is to raise the standard of living of the masses. Under Mr. Desai's plan, a man earning Rs. 125 a month with wife and a child will have to foot an increased bill to sustain himself and his family due to the sharp rise in the cost of living under the impact of excise duty and will also have to fork out about Rs. 4 a month by way of compulsory deposit. In other words, his standard of living, which was supposed to go up, will go down. It sounds ironical that the Central Ministers, who oppose a reduction even in their electricity bill, running in several cases to Rs. 1,000 a month, should call upon the masses to make sacrifices.

Mr. Desai's helplessness is evident from the fact that he has been able neither to reduce the growing administrative expenditure nor to rationalise the plan to meet the needs of defence. The Finance Minister should have frankly told the standing committee of the National Development Council how much money he could raise without endangering the economy. As it happens, even the psychology for economy has been obliterated. While the people are being asked to bear the increased burden "with a smile", satellite communications stations are being set up involving huge expenditure. In

a post-Budget speech, Mr. Desai has stated that there is no alternative to heavy taxation. But there exist some alternatives. Firstly, he could drastically slash the administrative expenditure of the Central Government by liquidating some unimportant Ministries which deal with subjects which, under the Constitution and ever since 1921, have been the sole responsibility of the States. This would have helped him to provide sizable relief to the taxpayer. Secondly, the unprofitable business of subsidising khadi should go and as a former Central Health Minister, Rajkumari Amrit Kaur, suggested last year, salt tax should have been reimposed.

A special provision to stimulate exports, notwithstanding Mr. Desai's proposals will make Indian goods more uncompetitive in world markets. In order to cut down imports, the Finance Minister has imposed additional duties on them. As the

bulk of imports constitute raw materials, components and capital goods, the incidence of the increased levies will add to the cost of production. Since these additional levies are on an *ad valorem* basis, imports from the U.S.A. will now prove costlier. The Government has already raised the price of coal. Imported cotton has been made costlier, by the levy of an import duty. Postal tariffs have been revised to the disadvantage of an exporter, who is not allowed freely to go abroad to market his goods. By and large, there are no facilities to provide after-sales service for manufactured goods. Meanwhile, the exporter's transport bill is being raised through an increase in railway freights and his profits are being pegged around 6 percent. A Board of Trade under a Central Minister can set up committees or pass resolutions but cannot compel a foreign buyer to purchase Indian goods, un-

less they are competitive in price and quality.

The Government cannot hold the price line by issuing orders. This country would have been a paradise on earth if all the laws and regulations were obeyed by the people. Prices are increasing, making it difficult for middle class people to sustain themselves, much less to improve their standard of living. As for organised workers, they will see to it that any increase in the cost of living is compensated by an increase in the dearness allowance.

It is apprehended that the Government will not be able to spend all the money it is collecting for defence. From this point of view, the Budget may have a deflationary effect. A better course would have been to come up with supplementary taxation proposals if the Finance Minister needed extra funds later in the year.

According to lobby circles, the Congress Party itself is not happy over the taxation proposals. Party spokesmen are expected to express their views this week.

ALUMINIUM

Progress in Substitution

The Government of India has been considering the question of

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imposing restrictions on the use of copper, tin, zinc and brass and their substitution by aluminium and its alloys. The success so far achieved in this sphere is as follows: All the underground cables and the heavier sizes of insulated cables are being manufactured out of aluminium instead of copper. It is proposed to substitute aluminium for copper in the manufacture of all sizes of insulated cables from April 1963. In other electrical industries, some manufacturers are shortly going to make aluminium bus bars instead of copper bus bars. A number of electrical motor manufacturers have switched over to die-cast aluminium rotors instead of copper.

It has been decided to make a 30 percent cut in the supply of copper and a proportional percentage of zinc for the making of copper and/or brass utensils. In order to economise zinc, it is proposed that only the top portion of transmission towers may be galvanised, and painting or aluminising resorted to for the remaining portion. For low tension transmission poles and the Posts and Telegraphs poles, it has been proposed that wooden poles or other substitute material may, as far as possible, be used in place of galvanised poles. No possible substitute has yet been established for tin. As most of the cables are now to be made of aluminium, it will not be necessary to "tin" such wires or cables.

SUGAR

Output Likely to Fall

The combined production of sugar in U.P. and Bihar up to 22nd February has increased by 72,000 metric tons, compared with the output up to the same date of last year. But in view of the shortfall in the sugarcane acreage, adverse seasonal conditions, higher incidence of pests and diseases and competition from gur, the availability of sugarcane to factories has been reduced. So it is expected that the production of sugar during the year will be less than last year, but it is too early to say how much less it will be. There was a substantial stock of sugar at the beginning of the year. The quantity, it is hoped, will help tide over any difficulty due to the shortfall in production.

Meanwhile, the Central Food Minister, Mr. S. K. Patil, has warned that the Central Government will not hesitate to take over the sugar trade if the prices were pushed up to "unreasonable levels". As the sugar industry and trade are closely linked together, the Government will have to take over the entire sugar industry if it is really serious to bring down sugar prices. The loss on sugar exports, it is reported, will be heavier this year and may exceed Rs. 15 crores.

COAL

Price Raised

The coal industry requested the Government to allow a price increase in order to help to implement the former the interim wage board award which came into effect from 1st March, 1963. The impact of the award on the cost of production has been assessed and an increase of 80p a ton has been sanctioned from 1st March, 1963.

The following doublings have been approved to help the increased movement of coal from the Ranigunj coalfield area:

Name of section	Miles	Railway	Target date of completion
Ondal to Sonachara	5.00	Eastern	End of third plan
Ukhra to Pandaveshwar	6.00	-do-	-do-
The Strip exchange yard to Sitarampur	12.00	-do-	-do-
Sonachara to Toposi	2.00	-do-	-do-
Mugma to Thaparnagar	3.25	-do-	-do-
Sainthia to Barharawa	66.00	-do-	Early fourth plan
Damodar to Madhukonda (including bridge over the Damodar)	3.00	South Eastern	-do-

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CAPITAL, 7th March, 1963.

completed by the middle of the current year. As far as the second phase of the expansion programme is concerned, the Company is still trying to find a collaborator to supply the necessary know-how and technical assistance.

FOODGRAINS

New Silo Planned

Preliminary steps are being taken for the construction of a grain silo in Bombay. Two silos, one each in Hapur and Calcutta, have already been constructed. The cost of the silo in Hapur was about Rs. 27.35 lakhs and that of Calcutta about Rs. 32.08 lakhs. These silos were obtained under the U.S. Agency for International Development programme and as such no foreign exchange was involved. The cost indicated includes A.I.D. funds amounting to Rs. 19.05 lakhs in each case.

The cost of construction and the foreign exchange expenditure involved in the case of a silo to be constructed in Bombay cannot be worked out at present since the designs and other data required are yet to be finalised. The capacity of silos in Hapur and Calcutta is 10,000 tons each. Steps have also been taken to increase the capacity of the Calcutta silo by another 9,000 tons. The Bombay silo is expected to have a storage capacity of 50,000 tons.

POWER PROJECTS

Progress Being Expedited

The Government is taking special steps to accelerate the progress of the following power projects in view of the power shortage in the country, namely, (i) Neyveli thermal power station extensions, (ii) the Pathratu thermal project, (iii) the Singrauli (Obra) thermal project, (iv) Delhi "C" power station, (v) the Chandrapura thermal power station and (vi) the Durgapur thermal power station, both of the D.V.C. According to tentative estimates, the additional expenditure involved for speeding up the execution of the third and fourth plan projects amounts to about Rs. 160 crores.

A contract for preparing the detailed project report and working drawings for the expansion scheme of the Neyveli thermal power plant under the third plan was signed here recently. Under the contract, Russia will supply the detailed project report by the second quarter of 1963 and working drawings for the sixth 50-megawatt unit by October 1964.

The Government-owned Neyveli Lignite Corporation is at present putting up with Russian assistance a 250 megawatt thermal power station comprising five units of 50 megawatts each. It is now proposed to increase the capacity of the plant to 400 megawatts, including two units of 50 megawatts and 100 megawatts during the third plan period. The expansion scheme is estimated to cost Rs. 15 crores, including a foreign exchange component of about Rs. 10 crores.

The Government of India has devised a new procedure to quicken the pace of release of foreign exchange for irrigation and power projects. It has been decided that where public tenders have been called for and no quotations have been received from indigenous manufacturers, there is no need to get a "no-objection" certificate from the Department of Technical Development before an import licence is issued. The Central Ministry of Irrigation and Power, State Governments and the project authorities will not, in future, make any reference to manufacturers in

CAPITAL, 7th March, 1963.

the public or private sectors concerning the availability of stores and material for which open advertisements have been issued.

If no quotations are received against public tenders, it will be presumed that the capacity to manufacture or supply the material in question is not available within the country, and there will be no reference to any Ministry or public or private sector project before the sanction of foreign exchange or the issue of import licence. After an open tender, there will also be no negotiation with any party who has not initially tendered against the requirement.

MADRAS

Equipment for Mettur Project

A technical and commercial agreement has been reached with the Russian Government for the supply of equipment for the third and fourth units of the Mettur tunnel hydro-electric project in Madras State. It was signed between the Madras State Electricity Board and the Russian suppliers, Messrs Machinexport. Orders for the first two units of 50,000 kilowatts each under the Mettur thermal hydro-electric scheme in Madras were placed on Messrs Machinexport. Orders for the additional two units of 50,000 kilowatts for the extension scheme have also been placed with the same suppliers. The total cost of the scheme, including the initial installation of the two units of 50,000 kilowatts, is Rs. 8.89 crores. The foreign exchange component for the additional two units is estimated at Rs. 1.90 crores. The portion covered under the Indo-Russian trade agreement is of the order of Rs. 1.75 crores. Free foreign exchange to the tune of Rs. 10 lakhs or so will be required for procuring fire protection equipment and control cables, etcetera, which cannot be procured from Russia. The plant is expected to be commissioned in 1965-66.

ELECTRICAL EQUIPMENT

Contract for Crompton

Crompton Parkinson Ltd has announced that its associate Company, Crompton Engineering Company (Madras) Ltd, has been awarded a £360,000 contract to supply electrical equipment for a new factory in Avadi, near Madras. The factory is being built by the Government of India for manufacturing tracked vehicles. The equipment to be supplied under the contract will include transformers, switchgear, cables, electric motors and control gear. Most of it will be manufactured at the two Crompton factories in Bombay.

EARTH-MOVING EQUIPMENT

New Production Programme

The Government has approved in principle a proposal from one of the industrial undertakings under the Central Ministry of Defence for manufacturing earth-moving equipment, such as wheeled tractors, motorised scrapers, rear dumpers, etcetera. Details of the production programme are, at present, being worked out by the Central Ministry of Defence.

FERTILISERS

Factory for Durgapur

A.U.S. team recently came to India to set up a fertiliser factory in Durgapur. There was a general discussion

on the collaboration terms and the fees to be paid to the American party. The discussions were of an exploratory nature and no conclusions were reached.

The three fertiliser factories are expected to go into production on the following dates: the Trombay project August 1964; the Namrup project December 1965; and the Gorakhpur project December 1966. The expenditure incurred on the projects as on 31st December, 1962, is as follows: Trombay Rs. 13.77 crores, Namrup Rs. 1.86 crores; and Gorakhpur Rs. 2.98 lakhs.

TUBEWELL PROJECTS

Use of Dollar Aid

Certain tubewell projects in Bihar, Uttar Pradesh and Punjab, sanctioned during 1952 to 1954, were financed partly from the U.S. Government aid. The rupee expenditure on the projects was financed by long-term loans sanctioned by the Government of India. The dollar aid was limited to the foreign exchange expenditure involved in those projects. The rupee equivalent of the dollar aid used was also treated as a long-term loan from

the Government of India to the State Governments. The latter have been representing for the remission of interest charges on the dollar portion of the capital cost. It has, however, not been found possible to accede to this request due to the following reasons:

"The pattern of foreign assistance received by the Central Government varies depending on the aiding country. The pattern of assistance given by the Centre to the States is, however, uniform for all projects of the same nature.

"The approved pattern of assistance for tubewell construction envisages only a loan, and the remission of interest charges on any portion of the capital cost will be tantamount to a concealed subsidy."

ORISSA

Port Trust for Paradip

The Orissa Government has decided to set up a port trust for developing and administering Paradip port. The Orissa Port Trust Act will be applied to Paradip from 1st April, 1963. The State Government has stated that the first board of trustees will consist of

seven Government officials. It will have a five-year term. Funds will be raised through a loan from the State Government as well as public flotation.

HANDLOOM CLOTH

Stocks Accumulate

The Government of India has received reports that there is an increasing accumulation of unsold handloom cloth causing distress to weavers in various States. The Government has studied the situation carefully. It is of the view that this is a temporary phase and the situation is likely to improve shortly. But in order to improve sales and clear off the accumulated stocks and to give immediate relief to the industry, the Government has decided to allow the handloom co-operatives a special additional rebate of 5p in the rupee on all retail sales and 3p in the rupee on all wholesale sales of handloom cloth for a period of 15 days from 1st March, 1963. This special rebate will be in addition to the usual rebate of 5p in the rupee on retail sales and 3p in the rupee on all wholesale sales. The special rebate, it is hoped, will help in clearing off a major part of the accumulated stocks.

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London

F.B.I. URGES MORE U.K. AID FOR INDIA

(FROM OUR LONDON CORRESPONDENT)

A SUGGESTION that British aid to India is not as large as it ought to be and is perhaps wrongly applied comes in a report by the Federation of British Industries on export opportunities in the subcontinent. The report is based on a survey made in January by Sir Norman Kipping, director-general of the F.B.I., assisted by Mr. Michael Donelan, the F.B.I. representative in India. In his report, Sir Norman says that the outstanding fact for British exporters is that their share of India's trade with the outside world now depends almost entirely on Britain's share in the growing aid to India. In the 'fifties, India had at her disposal large sterling reserves mainly accumulated in the second World War. In these circumstances, the traditional links with British exporters and competitive factors function freely.

Now, says Sir Norman, the pattern has been transformed because of India's heavy and continuing deficit in her trade balance. Her own exports are sufficient today to pay for only about 60 percent of her total imports. Any increase in imports must be paid for, in effect, by foreign aid, and since Britain's share

in this is only 10 percent, the U.K.'s export supremacy is slowly being undermined. Manufacturers are urged to counter the balance of payments by arranging for production in India. The report acknowledges that "British industry is securing its future in the market more surely from the inside than that of any other country." Since 1959, British companies have concluded 367 out of a total of 1,300 "collaboration agreements" with Indian companies. United States companies have concluded 221, West Germany 201 and Japanese 100.

Bearing in mind the irrecoverable loss of commercial position the U.K. is now suffering in India and also the employment situation at home, says Sir Norman, "we should surely be wise in our own interests to stretch the amount of our aid to the limits of economic prudence." He also suggests that the aiding countries, Britain included, ought to make up their minds whether they are genuinely giving aid—loans on very easy terms—or seeking hard commercial terms for their money. "We ought to remind ourselves," he says, "of the days when we were at the borrowing end. The terms we were given for Marshall Aid were certainly soft." There is little doubt that India will remain a borrower for many years and the prospects of her repaying her debts in the near future are dim. In fact, says Sir Norman, in the ordinary course of events one would say that India is already on the edge of the precipice and "her cheque might bounce at any time."

Deterrents to Investment

The question for Britain is whether she ought not to join with the United States in seeking ways and means of ensuring that the aid is genuine aid which will not impose a crushing burden upon India. Sir Norman admits that there are deterrents to British private investment in India which have helped to put off some intending exporters: the Indian policy of ensuring that

the controlling interest in companies should be in Indian hands is one. But the overriding fact is the size and potential of the Indian market. The report quotes with approval the remark of an American commentator: "Anybody who invests in India is a sucker; but anybody who does not invest in India is a bigger sucker."

There is probably a case for some rethinking about Government aid to India as it affects the business prospects of exporters. Marginal adjustments are no doubt possible that would relieve some of the frustrations of exporters who, collectively, are faced with a relatively static market in the absence, that is, of a significant increase in total British trade to India. But the scope for improvement would not seem to be great and a further undermining of the U.K.'s export supremacy in the Indian market is probably inevitable. The same need not be true about British business within India. Indian-based companies which are either British-controlled or in which there is a large British participation are a big asset in a market with tremendous potential. The practical difficulties of operating, brought out in the Kipping report, are often formidable: so, therefore, are the deterrents to establishing or expanding business there. Yet, investment of this kind is the only way to maintain the U.K.'s standing in India.

U.K. Capacity for Aid

Is it going to be possible to give this increased aid in view of the economic situation with which this country is faced? The Budget ought to provide some pointers, but meantime, it is possible to get some idea of the lines along which Mr. Maudling is thinking in the leaked details of the National Economic Development Council's report, by publishing a summary of which the *Guardian* scored a distinct journalistic scoop immediately after the disagreement among its members at their last meeting.

The Chancellor of the Exchequer has accepted Neddy's 4 percent annual growth target as being "proper and feasible", and he is on record in a television interview as seeing no reason why it should not be achieved. This, in spite of the fact that Professor A. K. Cairncross, the Government's economic adviser, had given evidence before the National Income Commission a few days earlier, to the effect that the 4 percent growth target was a "gleam in our eye" and seeming to suggest that he was back on the 2½ percent laid down by Mr. Selwyn Lloyd as the "guiding light". Mr. Maudling went on to say: "In order to achieve this, the Government has to do much, the employers to do a lot, and the unions have to do a lot. Let us, surely, take as our next task to agree among ourselves what we all do as a common national purpose, a common national scheme for achieving this target." As chairman, he is not going to disagree with Neddy's advice, so the forthcoming Budget should show just how far the Government is prepared to go to implement it.

As a guiding light Sir Robert Shone, the director-general of Neddy,

CAPITAL, 7th March, 1963.

has emphasised that the target of an annual growth of 4 percent in Britain's economy will be reached only if improvements are made in industry. The report says: "Success in achieving a higher rate of growth will depend to a large extent on the way in which the Government, management and unions carry out their respective functions and on a new spirit of co-operation. The Government has the responsibility for ensuring that narrow sectional interests do not frustrate the achievement of an agreed growth object." The report, which at present is more in the nature of a discussion paper, is being considered by Council members, who have already posed problems in addition to those mentioned by Sir Robert. They have suggested a number of ways in which the obstacles to growth might be overcome. They expect to have their first conclusions ready after their March meeting.

Economic Priorities

Among the points raised by Sir Robert Shone and his office staff in the report are:

Education: Expenditure on education should have high priority in the investment programme. It is pointed out that money spent on improving skills will show a good return.

Research: An investigation is suggested into whether Britain is spending enough on research and development, and how the State can best invest in research.

Adult training: There must be better opportunities for retraining workers who become redundant or who want to change their jobs. Changes in allowances for persons undergoing training might be necessary.

Housing: A special housing subsidy is suggested as an incentive to councils to build houses for transferred workers. Financial help for house purchase should be considered for unemployed men willing to move to growth areas.

Pensions: The question of preservation of pension rights on the transfer of a worker from one job to another should be considered.

Redundancy: A national redundancy fund financed by employers should be considered.

Incentives: There should be capital assistance and help with labour training for incoming firms in the slowly developing areas.

Taxation: To replace profits tax and purchase tax, a single rate value-add tax should be considered. The report also considers the question of varying tax rates on earned and unearned income. The question is posed whether growth might not be stimulated by taxing personal wealth as opposed to taxing the income produced by wealth. It is admitted that this might be controversial. It is suggested that consideration of the proposal might be given in a major fiscal review.

Income: It is acknowledged that restraint in earned income will prove as difficult as restraint in profits. If the country can make progress with an incomes policy it might be better off than many of its competitors. The chances of the adoption of some of the suggestions made by the Council's office have improved lately. The Government has given signs that it is thinking positively of change.

CAPITAL, 7th March, 1963.

Jute

MARKET UNRUFFLED BY GUNNY EXCISE DUTY SURCHARGE

THE past week has been a dull one, at least as far as real goods business is concerned. But the speculative market has had its full share of activity. There has been little reaction to the Budget news. The imposition of a 10-percent surcharge on the excise duty on jute goods, having already been anticipated and discounted, has had little effect on prices. In fact, values have shown a fairly steady rise after a quiet start. The rise is mainly due to speculative covering in heavy goods following reports of enquiries from some eastern countries and Government of India tenders. Many buyers at one time or another were reported to be showing interest, but none of the enquiries were large. The state of the market at present, however, is such that speculators are grabbing at the slightest opportunity to manipulate prices.

U.S. interest appears to be non-existent, and it is not likely that any major support will come from that quarter in the near future. U.S. buyers have said on more than one occasion, as current consumption reports bear out, that prices are too high. U.S. burlap consumption, moreover, during the next few months normally has a tendency to fall, so it is unlikely that brisk business will be forthcoming from that area to instil life into the local market.

Fibre Prices

Once again, legislators in the West Bengal Assembly have been attempting to criticise the jute industry. As usual, only one side of the picture has been presented, and no thought has been given to the long-term effect of raising raw jute prices in the effort to improve the lot of the growers. Nine times out of ten, any increase in the price of raw jute does not benefit the grower but goes into the pocket of the middleman. It has become obvious in the past few years that, with a few notable exceptions, the holding power of the growers has greatly improved. In the circumstances, it seems that unnecessary attention is given to this subject, particularly when the raising of fibre prices jeopardises India's competitive prospects in world markets and thereby reduces the foreign exchange earned by the industry. If the output of the industry were to be drastically curtailed because of its inability to compete in world markets, the growers would suffer more than they are likely to suffer if jute prices are lowered.

The indiscriminate increase in the Indian jute crop has resulted in a glut of low-quality jute, which the mills cannot hope to absorb. Only in the areas where low-quality fibre is grown is there any hardship to the growers. To say that all growers are affected by low prices is wrong. Many are better off now than they have been for years, and on an overall basis, the average price of raw jute is well above the minimum laid down by the Government.

Sowing Season

With the sowing season fast approaching, legislators should spend their time persuading the farmers in their constituencies to improve the standard of the crop. This important aspect has long been neglected by the Government. Something has been

done, but achievements have fallen far short of promises, and the tangible results so far have been almost negligible. Every grower has to be encouraged to use better seeds and more fertilisers; to adopt line-sowing and to improve retting facilities. Only in this way can the yield of fibre a plant be increased. If this yield could be increased by only a small percentage, the growers would be producing more and better jute on the same land. They would then be able to earn a higher income. In fact, they would be better off because of the reduction of expenditure on labour. Unfortunately, this aspect of jute cultivation and research still does not appear to be appreciated by the Government.

The supremacy of jute and jute goods will depend in the future, as in the past, on the price factor. No other single factor is of equal importance to the industry, which is endeavouring to maintain its position in world trade in the face of steadily increasing competition. Exports are of primary importance, and the Indian industry has to be enabled to sell its manufactured goods at competitive prices in markets overseas.

THE JUTE MARKETS

Manufactured Goods: In the opening phase on Thursday, there was a certain amount of uneasiness in the market as operators awaited the Budget proposals. Fears of an increase in excise duty caused some speculative selling, which tended to force prices down. There were very few foreign enquiries and in general trading was dull. Opening quotations on Thursday were based on B Twills at Rs. 113.10 for March shipment and Rs. 113 for October-December. Hessian showed a slight improvement at Rs. 48.90 in the near position, with forward shipment at a discount of Rs. 1.40. On Friday, all the Calcutta

markets were closed to mourn the death of the former President of India, and so it was not until Saturday that the full effects of the Budget proposals were felt. The immediate reaction was downwards. But as prices had already been discounted in anticipation of the excise duty surcharge, the fall was only temporary. By Monday morning, sacking rates were slightly above those at the week's opening, and they were about 50mP up in hessian. This trend continued due to speculative buying on reports of a fresh Government tender for B Twills, and rumours of overseas enquiries for hessian. B Twills rose to Rs. 113.75 and hessian to Rs. 49.50. The general undertone was steady.

Opening quotations on Wednesday morning were as follows:

	March	Apr-June	July-Sept.	Oct-Dec.
40in. 7½oz.	38.50	37.75	36.80	36.00
40in. 8oz.	41.50	40.50	39.35	38.50
40in. 10oz.	49.50	49.25	48.70	47.90
B Twills	114.00	114.85	114.75	114.35
Cornacks	117.50	117.75	117.50	116.75
Heavy Cees	113.25	114.50	114.75	114.35
(Plain)				
A Twills	139.50	138.50	138.00	137.50
Liverpools	129.00	129.00	129.00	128.50

Raw Jute: The jute market was steady during the past week and sellers were not prepared to discount prices. Business was smaller than in previous weeks as buyers were well bought and had contracts in hand to place against their quotas, which were much smaller than before. Arrivals on an all-India basis showed a marked drop, and were estimated at between 40,000 maunds and 45,000 maunds daily. Arrivals in Cossipore also showed a decline over the previous week's above-average figure, and totalled 270 wagons. Sellers were keen to sell low-grade jute and certain grades of mesta, but the majority of mills were more interested in middle quality jute, of which there was only a limited supply.

Opening quotations on Wednesday morning were as follows:

	Landed at Mills (Basis Bottoms)		Current Prices		T.S.D. Minimum Prices	
	Rs.	P.	Rs.	P.	Rs.	P.
Assam-Agartala	77.70	29.00	80.38	30.00		
Jute	76.38	28.50	79.04	29.50		
Northern Jute						
Western Desal	71.00	26.50	73.68	27.50		
Jute	91.09	34.00	85.74	32.00		
Selected Daissee						
Assam-Agartala	87.07	32.50	83.05	31.00		
Tossa						
Mesta:						
Assam-Northern	71.00	26.50	72.34	27.00		
Local Daissee	71.00	26.50	72.34	27.00		
Bihar Dist.	65.64	24.50	66.98	25.00		

THE U.K. JUTE MARKETS LITTLE BUYING OF FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

WITH holidays in both Pakistan and India during the past week, it was not possible for much change to take place in the raw jute markets. Offers were freely made, but very little buying interest was shown by any consuming country. The raw jute market in Dundee remained weak because of a large quantity of fibre available on spot and further unsold parcels which are afloat. In addition to this, there is over 3,000 bales of reconditioned jute ex the Feronia which will be sold by tender this week. This jute was damaged by fire and water in Pakistan. Although this is a small quantity, it will be a further drag on the market if no buying interest is shown.

The quantity of jute imported by the U.K. during the first seven months of the season is only about 70,000 bales short of its annual consumption. It is most unlikely that much more buying of the present crop will take place. Already, offers of new crop jute are being made, but so far there are no reports of actual business. Mill Lightnings were named at £109 and Mill Hearts at £96 in a combined offer for August-September shipment.

Present crop offers were very irregular with Mill Firsts at £146, Mill Lightnings at £115, Mill Hearts at £92 10s and Grade Hearts at £78 10s, c.i.f. U.K., for March-April shipment. Grade Tossa-2/3 was at £124 and Grade Tossa-4 at £109. Outport Tossa-2/3 was lowest at £96 10s and

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Outport Tossa-4 at £86 for March-April shipment. Cuttings were also quiet with S.N.C. at £53 and N.C. at £46. Less than the above rates would be accepted for spot and float parcels in some instances, but as spinners are already holding large stocks of raw material very little movement is taking place in near-at-hand supplies. The Siam jute market also remained about unchanged. Offers were not being freely made, but grade A was named at £80, grade B at £76 and grade C at £69 for open marks, delivered mill Dundee for March-April shipment.

The Calcutta goods market became much easier during the past week and hessian prices were at the

lowest point for over a year. Quotations were at 74s for 40in. 10oz. and at 57s 6d for 7½oz. a 100 yards f.o.b. Calcutta for March shipment, at 73s 6d and 56s 3d April-June and at 72s 9d and 54s 9d July-September. B. Twills were at 173s, 174s 3d and 173s 6d for the respective shipment periods.

Dundee yarns and cloth were quieter, but a fair amount of business was still being placed for forward delivery. Demand for linoleum Hessians was very poor. On the other hand, the carpet industry was taking regular deliveries and placed further follow-on orders. The heavy-end of the trade was quite busy with some buying interest shown for sackings and tarpaulins.

Books

ROLE OF BANK RATE IN MONETARY POLICY

A Century of Bank Rate. By R. G. Hawtrey. (Published by Frank Cass and Co. Ltd, 10 Woburn Walk, London W.C. 1. Review copy received from Rupa and Company, 18 Bankim Chatterjee Street, Calcutta 12. Price 45s, pages 328.)

The book consists of a series of Alfred Marshall lectures given at Cambridge University in 1937. It was first published in 1938, and the present edition has been reprinted

together with a brilliantly written foreword by the author which summarises the postwar developments up to the present time. The object of the book, according to the author, is to show "how the Bank rate tradition grew up, what was in the minds of those who originated it, to what extent their intentions were realised in the experience which followed and what is its virtue in the circumstances of the present day and the future".

In the first chapter, Mr. Hawtrey traces the origin of the tradition of using Bank rate as an instrument of monetary policy. The amendment of the usury laws in 1833 created favourable conditions for its application. With the rapid and substantial growth of branch banking in the U.K. and of the discount market in London, Bank rate policy assumed a vital rôle in regulating the supply of credit. The theory of gold standard, too, added importance to Bank rate policy as an instrument for regulating the inflow and outflow of gold, thereby stabilising the external value of sterling in terms of gold. The deterrent effects of a high Bank rate (or dear money policy) on price, income and employment were known to practical bankers and business men even in the early days of the century as can be gathered from the evidences given to the Parliamentary Committee in 1848. The subsequent two chapters on "Bank rate and gold" admirably presents the history of monetary developments from 1858 to 1914 supported by statistical figures. One learns how the entire interest-rate structure in the money market came to be linked with Bank rate and how monetary policy based on the variations of this rate was applied in times of booms and slumps during this period. The onset of the first World War brought panic in the market. The extraordinary measures taken by the Government to tackle the situation have been related in the chapter on "Bank rate and deflation" which also describes the postwar developments, e.g., the return to gold standard in 1925 and the Great Depression of 1931.

The later chapters in the book are devoted to long-term and short-term rates of interest and prices. Mr. Hawtrey introduces an interesting discussion on the Keynesian theory of interest (better known as the liquidity preference theory) and exposes its inadequacies. According to Keynes, the long-term rate of interest and the amount of money available for "idle" balances are mutually related in such a way that either can be regarded as a function of the other. The monetary authority is able to determine the long-term rate of interest provided it creates a sufficient amount of money to satisfy "the liquidity preference" of the community. As a matter of practical policy, Keynes would have liked to see the long-term rate kept always at a low level to induce an adequate increase in investment to enable the economy to reach full employment. This theory, Mr. Hawtrey points out, completely ignores the influence of the short-term rate of interest on stocks of goods and attaches excessive importance to the influence of the long-term rate on capital outlay.

Bank rate has often proved unexpectedly effective as a deterrent, for it produces changes in traders' expectations which reinforce its effects. The monetary authority should always consider this factor before implementing an interest rate policy. Although the book deals with a technical subject, it is written in a clear and lucid language for ordinary readers.

CAPITAL, 7th March, 1963.

CAPITAL, 7th March, 1963.

Commodity Markets

EFFECTS OF DUTY CHANGES ON TEA TRADE

(BY A SPECIAL CORRESPONDENT)

THE export duty on tea has been abolished in the latest Central Budget. This should help increase exports, but the Government has effected changes in excise duties with the object of restraining internal consumption. The Budget also imposes a surcharge of 20 percent on tea and coffee. The trade fears that these proposals will check internal consumption. But with the rising standard of living, the increasing population and the rise in purchasing power, this correspondent hopes that home consumption will not be seriously curtailed.

Although the statistical position in relation to world demand and supplies appears to be reasonably balanced, tea available from India may show a sharp rise if the target of 900 million lbs is realised within two or three years. Mr. A. S. Bam, chairman of Tea Board, pointed out last year that competition might come from the Argentine, Brazil and Peru. Meanwhile, collective tea farms in Russia report that the recently planted selected tea acreage is already yielding 10 tons of leaf a hectare. This claim sounds extravagant, but tea growers working in Assam are reported to be securing yields of over 30 maunds an acre from selected seed and clone planting.

Now that the Central Government has taken realistic steps to promote exports, the State Governments should also follow suit. The West Bengal Government should abolish the entry tax and the Assam Government its carriage and road imposts. This country cannot afford to allow its tea growing interests to work at a loss. If it is, therefore, desirable to stimulate home consumption as well as exports. If the excise imposts now as exports. If the excise imposts now as exports. If the excise imposts now as exports.

India is gradually realising the importance of propaganda. It is to be hoped that advertising will soon produce results comparable to Ceylon's

efforts. That country is reported to have spent about £650,000 in 1961 and over £693,000 in 1962. A comparison of exports from India, Ceylon and east Africa (two of India's most important competitors) shows that India is still falling behind. But fortunately, the Government is beginning to realise its implications. It is understood that many applications have been submitted for financial assistance for the installation of machinery to help produce quality tea. The nery to help produce quality tea. The machinery hire-purchase scheme came into operation in April 1960. The Government, it is understood, will be able to meet the industry's entire requirements of nitrogenous fertilisers. The supply of coal, as far as the Assam gardens are concerned, it is said, will also be arranged.

The president of the Tea Packers Association of India, Mr. J. G. Robinson, said at the annual general meeting that as more than half the tea sold for consumption in India is sold as loose tea and the total consumption may now be running at over 300 million lbs a year, there would appear to be a good ground for adjusting taxation to encourage exports. Mr. Robinson estimated the total "loose tea" at over 72 million kilograms. He added that his Association had urged the Government to permit the movement of tea in bond from gardens to Calcutta and/or Cochin. If this were permitted, an equal unit of tea could be levied on tea for internal consumption. In order to evade the West Bengal entry tax, at least 22 million kilograms had been sold directly from gardens during the current season.

The matter of taxing packet tea for export also needs careful consideration because in addition to the higher costs of packing materials in India, one has also to consider the fact that African and Asian countries are setting up their own packing industries. Mr. Robinson said that internal consumption should be encouraged since production under the third plan is planned to be raised.

Writing in the *Tea and Rubber Mail*, Mr. D. L. Betts, a former chairman of the Indian Tea Association, takes a different view of the agreement to restrict production. Referring to supply and demand, he says

"there are facts and factors which are indisputable. And unless they are faced up to with promptitude and initiative, the tea industry could be faced with a crisis of gigantic proportions affecting producers in every tea producing country. Experts have judged the position and are certain that production is increasing more rapidly than is the rate of increase of consumption." Mr. Betts forecasts that huge stocks will accumulate as world production increases.

The supply potential of India and Ceylon is considerable while African countries are expected to send more tea to overseas markets. Even Indonesia is likely to become a danger spot. Mr. Betts also anticipates larger supplies from Japan, China and Formosa. In fact, "world production could be stepped up to a colossal total". Internal markets in producing countries should, therefore, be developed now. Mr. Betts also recommended the renewal of the International Tea Agreement. If that is impossible, then the International Tea Market Expansion Board should be reorganised. Governments should be represented on the Council of Control but producers' representatives should predominate in the body. If world producers refuse to co-operate, Mr. Betts suggests that "India and Ceylon could go it together, as they produce about 80 percent of world exports. But the cost problem will remain. Africa and China produce cheaper tea than India."

Mr. Betts considers it necessary to initiate enterprising and dynamic campaigns for the promotion of tea consumption in many countries where there is an immediate potential, namely, in North and South America and the Continent.

Pepper Prices Rise

(BY A SOUTH INDIAN CORRESPONDENT)

THE price of pepper has registered a smart recovery on the Indian markets in the last few days due to the revival of foreign demand. The U.S.A. as well as the communist bloc countries have bought sizable quantities recently from India. The revival of U.S. buying is attributed to firmness in Singapore prices which have risen to about 110 Singapore dollars, 10 dollars more than the previous rates. The uncertain political conditions in that part of the world is primarily responsible for this. Sellers in Singapore are hesitant to part with their stocks because of the threat from Indonesia. The U.S.A. has been keeping off from the Indian market because of attractive offerings from Singapore. The hardening of prices in Singapore and the growth

of the feeling that future supplies from there are not assured have turned the U.S. buyers again to India. American buyers, it is stated, have absorbed a sizable quantity after paying up to 32 cents a lb. Since then Indian prices have hardened to 33½ cents. Buyers are hesitating to pay the prices Indian shippers are asking for. Indian shippers are, however, unwilling to reduce their price on the ground that when fresh offerings from Singapore are dried up, the United States and other foreign buyers will have to take their requirements from India. The Indian supply position is now good. The harvest is practically over, and the crop is flowing steadily into the terminal markets. According to some trade estimates, almost 40 percent of the new crop has been marketed already. The new crop is placed at about 30,000 tons.

Export performance of Indian spices in 1961-62 was better than that of the previous year, according to the chairman of the Indian Spices Export Promotion Council, Mr. Sreekumaran Nair. He told the recent meeting of the Council that export earnings from spices during 1961-62 amounted to Rs. 17.33 crores, against a target of Rs. 15 crores laid down for the year.

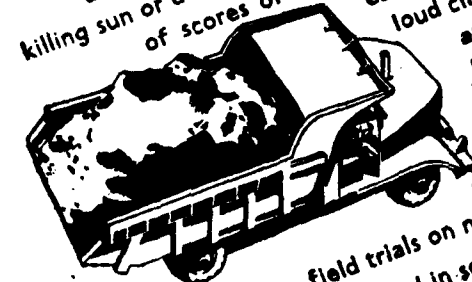
Budget and the Plantations

A serious danger lies in the deep cuts into individual and company incomes which the Central Finance Minister seeks to make. The new surcharge on incomes, super profits tax and the compulsory savings scheme will affect fresh investment which is needed in the planting industry.

On the eve of the presentation of the new Budget, representatives of the planting community in south India made representations to the Centre and the State Governments concerned that the planting industry might be spared the additional levies in view of the heavy tax burden it is bearing already and the need for increasing production and the export of plantation crops. The tea industry pays the Central income tax on 40 percent of the profits and the State agricultural income tax on the remainder. The coffee, rubber and cardamom industries pay the State agricultural income tax on the whole of their profits. The tea and coffee industries are subject to heavy excise duties and in the case of tea, there was an export duty also. Besides, there are State levies like sales tax and entry tax. These taxes take away such a large share of the earnings that plantations are unable to retain adequate funds for replanting and rehabilitation of old and unproductive fields, the Governments were told.

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COMPANY AND PUBLIC NOTICES

MARTIN BURN LIMITED

NOTICE

THE Annual General Meeting (being the Seventeenth Ordinary General Meeting) of the Company will be held on Wednesday, 27th March, 1963, at 12 noon at the Registered Office of the Company, 12, Mission Row, Calcutta, to transact the following business:

- To receive and adopt the Audited Accounts for the year ended 30th September, 1962 and the Directors' and Auditors' Report thereon.
- To declare a Dividend on the Ordinary shares in the Company.
- To appoint a Director in place of the retiring Director Sir N. R. Pillai.
- To appoint Auditors and to fix their remuneration.
- Special Business.

To consider and if thought fit, to pass the following resolution as a Special Resolution—

"That pursuant to Section 314 and other applicable

provisions of the Companies Act, 1956, consent be and is hereby accorded to Mr. Thomas Acquin Martin, a relative of Mr. T. Leslie Martin, a director of the Company, holding or continuing to hold for a period of five years as from 1st April, 1963, an office or place of profit under the Company as an Assistant on a higher remuneration, namely, a basic salary of £3,000 per annum, fixed, plus such other allowances, benefits, perquisites, bonus, gratuity, leave, etc., as are usually admissible to the senior covenanted staff of the same status serving in the United Kingdom."

The Ordinary Share Register and Transfer Books of the Company will be closed from 14th to 27th March, 1963, both days inclusive.

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

By Order of the Board,
A. G. GIDLEY,
Secretary.

Calcutta,
1st March, 1963.

NOTE—The Dividend, if sanctioned, will be paid on or after 1st April, 1963, to those Shareholders whose names appear in the Company's Register of Members for Ordinary Shares on the 27th March, 1963, or to their mandatees.

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

The Company meetings and dividends table appears on page 347.

The following statement of ownership and other particulars about "Capital" Calcutta is published in compliance with Rule 3 of the Registration of Newspapers (Central) Rules 1956.

- Place of Publication
5, Mission Row, Calcutta-1.
- Periodicity of its Publication
Weekly.
- Printer's Name
D. A. Lakin,
Nationality
British.
Address
P-167, Suren Sirkar Road, Calcutta-10.
- Publisher's Name
C. L. Seal,
Nationality
Indian.
Address
P-167, Suren Sirkar Road, Calcutta-10.
- Editor's Name
Dinesh Bahl,
Nationality
Indian.
Address
5, Mission Row, Calcutta-1.
- Names and addresses of individuals who own the Newspapers and Partners or Shareholders holding more than one percent of the total capital.
Capital Limited,
5, Mission Row,
Calcutta-1.

Note: The above Company, Messrs. Capital Limited, is a wholly-owned subsidiary of Messrs. W. H. Targett & Co. Ltd., 5, Mission Row, Calcutta-1.

I, C. L. Seal, hereby declare that the particulars given above are true to the best of my knowledge and belief.

C. L. Seal
Signature of Publisher.

Dated 1st March, 1963.

"CAPITAL" STOCK AND SHARE LIST
THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Wednesday, 6th March, 1963

BANKS

Paid-up Capital Ordinary	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until)		
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		1959	1960	1961	Rs.	6-3-63	27-2-63	A year ago
67,50,000	1,23,75,000	27,37,97,908	22,49,414*	8,08,614	12	Allahabad Bank P.	18	18	18	100	396/00	396/00	329/00
1,50,00,000H	1,81,24,560	33,09,58,958	87,63,194	8,02,553	12	Bank of Baroda	14	17	17	50	93/50	93/50	122/00
4,05,00,000H	4,11,50,000	43,61,96,153	1,11,53,496	13,09,847	12	Bank of India	16	20	20-20*	50	112/00	112/00	152/00
2,62,50,000H 52,50,000	3,68,08,634	79,29,75,001	1,93,04,910	18,61,470	12	Central Bank of India	17-1/5	20-2/5	"	25	59/30	59/30	72/90
26,600,000	27,150,000	2141,390,310	2,990,238	2,540,648	12	Chartered Bank	15	15	15	21	sh. 59/9	sh. 60/9	sh. 58/6
1,25,00,000H	10,00,000	3,44,38,609	13,78,657	13,261	12	Hindusthan Commercial	Nil	Nil	Nil	50	17/12	19/62	
50,00,000H	2,85,000	94,21,660	1,68,126	28,888	12	Hindusthan Mercantile	Nil	Nil	Nil	50	15/62	15/62	17/62
HK\$79,046,123	215,00,000	216,691,749	HK\$43,315,459	HK\$2,340,534	12	Hong Kong & Shanghai	23	23	23	HK\$25	£16 1/4	£17 1/4	£18
60,60,000 22,40,000	83,01,884	19,38,59,976	36,84,210	80,143	12	Indian Bank	15	15	"	100	174/50	174/50	179/00
75,00,000	78,36,660	14,65,60,072	43,80,498	2,22,933	12	Indian Overseas Bank	12	14	14	100	162/50	161/00	182/00
5,00,00,000	74,41,264	2,23,84,659	7,80,776	21,25,000	12	Industrial Finance Corpn.	"	"	"	50	"	"	"
25,703,000	24,760,400	210,373,912	2,644,273	2,311,105	12	National & Grindlays Bank	12 1/2	13 1/2	14	sh. 15	sh. 32/9	sh. 34 7/4	sh. 37/9
1,99,36,910	2,10,93,691	89,22,46,887	1,18,39,595	10,37,738	12	Punjab National Bank	20	20	20	10	19/25	19/00	22/12
60,00,000	43,00,000	10,42,69,664	14,75,220	11,45,551	12	Union Bank of India	"	"	"	5	6/52	6/52	9/52
2,68,84,370	90,74,000	25,80,78,402	20,50,000	2,39,694	12	United Bank of India	4.3	4.3	6	10	7/25	7/56	7/10
2,00,00,000	2,35,00,000	36,83,34,071	72,60,557	2,07,428	12	United Commercial Bank	11	12	12	50	75/25	75/25	103/00

* Excluding taxation.

** Per share on increased capital.

† Guaranteed.

* 1962

JUTE MILLS

Paid-up Ordinary Capital	No. of Looms	Net Block Account	Reserve & other Funds Premiums & Portfolios if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	NAMES	Dividends per cent	Paid-up per share	Latest Market Quotations as available until					
Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		1964	1961	1962	Rs.	6-3-63	27-2-63	A year ago	
60,00,000	879	99,19,361	66,42,500	3,92,846	59,794	79,587	3	79 Agarpars P.	10	24	24	10	10/56	10/56	11/37	
6,00,000	946	28,70,981	16,58,903	4,22,325	2,57,931	1,40,179	12	105 Alexander P.	44	15	"	100	305/00	305/00	265/00	
20,00,000	1,264	48,84,147	8,04,850	5,70,976	11,43,880	58,531	5	105 Alliance P.	6	Nil	10	100	110/00	110/00	103/50	
49,20,700	2,503	1,04,15,434	89,25,000	63,22,567	20,60,853	2,75,227	3	61 Anglo-India P.	20	7	10	100	199/00	217/00	216/00	
49,00,000	810	61,70,400	26,57,703	4,56,210	13,54,726	5,02,872	3	21 Auckland P.	27	12	Nil	100	150/00	150/00	171/00	
20,00,000	959	57,59,081	35,02,333	12,05,060	13,97,235	80,074	3	22 Bally P.	25	25	25	100	280/00	280/00	280/00	
2,215,000	1,683	2,410,570	2,828,859	2,53,073	2,89,216	21,042	3	128 Barnagore P.	30	10	10	25	175/00	187/00	156/00	
45,00,000	600	26,61,854	14,46,700	8,93,663	96,65,712	1,33,355	6	235 Bengal P.	6	"	"	10	10/25	10/25	9/50	
1,59,56,210	1,433	51,27,514	3,35,31,887	90,84,701	1,08,070	1,08,070	3	22 Biria P.	15	15	15	100	25/25	30/37	35/25	
38,00,000	991	12,59,648	4,17,959	1,47,854	9,36,094	8,90,684	10	3 Budge Budge P.	10	Nil	"	100	169/00	169/00	140/00	
7,47,380	602	38,26,710	26,17,832	36,75,352	1,73,320	48,461	6-12	62 Calcutta P.	"	"	"	100	8/00	8/00	9/50	
18,00,000	610	38,26,710	26,17,832	36,75,352	1,73,320	48,461	6-12	62 Calcutta P.	12	5	"	100	220/00	220/00	164/00	
59,16,400	1,900	1,01,67,080	82,28,226	2,49,069	25,39,624	24,02,338	3	304 Champdany P.	10	5	Nil	100	136/00	136/00	128/00	
39,56,250	304	65,15,022	53,20,094	2,47,272	16,01,287	1,21,444	11	2 Cheviot P.	10	5	"	100	23/62	23/37	20/00	
30,15,000	300	53,11,479	40,65,400	13,38,874	12,49,444	6,14,555	7	165 Chitavalisab P.	5	Nil	5	100	11/00	11/00	12/37	
18,00,000	959	13,80,489	25,12,433	1,35,556	1,51,574	18,847	3	318 Clive P.	10	"	"	100	4/37	8/37	9/83	
31,49,400	100	52,19,772	12,23,514	3,57,222	9,12,181	8,96,543	11	2 Dainabou P.	1	1	Nil	100	146/00	150/00	135/00	
46,00,000	779	1,24,93,482	81,26,797	3,06,384	9,12,181	8,96,543	11	2 Dainabou P.	7 1/2	Nil	"	100	173/00	173/00	181/00	
15,00,000	500	35,23,149	87,06,616	7,52,017	26,14,782	14,938	3	138 Port Gloster P.	25	10	12 1/2	100	15/31	15/31	14/12	
63,00,000	1,009	1,68,88,474	24,95,369	12,66,910	4,99,848	7,033	3	231 Port William P.	22 1/2	22 1/2	10	100	26/00	26/00	24/44	
21,00,000	1,614	48,31,680	39,20,700	8,41,963	7,52,017	26,14,782	14,938	3	138 Port Gloster P.	25	10	12 1/2	100	12/37	14/25	14/06
84,32,100	1,400	1,20,88,547	40,93,282	5,26,122	41,38,028	1,89,764	12	358 General Industrial	40	10	20	100	17/87	17/87	43/00	
43,20,000	601	82,13,502	35,56,215	58,515	6,51,478	1,87,596	3	358 Gourapore P.	30	25	20	100	487/00	487/00	518/00	
24,00,000	1,394	1,02,44,325	74,30,537	45,41,712	12,24,172	12,24,172	3	234 Hastings P.	8	6	6	100	128/00	128/00	122/00	
40,00,000	1,078	70,83,967	9,23,473	53,86,438	5,68,002	1,01,636	3	356 Howrah P.	10	"	"	100	20/00	20/00	27/00	
1,80,000	720	28,41,207	25,26,234	12,67,575	9,89,386	13,61,553	3	356 Howrah P.	12 1/2	10	Nil	100	17/72	18/81	20/25	
62,50,000	1,940	72,72,179	42,62,842	8,05,642	10,94,477	13,61,553	3	356 Howrah P.	28 1/2	28 1/2	7 1/2	100	17/31	18/87	16/12	
52,50,000	2,272	1,31,00,000	38,55,000	23,48,290	27,19,471	57,366	3	355 Hukumchand P.	14	12	8	100	151/00	180/00	159/00	
87,30,000	1,790	99,29,345	38,24,567	7,44,969	3,18,900	3,18,900	3	355 India P.	15	12	"	100	121/00	140/00	98/50	
43,20,000	1,797	56,25,250	21,20,326	6,75,226	13,75,183	17,20,761	12	128 Kamarrath P.	5	Nil	"	100	176/00	204/00	185/00	
54,00,000	1,327	56,65,106	9,43,776	5,58,686	13,75,183	17,20,761	12	128 Kamarrath P.	Nil	Nil	5	100	121/00	121/00	133/00	
28,00,000	703	53,93,372	56,73,800	13,28,828	45,353	47,758	8	168 Kelvin P.	20	15	5	10	18/25	18/25	17/12	
54,00,000	1,530	65,81,985	26,08,764	5,41,356	16,20,587	59,933	3	382 Khardan P.	20	5	12 1/2	100	150/00	150/00	169/00	
48,00,000	1,250	70,14,861	46,11,711	24,80,797	22,59,825	21,89,282	3	198 Kinlondon P.	Nil	Nil	Nil	100	120/00	120/00	133/00	
24,48,000	931	33,87,827	Nil	3,63,702	15,64,671	6,84,149	3	21 Lansdowne P.	7	15	10	100	124/00	124/00	162/00	
28,00,000	940	22,22,259	1,36,90,180	42,99,026	7,57,171	1,58,282	3	21 Lawrence P.	12	12 1/2	Nil	100	13/31	13/87	12/44	
81,65,200	1,294	1,26,96,079	34,55,037	3,41,466	17,83,515	4,26,297	3	353 Megna P.	"	"	"	100	90/00	90/00	83/00	
29,98,900	815	76,99,875	12,04,578	2,94,057	10,35,839	13,08,719	3	101 Nalhati P.	"	"	"	100	9/08	9/08	12/25	
20,00,000	425	10,98,512	15,55,000	8,25,999	9,38,343	17,816	10	378 Naskarpura P.	7 1/2	Nil	"	100	25/37	25/37	25/62	
35,00,000	832	79,53,012	48,90,518	8,25,999	9,38,343	17,816	10	378 Naskarpura P.	8	6	15	10	15/00	15/00	15/00	
26,25,000	931	33,46,239	35,71,072	10,72,888	14,01,865	61,184	7	165 Nellimarta P.	5	6	15	10	12/81	14/08	16/18	
3,56,00,000	1,785	8,08,96,118	2,42,18,122	28,26,231	18,53,068	15,530	3	335 New Central P.	15	15	20	100	32/00	32/00	34/75	
16,79,886	667	61,13,896	61,70,911	4,86,781	10,14,322	32,168	3	21 Northbrook P.	30	30	20	50	57/00	57/00	64/75	
68,79,500	1,092	1,00,63,818	42,62,296	5,77,179	4,25,754	65,041	4	19 Nuddea P.	8	6	10	5	5/06	5/37	5/03	
25,00,000	1,490	36,00,000	12,61,704	7,07,186	7,54,830	37,324	7	168 Presidency P.	Nil	Nil	Nil	100	9/44	9/44	8/19	
20,00,000	909	44,84,547	2,89,013	1,14,563	8,38,262	3,30,853	3	156 Rameswara P.	Nil	Nil	Nil	100	7/00	7/00	6/81	
49,50,000	1,276	57,25,150	Nil	24,98,321	73,81,817	25,40,896	3	126 Reliance P.	6	Nil	"	100	10/50	10/50	10/50	
2,600,000	2,013	1,45,23,306	2,18,22,334	2,270,476	2,77,715	2,179	8-6	61 Shree Ambica P.	9	6	Nil	10	25/00	25/00	28/62	
30,00,000	911	47,47,618	15,81,656	27,81,368	2,13,128	3,184	8-6	156 Soorab P.	25	25	"	100	25/25	25/25	23/56	
14,00,000	401	23,26,975	15,86,900	14,20,017	5,87,568	2,616	12	64 Uttaghar P.	6	Nil	Nil	100	10/50	10/50	10/50	
2,800,000	1,794	2,13,31,626	2,99,958	2,355,525	2,597,606	18,317	3	21 Union P.	25	6	Nil	100	163/00	163/00	185/00	
35,38,806	1,326	37,69,632	37,88,568	11,91,453	2,106,142	2,814	12	64 Victoria P.	6	Nil	"	100	10/50	10/50	10/50	
2,400,000	1,331	2,13,26,471	2,747,577	2,106,142	2,78,758	66,272	5	163 Waverley P.	30	30	60	1	5/94	5/94	5/94	

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Latest Market Quotations as available until	Names	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	1960 1961 1962	6-3-63 27-2-63 A year ago		1959 1960 1961	Rs.	6-3-63 27-2-63 A year ago
25,50,000	58,52,284	43,77,800	3,90,484	16,40,057	39,096	6-12	315	24/81 24/81 21/75	Amalgamated Bengal P.	10	10	24/81 24/81 21/75
1,20,00,000	3,15,46,304	2,44,30,490	36,03,988	86,68,875	10,42,254	3	236	299/00 299/00 354/00	Bengal Bhuldee	25	100	299/00 299/00 354/00
4,49,350	4,37,382	1,30,132	91,796	43,397	4,471	10	2	3/48 3/48 3/48	Bengal Nagpur	10	10	3/48 3/48 3/48
2,25,000	3,06,216	5,45,835	5,19,015	1,35,838	16,129	12	368	22/00 22/00 20/19	Bhaigore	10	10	22/00 22/00 20/19
15,97,000	23,27,321	4,87,308	63,992	2,62,417	21,275	12	1	5/00 5/00 4/75	Bharat Collieries P.	10	10	5/00 5/00 4/75
40,00,000	67,23,620	2,75,000	21,19,681	11,80,816	2,120	9	152	3/53 3/53 3/84	Bhulanbarree	10	10	3/53 3/53 3/84
7,15,000	14,96,845	11,02,672	64,328	-3,06,406	-4,92,536	6	335	12/00 12/00 5/00	Bokarc & Ramgur	10	10	12/00 12/00 5/00
16,00,000	38,87,275	16,18,636	7,185	1,21,938	-78,196	12	362	11/19 11/19 14/00	Borree P.	10	10	11/19 11/19 14/00
7,80,000	19,13,762	22,77,003	12,32,438	5,26,414	33,647	12	106	23/87 23/87 23/85	Burrakur P.	10	10	23/87 23/87 23/85
9,92,480	2,32,19,287	1,46,53,383	33,70,740	37,97,832	90,768	6	21	14/50 15/69 17/87	Central India	10	10	14/50 15/69 17/87
49,97,000	50,93,751	6,86,120	6,35,532	18,11,088	3,58,023	3	166	10/25 10/31 11/84	Central Kurkend P.	10	10	10/25 10/31 11/84
6,00,000	18,69,439	12,97,499	96,040	5,357	214	12	1	8/09 8/09 7/00	Churulia	10	10	8/09 8/09 7/00
6,00,000	18,69,439	12,97,499	96,040	5,357	214	12	1	3/06 3/06 3/06	Dhemo Main	10	10	3/06 3/06 3/06
16,00,000	25,01,705	Nil	19,429	-6,45,261	-5,36,054	12	44	5/94 5/94 6/75	Ghustek & Muslia	10	10	5/94 5/94 6/75
2,240,000	2,888,390	2,561,905	213,558	4,288,492	4,82,234	12	44	37/00 37/00 37/00	Guzdar Kajora	10	10	37/00 37/00 37/00
29,63,700	1,42,23,054	1,18,76,888	27,69,725	10,14,185	33,594	12	19	25/62 25/62 26/84	Hurliadhi	10	10	25/62 25/62 26/84
15,00,000	21,00,420	41,000	26,500	920	-6,24,344	3	307	2/03 2/03 2/75	Karanpura Developer	10	10	2/03 2/03 2/75
6,50,000	4,21,847	Nil	12,025	10,579	-14,705	12	20	8/12 8/12 14/37	Katras Jheriah	10	10	8/12 8/12 14/37
8,00,000	5,43,022	16,702	-10,172	-3,65,025	12	393	10	11/62 11/62 16/00	Khas Kajora P.	10	10	11/62 11/62 16/00
15,00,000	23,47,352	27,81,985	38,74,704	3,95,071	1,40,029	12	21	18/00 18/00 19/04	Kundalpur	10	10	18/00 18/00 19/04
20,00,000	34,15,535	9,86,018	3,72,692	8,92,065	32,810	2	21	48/75 48/75 49/00	Mundulpur	10	10	48/75 48/75 49/00
14,88,480	20,69,761	16,01,825	8,75,590	8,29,962	1,11,842	1	2	18/70 18/70 18/70	Nazira	10	10	18/70 18/70 18/70
1,28,400	6,75,000	95,900	11,80,294	49,778	1,918	6-12	337	2/69 2/69 2/62	New Beerbhoom P.	10	10	2/69 2/69 2/62
5,65,750	5,95,833	Nil	9,180	-1,90,535	-16,47,497	3	372	5/12 5/12 6/87	New Manbhoom	10	10	5/12 5/12 6/87
7,48,240	3,46,525	2,50,000	7,62,941	1,29,839	94,983	12	347	19/94 19/94 21/50	North West	10	10	19/94 19/94 21/50
31,97,210	61,58,848	34,47,233	3,39,307	9,75,912	93,645	10	2	13/75 13/75 13/82	Ondal P.	10	10	13/75 13/75 13/82
9,90,340	9,04,373	5,21,710	75,374	4,12,216	43,822	3	202	18/00 18/00 20/25	Parasea P.	10	10	18/00 18/00 20/25
1,15,000	7,05,719	4,31,409	40,384	1,44,042	15,045	12	441	19/75 19/75 22/06	Pench Valley	10	10	19/75 19/75 22/06
1,57,500	7,05,719	4,31,409	40,384	1,44,042	15,045	12	441	8/00 8/00 8/00	Pure Sitalpur	10	10	8/00 8/00 8/00
7,50,000	1,33,788	13,22,645	22,83,097	1,91,513	45,060	12	106	15/00 15/00 15/00	Raneegunge	10	10	15/00 15/00 15/00
8,34,000	22,89,068	1,52,212	4,78,984	1,79,344	589	12	207	28/50 28/50 30/00	Rewa	10	10	28/50 28/50 30/00
15,75,000	32,83,182	24,59,125	4,11,055	5,41,574	94,253	3	236	10/03 10/03 8/87	Samlia	10	10	10/03 10/03 8/87
2,50,000	5,62,405	11,590	2,402	11,590	18,361	6-12	6	1/94 1/94 0/78	Searsale	10	10	1/94 1/94 0/78
33,58,900	50,26,723	40,85,000	1,26,141	11,54,576	35,791	3	370	45/00 45/00 47/00	Seepore P.	10	10	45/00 45/00 47/00
13,50,000	25,32,135	20,80,190	16,89,318	13,18,197	41,523	12	236	5/75 5/75 6/44	Sindora	10	10	5/75 5/75 6/44
37,50,000	74,38,430	38,61,070	1,69,084	12,37,914	28,993	12	48	8/56 8/56 7/19	South Karanpura	10	10	8/56 8/56 7/19
2,50,000	4,47,534	74,281	10,748	-4,27,396	-4,27,396	1	353	16/00 16/00 15/50	Standard	10	10	16/00 16/00 15/50
2,80,000	10,74,006	12,23,716	10,17,267	6,13,147	67,383	12	2	10/37 10/37 10/00	Union	10	10	10/37 10/37 10/00
8,00,000	8,203	4,54,648	10,47,570	78,390	1,540	12	106	9/06 9/06 9/06	Western Bengal	10	10	9/06 9/06 9/06
17,50,000	28,29,652	10,02,341	50,728	2,66,373	2,926	8	21	9/37 9/37 9/37	West Jamuria	10	10	9/37 9/37 9/37
8,00,000	1,30,001	15,48,989	26,78,245	1,84,925	38,908	12	106					
2,50,000	4,36,300	3,23,000	36,660	1,37,973	1,77,352	12	1					
49,98,000	63,57,150	6,09,055	2,69,620	11,72,192	1,19,162	3	168					
7,00,000	26,06,335	Nil	47,091	-6,51,403	-6,23,711	12	444					

*1962

COTTON MILLS

Paid-up Capital Ordinary	Number on Spindle Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Latest Market Quotations as available until	NAMES	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	1960 1961 1962	6-3-63 27-2-63 A year ago		1960 1961 1962	Rs.	6-3-63 27-2-63 A year ago
15,00,000	14,108	856	14,06,683	3,15,002	12,59,541	28,012	41,532	12 49	Basant P.	10	10	10	12/75 12/75 7/10
7,11,220	96,000	932	17,17,120	2,20,369	30,842	3,66,177	47,818	3 27	Banga Luxmi	10	10	10	28/00 28/00 28/00
27,00,000	31,476	824	17,77,373	1,03,872	-6,24,150	-6,86,163	12 223	Bengal Nagpur P.	10	10	10	10	3/00 3/00 3/44
50,00,000	..	1,10,05,881	39,06,800	9,82,146	55,18,806	1,45,829	12 394	Bharat Commerce	10	10	10	10	21/00 24/12 30/25
39,25,950	38,764	992	60,04,300	1,21,02,782	53,37,204	39,77,025	1,07,525	3 22	Birla Cotton	10	10	10	22/75 22/75 28/00
24,00,000	43,136	841	94,15,836	81,39,700	2,59,240	30,41,846	2,15,857	12 138	Bowreah P.	10	10	10	23/81 23/81 39/00
80,00,000	22,000	510	23,07,805	48,99,554	5,33,310	20,76,448	47,303	12 25	Cawnpore Textiles	10	10	10	5/94 5/94 9/87
3,78,33,535	1,97,348	3,501	6,72,37,739	6,96,27,788	77,61,228	3,08,40,769	4,03,436	6 238	Delhi Cloth & Genl. P.	10	10	10	45/37 48/37 62/50
38,00,000	63,049	618	69,25,204	46,09,112	2,35,557	40,11,268	2,29,807	12 138	Dunbar	10	10	10	26/87 26/87 35/25
63,00,000	54,000	1,200	72,11,946	1,73,79,771	91,53,931	73,50,384	80,801	9 389	Elgin P.	10	10	10	20/69 20/69 23/12
1,25,00,000	..	3,48,97,571	56,34,321	85,50,730	19,28,784	1,22,795	12 186	J. K. Cotton (Rayon) P.	10	10	10	10	14/00 14/00 23/06
49,18,000	6,272	202	51,44,000	24,71,500	4,78,536	38,42,100	67,266	12 22	Jay Shree	10	10	10	13/19 13/19 17/50
36,00,000	38,000	1,825	47,44,548	52,19,301	92,65,055	18,77,941	-7,77,290	12 208	Mulr P.	10	10	10	135/00 135/00 87/00
38,11,583	78,848	1,367	47,49,840	3,96,990	1,08,256	12,73,361	-63,55,495	12 237	New Victoria P.	10	10	10	1/62 1/62 1/65
48,00,000	..	1,06,10,382	78,144	2,34,188	12,34,741	-22,17,524	3 399	Orissa Textiles P.	10	10	10	10	9/00 9/00 10/25
19,47,780	23,186	795	15,49,229	80,773	2,37,475	3,38,087	..	6 4	Rampoor Cotton	10	10	10	12/00 12/00 11/00
5,00,000	1,14,886	2,077	4,48,79,351	2,63,63,071	2,15,81,189	78,20,241	5,044	12 333	Swadeah (Kanpur) P.	10	10	10	2/00 2/00 2/00
17,50,000	..	..	..	..	..	..	..	6 3	..	10	10	10	11/50 11/50 11/50
1,37,50,000	..	..	..	..	..	..	..	6 3	..	10	10	10	7/00 7/00 8/12

TEA COMPANIES

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

Paid-up Capital Ordinary			Net Block Accounts	Reserve & other Funds	Accrues under Tea	Outturn and Average Price per Kg./lb. realised for crop			Estimate 1962	Net Profits including taxation	Accounts closed	Dividends per cent	Latest Market Quotations as available until					
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	1958	1959	1961	Rs.	Rs.	Rs.	Rs.	
DOOARS																		
27.00.000	55.60.730	32.07.760	1.023†	1.408.000	5.11	1.551.500	4.51	1.525.000	11.55.236	12	2	Banarhat P.	32‡	22‡	21	100	255/00 255/00 275/00	
12.00.000	23.85.571	21.47.404	436†	721.589	5.20	724.264	4.99	692.300	8.82.191	12	128	Baradighi	25	30	25	10	23/00 23/00 27/00	
9.00.000	17.32.113	18.96.100	1.112	558.147	4.94	593.817	4.42	590.804	2.94.647	12	386	Bhatkawa	10	15	15	10	17/37 17/37 17/81	
9.00.000	21.64.171	19.54.000	555	543.381	5.32	596.763	4.37	600.000	4.10.050	12	63	Birpara P.	22‡	17‡	12‡	100	151/00 151/00 149/00	
6.00.000	11.78.375	9.70.500	243†	305.122	5.01	296.250	4.71	295.000	1.08.467	12	63	Carron	15	20	5	100	145/00 145/00 143/00	
9.00.000	21.68.088	14.50.681	365†	4.33.300	5.15	514.200	4.45	530.000	2.23.622	12	2	Choonahuti P.	30	32‡	20	100	262/00 262/00 262/00	
3.00.000	5.34.585	5.17.500	197†	171.106	5.00	219.480	4.35	203.200	78.168	12	63	Elmhurbarie	5	5	100	184/00 184/00 178/00		
1.20.000	3.31.280	3.17.245	285	134.440	4.20	162.265	3.73	160.000	50.788	12	354	Elthelbari	Nil	5	5	10	13/12 13/12 9/19	
4.90.000	8.16.062	70.656	180	218.896	3.96	224.026	4.88	..	3.52.027	12	88	Gairkhatia	12‡	25	20	10	21/50 21/50 24/80	
7.50.000	10.03.911	1.97.827	900	522.865	5.03	533.022	4.71	..	1.19.268	12	387	Gopalspur	10.24	12	2	25	20/00 20/00 19/62	
14.00.000	27.43.996	19.20.969	418†	1.122.800*	2.11	1.094.000*	1.71	..	19.303	12	63	Hantapara P.	12‡	15	5	100	103/00 103/00 115/00	
36.30.000	49.19.787	40.25.000	1.034†	1.401.809	4.99	1.433.022	4.07	1.390.000	29.24.415	8	74	Hasimara P.	12‡	17	18†	10	12/25 12/75 31/75	
32.30.000	64.78.513	76.71.749	2.314†	2.787.460	4.73	289.021	5.54	3,012.569	3.32.189	2	74	Hudibari	22‡	22‡	19.2/71	10	13/06 13/06 30/00	
3.25.000	20.48.832	22.92.078	611†	267	215.100	4.91	190.300	4.48	..	1.53.219	12	1	Jaypurpara	5	10	Nil	10	11/06 11/06 14/37
1.00.000	1.79.450	1.31.133	377†	539.462	5.09	663.337	4.23	520.000	3.87.838	12	63	Killcot	17‡	25	15	10	17/31 17/31 20/50	
9.00.000	18.44.954	30.65.500	246†	244.220	3.96	247.991	..	..	67.180	12	354	Maganbarrie	6	10	0	10	59/50 59/50 58/37	
4.00.000	10.41.117	5.27.720	1.129	542.139	5.10	603.619	4.07	490.000	4.66.552	12	63	Nabaspuree	17‡	25	15	100	169/50 169/50 177/00	
9.00.000	17.91.264	22.58.500	471†	812.200	5.28	784.700	4.31	750.000	4.53.104	12	2	New Doopats P.	32‡	35	20	100	258/00 258/00 286/00	
14.00.000	28.29.996	21.33.668	471†	812.200	5.28	784.700	4.31	750.000	1.58.900	12	363	Onditara	10	12‡	7‡	100	14/25 14/25 15/25	
6.40.000	9.40.172	6.77.528	284†	391.297	4.14	403.619	3.89	308.000	116.100	12	63	Phakotwa	Nil	Nil	Nil	100	127/00 127/00 127/00	
2.50.000	4.03.726	3.11.000	330	112.988	4.90	100.575	4.22	116.100	3.62.900	12	165	Rajnahat	Nil	Nil	Nil	10	12/12 12/12 12/62	
6.00.000	9.02.274	7.77.334	764	357.499	4.82	363.864	4.36	334.100	2.37.892	12	165	Ranchertia	10	15	15	10	16/75 16/75 17/75	
7.85.000	16.33.948	16.37.050	1.635	457.276	4.96	501.458	4.32	534.100	4.75.664	12	128	Rudak	30	25	20	100	27/31 27/31 28/62	
14.92.800	34.73.433	28.87.329	713†	854.415	5.21	921.964	4.79	1,008.645	3.60.822	12	44	Savagan	40	40	40	10	36/25 36/25 36/00	
3.46.000	9.56.428	9.68.534	278†	300.700	4.79	400.500	4.10	..	..	..	..	..	..	..	..	..	..	
TERAI																		
4.50.000	13.66.318	1.61.700	62†	2.17.325	4.93	..	..	..	1.50.753	12	101	Atal	10	5	..	10	6/75 6/75 8/00	
5.00.000	2.41.415	6.10.382	223	2.40.454	3.93	..	..	..	2.98.178	12	44	Belgachi	20	20	..	10	20/50 20/50 21/62	
13.44.000	17.81.100	25.47.000	433†	6.99.241	4.85	794.321	4.37	6.70.000	531.894	12	63	Gungaram	15	20	12‡	100	158/00 158/00 154/00	
5.00.000	10.87.941	12.09.500	214†	2.61.270	4.84	298.960	4.29	2.54.000	2.10.440	12	63	Hansuva	17‡	20	15	10	20/00 20/00 18/31	
3.00.000	6.84.258	8.71.397	472	2.53.883	5.72	275.784	4.10	275.784	15.355	2	74	New Chumta	15	15	12.6/72	10	33/50 33/50 33/50	
3.00.000	5.14.996	5.51.400	442†	3.09.412	5.05	..	..	..	3.14.780	12	139	New Terai	15	22‡	..	10	36/00 36/00 36/00	
5.85.000	1.31.628	10.29.030	407†	4.00.643	4.04	..	..	..	2.69.729	12	139	Pahargomiah	25	20	..	10	31/12 31/12 27/62	
1.00.000	2.27.505	2.24.244	119	94.461	4.39	..	..	..	43.136	12	63	Putinbarae	26	14	..	10	45/00 45/00 45/00	
2.20.000	8.34.600	10.76.160	549	8.121*	2.02	..	..	..	2.85.088	12	183	Tarrihannah P.	30	40	..	10	49/00 49/00 49/00	
CHITTAGONG																		
1.25.000	83.465	4.22.450	206†	1.19.459	5.03	..	..	..	23.045	12	139	Kodala	Nil	Nil	..	10	9/25 9/25 9/25	
2.40.000	1.37.058	2.42.992	397†	1.30.649	5.12	..	..	..	12.742	12	139	Kornafuit	Nil	Nil	..	10	13/06 13/06 12/12	
2.00.000	1.51.925	3.95.000	218†	1.24.798	5.02	..	..	..	1.26.040	12	139	Oodaleab	Nil	Nil	..	10	8/00 8/00 8/00	
SYLHET																		
3.00.000	11.41.512	8.41.647	61†	1.64.340	5.14	276.309	4.45	2.90.300	339.312	12	..	Chundeecherra	Nil	Nil	Nil	10	23/00 23/00 24/00	
6.00.000	8.76.638	13.11.051	514	184.602	5.66	233.890	4.47	1.94.690	4.42.596	12	63	Dauracherra	15	22‡	22‡	10	7/31 7/31 7/06	
2.46.000	3.50.022	Nil	479	98.302	5.00	1.26.338	4.28	1.34.284	24.933	12	358	Kaliti	Nil	Nil	..	10	10/00 10/00 9/25	
5.59.392	7.72.647	14.67.800	1.039	9.16.480*	2.40	11.42.720*	1.99	10.40.000	344.756	12	236	New Samanbagh P.	Nil	24	Nil	10	18/37 18/37 19/25	
38.00.000	48.87.187	79.27.844	4.12†	11.23.657	5.40	19.52.002	5.00	18.51.000	42.44.451	12	63	Painakola	40	32‡	40	100	148/00 148/00 138/00	
3.20.000	3.83.671	4.46.290	724	2.65.920*	2.22	..	..	..	1.17.429	12	236	Rainagar	Nil	Nil	..	10	9/56 9/56 9/56	
9.00.000	17.77.855	25.69.827	1.182	3.06.754	5.57	4.18.826	5.01	4.07.080	625.281	12	83	Tellapara	17‡	22‡	32‡	100	99/00 99/00 112/00	

MISCELLANEOUS COMPANIES - Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Portfolios Shares if any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotation as available until	6-3-63	27-2-63	A year ago	
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		1964	1960	1961	Rs.	Rs.	Rs.	
CHEMICAL INDUSTRIES														
62.00,000	5,93,45,653	1,96,10,273	4,78,066	71,72,056	1,37,284	9	121 Alkali & Chemical Corp. of (I)	91	12	15-15*	10	31/00	34/00	44/69
2,48,00,000A	18,48,048	15,681	5,958	-2,50,346	-8,53,536	12	442 Bathgate & Co Ltd P	NH	NH	..	5	0/84	0/84	0/72
15,00,000C	76,41,344	68,84,805	21,11,440	18,06,053	1,30,717	8	245 Bengal Chemical & Pharm P.	8	8	10	100	101/00	101/00	107/00
11,03,900A	36,34,102	22,82,883	19,49,050	12,04,892	6,978	6	377 Calcutta Chemical P.	18	18	18-18*	10	18/00	18/00	17/62
22,54,700B	99,022	NH	41,554	72,146	2,560	2	129 Frank Ross P	5	5	10-8*	5	3/25	3/25	3/25
15,00,000	11,71,084	16,07,251	9,33,133	11,60,256	92,801	6	191 Smith Stanistreet P.	25	25	25-25*	5	13/37	13/37	16/37
4,85,000														
20,00,000														
ELECTRIC LIGHTING POWERS														
19,99,800	1,15,72,761	51,20,883	27,74,219	4,56,810	52,889	3	32 Agra Electric Supply	10	11	11-11*	100	120/00	120/00	125/00
6,00,000	29,33,889	15,51,802	8,09,008	2,00,631	25,623	3	32 Bareilly Electric Supply	10	11	11-11*	10	14/75	14/75	11/75
17,00,000	1,03,03,450	52,26,411	19,58,483	4,34,454	47,298	3	32 Benares Electric Supply	10	11	11-11*	10	12/37	12/37	12/12
5,91,360	15,65,473	807,902	2,70,659	1,36,558	41,730	3	202 Bhagalpur Electric Supply	5	8	10-8*	5	6/08	6/08	6/03
24,26,646	22,18,493	21,015,240	2,173,696	21,599,019	2,00,524	3	30 Calcutta Electric Supply	7	8	74-74*	21	14/06	14/19	14/94
6,80,040	66,87,443	29,73,446	41,87,140	14,42,862	4,27,783	3	302 Cuttack Electric Supply	61	71	10-10*	10	12/62	12/62	12/62
43,20,000														
5,34,640	17,29,086	96,513	95,409	65,283	3,590	3	168 Jhansi Electric Supply	61/5	..	..	10	5/90	6/90	6/00
22,49,550	68,50,849	29,21,749	5,35,563	2,69,903	33,302	3	32 Jubbulpore Electric Supply	91/5	10	10-10*	10	11/37	11/37	11/31
4,35,000	8,70,324	2,24,148	1,09,770	46,495	39,015	3	258 Mirzapur Electric Supply	5	..	..	5	12/00	12/00	7/00
5,82,390	24,50,815	6,87,284	3,48,986	2,22,292	22,551	3	302 Muzafferpore Electric Supply	10	121	121-121*	10	12/25	12/25	11/75
6,99,700	13,47,574	1,14,777	2,15,991	83,864	18,988	3	329 Muttra Electric Supply	8	..	..	10	11/12	11/12	9/85
35,07,380	98,50,374	48,67,675	3,95,468	12,96,460	1,27,547	3	329 Patna Electric Supply	71	10	10-10*	10	10/48	10/48	10/87
9,10,000	8,77,208	2,86,692	3,19,022	1,58,667	17,201	3	202 Shahjahanpur Electric P.	5	61	31-61*	10	7/00	7/00	6/75
18,80,000	24,13,949	16,03,685	9,75,497	458,680	3,975	3	21 Sija (Jheriah) Electric	71	10	10-9*	10	9/06	9/06	8/75
58,00,000	2,03,16,819	80,84,613	25,53,868	11,08,426	92,879	3	32 United Provinces Electric	10	11	11-11*	100	119/00	119/00	113/00
5,00,000	21,74,345	14,00,467	7,69,903	1,92,745	33,674	3	32 Upper Jumna Valley Electric	121	131	131-131*	10	14/00	14/00	14/65
ENGINEERING & METAL														
6,00,000	6,61,485	63,426	1,48,213	2,93,398	-1,52,122	12	300 Arthur Butler (Muzafferpore) P.	..	..	..	10	14/50	14/50	14/06
50,00,000	37,72,507	31,83,221	1,07,272	12,85,533	46,999	12	31 Bharia Electric Steel	15	10	10	10	14/00	14/00	10/50
1,00,00,000	1,03,33,194	61,14,305	10,98,741	88,11,414	5,514	12	289 Braithwaite India	221	25	25	10	36/50	36/50	48/37
12,00,000	36,61,140	40,28,897	7,66,530	18,96,673	1,82,241	12	24 Bridge & Roof	30	30	30	10	52/25	52/25	62/25
19,88,670	33,56,748	1,09,796	1,86,939	1,80,148	-611,196	12	192 Britannia Building & Iron P.	0	NH	NH-NH*	10	3/65	3/65	3/50
50,00,000	97,94,575	47,45,365	1,14,934	11,48,142	1,11,267	12	165 Britannia Engineering P.	0	10	10	10	9/50	10/37	12/12
15,00,000	12,12,276	14,63,600	1,45,988	12,02,402	94,447	12	24 British India Electric Cons.	25	45	20	10	33/12	33/12	39/50
84,00,000	3,32,64,591	2,76,84,425	40,25,787	1,39,62,242	1,08,751	4	32 Burn P. (Engineering)	281	281	281-281*	100	495/00	519/00	576/00
1,00,00,000	59,09,200	12,29,727	6,51,964	24,04,847	3,67,903	3	437 Calcutta Steel	5	15	15	10	13/56	14/37	..
80,00,000	1,12,20,938	24,00,000	2,06,672	22,94,248	1,09,021	3	434 Dalmia Iron	..	10	10-10*	10	11/06	11/87	11/94
4,00,00,000	6,44,65,941	6,78,08,798	2,02,29,683	1,04,26,264	..	12	227 Quest, Keen, Williams	24	16	14	10	29/94	33/50	45/94
12,50,000	19,90,579	23,65,648	47,073	-20,18,457	..	12	32 Hooghly Docking	12	NH	NH	60	102/00	102/00	108/00
12,44,08,990	63,85,01,942	27,24,83,378	21,19,83,332	9,18,78,418	24,72,163	8	32 Indian Iron & Steel P.	10	15	16-16*	10	19/70	21/70	24/70
3,85,000D	11,52,812	14,001	1,82,994	-4,15,836	-4,03,294	3	223 Indian Malleable Casting	6	NH	..	50	6/00	6/00	6/00
1,54,000Dd	49,44,759	95,69,160	43,31,087	67,96,336	78,903	8	223 Indian Standard Wagon P.	71	NH	..	100	2/50	2/50	3/12
38,98,500														
96,79,7400	3,27,37,933	2,72,79,486	1,63,11,480	39,84,802	2,31,048	3	122 Indian Steel & Wire Products	161	23	24-23*	100	49/00	49/00	47/37
12,00,070	6,18,350	1,41,816	2,530	6,15,154	45,149	12	24 Industrial Containers	12	NH	10	10	22/00	22/00	..
1,61,83,863	2,75,25,083	1,27,78,559	11,63,784	56,79,546	9,036	3	443 Jay Engineering	12	17	17-20	17 3/20-15*	24/25	24/25	..
40,06,000	59,72,635	35,76,700	10,46,960	20,45,860	86,647	6	132 J. K. Steel P.	121	20	20-10*	10	16/12	15/75	19/94
2,04,00,000	2,86,54,899	1,98,14,515	78,78,724	1,16,61,943	91,571	10	290 Jessop & Co P.	8,58	8,58	8,58	10	22/00	23/12	22/69
27,64,800	54,66,353	48,98,269	1,31,289	7,79,896	13,579	11	21 Kumardhubi Engineering P.	10	10	111	5	7/44	7/44	8/25
10,50,000	4,02,051	19,21,798	4,45,599	3,25,891	-5,63,688	8	170 Marshall Sons (India)	10	NH	NH	2	3/22	3/25	3/94
49,96,000	61,94,985	13,58,398	3,83,038	2,56,716	-4,42,917	3	192 National Iron and Steel	61	NH	NH-NH*	10	4/25	4/25	5/56
6,00,000	10,13,254	18,86,375	1,40,370	6,90,089	11,859	3	25 Saran Engineering	71	81	10-121*	4	8/81	8/00	10/31
14,00,070	8,20,458	8,56,154	25,99,99	12,24,473	77,799	12	24 Steel Containers	..	30	20	10	19/75	19/75	..
1,50,00,000	2,73,21,786	61,37,433	13,28,341	82,01,525	62,642	12	22 Textile Machinery	20	10	10	10	19/10	21/85	20/40
SUGAR BREWERIES ETC.														
14,00,000	17,29,880	10,85,148	39,573	1,10,785	15,763	6	371 Balrampur Sugar	8	8	8-8*	21	2/00	2/00	2/50
29,23,537	25,29,299	11,36,627	10,02,614	5,72,506	3,552	9	234 Belsand Sugar	181	181	10	71	9/62	9/62	10/31
32,00,000	6,94,327	13,51,513	18,14,343	1,94,601	2,330	6	316 Bharat Sugar P.	..	..	..	10	11/50	13/00	15/50
32,00,000	45,72,835	43,34,048	27,81,820	37,71,567	3,71,540	1	59 Carew (Sugar) P.	NH	NH	NH-NH*	10	12/50	12/50	12/75
30,00,000	82,18,328	75,62,480	1,45,201	27,372	-3,70,213	10	26 Cawnpore Sugar P.	NH	NH	NH	10	11/12	11/12	12/87
18,00,000	27,85,833	46,08,937	9,08,574	-978,687	-9,07,232	6	25 Champaran Sugar	15	15	12-NH*	10	15/87	15/87	18/00
26,00,000	26,78,847	31,58,160	92,322	-1,36,348	12,948	8	395 Durbhanga	20	4	NH	10	8/12	8/12	10/50
27,56,355	1,31,99,222	1,76,30,095	24,30,790	1,00,50,837	12,604	3	116 Dyer Maslin (Breweries)	16	25	30	5	29/75	28/50	42/00
11,00,000	6,45,722	3,75,000	10,90,564	95,437	62,205	6	140 New Savan Sugar and Gur	..	..	..	10	5/25	5/25	5/79
7,00,000	19,47,931	23,02,870	2,05,743	2,86,458	4,006	10	400 Purnabour Sugar P.	NH	..	..	10	11/50	11/50	11/81
16,58,820	41,29,938	57,22,889	2,532	8,47,183	79,042	8	1 Ramnagar Cane & Sugar P.	213/7	30	35-30*	10	30/37	30/37	31/25
65,00,000	49,62,674	33,85,845	14,50,232	4,88,145	34,551	10	92 Raza Sultan	121	121	10	10	9/25	9/75	10/31
8,00,000	6,07,238	7,72,778	3,77,846	4,24,492	13,204	6	25 Ryan Sugar P.	..	..	..	10	9/37	8/08	8/12
11,99,000	22,10,161	18,54,087	2,09,165	-2,24,407	-2,20,853	6	25 Samastipur Central Sugar	..	..	..	10	9/62	9/62	10/10
69,99,000	67,63,908	25,93,624	21,94,789	16,78,558	34,778	6	336 Shree Krishna Gyanodaya Sugar P.	15	15	..	10	7/75	7/50	10/00
17,54,898	11,65,178	11,65,178	1,90,087	1,90,087	1,981	6	140 Shree Sitaram Sugar	..	..	..	10	7/12	7/12	7/12
9,99,950	17,83,543	67,398	2,82,356	-6,97,343	-6,98,998	6	94 Sitapore Sugar	NH	4	NH-NH*	10	6/12	6/12	6/62
18,00,000	18,38,740	1,81,652	1,86,053	3,86,436	53,565	6	341 United Provinces	15	15	..	10	10/62	10/62	15/50
6,00,000	90,57,769	67,09,675	9,18,326	37,10,125	25,765	6	316 Upper Ganges Sugar P.	721	721	721-721*	10	52/50	60/00	77/00

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tracts from the seriousness of purpose which the Budget is supposed to reflect.

Ultimately, the most important criterion by which the Budget will be judged is whether it manages to get the economy on the move again. In a leading article last week, it was pointed out that although Mr. Desai's new tax measures are designed to bring about Rs. 266 crores extra into the Central coffers in the coming year, the whole new scheme of financial mobilisation he has devised will rake in well over Rs. 400 crores. It can hardly be suggested that such huge sums were lying idle or being wastefully used; on the contrary, the nature of the new measures is such that a large part of the extra revenues will come from sectors engaged in productive activity. Quite the worst feature of the Budget is that it

BUDGET HITS TEA TOO

THE speech of Sir Richard Duckworth, chairman, at the annual general meeting of the Indian Tea Association in Calcutta last Friday, was remarkable for its lucid and elaborate presentation of the problems of the tea industry. The industry is India's second largest foreign exchange earner, but is unfortunately subject to several handicaps, not the least important of which are the fiscal ones. The export duty was one such. But welcoming the decision to scrap this particular impost, Sir Richard stated that "no tax has been more difficult to explain to our overseas customers; no tax has been more inconsistent with an export drive". However, practically all the benefit that accrues to the producer from the abolition of the export duty has been neutralised by the levy of a 20-percent surcharge on the excise duty. Although the Government expects to lose Rs. 5.38 crores of Customs revenue by abolishing the export duty, the additional revenue from the excise duty surcharge and the withdrawal of the excise duty rebate on exported teas will amount to Rs. 5.48 crores. Instead of benefiting, tea as a commodity will actually be worse off to the extent of Rs. 10 lakhs as a result of these changes. The industry will be required to pay a heavier excise duty on teas sold for internal consumption. As for export promotion, the export duty relief is of little value since it has to a large extent been neutralised by the 20-percent surcharge on the excise duty. The following table shows the position until the latest Central Budget and the changes now proposed (in naye paise):

Zones	Present		Proposed	
	Rate of excise duty a kilogram	Net duty payable on exported teas (including export duty rebate)	Surcharge	Relief on exported teas
I	15	25	3	18
II	25	35	5	30
III	30	40	6	36
IV	35	45	7	42
V	45	55	9	54

The table indicates that the net relief for tea exported from Zones V, IV and III is negligible, being only 1nP, 3nP and 4nP a kilogram, respectively. Only for producers in Zone I and Zone II is there some minor relief, but then teas produced in Zone I are exported in very limited quantities. At first glance, it might appear that the full benefit of the export duty abolition is available to the exporter. But since the excise duty and the 20-percent surcharge will have already been paid on his purchase, the price of the tea sold at the auctions will tend to be higher to that extent to begin with. Thus, the cost of Indian teas offered in foreign markets, by and large, may continue to be about the same as it is now, a minor decrease being possible only in the quotations of teas produced in Zone I and Zone II. The cost of teas offered in the home market will be appreciably higher. Little has been done in response to the argument that Indian tea is meeting with stiff competition from the Ceylon and East African products, so its

hits these sectors severely; and, furthermore, in doing so it penalises skill and efficiency. The sharp progression in the sphere of personal taxation, and the super profits tax in the sphere of corporate taxation, have no justification except that they conform in some vague way to the discarded theories of the socialist rebels of fifty years ago. Mr. Desai has decided that it is politically necessary to soak the rich among individuals and companies while he subtly tries to broaden the tax base. But, in doing so, he has taken the dangerous risk of sharply reducing the incentives and the flow of savings which constitute the life-blood of private industry. The public sector may be burgeoning with funds it will not need, while the private sector starves for them—but this can hardly be the sound prescription for reviving an ailing economy.

fiscal burden ought to be reduced substantially to improve its competitive position.

The tea industry suffers from major handicaps in that it has to pay large sums of money as excise duty before the commodity can leave the estate. The 20-percent surcharge will aggravate the problem. It comes at a time when bank credit is difficult to obtain and lending rates are high. Since it may take some time—up to two or three months—for the tea to be sold, the collection of excise duty at the garden imposes a big strain on the resources of the producers. The industry has, therefore, urged the Central Excise Reorganisation Commission to permit payment of the duty in arrears in the form of either a promissory note or a post-dated cheque. If the plea is accepted, Sir Richard suggested that it would be wise to collect the cess along with the excise duty. There is much force in his contention that the cess, which is levied to finance tea promotion, should not fall only on exported teas but should be spread over other teas too. The industry as a whole benefits from the promotional efforts and other services of the Tea Board, which is financed by the cess, and it is only reasonable that the cess should be borne by all.

Tea companies are particularly worried about the super profits tax, since it may hit them with greater severity than other companies. As Sir Richard pointed out, tea has always been an under-capitalised industry and its expansion has

been achieved not by raising more capital but by ploughing back profits. The capital structure of many companies has remained unchanged for generations, although their acreage and assets have increased enormously. The incidence of the super profits tax, which is based on the percentage which profits bear to capital (including certain classes of reserves), will naturally be very severe on such companies. Furthermore, the tea industry being susceptible to seasonal fluctuations, its profits vary widely from year to year. Account should, therefore, be taken of the lean years before taxing the returns of a bumper year. This underlines the need for "averaging" profits before considering the income of any year as "super profits".

Apart from the fiscal burdens, there are other directions from which fresh calls on the tea industry's resources may be made. The enquiries of the Wage Board for Tea, the Working Group on Plantation Labour Housing and the Bonus Commission are of vital concern. No one in the industry grudges the workers their aspirations for higher wages provided these are matched by a corresponding increase in productivity. Sir Richard stated, however, that labour representatives had put forward claims for more pay without indicating how the rise would be justified. The tenor of their arguments has been that "the low output, quality of work and absenteeism are occupational misfortunes for which they (the workers) should not be blamed". The interim wage award has already imposed an additional burden on the industry. The award is unwarranted since there is already a provision for increasing the wages if the cost of living rises beyond certain levels.

Besides, the industry is now engaged in re-housing its workers. Although it has already provided free housing, new quarters are being built to replace the old ones which fall short of current specifications. Criticisms have been levelled against the industry for the slow pace of re-housing. This is rather surprising since already about 118,000 houses have been constructed in spite of the shortage of funds, and of cement and other construction materials. The industry hopes that the Working Group on Plantation Labour Housing will propose measures which will help it to quicken the progress of construction. It has asked that the Central Government's subsidised housing scheme should be extended to the tea industry also. The plea is reasonable and there can be no valid objection to it, particularly since other industries have been slow to take advantage of the scheme.

TAX ON REGISTERED FIRMS

THE inequity of the tax on registered firms is to be further magnified by the provisions of the Finance Bill, 1963, which seeks to levy a surcharge of 20 percent on taxes otherwise payable by registered firms. The tax is inequitable in both conception and application. In fact, the extent of the injustice will be seen from the table below:

	(A) Share of partner	(B) Self-employed person	Rs. (ii)
Profit of Firm having five partners sharing equally	Rs.	Rs.	
Share of Partner 1/5th	...	...	200,000
Tax on Registered Firm including Surcharge under the Finance Bill	40,000	...	
Share of Partner 1/5th	...	...	20,700
	4,140	...	
Additional tax payable by Partner, exclusive of additional Surcharge under the provisions of the Finance Bill. (The Surcharge would affect all three categories, and so it may be ignored for this purpose)	35,860	40,000	35,860
Tax payable on self-employed person's earned income on same basis	10,162	...	
Net income after tax	...	...	...
	25,698	28,665	26,337

the partner with an income of Rs. 40,000 has less net income than even the self-employed person with an income of Rs. 35,860. This is because the partner has to pay an additional tax of Rs. 639 on the Rs. 4,140 paid as his share of tax on the registered firm. If this tax of Rs. 4,140 was deducted and his income considered as Rs. 35,860, he would, with an income of Rs. 40,000, at least be in the same position as another person with an income of Rs. 35,860. But in actual fact the partner has to bear a tax of Rs. 4,979 (Rs. 4,140 plus Rs. 839) on an income of Rs. 4,140, that is, at a rate of more than 100 percent. This absurd position needs to be changed.

The tax on registered firms was first introduced in 1956 and has more than doubled itself since then. When first introducing the tax on registered firms, the Finance Minister thought it was justified because limited companies had to pay corporation tax. The comparison is untenable and ignores certain basic differences between limited companies and partnerships. One important difference is that the shareholders of the former have limited liability, whereas partners have unlimited liability for which they ought to receive some compensation. But the most important difference is that the tax payable by companies, even including the proposed super profits tax, is payable only on the profits remaining after charging managerial remuneration. Partnerships, however, have to bear tax before charging the remuneration of any of the partners. If a shareholder or part owner of a limited company happens to be an employee in the company as well, his salary can be charged against the profits of the company. The shareholder can, therefore, be remunerated for his services as an employee and he can also receive a dividend as an owner. In a partnership firm, even if a partner works as an employee, his salary cannot be charged against the profits of the firm. It will thus be seen that the profit on which a company pays tax represents the investor's income, whereas the profit of the registered firm represents the investor's income in addition to the managerial remuneration. To put the two on a par, registered firms should be permitted to charge a fair part of the remuneration of the owners against the profits of the firm when the owners actually work in the firm.

The tax on registered firms was probably introduced with a view to preventing tax evasion, which had previously been possible by having *benami* partners. This is also probably the reason why a higher rate of tax has been applied to firms having five or more partners. Such considerations do not and cannot apply to professional firms, such as those of solicitors or chartered accountants. Such persons are prohibited by law from incorporating themselves. They are also prohibited from entering into partnership with persons who do not have the requisite professional qualifications, so that there can be little scope for *benami* partnerships with close relatives. Whatever justification there may be for imposing a tax on registered firms in general, there can, therefore, be no justification for such a levy on professional firms. In such circumstances, to discriminate against professional firms having more than five partners is even more unfair and harmful. The basic reason for larger professional partnerships is that in today's complex economic and financial conditions, specialisation is essential. It is impossible for a sole practitioner to give the service which his clients do, and should, expect from an expert.

If this country is to use the services of experts to the best advantage, they have to be given ample opportunity to specialise in their own

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particular field. By restricting the size of professional firms, the result will be a larger number of smaller firms, none of which are in a position to devote sufficient time to give the specialised service which is required of them. Where there is a question of foreign collaboration, the inability to obtain effective advice in this country will inevitably go against the best interests of the country, involving loss of foreign exchange. The only other possibility would be for different firms to specialise in different fields. This may well mean a client having to go to several different firms in order to obtain advice on all aspects of any one matter. This is not a feasible proposition as it may not be possible for a business man to harmonise all the advice received in a business scheme.

Partners in professional registered firms are so much worse off financially than colleagues outside the professions that there is a strong case for further relief in addition to the removal of the tax on such professional firms. The table below shows the comparative net cash position after similar expenses of a director or other salaried employee receiving gross emoluments of Rs. 40,000 a year and Rs. 30,000 a year, and a partner in a firm with five partners who share equally a gross profit of Rs. 2 lakhs.

Column A shows the comparative position of a director or other salaried employee whose cost of employment is Rs. 40,000 with that of a partner having the same income. Section I of this column shows how the cost of employment of the employee and the net cash left with him is made up after a

retirement provision of Rs. 6,500. This amount is made up of provident fund Rs. 5,520 (company Rs. 2,760 and own Rs. 2,760) and life insurance premiums of Rs. 980. Section II of this column shows the position of the partner after identical expenses and retirement provisions have been met. Section III shows the extra cash available to the salaried employee as compared to the partner earning an identical amount.

Column B similarly shows the comparative position of a salaried employee whose cost of employment is Rs. 30,000 with a partner receiving Rs. 40,000. The expenses and retirement provisions are again identical. It will be noted from Section III that even an employee whose cost of employment is Rs. 30,000 is better off than a partner receiving Rs. 40,000.

In addition to the cash surplus, the employee will also often have pension benefits which are not available to the partner; nor has any return on investment been given to the partner. If all factors such as these are taken into account, the partner's position will be even worse than that of a director or other employee. It is evident that if a partner in a firm is in such a bad position, his employees will also be worse off than their colleagues outside professional firms. The result is that more and more people of ability are leaving and will continue to leave the professions in favour of positions in commerce and industry. This is detrimental to the best interests of the country and is particularly undesirable at a time like the

I. Cost of employment of Director or other Salaried Employee				(A) Costing Rs. 40,000	(B) Costing Rs. 30,000
1. Salary	...	...	...	27,600	21,500
2. Provident Fund (Company's Contribution)	...	...	...	2,760	1,800
3. House Rent	...	...	...	6,900	5,400
4. Medical Expenses	...	...	...	1,100	500
5. Travel expenses on visit to home town	...	...	...	1,640	700
				40,000	30,000
Cash Position					
Salary	...	...	...	27,600	21,600
Deduct:					
Provident Fund (own contribution)	...	2,760	1,800		
Life Insurance Premiums	...	980	1,400		
Tax	...	7,097	4,102		
Deposit in lieu of additional Surcharge	...	546	470	11,383	7,772
Net Cash Position	...	...	...	16,217	13,828
II. Partner in a Professional Firm				(A) Costing Rs. 40,000	(B) Costing Rs. 40,000
Gross Income	...	...	...	40,000	40,000
Deduct tax, including partnership tax and after allowing rebate on Life Insurance Premium shown below as paid out				14,314	14,601
				25,686	25,399
Deduct:					
Life Insurance Premiums	...	6,500	5,000		
House Rent	...	6,900	5,400		
Medical Expenses	...	1,100	500		
Travel Expenses	...	1,640	700		
Deposit in lieu of additional Surcharge	...	633	633	16,773	12,233
				6,310	13,166
III. Net Excess Cash the Salaried Employee has over a Partner after incurring identical expenditure				Rs. 7,304	Rs. 662

present when professional and technical skill is required to an ever-increasing extent.

The tax on registered firms is unjust because it discriminates between persons of equal status and income, because it taxes part of the income at a rate of more than 100 percent and because it discriminates against firms with five or more partners. In its application to professional firms, it

is doubly unjust because it discriminates against a body of people who have no choice as to the form of business organisation in which they work; and any disintegration of the professions is hardly in the best interests of the country. The Government should, therefore, amend some of the provisions of the tax for all registered firms and for professional firms should abolish the tax altogether.

Current News and Comment

Taxes in State Budgets

All the State Governments have by now presented their Budgets for 1963-64. The Budgets of West Bengal, Maharashtra, Uttar Pradesh, Andhra Pradesh and Bihar were analysed in *Capital* of 28th February. The Budgets of Madras, Orissa, Mysore, Punjab, Assam, Jammu and Kashmir, Kerala, Madhya Pradesh and Rajasthan are now discussed. None of them seems to have tried to raise resources to the maximum possible extent. Although some of the States have imposed new taxes, these are largely marginal in character. It is disturbing that the additional tax effort has mostly been confined to sectors which are already heavily taxed. The State Governments have been shy in tapping the lightly-taxed agricultural sector for additional revenue for political reasons. The reluctance of the Gujarat Government to impose additional taxation on the rural sector is a case in point. There is no reason why farmers should not contribute more revenue since the rise in prices of agricultural produce during the past few years has increased their incomes.

Within a week of the presentation of his Budget for 1963-64, the Gujarat Chief Minister, Dr. Jivraj Mehta, has felt obliged to withdraw his major tax proposal relating to land revenue. The proposal was generally hailed as a laudable measure because the agricultural sector has been let off rather lightly. It was estimated to yield Rs. 67 lakhs next year and Rs. 1.10 crores in a full year, but has now been dropped. The proposal to increase the rates of non-agricultural assessment according to the increase in general land values in different zones within each urban area and developed area and in suitable groups of villages outside such areas has also been withdrawn. Another tax proposal which has been withdrawn is the imposition of sales tax on *gur*. The changes in the original tax proposals will involve a revenue loss of Rs. 1.63 crores. This is to be covered to the extent of Rs. 35 lakhs by increasing the sales tax by 1 percent instead of $\frac{1}{2}$ percent as proposed in the original proposals.

The revised estimates for 1962-63 show an increase in revenue receipts from Rs. 71.63 crores to Rs. 75.67 crores. The revenue expenditure is down from Rs. 72.35 crores to Rs. 71.04 crores. So the revenue deficit of Rs. 72 lakhs is converted into a surplus of Rs. 4.63 crores. The Budget estimates for 1963-64 place the revenue receipts at Rs. 80.39 crores and revenue expenditure at Rs. 79.06 crores, leaving a revenue surplus of Rs. 1.33 crores on the basis of existing taxation. The revenue surplus will, however, turn into a deficit of about Rs. 90 lakhs on account of the additional expenditure on the introduction of the *panchayati raj* and on unforeseen measures in connection with the emergency. The capital expenditure for 1963-64 has been estimated at Rs. 20.53 crores and capital receipts at Rs. 15.14 crores, leaving a capital deficit of Rs. 5.39 crores. The overall deficit will, therefore, be Rs. 6.29 crores, which will be reduced by about Rs. 1 crore as a result of the expected increase in receipts from the inter-State sales tax which is being raised by 1 percent. Dr. Mehta proposes to raise through various taxation measures an additional revenue of about Rs. 4.05 crores for the full year and about Rs. 2.92 crores next year. The overall deficit of Rs. 5.29 crores for 1963-64 is thus to be reduced to Rs. 2.37 crores which was left uncovered. Apart from the taxation on the agricultural sector, which has now been withdrawn, the tax proposals include an upward revision of passenger fares, the motor-vehicles tax, sales tax on cotton, certain changes in the sales tax and marginal increases in stamp duty and electricity

duty. The expenditure on the plan projects for next year will be of the order of Rs. 43.84 crores, against Rs. 48.42 crores in 1962-63 and Rs. 37.53 crores in 1961-62.

The Madras Budget has estimated revenue receipts at Rs. 124.45 crores and revenue expenditure at Rs. 127.19 crores, leaving a deficit of Rs. 2.74 crores. The capital Budget shows receipts at Rs. 57.42 crores and disbursements at Rs. 57.02 crores, leaving a surplus of Rs. 40 lakhs. So the overall deficit is Rs. 2.34 crores. Plan outlay has been estimated at Rs. 59.83 crores. The Budget does not propose any new tax measure as such, but the State Finance Minister has indicated that the revenue deficit will be covered by the additional yield accruing from the State's share in the Central sales tax and by an adjustment in the rates of sales tax on luxury goods.

The Orissa Budget has proposed an increase in the sales tax on luxury goods, a toll on roads and bridges, changes in motor-vehicle tax and an increase in irrigation, electricity and registration rates. Account has also been taken of receipts accruing from State trading in Kendu leaves. Revenue has been estimated at Rs. 67.60 crores and expenditure at Rs. 67.15 crores, leaving a surplus of Rs. 45 lakhs. The capital Budget shows receipts at Rs. 127.85 crores and disbursements at Rs. 127.90 crores, leaving a deficit of Rs. 5 lakhs. So the overall surplus is estimated at Rs. 40 lakhs. Plan outlay will be Rs. 29.50 crores.

The Mysore Budget proposes no new taxes, but indications have been given that adjustments will be made in sales tax. The Government is considering a scheme for rationalising water rates and betterment levy. The plan outlay will be Rs. 51.28 crores. Development expenditure on revenue account has been estimated at Rs. 66.60 crores.

The Punjab Budget has estimated revenue at Rs. 95.11 crores and expenditure at Rs. 105.35 crores, leaving a revenue deficit of Rs. 10.24 crores. The overall receipts have been shown at Rs. 144.84 crores and disbursements at Rs. 148.01 crores, leaving a deficit of Rs. 3.17 crores. The State Finance Minister has hinted at the possibility of new tax measures in order to cover the gap. New taxation measures, it may be pointed out, were introduced earlier for the welfare of the scheduled castes fetching Rs. 2.81 crores. The plan outlay will be Rs. 39.24 crores.

The Assam Budget contains six proposals for additional taxation, fetching a revenue of Rs. 1.74 crores. The State Finance Minister has proposed an increase in agricultural income tax and in the tax on public transport vehicles. A new tax is to be levied on immovable property in urban areas. It is also proposed to increase the sales tax on luxury goods and petrol. Sales tax is to be levied on kerosene. The excise duty on country-made liquor has been increased. The Budget shows surpluses of Rs. 28.99 lakhs on revenue account and Rs. 1.20 crores outside revenue account. Due to an opening negative balance of Rs. 4.38 crores, the overall Budget deficit is Rs. 2.89 crores. During the past four years, the State Budget has been showing surpluses every year, but these surpluses have been converted into deficits since large debits have been brought forward. The additional expenditure on floods and the emergency is not questioned, but it is wondered why the State continues to forgo revenue by enforcing Prohibition in a few districts.

The Jammu and Kashmir Budget estimates revenue at Rs. 34.21 crores and expenditure at Rs. 36.08 crores, leaving a deficit of Rs. 2.77 crores. New taxes for Rs. 1 crore have been proposed. A passenger tax has been levied on passenger fares

on routes other than road. Luxury goods are to pay an increased sales tax. Electricity duty has been introduced and the agricultural income tax has been revised.

The Kerala Budget has proposed new taxes totalling Rs. 4.25 crores. Electricity duty has been imposed and a tax on entertainment has been levied. A levy has also been imposed on school fees from Standard VI to Standard VIII, and increased fees have been introduced in arts, science and engineering colleges. Sales tax has been raised, and so has the motor-vehicle tax. The plan outlay has been estimated at Rs. 20.83 crores. Revenue is estimated at Rs. 71.67 crores and expenditure at Rs. 70.87 crores, leaving a surplus of Rs. 80 lakhs. On capital account, the deficit is Rs. 11.45 crores. After adjustments, the Budget shows an overall deficit of Rs. 4.55 crores.

The Madhya Pradesh Budget proposes new taxation for Rs. 1.93 crores, leaving an uncovered deficit of Rs. 1.99 crores. Revenue is estimated at Rs. 94.70 crores and expenditure at Rs. 95.19 crores. A levy of 1 percent on sales tax in relation to food-grains has been imposed. Sales tax on luxury goods, petrol and motor spirits has been raised. Water rates as well as betterment levy for irrigation have been proposed. The plan outlay is Rs. 50.5 crores.

The Rajasthan Budget estimates revenue at Rs. 63.16 crores and expenditure at Rs. 66.14 crores, leaving a revenue deficit of Rs. 2.98 crores. The capital expenditure shows a deficit of Rs. 1.52. New taxes for Rs. 4 crores have been proposed. The Finance Minister has imposed a tax on cinema advertisement. The tax on conveyance deeds and stamp duties has been increased. The duty on motor-car stage carriages has been raised. A tax has been levied on tractors and tractor-cum-trailers. Sales tax on luxury goods has been increased, and diesel oil has been subjected to a tax. All cereals, except only a few, have been taxed. A general cess has been put on land revenue instead of the former surcharge. Royalty on minerals has been raised. The plan outlay is Rs. 34.50 crores, against Rs. 35.40 crores in 1962-63.

The Flow of Foreign Aid

A survey of foreign aid trends made by the Central Finance Ministry in a booklet entitled *External Assistance, 1962*, shows many interesting features. Excluding the assistance under P.L. 480 and some *ad hoc* grants, authorisations of foreign aid from 1951 to the end of March 1962 total over Rs. 2,210 crores. During the nine months from 1st April to 31st December, 1962, a further sum of Rs. 425 crores has been authorised. The survey indicates that most of this aid has been received in the form of loans and not grants. In fact, our right grants up to the end of December 1962 total only Rs. 302 crores, while the balance of Rs. 2,332 crores is in the form of loans and other credits. Another important point which emerges from the survey is that, although India has benefited in so far as her economic growth has been accelerated, the foreign aid has also helped the donors to sell their machinery, raw materials and other goods to India. Countries like the U.S.A. and Russia, which have given substantial help, have increased their exports in a way which might not have been possible in the absence of aid. No doubt, India has reason to be grateful to the countries which have given aid. They in turn have reason to be satisfied because they will get back the loans with interest in due course, and have meanwhile succeeded in increasing the sales of their goods to India.

As was known, the U.S.A. has given the largest amount of aid. The total value of aid authorised till the end of 1962 amounts to Rs. 864.70 crores—Rs. 724.08 crores as loans and Rs. 140.62 crores as grants. This excludes the commodity aid under P.L. 480 (Rs. 1,156.33 crores) and under P.L. 685 (Rs. 31.88 crores). The aid received from Russia so far total Rs. 384.96 crores. The main difference in the aid from these two countries is that whereas the bulk of the U.S. aid is meant for primary projects and for importing materials for India's private sector, the bulk of the Russian aid is for public-sector enterprises. Two of the criticisms against the Government of India are that foreign aid has not been used as quickly as it should have been, and that not all the aid received has been

put to proper use. The Finance Ministry's survey shows that only about 60 percent of the foreign aid received from 1951 to the end of March 1962 was actually used. It is not known how much of the foreign aid of Rs. 425 crores authorised between 1st April and 31st December, 1962, has so far been used. This rate of use cannot be considered adequate. In spite of the fact that a large proportion of the aid is "tied" to specified projects and that a lot of formalities have to be gone through both in India and in the aid giving countries, it should be possible to use foreign aid more quickly.

The survey shows that a large number of countries are now giving aid to India. Britain has not only given grants under the Colombo Plan but has also extended long-term credits; up to the end of December 1962, they totalled Rs. 86 crores and Rs. 249½ crores, respectively. Australia has given gift consignments of wheat, copper, fertilisers and some other equipment. Japan, West Germany, France, Czechoslovakia, Yugoslavia, Poland and some other countries have also been giving aid. India hopes that, in the future, the amount of foreign aid will increase. The total foreign aid available for use during the 1st year of the third plan was Rs. 1,065½ crores in loans and Rs. 57 crores in grants. The balance available at the beginning of 1962-63 was a little less than Rs. 838 crores in the form of loans and Rs. 35½ crores in the form of grants.

Sharp Fall in Cloth Exports

Indian cotton piecegoods exports suffered a further sharp fall in 1962. The provisional figure of 508.31 million yards is 11.5 percent lower than the 1961 figure of 574.30 million yards, and is the lowest figure for 12 years. That exports should have fared so miserably in spite of the introduction of compulsory scheme from July and the various export promotion measures shows how difficult it is to sell Indian cloth in foreign markets which are not only becoming increasingly competitive, but are becoming very much quality-conscious. Exports to the Asian zone fell by nearly 30 million yards from 156 million yards to 126 million yards, shipments to Africa fell from 185 million yards to 143 million yards and exports to Europe were down by about 14 million yards at 146 million yards. Exports to America and Oceania, however, improved, and fairly impressively to the formal. Shipments to the American zone increased from 30 million yards to 49 million yards and those to Oceania were nearly 1.5 million yards higher at 42.93 million yards.

Exports to the major importing countries with the 1961 figures—all in million yards—in brackets were: U.K. 134.47 (132.96), Sudan 66.74 (58.73), British East Africa 44.43 (58.58), Australia 29.71 (26.92), Afghanistan 22.23 (24.35), Canada 21.99 (18.56), Aden 18.29 (23.49), Ethiopia 15.10 (22.02), Indonesia 8.10 (21.77), Malaya and Singapore 17.68 (22.96), New Zealand 11.19 (10.81), Persian Gulf Ports 15.03 (14.43), Saudi Arabia 10.58 (12.26) and the U.S.A. 27.33 (6.99). While the exports of cotton piecegoods showed a fall, exports of cotton yarn recorded an increase of nearly 50 percent from 15.11 million lbs to 22.96 million lbs. Export earnings from cloth fell from Rs. 46.11 crores to Rs. 39.96 crores, but earnings from the sale of yarn rose from Rs. 3.73 crores to Rs. 5.29 crores.

Rising Transport Costs

The past month has brought a spate of budgetary measures whose cumulative effect will be to push up transport costs sharply. Firstly, the Railway Minister has raised the surcharge on freight rates from 5 percent to 10 percent, and has imposed a surcharge of 10p in the rupee on parcel traffic. Now, the Central Budget will increase the capital and operating expenses of the motor transport industry by imposing a series of levies. The excise duty on motor-vehicles, tyres, diesel oil and petrol has been raised; the import duty on motor-vehicle spare parts and on raw materials used for manufacturing components has also gone up steeply. The higher transport costs will swell industrial costs and the price level, and thus aggravate the inflationary pressures in the economy. In West Bengal and in certain other States, the

motor-vehicles tax has meanwhile been increased substantially.

According to the Motor Vehicles and Allied Industries Association of Madras, there will be an average increase of over Rs. 4,000 a year in the cost of operating a lorry. In a telegram to the Central Finance Minister, the Association has emphasised that the new taxes, which are in addition to the high level of taxation already being imposed by the Central and the State Governments, will seriously affect the road transport industry. The super profits tax, in particular, will affect the transport industry in south India, where it is being organised into joint-stock companies with a low capital base.

The Association points out that the Customs duties on motor-vehicle parts are now raised to a minimum of 55 percent, going up to 103 percent for ball bearings. The Customs duties on raw rubber, rayon cord, iron and steel, alloy steel, machinery, copper, paints and pigments have been raised, adding to the cost of the motor-vehicles and their components manufactured in India. In addition, a surcharge of 10 percent, 20 percent or 33½ percent on excise duty has been levied on many components (including tyres) which go into motor-vehicles and their parts. The possible effect of

these various duties and levies on a motor-car (Fiat, Hindustan or Standard) may be listed in the table on this page.

F.I.C.I. Criticises Budget

Commenting on the Central Budget, the Committee of the Federation of Indian Chambers of Commerce and Industry says that it will be possible to mobilise the country for defence only if the entire economy, and especially the industrial sector, is placed on a firmer and more vigorous footing. Even before the Budget, the corporate sector was finding it very difficult to raise resources. No greater injury to it could have been thought of than levying a progressive rate of taxation on profits; the super profits tax will mean a tax on efficiency of the better-managed companies. To the extent that dividend payments will be curtailed because of the levy, the scope for raising fresh capital and the capacity for investment will be reduced. Furthermore, the 6-percent yield on capital, assumed for levying the tax, is unreasonably low compared with the present interest and borrowing rates. Preference shares are already not attractive unless they yield about 9 percent. The capital and reserve structures of companies

(a)	Additional customs duty on the c.k.d. pack of a motor-car, taking it approximately as Rs. 3,500:			
	Present levy—break-up:			
	Rs. 3,000 subject to 25 percent	...	Rs. 750	
	Rs. 500 subject to 50 percent	...	Rs. 250	Rs. 1,000
	Proposed levy: 55 percent on ...	...	Rs. 3,500	Rs. 1,925 Increase Rs. 925
(b)	Increase consequent on the rise in customs duties on tyres, batteries, rubber, rayon cord and steel wire, as well as the surcharge on the excise duties on motor-cars, of 33½ percent	...		Rs. 500
				Rs. 1,425

Lorries:

(a)	Additional customs duty on the c.k.d. pack of a lorry taking it approximately as Rs. 6,500:			
	Present levy—break-up:			
	Rs. 5,000 subject to 25 percent	...	Rs. 1,250	
	Rs. 1,500 subject to 50 percent	...	Rs. 750	Rs. 2,000
	Proposed levy: 55 percent on ...	...	Rs. 6,500	Rs. 3,575 Increase Rs. 1,575
(b)	Increase consequent on the rise in Customs duties on tyres, batteries, rubber, rayon cord and steel wire, as well as the levy of surcharge on the excise duties on trucks, of 20 percent	...		Rs. 1,200
				Rs. 2,775

Increase in Operating Costs

(1)	Increased cost as a result of the increase in excise duty on diesel oil, on the basis of 80 litres a day for 300 working days, (at 12.25nP a litre).	...		Rs. 2,940
(2)	Increase in the price of tyres as a result of the increase in excise duty on tyres and increase in Customs duty on all raw materials that go into the manufacture of tyres (on two sets of tyres at 10 percent)	...		Rs. 600
(3)	Increase in the price of spare parts as a result of the increase in the Customs duty on motor-vehicle parts, increase in the cost of spare parts locally manufactured as a result of the increase in the price of raw materials (on an annual consumption of Rs. 3,000 worth of spare parts a lorry, at 20 percent	...		Rs. 600
(4)	Anticipated increase in the cost of new vehicles as a result of various taxes—Rs. 2,800 (equated to 7 years' basis)	...		Rs. 400
	Total			Rs. 4,540

The additional burden on the road transport industry on the basis of 240,000 lorries and buses as a result of the increase in taxation by the Centre works out to Rs. 108,96,00,000.

have been built over a period of years on certain assumptions, including the one that it is commercially and financially prudent to depend on loan capital. However, the new levy will make it very difficult for these companies to repay their loans. This will be particularly unfortunate where foreign collaboration and foreign loans are involved.

The Committee says that at least at the time of the emergency, when more taxes are being levied, there should have been concrete plans to cut down waste and extravagance in the Government. The overall deficit of Rs. 454 crores for the coming year arises mainly from the increase of Rs. 362 crores in defence expenditure. But the deficit could have been minimised if expenditure on civil items unrelated to economic development or to essential programmes in the third plan were curtailed. Unfortunately, the revenue account shows an increase in civil expenditure of more than Rs. 73 crores, wholly unrelated to plan programmes. After a recent study made by the Federation it was suggested that economies to the extent of Rs. 109 crores on revenue account and about Rs. 96 crores on capital account could have been achieved without affecting the programmes of development in the plan. Of these amounts, grants and loans to States constitute Rs. 146 crores. It is disconcerting to find that the Central Government had to go to the assistance of some State Governments to clear their overdrafts with the Reserve Bank.

Criticising the Government for under-estimating revenues, the Committee says that revenue for 1962-63 was Rs. 119 crores higher than the estimate. On average, during the last few years, actual revenue has exceeded the Budget estimates by over Rs. 40 crores. Now there has again been an under-estimation, and the yield from the new tax proposals will be far more than the estimate of Rs. 275 crores.

The proposed indirect levies, the Committee feels, will impart an inflationary bias to the economy. Although such taxation is theoretically deemed to be anti-inflationary, after a certain point it has the greatest inflationary potential, particularly in a developing country. There are already a bewildering array of taxes and tax authorities—tax on urban land and houses, registration fee, licensing fee, octroi, local cesses and sales tax, duties and surcharges of various kinds on raw materials, transport, fuel and power, not to speak of excise duty. When prices rise on account of all these growing levies, demand will be dampened. This in turn will affect production adversely, resulting in higher costs. The export drive will also be affected, despite the financial and other incentives that are sought to be given.

Paper Production and Prices

In his address at the annual general meeting of the Indian Paper Mills Association, last week in Calcutta, Mr. Umashankar Bajoria, president, has said that the slow-down in the progress of the paper industry during the past few years is due to the price policy followed by the Government. The return of only 12 percent allowed on capital employed in the industry is based on the historical value of the block, and completely disregards the need for rehabilitation. Moreover, the return is subject to income tax, managing agents' commission, interest on borrowing and bonus to labour. The gross margin available to the industry works out, on average, to only about Rs. 250 a ton whereas a larger return is necessary to meet all liabilities. Giving an example of how the permissible margin of profit has been discouraging expansion, Mr. Bajoria said that the cost of erecting a new plant, as is apparent from the figures of some new units which have come into production, is around Rs. 3,200 a ton of annual output. Taking the cost of expansion at a slightly lower level, the average cost of new installations may be assumed to be Rs. 3,000 a ton. The gross return, therefore, of about Rs. 250 a ton, subject to interest, depreciation, etcetera, can hardly service a large investment of this order. For example, a new plant of 20,000-ton annual capacity will require at least Rs. 6 crores on the basis of the present cost of machinery and plant; the gross profit margin permissible will be only Rs. 50 lakhs, while deprecia-

tion alone will be of the order of Rs. 60 lakhs. The position concerning the pulp and newsprint projects, according to Mr. Bajoria, is even worse since the profitability of a pulp mill or a newsprint mill, under the present profits formula, is bound to be lower than that of an integrated pulp and paper mill.

Discussing the working of the paper industry over the decade 1951-61, Mr. Bajoria says that despite numerous handicaps it has made significant progress. The production of paper and board, which was 131,915 tons in 1951, rose to 364,118 metric tons in 1961. The rising trend was more or less maintained in 1962, although the rate of increase was much slower in 1962 than in 1958, 1959 and 1960. The record of the industry is assurance enough that it will be able to meet the growing demand for its products if the Government permits a more realistic rate of return and helps the industry to develop its sources of raw material supply. The Planning Commission has estimated a progressive annual increase of 12½ percent in the demand for paper, on the basis of which 506,000 tons may be required in 1962-63, 570,000 tons in 1963-64 and 700,000 tons in 1965-66. It is also tentatively estimated that the demand will reach 1,400,000 tons in 1970-71 and 2,100,000 tons in 1975-76.

To meet this anticipated increase in demand, the Government has licensed an additional capacity of 759,000 tons a year for paper and paper board, which takes the total capacity licensed so far to 1,169,600 tons a year. Out of the additional licensed capacity, about 70,000 tons has already come into use. Only if the expansion of existing units by 155,560 tons and the installation of 63 new units, both big and small, covering 534,000 tons take place as visualised, can the entire licensed capacity be installed within the scheduled time. Mr. Bajoria doubts whether this will at all be possible. The installed capacity of the industry was stationary at 410,000 tons at the end of the second plan. It has now increased to only 480,000 tons on the basis of which the industry is likely to achieve a production of about 410,000 tons by 1962-63. If a net import of 25,000 tons is added to this, the total availability by the end of this year will be about 435,000 tons. There will, therefore, be a deficit of 71,000 tons and 137,000 tons at the end of the second and third year, respectively, of the current plan. In other words, during the next 12 months the industry has to make up a leeway of 160,000 tons to achieve the target for 1963-64.

CORRESPONDENCE REFORMERS AMONG INSURERS

(TO THE EDITOR OF "CAPITAL")

Sir,

The editorial comments in your issue of 7th February under the heading "The Reformers among Insurers", and similar comments which appeared in an earlier issue dated 29th November, 1962, are—to say the least—unlike the informed and balanced views that your paper is so justly famous for. Information and "facts" can be presented in many ways, and I feel that the "slant" from which the facts have been put forward in the two editorial comments mentioned above, are not fair to the industry.

It is not unusual for "faults" to develop in the course of rapid development, and many industries in India have been trying to improve their working, by means of self-imposed Codes of Conduct and similar other regulations. The insurers in this country have also been trying to raise their standard of operations, and a considerable improvement has already been effected during the last ten years. Many weak companies suffering for lack of capital or proper management had closed down or amalgamated, leaving the market cleaner and stronger. The remaining companies have strengthened their premium and other reserves, and generally the position of the industry as a whole is much sounder than it was ten or 12 years ago. Realising that most of the "defects" were due to lack of education and trained personnel, Insurance Institutes have been organised at most centres, affiliated to a

"Federation", which conducts courses for tuition and examinations. Abolition of credit has saved many marginal companies from ruin, and undesirable investments have been restricted. All this has been achieved by the voluntary efforts of companies, working through their various professional organisations.

In spite of these improvements, the question of high commissions and rebates still remained, and another effort is being made to eradicate this practice. This is nothing new. Even from the time of the "Associations" in the British days, there were self-imposed regulations preventing companies from paying high commissions. Subsequently, various insurance enactments provided maximum rates for commission, thereby making the old habit of paying higher commissions an offence punishable under the Insurance Act. This habit, however, seemed to have persisted, drawing thereby justifiable criticism from various quarters. It would be a pity if an otherwise well-established and well-behaved industry—on the threshold of a great future—were, under the pressure of competition, to earn a bad reputation for itself by paying commissions higher than those permissible by law. Hence the continuation of the voluntary effort to put this position right. An Administrative Committee had been appointed for this purpose several years ago, which has now been enlarged. Any expense incurred for this purpose is more than compensated by the savings in commissions, apart from removing a very serious stigma from the name of this industry. Surely, a "reform" (!?) of this type would merit the support of all right thinking persons, among which one has certainly the right to include a paper like *Capital*.

Yours etcetera,

M. N. SETH

Chairman and Managing Director,
Sterling General Insurance Co. Ltd
New Delhi, 8th March, 1963.

TRADE ASSOCIATIONS

TRADES Associations are, of course, not unknown in India, though, with one or two exceptions, we believe, we are right in saying they are of recent growth. Bombay only established its Trades Association last year. Bangalore possesses an Association, so does Rangoon, and so, too, does the Punjab. The prominence however, which is now being given to the deliberations of these corporate bodies is a sign of the times, and the Annual Meeting of the Madras Trades Association, possibly out of modesty, has hitherto, it would seem, not admitted Press Representatives to the Annual Meeting. But this exclusive policy, we are glad to note, has at last been abandoned. A Trades Association in a city like Madras is a really representative body, and, this being so, its collective opinions must at times possess more than a private interest. The Madras Trades Association has, for the past two years, been steadily progressing, and Mr. E. W. Orr, the Chairman, contrasted the former almost moribund state of the body with its present healthy active life. This is a fair matter for congratulation; though it seems that much is still required. "Externally", said Mr. Orr, "we require more intimate relations with our kindred Associations in India, mutual assistance from each other in protecting the interests, and perhaps, specially the pockets of fellow members, and co-operation in protecting and advancing the general interests of trade throughout India and Burma." Mr. Orr urged two reforms; one earlier closing, and another the necessity which exists for the establishment of a Social Club formed on the lines of the Dal-house Institute in Calcutta or the Rangoon Club in Rangoon—a Club to which ladies would be admitted. It may be taken for granted, we think, that sooner or later Mr. Orr's suggestion will be materialized, for apart from its distinctly social and recreative side it has other aspects, upon which the Chairman touched, to recommend it. We note that the Madras Trades Association are anxious to have a representative on the Municipal Commission. The representation, it seems, has been recommended by the Madras Government to be included in the Municipal Act now under consideration, so that this matter is in a fair way of being settled.

FROM

CAPITAL
19th March, 1963

A Ditcher's Diary

A FORMER PRESIDENT OF THE ASSOCIATED CHAMBERS of Commerce does not retire from India without leaving a void in the commercial and social scene of Calcutta; Sir Walter and Lady Michelmores will be missed in a wider world than that. Sir Walter's interest in tennis outlived his Wimbledon days; but to everything he touched he brought some of the qualities that make a good tennis player. His services to British business—and he was proud both of "British" and of "business"—extended beyond the Bird-Heilgers group he joined as long ago as 1929; and during his presidency of Assocham, he established a rapport between New Delhi and Netaji Subhas Road such as had not been there every year since 1947. This, I think, was possible because Sir Walter seldom spoke of the "good old days" and his acceptance of the new India was complete; he was as convinced of the part British business has to play in this country's development. And when the Government of India seemed doctrinaire and inhibited, Sir Walter drove as often as he lobbied, volleyed and rallied. Not for him the pessimism one often encounters in business circles. To talk to him about the economic future of this country was to partake of his robust optimism, which proceeded from his immense confidence in the potentialities of the people of India. Sir Walter and Lady Michelmores' many friends will testify that this gracious couple was completely free from any complexes; their friendship was always genuine and transparently sincere. As adviser to the India, Pakistan and Burma Association in London, Sir Walter's rich experience and mature wisdom will still for years be in many ways devoted to India. Lady Michelmores' personality consisted of her presence; and continued correspondence or exchange of Christmas cards is a poor substitute for that. The Michelmores have gone with the best wishes of many more than they themselves may know.

HOLI IN CALCUTTA GETS LESS AND LESS ROWDY from year to year; and somebody, surely, deserves to be congratulated. I am not sure who. It has become standard practice to make a fair number of preventive arrests, perhaps not wholly discriminatingly and, almost certainly, unconstitutional. (I am surprised none of those arrested has yet thought of going to the Supreme Court.) While this may have contributed much to the quieter Holis in recent years, this can hardly be the whole explanation, for when the masses are really determined to do something, they just do it and there isn't much the police can stop. While thanking the

Calcutta Police for its part, I am inclined to think that the people in general are also deserving of some congratulation. This drop in popular fervour for religious or quasi-religious celebrations, a new sociological phenomenon, could be the subject of rewarding study. As I think I have suggested before, this welcome distension (if that's the word) of the popular mood is closely related to the political climate of West Bengal. Gone is the old militancy; and, in direct consequence, gone are the deplorable excesses around Pujas and Holi. Whether a general passivity or indifference is good for the political health of a society, I am not sure; there should be, in my view, room for a sober sort of radicalism. It would be a pity if West Bengal altogether lost its traditional spirit of political rebellion, for in India today—and in West Bengal—there is much to rebel against. If on the other hand there has been a conscious and enduring separation between political passions and religious (which, in effect, means communal) emotions, I entirely welcome it. I have another improvement to report. On Sunday a friend sprinkled some coloured water on my shirt; and I immediately, perhaps somewhat severely, said that I was not amused. He said, "Five minutes". And, lo and behold, as the water dried, the colour disappeared completely. The chemist who evolved the formula of coloured without colour deserves a gold medal, and not of 14 carat either. Who says science plays no part in Indian life?

ONE CAN DOUBT THE SERIOUSNESS, NOT TO SAY the sanity, of the members of the Society against Indecency in Naked Animals. Personally, I have too much faith in the American capacity for perpetrating the absurd to consider that those who have been urging Mrs. Kennedy not to ride a naked horse are anything but firmly convinced of their own righteousness. But I do suspect there may be a hidden motive. Just think what possibilities the clothing of animals opens up. If, for instance, I were a hard-up textile manufacturer anxious to know where my next order was coming from, I should probably become an ardent supporter of Mr. C. Clifford Prout and his weird organisation. And if I were a frustrated fashion designer, who had not been making the fortune I inevitably considered my due for reducing my female clients to the modern sartorially grotesque, then I should be very interested indeed. What scope there would be for lining my pockets when all hippopotamuses are equipped with stylish swimming costumes and all elephants with frilly white skirts and ballerina tights!

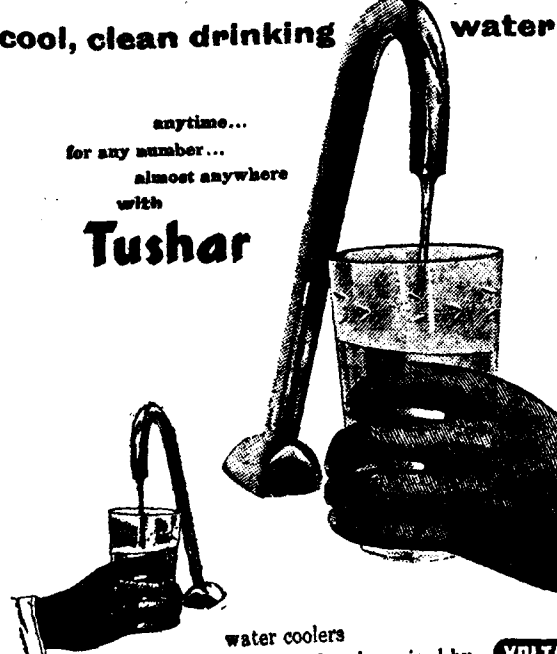
Surely, there is big money to be made out of designing natty neckwear for giraffes, striped sweaters for zebras and matador slacks for flamingoes? The mind positively boggles at the commercial prospects. But before rushing off to buy cotton mill shares it might be as well to reflect that there is still probably a majority of people in this world who consider that perhaps the one advantage which animals have over human beings is their innocence, a quality which is hardly reconcilable with clothing them for the sake of decency. It does not require a fertile imagination to realise that the wearing of clothes leads inexorably to the kind of rivalries, jealousies, frustrations and social stratifications from which the animal world is still mercifully free. Furthermore, if it is the commercial advantage which is coveted, then there are plenty of human beings still waiting to be clothed adequately before we start on the animals. I suspect Mr. Prout's movement will eventually collapse under the weight of its own absurdity.

* NOT FOR MANY A LONG YEAR HAS CALCUTTA SEEN a more powerful production on the amateur stage than Santha Rama Rau's *A Passage to India*, presented by The Amateurs at the Hindi High School last week. Miss Rama Rau's adaptation of the E. M. Forster classic is hilarious in tone, deeply serious in content; but, above all, the significance of the play (as of the novel) lies in the fact that as a commentary on a certain phase of the Indo-British connection, it is almost unrivalled for the sincerity of its judgment and the brutality of its frankness. Presented in what once was the second city of the British empire, *A Passage to India* may have revived memories which small minds would consider better forgotten. But it is primarily as a work of art that the play demands to be judged; and it is a tribute to the boldness of The Amateurs that, in spite of queasy opposition, they carried their enterprise through to the very great success it turned out to be. For a non-professional group, *A Passage to India* cannot have been an easy play to produce: the cast is large, the changes in mood are almost kaleidoscopic, and the tempo of action and dialogue calls for sudden variations. So much greater, then, is the credit that must go to Dilip Sirkar for the skill, discipline and sureness of his direction. The major rôles—Kamal Bhagat as Dr. Aziz, Jasbir Malik as Mr. Fielding, Devika Singh as Adela Quested and Kobi Judge as Professor Godbole—were admirably portrayed. But that is perhaps the least one ought to expect even of an amateur production; the exceptional merit of last Saturday's performance, to my mind, lay in the quality and discipline of the supporting cast, among whom Ranjit Mathur was particularly notable for a brief but memorable appearance as the mousy little assistant magistrate of Chandrapore. The scene in Chandrapore Club shortly before the trial of Dr. Aziz achieved the right degree of tenseness; and the trial scene itself unfolded exactly as it

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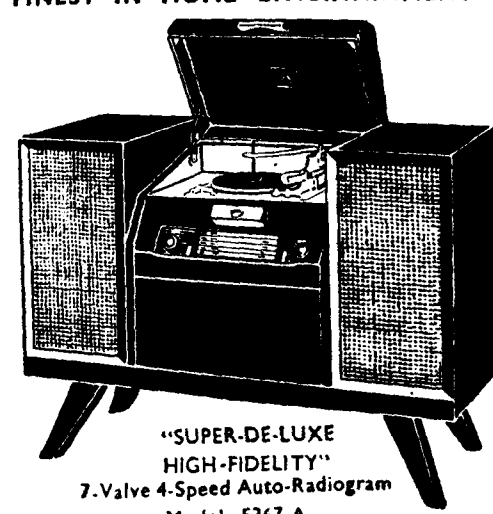
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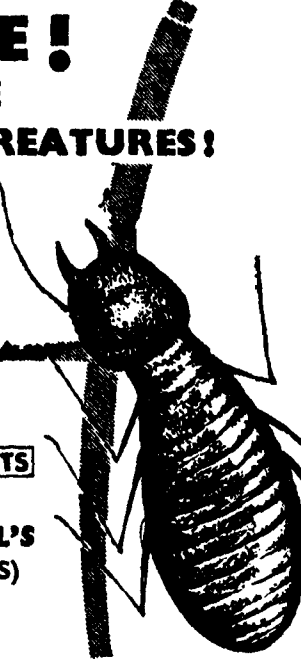


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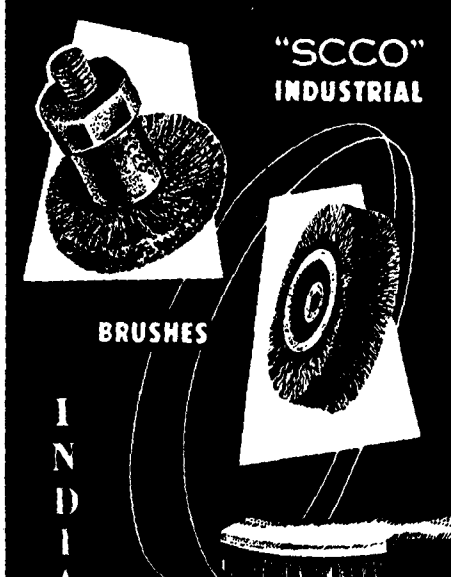
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CAPITAL, 14th March, 1963.

should have done—a devastating indictment of the insane myths which lie at the root of racialist buffoonery. Calcutta is accustomed to plays which are briefly enjoyed, but soon forgotten. The Amateurs are to be congratulated on a serious production which will be long remembered.

WHOEVER MAY HAVE THOUGHT OF IT FIRST, THE idea of organising a "Science for Children Exhibition" in Calcutta strikes me as an excellent one indeed. The Exhibition, I am told, is due to be held from 11th to 26th May, at 11 Lord Sinha Road; and its purpose, as is evident from the title, is to cultivate in children a living interest in science and its application to modern life. I have had occasion to remark before that a major shortcoming of the Indian educational system is that it tries to make bookworms out of those compelled to suffer its tortures; rarely does it provide adequate opportunities for leavening theoretical knowledge with practical experience. I do not for a moment imagine that the handicap can be corrected by a single exhibition, however elaborate it may be, but I am sure it could do much to stimulate scientific interest among the young which would otherwise be completely dormant. The longer-term aims of the sponsors of the "Science for Children Exhibition" are more ambitious; they hope that the Exhibition may serve as the nucleus for a later attempt to establish a science museum for children. For the time being, they are inviting science clubs in various schools, as well as industrial organisations, to do what they can to make the forthcoming Exhibition a success by providing suitable models and materials. The cause is a noble one, and I hope it gets the support it undoubtedly deserves. Indian industry cannot escape its share of the blame for the shortage of scientific talent in this country; the Exhibition provides it with a useful and inexpensive opportunity to show that it is beginning to make amends by taking a closer interest in scientific education.

I RECENTLY WROTE ABOUT V. S. NAIPAUL'S PIECE on Calcutta in the *New Statesman*; and when I read John Mander's essay on India in *Encounter* it occurred to me that this too might give me a paragraph. (Little does the reader know how difficult it is in some weeks to find enough subjects.) Now I can't find my copy of *Encounter*; and I say, "Just as well". I think we in this country attach far too much importance to superficial writings on India by all sorts of visiting firemen. Mr. Mander's essay isn't bad at all; it is the attitude of Indian readers to views formulated after a short, flying visit that I find exaggerated. I recommend a measure of irreverence, although not solely on the usual ground that they haven't been in India long enough. (How long is long enough? Nor are first impressions always wrong.) All depends on how good an observer and analyst the writer is. However good, his views remain a foreigner's views; and they are not correct simply because they are supposed to be detached. I think you need a little bit of attachment really to understand a country. An Australian journalist came to see me the other day; and he never stopped complaining that in his hotel bearers never stopped demanding tips, that at a certain consulate (whither he had gone for a visa) officials asked for a bribe and when he drew the attention of the consul to it the latter only shrugged his shoulders, that he got into a tram which was crowded, that he never got a taxi when he needed one. We are familiar enough with these complaints; and I approve of none of the things done to the visiting journalist. Yet I was surprised that he had not expected some of these things in advance of his arrival here, just as I know that certain things will happen to me when I go to Rome or Paris. The latter may be different but not less irritating. I felt certain that my Australian colleague had been "put off" by India on first acquaintance and, for the rest of his travels in this country, he may find little besides confirmation of his initial unfavourable impressions, mostly the products of his own inexperience. As an Australian it is, I suppose, his birthright to mislead his countrymen; but I see no reason why anyone in this country should get het up about whatever he may write. A people's own opinion about itself is not by definition worthless.

THE DITCHER

CAPITAL, 14th March, 1963.

Guide for Investors

BIRDS INVESTMENTS MAINTAINS DIVIDEND

BIRDS Investments Ltd has maintained the taxable ordinary dividend at 10 percent for the year ended September 1962, absorbing Rs. 2 lakhs. The yield works out to 8.7 percent at the present price of Rs. 11.50 a share of Rs. 10 each. Compared with the 1960-61 figure, the profit has fallen by Rs. 3.97 lakhs to Rs. 2.87 lakhs. Taxation is allocated Rs. 3.08 lakhs (against Rs. 94,060). There is a carry-forward of Rs. 2,634, against Rs. 50,926 brought in. The portfolio is representative of investments which are quoted on the Calcutta and Colombo stock exchanges, with the exception of some shares costing Rs. 7.38 lakhs.

The total market value of the investments for which quotations are available, together with unquoted investments, have been valued by directors. It exceeds the book value as on 30th September, 1962, by Rs. 16.97 lakhs. The investments have been spread over jute mills, electric, iron, steel and engineering, investment, tea, mining, miscellaneous and Ceylon tea companies. Investment has also been made in collieries and paper mills. Debentures constitute 1.61 percent, preference shares 12.56 percent and ordinary shares 85.80 percent of total investments.

Martin Burn Pays Less

MARTIN Burn Ltd has made a smaller profit during the year ended September 1962 because of the increased restrictions on imports. The fall in the profit of the trading business has been partly offset by a small rise in the managing agency commission earned. The profits of certain trading and industrial activities have also improved. The engineering group of companies under the management of Martin Burn have shown some improvement in spite of various difficulties. Although the generating and distributing capacities have increased, the profits of the electric companies have been about maintained. The profits of the railway companies have fallen due to increased competition from road transport.

The profit is down from Rs. 81.02 lakhs in 1960-61 to Rs. 78.17 lakhs in 1961-62, after transferring Rs. 2.89 lakhs (against Rs. 2.76 lakhs) to depreciation. A taxable ordinary dividend of 25 percent has been paid. It is more than twice covered and works out to a yield of 8.2 percent at the present price of Rs. 30.50 a share of Rs. 10 each. The dividend was 27.5 percent for 1961-62. Taxation is allocated Rs. 36.50 lakhs (against Rs. 33.50 lakhs) and general reserve Rs. 1 lakh (against Rs. 5 lakhs). There is a carry-forward of Rs. 2.45 lakhs, against Rs. 2.46 lakhs brought in.

Indian Wood Products Maintains

IN their report for the year ended September 1962, the directors of Indian Wood Products Co. Ltd take a cautious view of the outlook for the current year. The main raw material, khair trees, is being bought at the auctions, but the prices have increased. They mention that it has not been possible to pass the entire

increase in prices on to consumers in the form of higher prices for finished products. Hence they expect a fall in the profit.

A taxable ordinary dividend of 30 percent, including a final of 20 percent, has been repeated which is more than thrice covered. The yield is 9.6 percent at the present price of Rs. 31.25 a share of Rs. 10 each. The profit has improved from Rs. 16.33 lakhs in 1960-61 to Rs. 21.72 lakhs in 1961-62, after cutting depreciation from Rs. 1.17 lakhs to Rs. 89,007. Taxation is allocated Rs. 11.81 lakhs (against Rs. 7.26 lakhs) and general reserve Rs. 2.50 lakhs (the same). There is a carry-forward of Rs. 3.26 lakhs, against Rs. 1.85 lakhs brought in.

Sen-Raleigh Repeats Dividend

THE name of Sen-Raleigh Industries of India Ltd has been changed to Sen-Raleigh Ltd. The paid-up ordinary share capital was originally Rs. 70 lakhs divided into shares of Rs. 10 each. The Company issued a further 650,000 ordinary shares at a premium of Rs. 4 a share last November. Out of this issue, Raleigh Industries Ltd of the U.K. subscribed for 334,000 shares. The foreign exchange brought in by this subscription will be used for financing the bicycle expansion scheme. It is also proposed to undertake the manufacture of house service meters.

Although sales improved from Rs. 3.98 crores to Rs. 4.86 crores, the profit has not proportionately improved due to rising raw material costs. The directors mention that it has not yet been possible to have balanced operations, which could have contributed to producing optimum results. The profit has increased from Rs. 21.56 lakhs in 1960-61 to Rs. 23.37 lakhs in 1961-62, after providing Rs. 21.86 lakhs (against Rs. 22.60 lakhs) for depreciation. A taxable ordinary dividend of 8 percent has been repeated on the old share capital. It is more than four times covered and offers a yield of 5.7 percent at the present price of Rs. 14 a share of Rs. 10 each. Taxation absorbs Rs. 11.86 lakhs (against Rs. 10.08 lakhs), development rebate reserve Rs. 57,757 (against Rs. 1.28 lakhs) and repayment of loans reserve Rs. 3.75 lakhs (the same). The carry-forward is Rs. 13,552, against Rs. 7,622 brought in.

Same from National Pipes and Tubes

IN their report for the year ended September 1962, the directors of National Pipes and Tubes Co. Ltd say that the working results were adversely affected by the shortage of raw materials and power, combined with rising production costs. Since these shortages continue, the prospect for the current year will depend on an improvement in the supply of raw materials and power. Although the products of the Company are being sold without difficulty, they mention that other competitive manufacturing units have been set up. The management hopes that it will soon obtain licences for importing equip-

ment in order to undertake expansion projects.

A taxable ordinary dividend of 20 percent has been repeated, which is more than thrice covered and offers a yield of 6.8 percent at the present price of Rs. 29.25 a share of Rs. 10 each. Sales fell from Rs. 1.16 crores to Rs. 1.08 crores. The profit has declined by Rs. 4.45 lakhs to Rs. 22.10 lakhs, after providing Rs. 21.147 (against Rs. 16,311) for depreciation. Taxation absorbs Rs. 11.07 lakhs (against Rs. 12 lakhs). A further sum of Rs. 1.31 lakhs has been provided to cover the increased taxation for the year ended September 1961. General reserve is allocated Rs. 2 lakhs (against Rs. 5 lakhs) and dividend equalisation reserve Rs. 1 lakh (against Rs. 2.50 lakhs), leaving a carry-forward of Rs. 52,804, against Rs. 67,385 brought in.

Asiatic Oxygen Passes Dividend

ASIATIC Oxygen Ltd has passed the dividend for the year ended September 1962, but a credit balance of Rs. 31,948 has been carried forward. The directors mention that the Company's public issue of shares was over-subscribed last year. It has secured a holding interest in the Asiatic Oxygen and Acetylene Co. Ltd. The subsidiary has been carrying on business in industrial and medical gases, electrodes and welding accessories. It has factories in Calcutta and Bhilai. It has set up a new factory in Barauni.

Asiatic Oxygen proposes to build six factories for producing industrial and medical gases. Three factories will be set up for producing electrodes, gas welding, cutting equipment and welding transformers. The subsidiary Company has already set up an acetylene plant in Durgapur, West Bengal. This factory is expected to start production soon. Orders for plant and equipment of all the proposed factories have been placed and output may start in the near future. The directors mention that cylinders valued at Rs. 54 lakhs have already arrived.

English Electric Share Issue

THE English Electric Company of India Ltd has recently been converted into a public company. It manufactures and deals in electric, magnetic and galvanic apparatus, machinery and appliances. It produces and supplies all kinds of light, heat, sound and power equipment. It also acts as general engineers and contractors. Its works in Pallavaram, near Madras, produces a wide range of fuse gear electrical distribution equipment. Its output was Rs. 97 lakhs in 1962, and sales during the current year are estimated at Rs. 1.20 crores. The Company has been working to a phased programme of expansion which is expected to be completed by 1964. It proposes to introduce some new products. The output of relays started in 1962. The works expansion for the manufacture of control panels has been completed and production may start soon. Although

it has obtained a licence for the manufacture of switch gear, it does not intend to proceed with this project for the time being.

English Electric is offering ordinary shares to raise funds for the expansion programme. The paid-up ordinary share capital is Rs. 40 lakhs divided into shares of Rs. 10 each. The present issue is for Rs. 60 lakhs, divided into ordinary shares of Rs. 10 each. Out of this, the English Electric Co. Ltd of London will subscribe for 350,000 shares. The remaining 250,000 shares are being offered to the public for subscription at par. The list opens on 25th March, 1963, and applications for shares must be made for a minimum of 25 shares or multiples thereof. Although the issue has not been underwritten, the English Electric Company of London has agreed to subscribe for any shares which are not taken up by the public. (The details of the issue appear on a later page in this issue of Capital).

The private Company made a profit of Rs. 9.38 lakhs during the year ended September 1962, before providing Rs. 1.44 lakhs for development rebate and Rs. 2.72 lakhs for estimated relief under income tax. No dividend was ever paid by the private Company. The public Company now issuing shares has entered into collaboration with its parent Company, the English Electric Company of the U.K. The prospect appears to be encouraging, in view of the fact that there is a keen demand for the products it manufactures. The directors think that they will be able to pay reasonable dividends once the expansion scheme is completed, and planned production has started. The business of the Company should improve steadily with the progress in power generation and supply. The cost of the expansion project has been estimated at Rs. 60 lakhs.

Further Progress by I.C.I.C.I.

THE eighth annual report of the Industrial Credit and Investment Corporation of India covering the year 1962, shows that the Corporation continues to play an increasingly important rôle in the growing industrial development of the country. In 1962, the Corporation considered 99 applications for a total assistance of Rs. 22.38 crores, and it approved 92 applications for a total assistance of Rs. 19.60 crores. This showed an increase of almost 50 percent over the previous year's figure of Rs. 13.76 crores. Rupee assistance in the form of loans, underwriting of and direct subscriptions to ordinary and preference shares amounted to Rs. 9.83 crores (against Rs. 4.51 crores in 1961), for 32 companies, and foreign currency loans were the equivalent of Rs. 9.77 crores (against Rs. 6.79 crores) for 44 companies. Among these companies, 20 were sanctioned assistance both in rupees and foreign exchange.

Disbursements in 1962 rose impressively by about 75 percent from Rs. 5.96 crores to Rs. 9.85 crores. The Corporation completed seven underwriting operations in 1962 for a total amount of Rs. 2.42 crores (compared with Rs. 78 lakhs), against which it was called upon to take up Rs. 1.68 crores (against Rs. 41 lakhs). Total assistance sanctioned by the Corporation during the eight years of its career—1955-62—amounts to Rs. 60.16 crores to 183 companies, of which 83 were new undertakings. Out of the rupee loans and guarantees sanctioned totalling Rs. 14.56 crores, the amount disbursed up to the end of 1962 was Rs. 8.70 crores. Out of the sanctioned foreign currency loans of

Rs. 23.43 crores, the amount disbursed was Rs. 11.30 crores. Likewise, out of Rs. 13.33 crores sanctioned for underwriting, the Corporation completed operations in all amounting to Rs. 11.72 crores, against which it was called upon to take up Rs. 5.69 crores in shares and debentures on which an amount of Rs. 5.08 crores was paid up. Out of the direct subscriptions to ordinary and preference shares of Rs. 3.84 crores sanctioned, the Corporation subscribed to Rs. 3.50 crores on which Rs. 3.18 crores was paid up. Total disbursements up to the end of 1962 amounted to Rs. 28.26 crores.

The Corporation's business has gradually undergone changes not only in size but also in content, reflecting both the conditions in the capital market and the requirements of the changing industrial structure. When the I.C.I.C.I. was set up eight years ago, conditions in the capital market were very different from what they are today. The problem then was to obtain rupee resources while it was much easier to obtain foreign currency requirements from the Government. Consequently, during 1955-58, out of the net sanctions for Rs. 13.35 crores, loans in foreign currencies amounted to no more than Rs. 3.14 crores and over three-quarters covered underwriting, direct subscriptions and rupee loans. The position changed appreciably in the following three years—1959-61. Foreign currency loans at Rs. 16.28 crores represented 55.4 percent of the total assistance of Rs. 29.36 crores. The Corporation's assistance has been concentrated on what might be called non-traditional industries like engineering and chemicals, which, to some extent, is the result of a deli-

berate policy. The qualitative impact of the Corporation's operations on industrial development has been much larger than what the figures of finance provided might lead one to assume.

In his statement to the Press, the chairman of the Industrial Credit and Investment Corporation, Mr. G. L. Mehta, has made a pointed reference to the two broader aspects of the Corporation's operations in 1962—encouragement of small operations and the diversification of operations by providing funds, particularly foreign currency loans, for balancing equipment like ancillary textile equipment, boilers, generators and so on. (A fuller version appears on a later page in this week's issue of Capital). The Corporation approved last year many proposals for foreign currency loans and underwriting for small amounts. It also provided assistance to two co-operative sugar factories in 1962. Mr. Mehta said that the Corporation was continuing its efforts to promote joint financing operations in co-operation with other financial institutions. In 1962, the I.C.I.C.I. carried out ten joint operations—two with the Commonwealth Development Finance Company, U.K., six with the Industrial Finance Corporation of India, one with the International Finance Corporation, Washington, and one with the Madras Industrial Investment Corporation.

Foreign exchange loans continue to play an important rôle in the I.C.I.C.I.'s operations, and the current rate of sanctions is now almost \$20 million a year. The Corporation has so far received four loans aggregating \$60 million from the World

Bank, and an amount of \$56 million out of these credits, had been sanctioned by it as loans to industrial projects in the country by the end of last year. It is now negotiating a further line of credit of \$30 million from the I.B.R.D., which is expected to be finalised by June. Mr. Mehta told a Press conference on 7th March that during his forthcoming visit to the U.S.A., he will also meet representatives of the International Finance Corporation to discuss joint financing operations. Before going to the U.S.A., Mr. Mehta will visit West Germany and the U.K. His trip to West Germany is in connection with the finalisation of an agreement for a further line of credit of 20 million deutschmarks (Rs. 2.38 crores) from the Kreditanstalt für Wiederaufbau (Reconstruction Loan Corporation), in addition to a loan of 5 million deutschmarks under negotiation. Pending finalisation of the two loans, the Corporation has sanctioned 6.3 million deutschmarks (Rs. 75 lakhs) as loans. During his stay in London, Mr. Mehta would also hold talks with the Commonwealth Development Finance Company over joint financing operations. The Corporation's shareholding shows that it has now become more international in character. Its stockholders include British, American, German and Japanese financial institutions. British interest accounts for 16 percent and American 5 percent. Indian holding is around 72 percent, with the Life Insurance Corporation as its biggest shareholder.

The Corporation's receipts from interest, dividend, underwriting commission, etcetera, recorded an increase of about 45 percent from

Rs. 1.16 crores to Rs. 1.67 crores. The profit before tax amounted to Rs. 78.92 lakhs, against Rs. 74.27 lakhs in 1961. The dividend has been maintained at Rs. 6.5 a share. It is somewhat ironical that the Rs. 100-paid share of the Corporation, which is playing an important rôle in promoting industrial development in the country, should be quoted at a substantial discount, around Rs. 88. Investors in the Corporation's shares are unlikely to find much comfort from the chairman's statement that the I.C.I.C.I. operations would help bring about a total capital mobilisation of over Rs. 300 crores, raise the gross domestic product by over Rs. 200 crores and bring about a direct increase of about 60,000 in jobs. While not many will perhaps share Mr. G. L. Mehta's view that the prevailing difficulties in the Indian capital market reflect basically a "crisis of confidence" as a result of the emergency—the latest Budget proposals certainly warrant a reassessment of the basic outlook for equities—his assurance that the I.C.I.C.I. will continue to finance projects found viable on careful scrutiny, whatever the immediate conditions of the capital market in the country, is welcome.

Role of State Bank in Emergency

IN his speech at the eighth annual general meeting of the State Bank of India, the chairman, Mr. B. Venkatappaiah, highlighted the rôle that the Bank and its subsidiaries have been playing in the present emergency which has created new and grave problems. (A fuller version appears on a later page of this week's Capital.) There was a certain degree of dislocation of the usual channels of credit towards the end of 1962, which threatened the normal production of tea and the distribution of food articles. The chairman said that the Bank collaborated promptly with both industry and the Government, including the Tea Board, to help restore normal functioning of commercial credit. It granted loans to the Assam Government on the hypothecation of stocks for the purpose of distribution of certain food-stuffs, made available funds to the Assam Co-operative Apex Bank for financing some smaller tea gardens and financed certain bigger tea gardens itself.

The bank has extended certain special facilities to the members of armed forces; these facilities include the waiving of charges for maintaining accounts and for remittances in settlement of children's school and education fees or for maintenance of dependents. Mr. Venkatappaiah said that the bank was in touch with the authorities and interests concerned for providing credit to industries which are important for the defence effort. The bank was conducting a review of the working of its scheme for financing small industries in order to gear it to such tasks as small industry may be called upon to undertake in the new context. The report of the study team appointed for the purpose was expected shortly.

Among the problems to which a new dimension of gravity has been added by the emergency is that of foreign exchange. Here again, the State Bank has taken a number of steps to provide finance for stepping up exports. Subject to certain conditions, the Bank has introduced a concessional rate of interest in the form of a rebate of 1 percent on advances used for financing exports. It is also making available medium-term export credit in suitable cases. Besides, in collaboration with the Government and within the framework of existing import policy, the

bank has initiated a small and purely experimental scheme whereby, against the bank's guarantee, a company may get a loan in foreign currency for importing raw material on the understanding that repayment will be made out of the proceeds of the export of the finished product.

Referring to the branch expansion programme, Mr. Venkatappaiah said that the bank would open new branches not only in the rural and semi-urban centres, already selected or added to its list from time to time, but also in the metropolitan areas, cities and bigger towns which in recent years have developed so rapidly. But at the same time, the bank was endeavouring to improve the facilities and services to its customers, whether these be borrowers or depositors, large account holders or small ones. The bank is now working a pilot deposit scheme in a few selected centres. Under this scheme, it endeavoured to establish closer contacts with customers, present as well as prospective, and sought, as far as possible, to tailor the bank's services to their needs.

The deposits it aimed at getting are mainly those which are at present outside the banking system. The scheme is still in an experimental stage, but the results have been encouraging. The chairman said that the pace of branch expansion had been deliberately slowed down in 1962 in order that various arrangements concerning recruitment and training might be completed and the results of the previous expansion consolidated. Of the 416 branches opened during 1955-60, a large number is now working at a profit. Mr. Venkatappaiah expressed the view that with the implementation of the Desai award, the way was clear for an enduring and harmonious relationship between staff and management.

The chairman stated at a Press conference that the bank's lending rates had not changed substantially even after the increase in Bank rate to 4.5 percent and that the bank's effective lending rates ranged between 5½ percent and 6½ percent. He also disclosed that at present about 9 percent to 10 percent of the State Bank advances were to the public sector, while 90 percent to 91 percent were to the private sector. In 1961, the public sector's share was lower at 6 percent to 7 percent.

Bank of India Earns More

THE Bank of India Ltd has made all-round progress during the year ended December 1962. The profit has been Rs. 1.12 crores, against Rs. 1.10 crores in 1961. A taxable interim dividend of 8 percent was paid earlier on a paid-up capital of Rs. 3 crores, absorbing Rs. 24 lakhs. A taxable final dividend of 12 percent has been declared on an increased paid-up capital of Rs. 4.05 crores, absorbing Rs. 48.60 lakhs. (Further details appear on a later page in this issue of Capital.) Reserve fund is allocated Rs. 22.50 lakhs and bonus to staff Rs. 32.50 lakhs. The carry-forward is Rs. 13.10 lakhs, against Rs. 29.16 lakhs brought in.

The issued and subscribed capital has been increased from Rs. 5.50 crores to Rs. 7.60 crores, and the paid-up capital from Rs. 3 crores to Rs. 4.05 crores. The paid-up capital has been raised by issuing 200,000 rights shares of Rs. 100 each, on which a sum of Rs. 50 has been paid-up. The shares have been issued at a premium of Rs. 20 a share. Ten thousand shares of Rs. 100 each—on which a sum of Rs. 50 has also been paid-up—have been issued to the shareholders of the Gododia Bank Ltd on the amal-

gamation of that bank with Bank of India. The reserve fund has improved from Rs. 3.28 crores to Rs. 4.12 crores.

India Sugars and Refineries Pays Less

THE India Sugars and Refineries Ltd has reported a marked decline in the profit for the year ended September 1962, compared with the previous year. The ordinary dividend has been reduced to 8 percent from the previous year's 10 percent. The profit amounts to Rs. 7.52 lakhs after meeting all expenses and providing Rs. 4.70 lakhs for depreciation. The previous year's profit was Rs. 12.34 lakhs, after providing Rs. 5.54 lakhs for depreciation. With Rs. 3.17 lakhs brought forward from the previous year, the total amounts to Rs. 10.69 lakhs. Provision for taxation gets Rs. 4.10 lakhs (against Rs. 4.70 lakhs), reserve for development rebate Rs. 2,500 (against Rs. 4,000) and provision for doubtful debts Rs. 2,569 (against Rs. 11,698). The preference dividend at 7½ percent (subject to tax) amounts for Rs. 73,360. The proposed dividend of 8 percent on equity shares (against 10 percent) will absorb Rs. 5.11 lakhs. The balance of Rs. 68,747 is carried forward.

Sugarcane crushed during the year amounted to 186,340 tonnes while sugar production was 19,186 tonnes with an average recovery of 10.29 percent. The corresponding figures for the previous year were 206,203 tonnes of sugarcane and 18,890 tonnes of sugar. The directors state that the removal of control on sugar prices, a movement and distribution caused a sudden slump in prices. Moreover, the carryover from the previous year was very heavy. So the bulk of the stock of the previous season had to be disposed of at low prices. The Company's profits have, therefore, been adversely affected. The Company has had to incur a loss of Rs. 1.42 lakhs towards sugar exports in the previous year. The export loss for the year under review has not yet been ascertained.

During the year, the distillery unit produced 113,887 gallons of spirit, against 87,662 gallons in the previous season. Steps are being taken to expand the capacity of the unit from 600 gallons to 3,000 gallons a day during the current year. The subsidiary company, namely, the Salar Jung Sugar Mills Ltd, has earned a token profit due to lower sugar prices. The factory's expansion scheme is progressing. There has been no appreciable improvement in the working of the other subsidiary company, namely, Manjula Confectionery Ltd.

Bank of Baroda Forges Ahead

LIKE most other banks, the Bank of Baroda also made a lower profit in 1962 due to a marked rise in operating expenses as a result of the Desai award and higher deposit rates. But otherwise, the bank has made an all-round progress during the year. Its deposits increased by 19.4 percent from Rs. 95.45 crores to Rs. 113.96 crores; the increase in 1961 was of the order of 12.32 percent. Fixed deposits rose from Rs. 53.12 crores to Rs. 62.18 crores; savings bank deposits from Rs. 19.71 crores to Rs. 25 crores, and current account deposits from Rs. 22.63 crores to Rs. 26.78 crores. Advances moved up by about 20.5 percent from Rs. 70.36 crores to Rs. 84.78 crores; the increase in 1961 was smaller around 16.9 percent. The credit-

deposit ratio went up from 73.72 percent to 74.39 percent. Investments were higher by 7.6 percent at Rs. 26.09 crores, compared with Rs. 24.89 crores; the increase in 1961 was smaller, around 4.8 percent.

The bank's operating income increased from Rs. 5.14 crores to Rs. 6.22 crores and operating expenses moved up from Rs. 4.66 crores to Rs. 5.80 crores. The issued and subscribed capital of the bank rose from Rs. 1.5 crores to Rs. 2 crores, and the reserve fund and other reserves increased from Rs. 1.81 crores to Rs. 2.09 crores. The ratio of capital funds to deposits works out at 3.63 percent. The bank opened 20 branches and closed three branches in India during the year, raising the total number of offices to 157; it also opened three branches in foreign countries. Five more branches have been opened in India since the beginning of this year. From 1st January, 1962, the Bank of Baroda has taken over the business of the Surat Banking Corporation.

Hindustan Lever Puts off Rights Issue

HINDUSTAN Lever, which had announced the issue of rights shares in the proportion of 25 new equities for every 37 shares held at a premium of Rs. 25 a share, that is, at Rs. 35 a share, has now decided to defer the issue for the present. The decision has been taken to study the impact of the new taxation measures on the Company. It is said that Hindustan Lever will have to pay an extra Rs. 1 crore on account of the super profits tax. It was on 7th December that the shareholders had approved the proposal to issue rights at an extraordinary meeting. Now another meeting will be called again to cancel their earlier decision to offer new shares to shareholders registered in the books of the Company at the close of business on 2nd March, and to empower the directors to fix another date of entitlement at a suitable time.

That a big and efficiently managed concern like Hindustan Lever should have thought it necessary to revise its decision on the proposed rights issue because of the new tax proposals is an indication of the change in the attitude of those responsible for expansion of industries. But the Finance Minister, Mr. Morarji Desai's defence of his taxation proposals, including the super profits tax, in the Rajya Sabha suggests that these proposals are unlikely to be modified materially.

National and Grindlays Bank Centenary

THE National and Grindlays Bank Ltd will be completing one hundred years of useful service in September 1963. Hence it proposes to pay the shareholders a centenary dividend and the staff a centenary bonus. The directors have recommended a final dividend of 7 percent, less income tax, at 7s 9d in the pound for the year ended December 1962. They have also recommended the payment of a centenary bonus dividend of 2 percent less income tax at 7s 9d in the pound. Both are payable on 5th April, 1963.

In his chairman's statement, which has been circulated along with the report and accounts for the year ended December 1962, Mr. J. K. Michie points (a full text of the statement appeared on page 343 in the last issue of Capital) to the expansion in business, although trading conditions in overseas territories have been rather difficult. He has also mentioned the rising costs of

providing banking services. Although the cut in the U.K. Bank rate may affect the earnings of the bank in that country, he is hoping for an improvement in the overseas results. Referring to activity in India, he says that the decision to increase the proportion of scheduled banks' assets in Government securities will restrict lendings unless deposits increase substantially. The decision will be implemented in September 1964. He, therefore, foresees an increased pressure on bank funds in the near future considering that the monetary demands of trade and industry continue to rise.

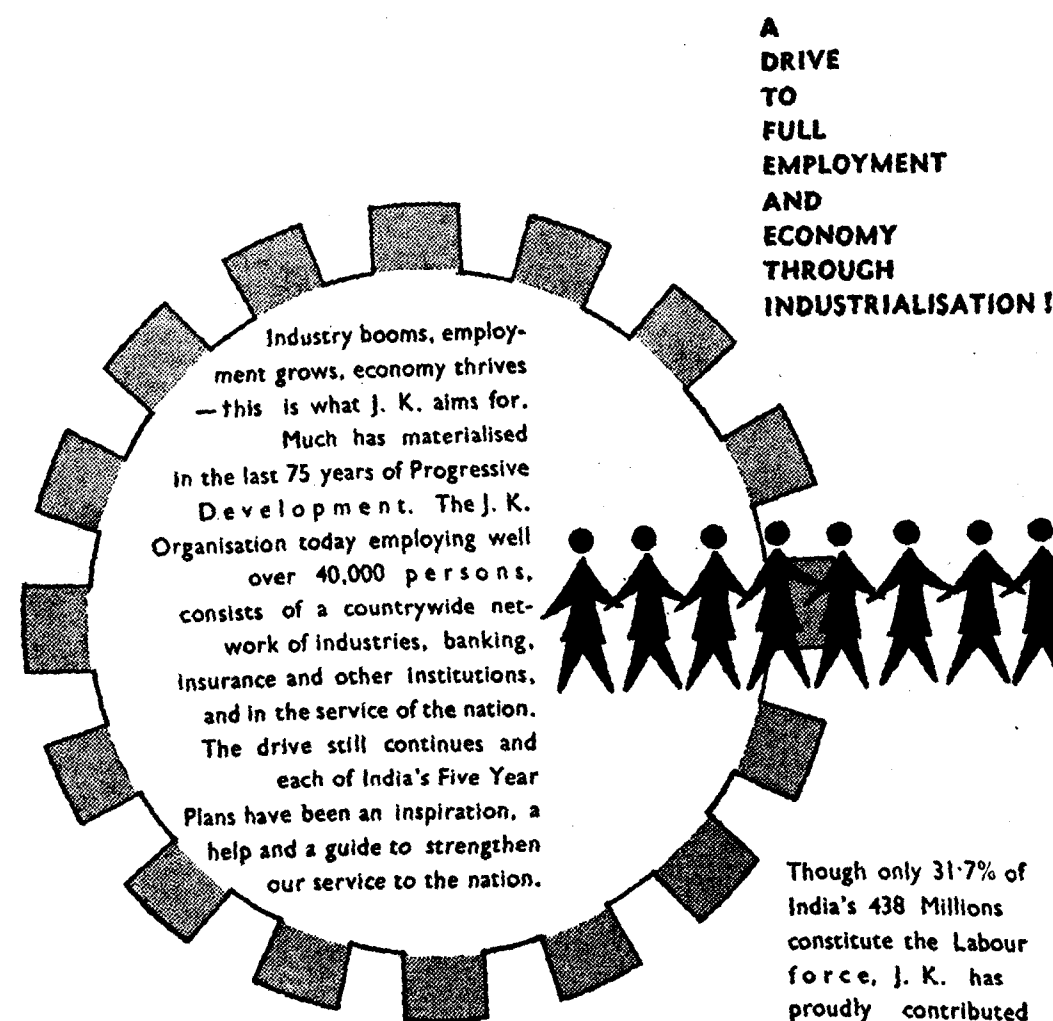
Changdeo Sugar Revises Dividend

UNLIKE most sugar companies, Shree Changdeo Sugar Mills did fairly well during the year ended September 1962. Its gross profit at Rs. 27.11 lakhs showed only a nominal fall from the previous year's figure of Rs. 27.45 lakhs. The dividend had been declared at Rs. 2.50 a share, involving a total distribution of only Rs. 7.50 lakhs. But this dividend has now been revised downwards to Rs. 1.50 a share. Explaining the reasons for this rather unusual step to the shareholders' annual meeting on 7th March, the chairman, Mr. A. H. Bhiwandwalla, said that the cut in the declared dividend had become unavoidable because of the new taxation proposals in the Central Budget. The super profits tax, he said, was likely to impose an additional tax burden of about Rs. 4 lakhs. The Emergency Risks Insurance premium would cost another Rs. 80,000. The Company had also to put up with an additional burden on account of the Maharashtra Agricultural Income Tax Act which has retrospective effect from April last.

As for the Land Ceiling Act, the chairman assured the shareholders that it would have no serious effect on the Company as it had very little surplus land. He, however, feared that sugar production would suffer if all surplus farms were converted into State farms. Discussing the current year's prospects, Mr. Bhiwandwalla said that the Company had recently entered into an agreement with another factory for the supply of about 10,000 tons of sugarcane at the rate of Rs. 5.26 a quintal. This would enable the Company to maintain its sugar production at the previous year's level. The chairman also indicated that the directors were considering the question of diversifying the Company's activities. The Rs. 12.50-paid share of Changdeo Sugar is nominally quoted around Rs. 21.76.

Coonoor Tea Estates Pays More

A HIGHER dividend to shareholders and an increase in the profit, following a record crop and higher selling prices are the highlights of the working of the Coonoor Tea Estates Co. Ltd for the year ended September 1962. With the final dividend of 10 percent now recommended by the directors, the total dividend for the year amounts to 17½ percent, including an interim dividend of 7½ percent, against the total dividend of 15 percent for the previous year. After meeting all expenses and providing Rs. 35,664 for depreciation, the profit amounts to Rs. 2.58 lakhs, compared with the previous year's Rs. 1.55 lakhs, after providing Rs. 33,726 for depreciation. Out of the year's profit, provision for taxation gets Rs. 1.28 lakhs (against Rs. 70,000). The net profit, after taxation, amounts to Rs. 1.30 lakhs.



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JKO/2/63

I had mentioned in my last year's Statement to you about the holding, under the auspices of ICICI, of a Regional Conference of Development Banks in Asia. The Conference was held on March 29-31, 1962, and was attended by delegates from development banks from 13 countries in Asia. Fraternal delegates from international and foreign lending institutions such as the International Bank for Reconstruction and Development, the International Finance Corporation and the International Development Association, the Commonwealth Development Finance Company Limited of the U.K., Kreditanstalt für Wiederaufbau of the Federal Republic of Germany, also participated along with officials of the Government of India, the Reserve Bank of India and some of the State Finance Corporations. The Conference helped us to exchange views, identify common problems and

also develop contacts with similar institutions in other countries. I am glad to say that the idea of holding the Conference has been generally appreciated, and arrangements are already being made to hold, in the latter part of 1963, a second Conference in Teheran under the auspices of the Industrial and Mining Development Bank of Iran. We have also tried to develop relations with other development banks through visits. Mr. Nguyen-Huu-Hanh of Societe Financiere Pour le Developpement de L'Industrie au Viet-Nam, visited ICICI in October, 1962, to study our procedures. Two officers of the Nepal Industrial Development Corporation came in December, 1962, to study various aspects of appraisal and follow-up work at ICICI. In January, 1963, Mr. Yom Tantsethi, General Manager of the Industrial Finance Corporation of Thailand, visited us for a week to

discuss general problems of development banking and ICICI's operations. We expect to have, later in the year, a trainee from an African country under the U.N. Technical Assistance Programme. We also expect visits from senior officials of development banks in South East Asian countries. These are all examples of practical co-operation between institutions at operational levels and we are glad to be able to make a contribution to it. Before concluding, I would like to refer to the change in the stewardship of the International Bank for Reconstruction and Development. Mr. Eugene Black retired as President of the Bank on December 31, 1962. The World Bank, as it is popularly known, followed an active policy of helping underdeveloped countries during Mr. Black's term and it also helped to set up a large number of development

CAPITAL, 14th March, 1963.

banks including this Corporation. We are deeply indebted to this far-sighted economic statesman for his sympathetic insight and his keen interest in the working of this institution.

In the Directors' Report, you must also have seen a reference to the resignation of Mr. George Woods from your Board, consequent upon his appointment as President of the IBRD. Mr. Woods was associated with this Corporation even before its formal inception, and had been a Director on its Board since June 25, 1959. His guidance has been of considerable help in the progress of this Corporation. We trust that in his new capacity we shall continue to receive his friendly advice in our work.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

CAPITAL, 14th March, 1963.

THE STATE BANK OF INDIA

CHAIRMAN, MR. B. VENKATAPPIAH'S ADDRESS

Speech of the Chairman, Mr. B. Venkatappiah, at the Eighth Annual General Meeting of the Shareholders held in Bombay.

Gentlemen,

I am glad to welcome you here today.

The Report of the Central Board of Directors is before you. Along with it have been circulated the Bank's Profit and Loss Account for the year 1962 and the Balance Sheet as at 31st December, 1962.

It is usual to divide the operations of the State Bank of India into two categories: the traditional and the developmental. In time, of course, the distinction is useful and I will come back to it presently. Meanwhile, I am happy to tell you that the Bank has during the year 1962 made progress in both these respects and therefore also in its operations as a whole. The average level of the Bank's advances in India rose from Rs. 244.2 crores in 1961 to Rs. 267.0 crores in 1962; and the peak from Rs. 267.8 crores in 1961 to Rs. 289.1 crores in 1962. At the same time the Bank's investments rose by Rs. 29.3 crores over the year. As a result of these and other factors, income rose from Rs. 19.7 crores in 1961 to Rs. 22.6 crores in 1962. The Bank's lending rates, it may be mentioned, were substantially the same as in 1961.

Rise in Expenditure

The rise in income was more than offset by a rise in expenditure. The increase in expenditure was largely in establishment expenses. In turn, the main item of increase in establishment expenses was that pertaining to the wage bill of our workmen staff. In pursuance of the Award of the National Industrial Tribunal, the salaries and allowances of this category of our employees were raised with retrospective effect from January 1, 1962. Moreover, we sanctioned a proportionate—and substantial—increase in their bonus. May I add that your Directors felt that this increase was justified as a measure of goodwill to the staff, though in no way obligatory under the Award? During the course of the year, we also effected an improvement in the pay scales of our Sub-Accountants and Head Cashiers. Further, we introduced more liberal terms, including a running pay scale, for our Staff Assistants and Probationary Assistants, now redesignated Staff Officers and Probationary Officers respectively. An additional item of expenditure was the premium paid by the Bank to the Deposit Insurance Corporation which started functioning in January 1962. Also, the amount of interest paid by us on our deposits was larger this year than in the previous year. Mainly as a result of these items, the Bank's total expenditure rose from Rs. 17.0 crores in 1961 to Rs. 19.9 crores in 1962.

The net profit of the Bank, after due provision had been made for the usual and necessary items, amounted to Rs. 2.69 crores as against Rs. 2.71 crores last year. The dividend retains its previous level; it is Rs. 23 per share, subject to deduction of tax. For the reasons I have stated, there is a large increase in bonus to workmen staff. It was Rs. 45 lakhs in 1961. It is now Rs. 72 lakhs. An amount of Rs. 7.62 lakhs has been transferred to the Pension Funds as compared with Rs. 7.42 lakhs in 1961. To the Reserve Fund has been added Rs. 55 lakhs; this is less than last year's Rs. 75 lakhs, but more than the corresponding figure

for any of the 6 years preceding. Rupees 5 lakhs, as compared with last year's Rs. 10 lakhs, have been transferred to the Staff Welfare Fund. Similarly to the Staff Co-operative Housing Fund has been transferred an amount of Rs. 5 lakhs, as against Rs. 10 lakhs in 1961. The balance carried forward at the close of 1962 is Rs. 45.68 lakhs as compared with Rs. 50.41 lakhs the previous year.

National Emergency

Before I proceed to other matters, I should like to refer to the National Emergency and make a brief mention of the part we played in the grave situation which followed the Chinese invasion of Indian territory. There was a certain degree of dislocation of the usual channels of credit: there was also some threat to normal production, especially of tea in the frontier districts of Assam; and in a few instances, particularly of food articles, it became necessary for the State Government of Assam to enter more largely into the business of distribution. We collaborated promptly with both Industry and Government, including the Tea Board, and in so far as it fell within the sphere of the State Bank, did all we could to help restore normality. On the hypothecation of stocks, we granted loans to the State Government for the purpose of distribution of certain foodstuffs; on their guarantee, we made funds available to the Assam Co-operative Apex Bank for the financing of some of the smaller tea gardens; and we took upon ourselves the financing of a certain number of the bigger tea gardens, especially in those areas where such a course would have the greatest effect psychologically, since, as I have said, our main objective was to assist in restoring the normal functioning of commercial credit. In regard to industries of importance to the defence effort, we are in close touch with the authorities and interests concerned. It is now generally recognised that small industries too have a great deal to contribute to such effort. Since the biggest institutional scheme in the country for the financing of small industries, especially their requirements of working capital, is that which has been developed over the last few years in the State Bank, we are at the

moment conducting a review of its working in order to gear it to such tasks as small industry may be called upon to undertake in the new context. A Study Team consisting of two officers of the Bank has visited various centres of small industry in different parts of the country and we hope to have before us in the near future its suggestions for action. Meanwhile, the State Bank's Instalment Credit Scheme, of which details will be found in the Report of the Directors, is of special relevance to those small and medium entrepreneurs who, in connection with defence production or otherwise, desire to purchase machinery or equipment on suitably easy terms. May I add, before I pass on from the subject of Emergency, that the State Bank and its Subsidiaries, through their very wide network of offices—now numbering more than 1,500—have been playing a very active part in all work connected with the National Defence Fund. Defence Bonds and so forth? I would also add that, as a gesture of goodwill to the members of the armed forces, the Bank has extended certain special facilities to them during the present Emergency. These facilities include the waiving of charges for maintaining accounts and free remittances in settlement of children's school or college fees or for maintenance of dependents. Further, the Bank has agreed to collect free of charge, for members of armed forces, cheques drawn on any of our offices. These facilities are available to all officers and other ranks of the Army, Navy and Air Force as well as for Special Armed Constabularies set up for frontier duties and members of the Army Nursing Services.

Foreign Exchange Shortage

Among the problems to which a new dimension of gravity has been added by the Emergency is that of foreign exchange; and an important facet of the problem is the need to step up exports. In so far as export finance has a bearing on this, we are of course intimately concerned; and accordingly we have been in touch with the relevant interests such as Jute Manufacturers, Tea, Cotton Textiles and Engineering Goods. As concrete expression of our desire to help, we have taken a number of steps. Three spe-

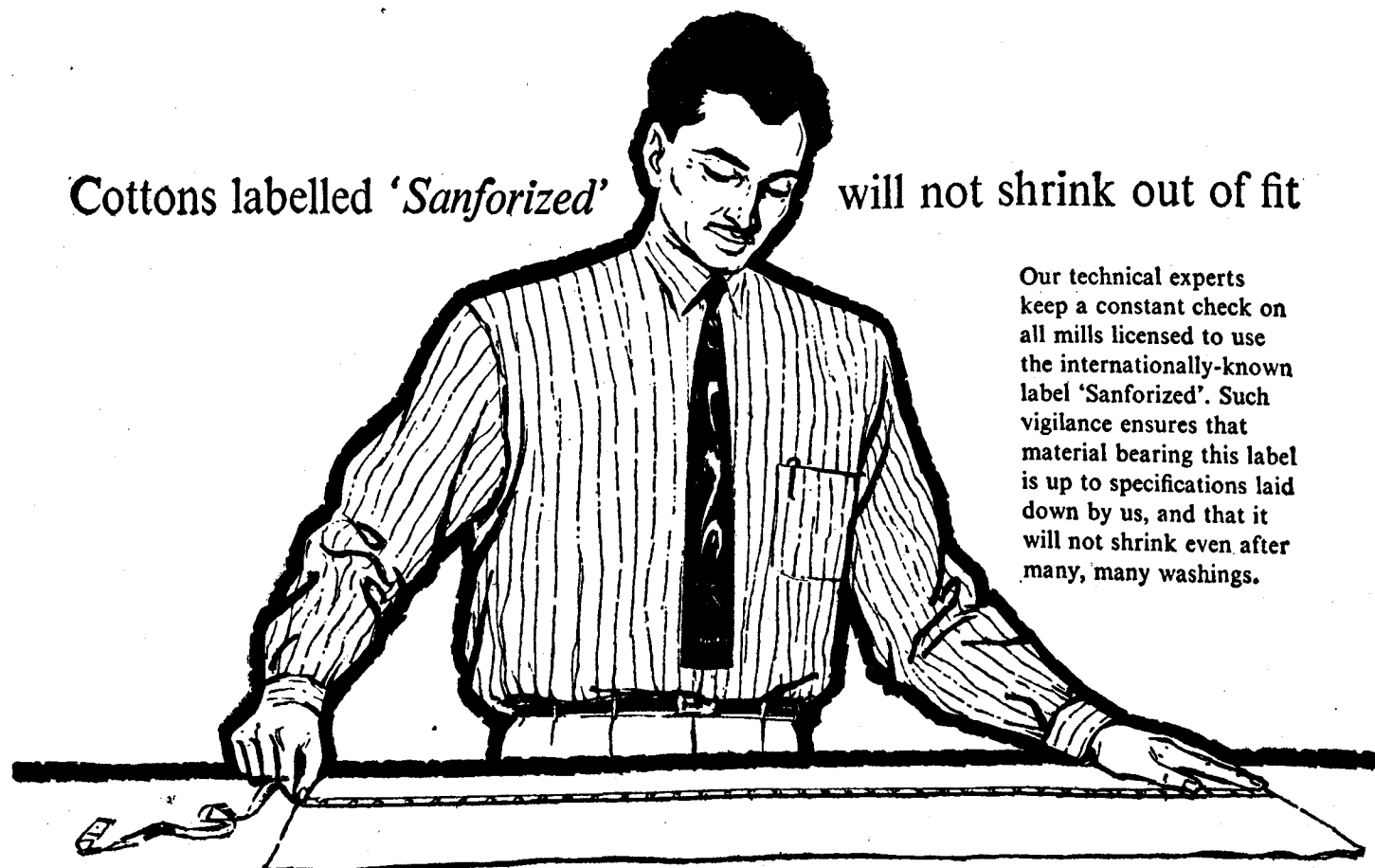
cific items may be mentioned. We have introduced, subject to certain conditions, a concessional rate of interest in the form of a rebate of 4 per cent on advances utilised for financing exports. We have made use of the scope offered by a recent amendment of the State Bank of India Act to make available medium term export credit in suitable cases. Lastly, in collaboration with Government and within the framework of existing import policy, we have initiated a small and purely experimental scheme whereby, against the Bank's guarantee, a company may get a loan in a foreign currency for importing raw material on the understanding that repayment will be made out of the proceeds of the export of the finished product.

The Bank's normal or traditional business, as reflected in its advances and deposits, continues to expand. Since the close of 1962, advances have further risen and now stand at Rs. 293.4 crores (on February 22, 1963). With the increased demand for credit especially from industry, the problem of raising resources has become all the more important. This of course, is a problem for all banks and for the country as a whole. We on our part have been taking several steps to increase our deposits. We have now a programme of opening new branches, not only in the rural and semi-urban centres already selected or added to our list from time to time, but also in the metropolitan areas, cities and bigger towns, which in recent years have developed so rapidly. We are endeavouring at the same time to improve the facilities and services we offer to our customers, whether these be borrowers or depositors, large account holders or small ones. One such facility is the Credit Transfer System. As you are aware, this was introduced last year; and advantage is being taken of it by an increasing number of our customers. We have introduced certain new facilities for savings bank depositors. The minimum balance on cheque-accounts has been reduced from Rs. 200 to Rs. 100. The maximum amount that can be deposited by a savings bank depositor in a year as also the maximum balance at any given time have been substantially raised. Withdrawal facilities have been increased from once a week to twice a week.

Pilot Deposits Scheme

We have been working a Pilot Deposits Scheme in a few selected branches in each of our Circles. Under this scheme, we endeavour to establish

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LOAD?	The special spring-steel fittings quickly secure the tubes—with a 3/4" spanner as the only tool needed. The greater the load the firmer the grip of the fittings, since they are designed on the 'shackle grip' principle. All fittings are made from special quality spring steel, by Guest, Keen, Williams, Ltd. and the tubes are manufactured by The Indian Tube Company (1953) Limited.

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closer contacts with our customers, present as well as prospective, and also seek, as far as possible, to tailor our services to their needs. The deposits we aim at getting are mainly those outside the banking system. We are still in the process of learning from the experiment, for it is only six months old, but the results in some of the pilot centres have been encouraging. In one particular town, for example, a few months' effort led to the opening of more than 500 savings bank accounts by relatively small depositors.

You will be glad to note that our deposits increased by Rs. 41.4 crores to Rs. 496.4 crores in 1962. This was after allowing for a transfer of Rs. 20 crores of U.S.P.L. 480 Funds to the Reserve Bank. The transfer was in pursuance of an arrangement whereby an amount of Rs. 10 crores per month for five months is to be credited to the Reserve Bank, beginning from November, 1962. Our deposits now stand at Rs. 487.1 crores (on February 22, 1963).

I turn next to the developmental activities of the Bank. As mentioned in the Annual Report, we opened 25 new branches during 1962 under the Second Expansion Programme, bringing the total number of these branches to 50 during the first 2½ years of the Programme and leaving 95 branches yet to be opened. As you are aware, the pace of branch expansion has, in pursuance of the recommendations of the Committee which went into this question, been deliberately slowed

down in order that various arrangements concerning recruitment and training might be completed and the results of the previous expansion consolidated. We have at present before us a proposal to open a large number of branches at centres not hitherto on our list but where Treasuries and Sub-Treasuries are located. We are examining the proposal in consultation with the Reserve Bank of India. I may mention here that, of the 416 branches opened during the period 1955-60, a large number is now working at a profit.

I pass on to small industries and co-operatives which represent two important aspects of the Bank's developmental activity. The Bank's Scheme for financing small scale industries has been making further progress. As mentioned in the Report, the number of units assisted, the credit limits sanctioned and the corresponding outstandings have all increased from 2811, Rs. 1,012.9 lakhs and Rs. 507.0 lakhs in 1961 to 3153, Rs. 1,181.8 lakhs and Rs. 597.8 lakhs respectively in 1962. Similarly, in regard to our Scheme for financing co-operatives, the Bank continues to show progress. The total credit limits sanctioned by the Bank to all types of co-operatives and the corresponding outstandings increased from Rs. 24.6 crores and Rs. 6.6 crores on September 30, 1961 to Rs. 33.4 crores and Rs. 8.5 crores respectively on September 30, 1962. Finally, our advances against warehouse receipts,

issued by the Central and State Warehousing Corporations have continued to rise; the credit limits sanctioned by the Bank and the corresponding outstandings have risen from Rs. 445.5 lakhs and Rs. 153.4 lakhs to Rs. 503.9 lakhs and Rs. 180.1 lakhs respectively.

Progress of Subsidiaries

I am glad to be able to tell you that all our Subsidiaries have recorded further progress in their commercial banking business as well as in the developmental sphere. There was an increase in their total deposits, advances and investments. Their aggregate net profits, however, have declined to some extent, mainly because of the additional cost pertaining to three items: the Desai Award, the revision of pay scales of officers, and the payment of deposit insurance premia. The State Bank of Bikaner, the State Bank of Hyderabad, the State Bank of Indore, the State Bank of Mysore and the State Bank of Travancore have, nevertheless, all declared the same dividend as in the previous year. I should add that, as from 1st January, 1963, the State Bank of Bikaner has been re-named the 'State Bank of Bikaner and Jaipur', having taken over the assets and liabilities of the State Bank of Jaipur under Section 38 of the State Bank of India (Subsidiary Banks) Act. The State Bank of Patiala and the State Bank of Saurashtra did not find it possible to declare any dividend.

We have nearly doubled the capacity of our Staff Training College at Hyderabad and, to a limited extent, made the facilities available to our Subsidiaries as well. As mentioned in the Directors' Report, there are Staff Training Schools and Zonal Training Centres in each Circle for the training of clerks and cashiers, including those newly recruited. We are expanding these arrangements. It is on the standards of our recruitment and training that the quality of our customer service will ultimately depend. It also depends on a contented staff and good staff relations. I welcome from that point of view the cessation of uncertainty as to the service conditions of clerks and other workmen staff consequent on the publication of the Desai Award to which I have already made a brief reference. The Tribunal has authoritatively fixed the terms in regard to almost all the important conditions of service of workmen staff, such as scales of pay, dearness and other allowances, hours of work, overtime, leave privileges, medical benefits, travelling and halting allowances, retirement age and so on. The way is therefore clear for what I sincerely believe can be an enduring and harmonious relationship between staff and management; a relationship that will be of benefit to the staff, to the Bank, to the Bank's customers, and indeed to the community generally. The subject is one we propose to keep under constant review for the purpose of taking suitable steps in consultation, where necessary, with the relevant organizations of the employees. Meanwhile, I should like to compliment all categories of the staff on the good work they have put in during the year and thank them for the devotion they have shown to the interests of the institution.

Bank Nationalisation in Burma

Before I conclude, I should like to make a passing reference to a very recent development, namely, the nationalization of banks in Burma. The order issued by the Burmese Government on the 23rd of February covered 24 banks, of which 10 were Burmese and 14 foreign. Included in the latter category was our branch at Rangoon. Our business there has not been large—it has dwindled in recent years, more especially after the establishment of the State Commercial Bank of Burma in 1954—but of course that in no way alters the fact that the nationalization came upon us as a complete surprise. The Union Finance Minister has already made a statement on this subject in the Lok Sabha. I have little to add to the particulars he has given. I am sure all of us share with him the hope that the Burmese Government will take a fair and reasonable view regarding valuation of assets, payment of compensation and other related matters and settle all dues promptly to the satisfaction of those affected.

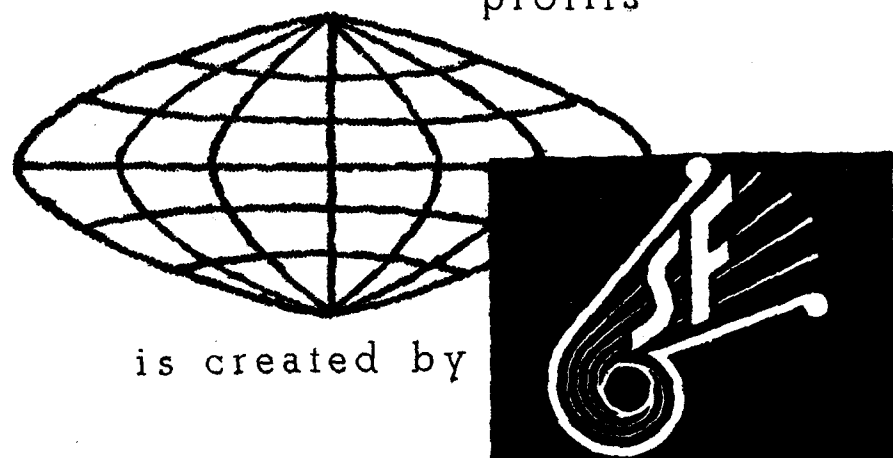
Lastly, may I on behalf of the Board of Directors, including myself, place on record our high sense of appreciation of the valuable services rendered to the Bank by Shri P. C. Bhattacharyya who relinquished his office as Chairman on February 28, 1962. We are grateful to him for the progress made by the Bank during his stewardship. We are also grateful to Professor D. G. Karve for the guidance available from him on more than one Committee; we record our high appreciation of the valuable services he rendered to the Bank as Vice-Chairman and are glad that he remains associated with the Board as a Director nominated by the Reserve Bank. I would also place on record our high appreciation of the services rendered to the Bank by those who during the year ceased to be Directors of the Central Board or Members of the Local Boards.

Note: This does not purport to be a record of the proceedings of the annual General Meeting.

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In your mill, the quality of the products is dependent on climatic conditions. SF Humidifiers create the right "textile climate" not only for improving the quality of products but also for increasing the efficiency of workers.

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THE ENGLISH ELECTRIC COMPANY OF INDIA LIMITED

(Incorporated on 13th March, 1957)

Registered Office: D-3 G'llander House, 8, Netaji Subhas Road, Calcutta.

EXISTING AND PROPOSED ACTIVITIES

The Company was incorporated on the 13th March, 1957 with the objects stated in its Memorandum of Association and in particular to deal in all kinds of property and to carry on the business of electrical, mechanical, hydraulic and general engineers and contractors, manufacturers of and dealers in electric magnetic and galvanic apparatus, machinery and appliances, manufacturers and suppliers of all kinds of light, heat, sound, power and any articles or things being used in connection therewith.

The Company was converted into a public company on 21st February, 1963.

The Company is the wholly owned subsidiary of The English Electric Co. Ltd. of "English Electric House", Strand, London W.C. 2, United Kingdom. The Company's Works are located at Pallavaram (near Madras) and the Company presently undertakes the manufacture of overhead busbar chamber equipment, combination fuse switch units, distribution fuse boards, distribution pillars, high rupturing capacity cartridge fuse links switchgear components and relays (Relays are specialised electrical protection equipment for power generation and distribution systems).

The Company has been working to a phased programme of expansion of manufacture which it is hoped to complete by 1964. This programme included an expansion of existing facilities and the introduction of certain new products for which the Company has obtained the necessary industrial licences from the Government. The production of Relays commenced in 1962.

The Works extension for the manufacture of Control Panels has been completed and production is expected to commence in 1963.

SHARE CAPITAL

Authorised		
10,00,000 Equity Shares of Rs. 10/- each	Rs.	1,00,00,000
10,00,000 Unclassified Shares of Rs. 10/- each	Rs.	1,00,00,000
	Rs.	2,00,00,000

Issued Subscribed and fully paid up		
4,00,000 Equity Shares of Rs. 10/- each	Rs.	40,00,000

Present Issue		
6,00,000 Equity Shares of Rs. 10/- each	Rs.	60,00,000

Out of the present issue

(1) The English Electric Co. Ltd. of London, United Kingdom has agreed to take up 3,50,000 Equity Shares of Rs. 10/- each at par and the Company has agreed to allot such Shares credited as fully paid up in consideration partly for plant and machinery supplied and/or to be supplied by that Company, the balance to be paid for in cash	Rs.	35,00,000
(2) NOW OFFERED AT PAR FOR PUBLIC SUBSCRIPTION		
2,50,000 Equity Shares of Rs. 10/- each	Rs.	25,00,000
	Rs.	60,00,000

DATES OF OPENING AND CLOSING OF THE SUBSCRIPTION LIST
The Subscription list will open at the commencement of banking hours on 25th March, 1963 and will close at the close of banking hours on 28th March, 1963 or later at the discretion of the Directors.

Names and Addresses of Directors	Description and Occupation
Alan Barraclough, English Electric House, Strand, London W.C.2, England.	Deputy General Export Manager, The English Electric Co. Ltd.
Norman Pirie Dingwall, 35, Golf Links, New Delhi.	Chairman and Managing Director, Director of: Malcha Properties Ltd., English Electric Export & Trading Co. Ltd.
Robert Bruce, 27/4, Chamer's Road, Madras.	General Manager, Madras Works.
Kizhakkepal Ramunni Menon, I.C.S. (Retd.), Sukeshini, 5, Tank Bund Road, Nungambakkam, Madras.	Director of: Reserve Bank of India (Central Board), Parry's Confectionery Ltd., Mettur Industries Ltd. & others.
Henry Joshua Silverston, 4, Lord Sinha Road, Calcutta.	Solicitor, Partner, Messrs. Orr, Dignam & Co., Solicitors, Calcutta.
Badri Prasad Poddar, 36, Chowringhee Road, Calcutta.	Director of: Remington Rand of India Ltd., Lodna Colliery Co. (1920) Ltd., Rallis India Ltd., Blackwood Hodge (India) Private Ltd. & others. Member, West Bengal Legislative Assembly. Director of: The Calcutta Tramways Co. Ltd., Shaw Wallace & Co. Ltd., National-Standard Duncan Ltd., Sree Gopal Paper Mills Ltd. & others.

REGISTRARS & SHARE TRANSFER AGENTS
Jardine Henderson Ltd.,
4, Clive Row, Calcutta-1.

SOLICITORS

Orr, Dignam & Co.,
29, Netaji Subhas Road, Calcutta-1.

AUDITORS

Price, Waterhouse, Peat & Co.,
B4, G'llander House,
Netaji Subhas Road, Calcutta-1.

UNDERWRITING

The issue of shares to the public has not been underwritten in India but The English Electric Co. Ltd. of London, United Kingdom, as the parent Company, has agreed to take up any shares which are not subscribed for by the public on the terms and conditions specified by the Controller of Capital Issues in this regard.

APPLICATIONS

Application for shares must be for a minimum of 25 shares or multiples of 25 shares and is payable in full on application.

From whom application forms, etc. can be obtained

Application forms along with copies of the Prospectus can be had from the Bankers and Brokers whose names and addresses are given below.

BANKERS

	National & Grindlays Bank Limited
CALCUTTA	: Lloyds Branch, 29, Netaji Subhas Road.
BOMBAY	: Lloyds Branch, Dr. Dadabhai Naorji Road.
MADRAS	: Lloyds Branch, 378, Netaji Subhas Chandra Bose Road.
DELHI	: Lloyds Branch, Chandni Chowk.
NEW DELHI	: Lloyds Branch, 10, Parliament Street.
HYDERABAD	: P.O. Box 117, 5-9-235, Mahatma Gandhi Road (Avid Road).
KANPUR	: 16/54, Mahatma Gandhi Road.
AMRITSAR	: Lloyds Branch, Katra Ahluwalia, Post Box 19.

The Bank of India Limited

CALCUTTA	: 23-B, Netaji Subhas Road.
BOMBAY	: 70-80, Mahatma Gandhi Road.
MADRAS	: 10, Armenian Street.
NEW DELHI	: 54, Janpath.
AHMEDABAD	: Bhadra.
INDORE	: Pungalia Bhavan, Santha Bazar.
HYDERABAD	: B-4-329, Sultan Bazar.
BANGALORE	: 10, Kempegowda.
NAGPUR	: Kingsway.
SURAT	: Kani Pith.
KANPUR	: Thapar House, Kasturba Gandhi Marg.
AMRITSAR	: Hall Bazar.

MANAGING BROKERS

Place, Siddons & Gough (Private) Ltd.,
6, Lyons Range, Calcutta-1.

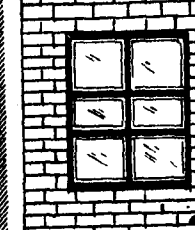
BROKERS

	MADRAS	NEW DELHI
BOMBAY		Harbans Singh Mehta & Co.
Lewis & Jones, Bank of Baroda Building, Apollo Street, Fort, Bombay-1.	Paterson & Co., Badsha Building, 22, Errabalu Chetty St., Post Box No. 48, Madra-1	33, Regal Buildings, Parliament Street, P.O. Box 300, New Delhi.
Balivala & Karani, Union Bank Buildings, Dalal Street, Fort, Bombay-1.	Chitra & Co., 16, Bombay Mutual Building Annex, 322/323, Linghi Chetty Street, Post Box No. 1357, Madras.	Raj Paul Chadha & Co., Delite Cinema Building, Ajmeri Gate Extension Area, Asaf Ali Road, New Delhi.
Harkisondass Lakhmi- dass, Stock Exchange Building, Apollo Street, Fort, Bombay-1.	CALCUTTA: G. M. Pyne, Allahabad Bank Buildings, 14, India Exchange Place, Calcutta-1.	



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SOUTHERN BANK LTD.

(SCHEDULED BANK)

Head Office

24, NETAJI SUBHAS ROAD, CALCUTTA.

Phone: 22-5988, 22-5989.

BRANCHES: BURRABAZAR, SHYAMBAZAR,

SHOWANIPUR, BASIRHAT & KHULNA.

LOAN GRANTED ON APPROVED

SECURITIES

All Sorts of Banking Business Transacted

SJ. N. BANERJEE, M.A.,

General Manager.

THE BANK OF INDIA LIMITED—cont'd.

Statement giving an analysis of sub-head (vi) of Advances being—Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members, referred to on page 14 of the Directors' Report.

Debts due by:—

	Rs.	nP.	Rs.	nP.	Rs.	nP.
I. Public Companies						
In which the Directors of the Banking Company are interested						
(a) As Directors only (holding no shares)	...	...	...	...	2,04,36,632	62
(b) As Directors and Members						
(i) Holding not more than 2 per cent. of the Paid-up Share Capital	9,00,44,647	91				
(ii) Holding more than 2 per cent. of the Paid-up Share Capital	14,81,20,083	87				
(c) (i) As Managing Agents personally	...	...	NH		23,81,04,703	78
(ii) As Partners in Managing Agency Firm	...	...	1,94,10,965	68		
(iii) As Director/Member of Managing Agents	...	...	12,59,81,127	70		
This is included in Item I(b) (i) and (ii)	...	...	14,53,92,093	36		
II. Private Companies						
In which the Directors of the Banking Company are interested						
(a) As Directors only (holding no shares)	...	...	...	...	71,032	59
(b) As Directors and Members						
(i) Holding not more than 2 per cent. of the Paid-up Share Capital	38,01,761	96				
(ii) Holding more than 2 per cent. of the Paid-up Share Capital	4,09,50,640	95			5,28,12,402	91
(c) As Members only						
(i) Holding not more than 2 per cent. of the Paid-up Share Capital	NH					
(ii) Holding more than 2 per cent. of the Paid-up Share Capital	NH					
(d) (i) As Managing Agents personally	...	...	NH			
(ii) As Partners in Managing Agency Firm	...	...	NH			
(iii) As Director/Member of Managing Agents	...	...	32,53,529	72		
This is included in Item II (b) (i) and (ii)	...	...	32,53,529	72		
III. Firms						
In which the Directors of the Banking Company are interested as Partners					1,86,455	68
					31,16,71,285	78
					Total Rupees	

A. D. SHROFF, Chairman.
KRISHNARAJ M. D. THACKERSEY, Vice-Chairman.
JUGMOHAN PRASAD GOENKA, General Manager.
JAININH VITHALDAS, Acting Chief Accountant.
K. R. KEDARI, Acting Chief Accountant.
A. F. FERGUSON & CO., Chartered Accountants.
S. B. BILLIMORIA & CO., Chartered Accountants.
 Bombay, 7th February, 1963.

AUDITORS' REPORT TO THE MEMBERS

- We have audited the foregoing Balance-Sheet of The Bank of India Ltd. as at 31st December 1962, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated the audited returns from all the Branches, of which 46 Branches have been audited between us and 33 Branches by other Auditors.
- We report that:—
 - we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit and have found them to be satisfactory;
 - the transactions of the Bank which have come to our notice have been within the powers of the Bank;
 - in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from all the Branches of the Bank;
 - the reports on the accounts of Branches audited by other Auditors have been forwarded to us and the same have been considered in preparing this report;
 - the Bank's Balance-Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the audited returns;
 - in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance-Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December 1962, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

A. F. FERGUSON & CO.,
Chartered Accountants.
S. B. BILLIMORIA & CO.,
Chartered Accountants.
 Bombay, 7th February, 1963.

Statement Pursuant to Section 212 of the Companies Act, 1956

The Profit and Loss Account of The Bank of India Ltd. for the year ended 31st December, 1962 does not include any profit or loss of its subsidiary, The Bank of India (U.K.) Nominees Ltd., as a nominee company incorporated and operating in the United Kingdom, as no profit was made and no loss was sustained by that subsidiary. All expenses incurred were borne and paid by The Bank of India Ltd. The shares of the subsidiary are wholly owned by the Bank.

Having regard to the fact that no Profit and Loss Account of the said subsidiary is prepared in the circumstances aforesaid and that its Balance-Sheet and the Reports of its Board of Directors are drawn up in accordance with the law in force in the United Kingdom, an application was made to the Central Government under sub-section (8) of Section 212 of the Companies Act, 1956, and, in exercise of the powers conferred by the said sub-section (8) of Section 212 of the Companies Act, 1956, the Central Government, being satisfied that it is necessary so to do, have directed that, in relation to The Bank of India (U.K.) Nominees Ltd., a subsidiary of the Bank, the provisions of Section 212 of the said Act shall apply only to the extent that The Bank of India Ltd. shall be required to attach to its Balance-Sheets copies of the Balance-Sheets and of the Reports of the Board of Directors and of the Auditors of the said subsidiary made out in accordance with the provisions of the English Companies Act for the time being in force in the United Kingdom and that The Bank of India Ltd. is exempted from attaching to its Balance-Sheets a copy of the Profit and Loss Account of the said subsidiary.

A. D. SHROFF, Chairman.
KRISHNARAJ M. D. THACKERSEY, Vice-Chairman.
JUGMOHAN PRASAD GOENKA, General Manager.
JAININH VITHALDAS, Acting Chief Accountant.
K. R. KEDARI, Acting Chief Accountant.
A. F. FERGUSON & CO., Chartered Accountants.
S. B. BILLIMORIA & CO., Chartered Accountants.
 Bombay, 7th February, 1963.

THE BANK OF INDIA (U.K.) NOMINEES LIMITED

Directors' Report for the year ended 31st December, 1962

The Directors submit the Balance-Sheet for the year ended 31st December, 1962. The Auditors' Report is also annexed.

No Profit and Loss Account is submitted as none has been prepared. No profit was made and no loss was sustained. The expenses of the Company have been paid by The Bank of India Ltd., of which the Company is a wholly-owned subsidiary.

London, 1st January, 1963.

S. C. KOTHARI,
S. H. BRADFORD, Directors.

REPORT OF THE AUDITORS

We have obtained all the information and explanations which we have required and which to the best of our knowledge and belief were necessary for the purpose of our audit. In our opinion proper books of account have been kept by the Company. We have examined the above Balance-Sheet which is in agreement with the books of account. In our opinion the Balance-Sheet gives the information required by the Companies Act, 1948, in the manner so required and is properly drawn up so as to exhibit a true, correct and fair view of the state of the Company's affairs at 31st December, 1962, according to the best of our information and the explanations given to us and as shown by the books of the Company.

No Profit and Loss Account has been prepared as the Company has no income and the expenses are paid by the Holding Company.
 London, 1st January, 1963.

FERGUSON, ROWLAND & DAVIES,
Chartered Accountants, Auditors.

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Stocks and Shares

SENTIMENT IMPROVES ON HOPES OF TAX CHANGES

Wednesday Evening.

THE Calcutta stock market has become somewhat steadier towards the close of the week. Earlier, for a few days, no business was reported. Operators and investors were panicky because of the stiff taxes imposed by the Budget. Although selling pressure was restrained by enforcing minimum prices and compulsory carry-over at fixed badla charges, holders were nervous. Later, sentiment has improved and nervousness has lessened. Share prices have risen slightly, because of short-covering and bargain-hunting. Attention has, nevertheless, been concentrated on clearing shares. The turnover in cash scrip continues to be poor.

The improvement has stemmed from hopes that some of the tax proposals may be modified. The stock exchanges have written to the Central Finance Ministry about the damaging effects of the tax proposals. The super profits tax, in particular, has worried investors most. Operators have debated whether the total company tax (including income tax and super tax) to be deducted will be 50 percent or 80 percent for arriving at the residual profit on which super profits tax is to be levied. Nevertheless, it is generally agreed that the impact of this levy on companies will be crippling. Unless the tax is substantially modified, the outlook for dividends and retained profits will be very discouraging. If the exempted profit is kept at 6 percent of capital and reserves, the flow of foreign capital will be interrupted since other countries offer more attractive returns. In the circumstances, the stock market believes that the Finance Minister will appreciate the arguments against this tax and modify it suitably. But nobody knows how it will be modified. Whether the exempted profit level will be increased to more than 6 percent of capital and reserves, or the rate of the tax will be cut, is anybody's guess.

The meeting of the stock exchange presidents, due to be held in Hyderabad next Friday, is awaited with great interest. It is hoped that all the stock exchanges together will tell the Finance Ministry that the investment climate will suffer unless the tax proposals are modified. The meeting is also expected to decide about the proposal to enforce uniform conditions for new issues. Application forms for new shares will be standardised; reasonable time may also be given before closing a new share offer.

Indian Iron have been quoted above the minimum price. Among engineering shares, Texmaco have gained on influential support. Guest, Keen, Williams have met with demand. Burrakur have been taken in the coal section. In the jute section, Birla have been bought. Titaghur Jute has declared a taxable final ordinary dividend of 10 percent, making 13 percent for the year. Samnuggur Jute and Victoria Jute have decided to pay taxable final ordinary dividends of 7 percent, making 10 percent for the year. In the miscellaneous section, prominent features have been Indian Aluminium, Indian Copper, Hindustan Motors, Kesoram Industries, Dunlop Rubber and Jaipur Udyog. Despite the removal of the export duty, tea shares have been neglected because the super profits tax will hit these companies hard.

Government securities have been dull. Except for official support, especially in short-dated loans, there have been very few buyers. Prices of State Government loans continue to be depressed on a predominance of sellers.

Tata Steel Output

Messrs Tata Industries Private Ltd, managing agents for the Tata Iron and Steel Company Ltd, report that the approximate production of iron and steel at the steel works in Jamshedpur during February 1963 was: iron 136,000 metric tons; steel ingots 143,500 tons and saleable steel 113,100 tons.

Bombay

PRICES IMPROVE IN DALAL STREET SUPPORT CONFINED TO SELECTED SCRIP

THE Bombay stock market has started the new account in a steadier fashion after the post-Budget collapse. There has been an all-get improvement in share prices round improvement in share prices due to short-covering and replacement buying. The earlier panic has been confined to selected shares which have been quoted above their minimum prices. Turnover in cash shares has been rather small.

Dalal Street has become cheerful on hopes that the super profits tax may be modified. Strong representations have been made from various quarters pointing to the damaging effects which may flow from this impost. Unless the tax is substantially modified, industrial development will suffer greatly. Companies will find it difficult to finance modernisation and expansion out of their own resources, because the super profits tax will mop up a substantial portion of their profits. Since the dividend outlook has become very unfavourable, it will be extremely difficult to attract funds from outside.

Among shares which have been supported are Tata Steel at Rs. 118.50, Tata Locomotive at Rs. 287, Hindustan Motors at Rs. 16.96, Bombay Dyeing at Rs. 63.50, Kohinoor at Rs. 284, Voltas at Rs. 263, Bombay Burma at Rs. 638 and Scindia Steam at Rs. 11.24. Bank shares have lacked interest because banks have been finding it difficult to finance the legitimate requirements of the economy on account of the shortage of funds. Among insurance shares, New India have been steady on prospects of a bonus issue.

Madras

MINIMUM PRICES FIXED FOR ALL SHARES

SENTIMENT IMPROVES SLIGHTLY

Tuesday Evening.

THE Madras stock market authorities have fixed minimum prices for all shares. Although sentiment

has improved somewhat on hopes of modification of the Budget proposals, the turnover has been limited. Scattered business has been done in selected shares. Support from outside interests has been negligible. The growing shortage of funds, combined with more expensive credit, has virtually dried up fresh support. The absence of fresh imposts on planting companies in the State Government's Budget for 1963-64 has helped to maintain the prices of good tea shares.

Government securities have been quiet and prices of State Government loans have fallen in the absence of buyers. Bank shares have evoked no interest. Scattered business has been reported in South Madras Electric at Rs. 10.05. In the planting section, Coorg have met with support at Rs. 4.15, Teekoy at Rs. 5.10 and Periakaramalai at Rs. 3.05. Thirumbadi has paid a taxable ordinary dividend of 10 percent and Mysore Coffee a taxable ordinary dividend of 15 percent. United Nilgiri has declared an interim taxable ordinary dividend of 7.5 percent. Kil Kotagiri has paid a final taxable ordinary dividend of 17 percent, making 25 percent for the year. Mysore Coffee Curing Works has issued 20,000 ordinary shares of Rs. 10 each at a premium of Re. 1 a share to the existing shareholders in the proportion of one share for every four shares held.

Among textile shares, South India Viscose have recovered to Rs. 140 and Travancore Rayon to Rs. 29.75. Rayalseema has paid a taxable ordi-

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Chairman

Dr. N. N. LAW, M.A. Ph.D.

Managing Director

Mr. P. N. TALUKDAR, M.A. (Cantab.)

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JAL Hostess Biwako Nakamura

JALCJA

nary dividend of 15 percent and Coimbatore Cotton a taxable ordinary dividend of 9 percent. Shri Akkamamba Textile proposes to issue 48,242 ordinary shares of Rs. 10 each for public subscription at par. At first, these shares were offered to the existing shareholders but they had not taken them. Business has been subdued in the miscellaneous section. Scattered business has been done in Aluminium Industries at Rs. 20.37, in Mettur Chemical at Rs. 12.87 and in Seshasayee Paper at Rs. 7.40. Andhra Scientific proposes to issue 50,000 redeemable cumulative preference shares of Rs. 10 each at par, to the existing shareholders in the proportion of one new share for every two shares held. These shares carry a fixed dividend of 9.23 percent. Mysore Cement has issued 650,000 rights ordinary shares of Rs. 100 each at par. Parry's Confectionery has declared an interim taxable ordinary dividend of 8 percent.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs. 25/62—26/62—25/50—26/62—(35/31).
Burra Kur Coal—Rs. 15/00—15/06—15/00—15/06—(17/62).
Guest, Keen, Williams—Rs. 30/00—30/75—30/00—30/37—(45/00).
Hindustan Motors—Rs. 15/90—16/28—15/87—16/28—(20/56).
Indian Copper—Rs. 4/10—4/26—4/10—4/26—(5/08).
Indian Aluminium—Rs. 30/00—30/81—30/00—30/00—(38/94).
Do (Right)—Rs. 12/75—12/75—12/75—12/75.

Indian Iron & Steel—Rs. 19/70—20/10—19/74—20/10—(24/54).
J. K. Cotton Spg. & Wvg.—Rs. 12/87—12/87—12/87—12/87—(23/50).
Jaipur Udyog—Rs. 10/69—10/75—10/56—10/62—(13/81).
Kesoram Industries—Rs. 19/37—19/81—19/37—19/75—(33/75).
Orient Paper—Rs. 31/50—32/50—31/50—32/50—(41/85).
Orissa Cement—Rs. 14/75—15/00—14/75—14/94—(19/37).
Rohtas Industries—Rs. 10/75—10/81—10/75—10/75—(17/00).
Textile Machinery—Rs. 19/37—20/60—19/37—20/60—(21/35).

GOVERNMENT SECURITIES

3 % Loan (1970-75)—Rs. 85/55—85/68—85/55—85/68.
3½ % " (1968)—Rs. 97/90—97/90—97/90—97/90.
3½ % " (1964)—Rs. 99/20—99/20—99/20—99/20.
4 % " (1980)—Rs. 98/21—98/21—98/21—98/21.
4 % U.P. (1963)—Rs. 99/75—99/75—99/75—99/75.
4½ % Orissa (1974)—Rs. 96/20—96/20—96/10—96/10.

COTTON

Jay Shree—Rs. 14/12—14/12—14/12—14/12—(17/31).

BANKS

Punjab National—Rs. 18/00—18/31—18/00—18/19.
United Bank of India (Rs. 10 paid)—Rs. 7/12 s.t.—7/25—7/12—7/12 c.d.—(7/00).

COALS

Bengal—Rs. 282/00—282/00—282/00—282/00—(346/00).
Dhemo Main—Rs. 5/75—5/75—5/75—5/75—(6/50).
Ghusick & Muslia—Rs. 14/25—14/25—14/25—14/25—(14/00).
South Karanpura—Rs. 8/25—8/25—8/25—8/25—(7/19).

JUTES

Agarpara—Rs. 9/75—9/75—9/75—9/75—(11/25).
Bengal (Pref.)—Rs. 60/00—60/00—60/00—60/00—(53/00).

Da'houseie—Rs. 150/00—152/00—150/00—152/00—(153/00).
Ganges—Rs. 12/50—12/56—12/37—12/56—(14/00).
Gondalpara—Rs. 17/00—17/00—17/00—17/00—(43/00).
Hukumchand—Rs. 19/00—19/00—19/00—19/00—(20/37).
India—Rs. 18/00—18/00—17/56—17/75.
Nellimarla—Rs. 11/25—11/25—11/25—11/25—(12/12).
New Central—Rs. 12/50—12/87—12/50—12/87.
Presidency—Rs. 5/12—5/12—5/12—5/12—(5/31).
Rameshwara (Pref.)—Rs. 9/87—9/94—9/87—9/94—(8/06).
Reliance—Rs. 6/31—6/31—6/31—6/31—(6/81).

CHEMICAL

Alkali & Chemical—Rs. 30/00—30/00—30/00—30/00—(46/50).

MININGS

Karanpura Dev.—Rs. 10/44—10/56—10/44—10/56.
Metal Corpn.—Rs. 8/00—8/00—8/00—8/00—(12/44).

CEMENTS

Dalmia (Bharat)—Rs. 13/19—13/19—13/00—13/00—(13/37).
Do. (Pref.)—Rs. 8/62—8/62—8/62—8/62—(8/12).
Sone Valley—Rs. 4/19—4/31—4/19—4/31—(5/00).

ELECTRICS

Bareilly—Rs. 14/25—14/31—14/25—14/31—(11/75).
Bhagalpore—Rs. 6/00—6/00—6/00—6/00—(6/03).
Calcutta—Rs. 14/34—14/34—14/25—14/25—(14/94).
Do. (Pref.)—Rs. 8/00—8/00—8/00—8/00—(8/68).
Jubbulpore—Rs. 11/25—11/25—11/25—11/25—(11/00).
Patna—Rs. 10/48—10/48—10/48—10/48.

ENGINEERINGS

Britannia Eng.—Rs. 9/56—10/00—9/56—10/00—(12/19).
Bharat Ball Bearing—Rs. 13/94—13/94—13/94—13/94.

CAPITAL, 14th March, 1963

Burn & Co.—Rs. 495/00—495/00—495/00—495/00.
Indian St. Wagon—Rs. 30/37—30/37—30/37—30/37.
Jessop—Rs. 22/00—22/06—22/00—22/06.
Kumardhubi—Rs. 7/44—7/44—7/44—7/44—(8/31).

INSURANCES

Standard General—Rs. 6/50—6/50—6/50—6/50—(5/44).
New Asiatic—Rs. 8/25—8/31—8/25—8/31.

MISCELLANEOUS

Asiatic Oxygen—Rs. 9/19—9/19—8/87—9/05.
Asian Refractories—Rs. 7/75—7/75—7/75—7/75.
Calcutta Tramways—Rs. 11/00—11/06—11/00—11/06—(11/79).
Clive Row Investment—Rs. 8/19—8/19—8/19—8/19—(8/85).
Hindustan Aluminium—Rs. 13/12—13/25—13/12—13/25—(15/56).
Hindustan Twyford—Rs. 14/25—14/25—14/25—14/25.
J. K. Synthetics—Rs. 10/44—11/12—10/44—11/12—(15/00).
McLeod (1st Pref.)—Rs. 45/00—45/00—45/00—45/00.
Sirsik—Rs. 8/25—8/31—8/25—8/31.
Usha Martin Black—Rs. 12/94—13/06—12/94—13/06—(14/44).

OIL

Indo-Burma Petroleum (Pref.)—Rs. 67/00—67/00—67/00—67/00—(83/00).

SAW MILL

Assam Saws—2/50—2/50—2/50—2/50—(2/50).

PAPERS

Bengal—Rs. 31/25—31/25—31/25—31/25.
Sipur—Rs. 11/12—11/37—11/12—11/19—(15/69).
Titaghar—Rs. 17/31—17/31—17/31—17/31.

SUGARS

Raza Buland—Rs. 9/25—9/37—9/22—9/31—(10/31).

CAPITAL, 14th March, 1963.

Upper Ganges—Rs. 60/00—60/00—60/00—60/00—(67/00).

REAL PROPERTY

Sahu Property—Rs. 2/06—2/06—2/06—2/06.

TEAS

Hasimara—Rs. 12/12—12/12—12/00—12/00.
Huldibari—Rs. 12/31—12/44—12/31—12/44.
East India—Rs. 16/00—16/00—16/00—16/00—(20/00).
New Cinnatollah—Rs. 455/00—455/00—455/00—455/00—(103/00).
New Chumta—Rs. 24/62—24/62—24/62—24/62.
Phaskowa—Rs. 127/00—129/00—127/00—129/00.
Tezpur (Pref.)—Rs. 7/00—7/12—7/00—7/12.

DEBENTURE

5½ % Burmah-Shell—Rs. 87/00—87/00—87/00—87/00.

London

STOCK PRICES FALL BACK

SHARP DECLINE IN GILT-EDGED

London, 13th March.
AFTER making good headway for most of the past week, the stock market took a turn for the worse on the revival of pressure against the pound which was stimulated to some extent by talk of devaluation. Gilt-edged were the chief sufferers and the advance of the previous week was reversed. As is usual when devaluation is talked of, gold shares immediately attracted those wishing to hedge against such an eventuality and the result that prices moved up fairly sharply, even though Wall Street was not always ready to follow. Equities became unsettled, but this was due more to buyers holding off rather than sellers coming in, but there was still some selective buying going on following good company statements. There was, however, a disposition to await the Budget which is just over three weeks away. With Wall Street moving narrowly, Dollar stocks showed no definite trend, but the Dollar premium moved up to well over the 10 percent mark. Apart from the strength of gold shares, mining shares as a whole were quiet. De Beers were wanted in front of their results. Oils were an extremely quiet market, and although over-shadowed by developments in the Middle East, held fairly steady. Shell were in demand in advance of Thursday's dividend announcement. Plantation shares were quiet.

INVESTMENT CONFERENCE IN TEHRAN

The Industrial and Mining Development Bank of Iran (I.M.D.B.I.) convened an investment conference in Tehran from 9th March to 12th March. The conference was inaugurated by the Prime Minister of Iran. It discussed such subjects as investment, banking, capital markets, stock exchanges and project development. Ministers of the Iranian Government and senior officials of the Central Bank as well as the representatives of the International Finance Corporation, Washington, and foreign banks and financial institutions participated in the conference. The Industrial Credit and Investment Corporation of India (I.C.I.C.I.) was represented by its Deputy General Manager, Mr. J. S. Raj, who presented a paper on "experience in stock exchange".

Books

VALUE AND WEALTH

Life's Value in Cash. By Leon Zeitlin. (Published by Oswald Wolff (Publishers) Ltd, 12 Fitzroy Street, London W.1. Review copy received from Rupa and Co., 15 Bankim Chatterjee Street, Calcutta 12. Price 10s 6d, pages 102.)

There has been a long-standing controversy in economics whether it should be a light-bearing or a fruit-bearing subject. The human factor in economic endeavour was not lost sight of even by economists of the old school. Mr. Zeitlin has attempted to prove with figures that the marginal utility of the non-pecuniary value in man's life is his greatest economic asset. He quotes with approval Mr. Robert Garner, president of the International Finance Corporation, who stressed at the Vienna Conference that a country's real wealth does not derive from its

national resources but primarily from the strength of its population exploiting them. There is a meticulous, but lucid, analysis of the scientists', statisticians', politicians', and judges' evaluation of the non-pecuniary values. The author concludes that the economic, social and political structures have elements of non-pecuniary economic values. The book makes interesting reading and is a timely reminder of the fundamental economic wisdom enshrined in Oscar Wilde's aphorism that "people know the price of everything but the value of nothing".

EMERGENCY INSURANCE

Emergency Risks Insurance. By V. N. C. Narichania. (Published by V. N. C. Narichania and Co., Sir Phirozshah Mehta Road, Fort, Bombay 1. Price Rs. 15, pages 130.)

This is a timely publication containing detailed commentaries on the provisions of the Emergency Risks

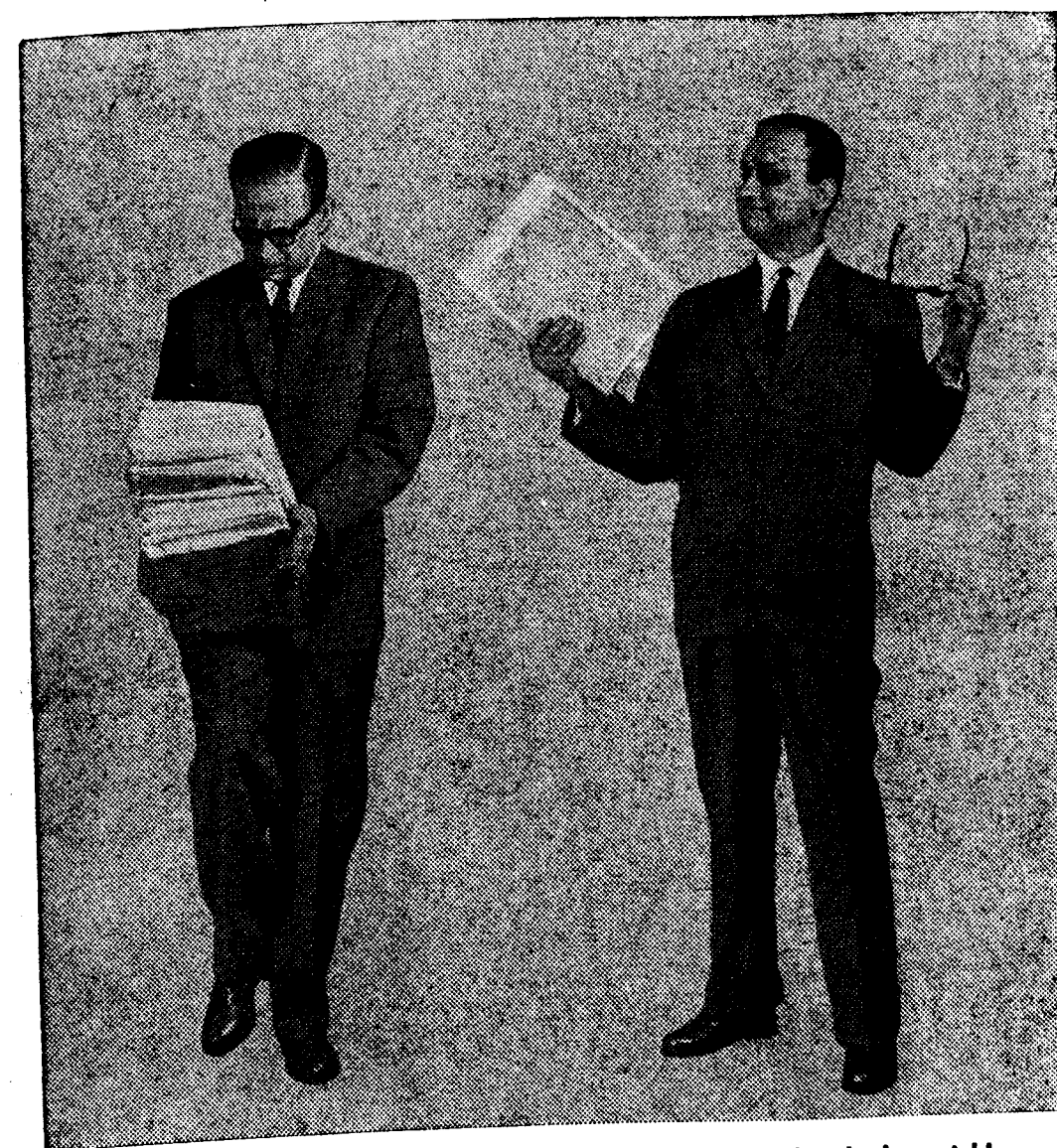
Insurance Acts recently enacted by the Government of India. It contains comments on the Emergency Risks (Goods) Insurance Act, 1962, the Emergency Risks (Factories) Act, 1962, the Emergency Risks (Goods) Insurance Scheme, the Emergency Risks (Factories) Insurance Scheme as well as the notifications and changes relating to these enactments. Similar schemes, it will be recalled, were introduced by the Government of India during the second World War for War Risks (Goods) Insurance and War Risks (Factories) Insurance Schemes. There exists some confusion in the public mind concerning the interpretation of some of the clauses of the Acts. The present publication will help allay this confusion and will serve as a useful guide for all who are interested in and affected by this legislation. The publication contains a number of appendices for the benefit of prospective policyholders. The price for this small book seems to be rather high.

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RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		8-3-63	1-3-63	19-3-62
Liabilities—				
Notes in Banking Dept. ...	...	12,41.84	12,81.94	15,85.26
Notes in Circulation ...	...	22,35,86.17	21,92,50.50	20,78,51.90
Total Notes Issued ...	...	22,48,28.01	22,06,78.44	20,94,37.16
Assets—				
A. Gold Coin and Bullion ...	...	1,17,76.10	1,17,76.10	1,17,76.43
Foreign Securities ...	...	1,00,08.43	95,08.43	1,23,86.07
Total of A ...	...	2,17,84.53	2,12,84.53	2,41,62.10
B. Rupee Coin ...	...	1,14,01.33	1,17,51.76	1,13,55.79
Rupee Securities ...	...	19,16,42.15	18,76,42.15	17,37,19.27
Total ...	...	22,48,28.01	22,06,78.44	20,94,37.16

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up ...	...	5,00.00	5,00.00	5,00.00
Reserve Fund ...	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund ...	...	61,00.00	61,00.00	50,00.00
National Agricultural Credit (Stabilisation) Fund ...	...	7,00.00	7,00.00	6,00.00
Deposits—				
(a) 1. Central Govt. ...	...	1,23,93.30	1,03,94.67	53,20.79
2. State Govts. ...	...	16,43.37	12,85.55	16,43.37
(b) Banks—	...			
(i) Scheduled Banks ...	...	69,74.61	77,57.29	...
(ii) State Co-operative Banks ...	...	2,09.47	1,83.79	...
(iii) Other Banks ...	...	5.11	2.36	...
(c) Others ...	...	1,67,98.63	1,63,39.13	1,51,56.91
Bills Payable ...	...	34,49.08	36,49.92	22,93.63
Other Liabilities ...	...	60,95.53	60,95.90	55,27.95
Total ...	...	6,28,71.90	6,10,09.61	5,10,25.87
Assets—				
Notes ...	...	12,41.84	12,81.94	15,85.26
Rupee Coin ...	...	2.92	3.24	81
Small Coin ...	...	2.17	2.21	2.63
National Agricultural Credit (Long Term Operations) Fund ...	...			
(a) Loans and Advances to—	...			
(i) State Govts. ...	...	23,54.34	23,62.44	...
(ii) State Co-operative Banks ...	...	10,12.56	10,50.28	...
(iii) Central Land Mortgage Banks ...	...	...	...	...
(b) Investment in Central Land Mortgage Bank ...	...	2,84.88	2,84.88	...
National Agricultural Credit (Stabilisation) Fund ...	...			
Loans and Advances to State Co-operative Banks ...	...	...	...	...
(a) Internal ...	...	...	...	...
(b) External ...	...	...	...	...
(c) Govt. treasury Bills ...	...	87,73.63	66,52.31	50,86.87
Balances Held abroad ...	...	12,11.73	13,19.93	7,63.20
Loans and Advances to Govt. ...	...	35,91.95	27,62.54	75,62.97
(i) Scheduled Banks ...	...	83,39.62	57,17.37	1,74,39.65
(ii) State Co-operative Banks ...	...	1,30,67.22	1,32,84.74	...
(iii) Others ...	...	1,53.57	1,53.57	...
Investments ...	...	1,93,84.78	2,26,72.48	1,53,34.67
Other Assets ...	...	34,84.63	34,61.68	32,67.81
Total ...	...	6,28,71.90	6,10,09.61	5,10,25.87

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		1-3-63	22-2-63	2-3-62
(i) Demand Liabilities—				
(a) Demand Deposits ...	...	46,50.88	46,69.19	46,25.04
(1) From Banks ...	...	8,17,35.28	8,22,08.33	7,49,41.47
(2) From others ...	...	18,11.96	18,74.24	17,63.21
(b) Borrowing from Banks ...	...	69,15.89	58,15.48	59,04.66
(c) Others ...	...	...	...	...
(ii) Time Liabilities—				
(a) Time Deposits ...	...	21,16.49	21,09.32	14,51.18
(1) From Banks ...	...	12,09,16.14	12,22,00.68	11,36,28.93
(2) From others ...	...	19,30.90	19,41.26	16,24.70
(b) Borrowing from Banks ...	...	11,99.03	11,85.00	13,55.04
(c) Others ...	...	...	...	...
(iii) Borrowing from State Bank—				
(a) Demand Liabilities ...	...	11,53.36	9,73.92	5,85.71
(b) Time Liabilities ...	...	9,14.00	9,46.57	6,84.00
(iv) Borrowing from Reserve Bank ...	...	56,73.84	38,58.82	40,11.00
(v) Cash ...	...	54,34.78	51,01.64	47,50.39
(vi) Balances with the Reserve Bank ...	...	69,81.74	72,42.11	75,66.35
(vii) Balances with other Banks in current account ...	...	18,70.40	19,13.65	16,10.04
(viii) Money at call and short notice ...	...	35,12.77	36,71.47	36,62.77
(ix) Investments in Central and State Govt. Securities ...	...	6,12,14.83	6,16,59.53	6,99,51.03
(x) (a) Loans, Cash credits and overdrafts ...	...	12,71,00.54	12,72,84.19	11,57,04.09
(b) Due from Banks ...	...	15,79.34	13,13.33	7,96.94
(c) Indian Bills purchased and discounted ...	...	2,13,71.19	2,60,08.69	1,46,75.03
(d) Foreign Bills purchased and discounted ...	...	51,89.74	51,84.22	46,36.24
(xiii) Total of X, XI and XII ...	...	15,52,40.81	15,37,70.44	13,76,85.22

Money

THE CALCUTTA MONEY MARKET

INTERBANK FUNDS STILL SCARCE

Wednesday, 13th March.

THERE has been a moderate increase in the general level of advances in the Calcutta money market during the past week. Most of the increase is in the accommodation given to the sugar mills and to the iron, steel and engineering industries. The credit given to the cotton and jute mills, and to the foodgrains and seeds trade, is almost unchanged. In the interbank market, conditions are still extremely tight. The call rate is quoted at 6½ percent, but this is nominal as there are almost no lenders.

The exchange market has been very dull. The flow of tea and gunny bills has been negligible. The demand for remittance too has been poor. Sterling has weakened considerably because the U.K.'s external reserve figures for February are unfavourable and rumours are circulating that the pound might have to be devalued.

THE CALCUTTA BULLION MARKET TRANSACTED only ready silver in the past week. The price was steady on an increased demand and advanced from the previous week's level of Rs. 276 to Rs. 282.50, quoted today for ready. The London and New York prices were 108½d and 126.2 cents.

DURING THE WEEK ENDED 8TH MARCH, Government of India Treasury bills for Rs. 6,94,00,000 were sold in favour of the Reserve Bank.

TENDERS for Rs. 2 CRORES of 91-DAY Government of India Treasury bills were opened on 12th March. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.405 percent and above were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.370 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 18th March.

IT IS STATED THAT 91-DAY TREASURY bills will be sold from 13th March to 16th March at Rs. 99.426 percent, subject to the conditions previously announced that sales can be stopped at any time without notice, if the Government thinks it necessary. These bills sold from 6th March to the 9th March amounted to Rs. 1,29,75,000.

RISES of Rs. 41.89 CRORES to Rs. 2,235.86 crores in active notes and of Rs. 41.50 crores to Rs. 2,248.28 crores in the total note issue were notable features of the return of the Reserve Bank of India during the week ended 8th March, 1963. The currency expansion was covered by increasing foreign securities by Rs. 5 crores to Rs. 100.08 crores and rupee securities by Rs. 40 crores to Rs. 1,916.42 crores in the paper currency reserve. This was done by corresponding transfers from the Banking Department in which balances held abroad were Rs. 1.08 crores smaller at Rs. 12.12 crores and investments fell by Rs. 33.23 crores to Rs. 193.49 crores. Deposits of the Central Government increased by Rs. 19.98 crores to Rs. 123.93 crores and those of other Governments by Rs. 3.46 crores to Rs. 16.43 crores. Balances of scheduled banks at Rs. 69.75 crores showed a decline of Rs. 7.82 crores. Loans to scheduled

banks rose from Rs. 57.17 crores to Rs. 83.40 crores, of which advances against usance bills were Rs. 58.90 crores (Rs. 38 crores). Ways and means advances stood at Rs. 35.92 crores, against Rs. 27.63 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 1st March, 1963, shows a drop of Rs. 6.25 crores to Rs. 551.05 crores in total deposits. Investments in Government securities and other authorised investments are down by Rs. 4.03 crores and Rs. 2.57 crores to Rs. 222.27 crores and Rs. 7.77 crores, respectively. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have increased by Rs. 3.36 crores to Rs. 312.31 crores. Cash and balances are, in consequence, shown at Rs. 24.27 crores, or Rs. 2.61 crores higher.

THE POSITION OF SCHEDULED BANKS for the week ended 1st March, 1963, shows Demand and Time liabilities at Rs. 942.14 crores (Rs. 18.12 crores on account of borrowings from banks) and Rs. 1,261.63 crores (Rs. 19.31 crores), compared with Rs. 945.67 crores (Rs. 18.74 crores) and Rs. 1,274.16 crores (Rs. 19.41 crores), respectively, in the previous week. Cash has increased by Rs. 3.33 crores to Rs. 54.35 crores, while balances with the Reserve Bank have declined by Rs. 2.60 crores to Rs. 69.82 crores. There is a drop of Rs. 4.45 crores to Rs. 612.15 crores in investments. Advances and bills discounted at Rs. 1,552.41 crores show a rise of Rs. 14.71 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.6 percent and 70.4 percent, against 5.6 percent and 69.2 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 15-3-63.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
15-3-63	18-6-63	2,00.00	Rs. 2.370%
8-3-63	11-6-63	2,00.00	Rs. 2.365%
1-3-63	4-6-63	2,00.00	Rs. 2.365%
22-2-63	25-5-63	2,00.00	Rs. 2.365%
15-2-63	18-5-63	2,00.00	Rs. 2.365%
8-2-63	11-5-63	2,00.00	Rs. 2.360%
1-2-63	4-5-63	2,00.00	Rs. 2.355%
25-1-63	28-4-63	2,00.00	Rs. 2.355%
18-1-63	21-4-63	2,00.00	Rs. 2.355%
4-1-63	7-4-63	2,00.00	Rs. 2.355%
11-1-63	14-4-63	2,00.00	Rs. 2.363%
21-12-62	24-3-63	2,00.00	Rs. 2.355%
14-12-62	17-3-63	2,00.00	Rs. 2.355%
(Monthly Maturities 000's omitted)			
March 1963		4,00.00	
April 1963		8,00.00	
May 1963		8,00.00	
June 1963		6,00.00	
Total		28,00.00	

CLEARING HOUSE RETURNS

Week ended	Calcutta	Bombay
8-3-63		1,55.74
29-2-63		
22-2-63		1,00.17

ONLY MARGINAL CHANGES IN BUDGET PROPOSALS LIKELY

(FROM OUR NEW DELHI CORRESPONDENT)

WHILE replying to the Budget debate in the Rajya Sabha last week, the Central Finance Minister, Mr. Morarji Desai, was generally unresponsive to the criticisms against his tax proposals. Mr. Desai said that there is little scope for reducing the proposed excise duty on kerosene or exempting the lower middle class from the new rates of taxes. He admitted that some of his measures would hit the poor people hard. But this, he said, is unavoidable when the country has to incur huge defence expenditure. Mr. Desai was confident that the patriotic people of India would bear the burden cheerfully.

The Central Finance Minister, however, remained unconvincing when he said that all avenues of economy had been explored. While he was replying to the Budget debate in the Rajya Sabha, his colleague, Mr. Mehr Chand Khanna, Central Minister for Works, Housing and Supplies, told Parliament's informal consultative committee for his Ministry that he had been unable to persuade Cabinet Ministers to place a ceiling of Rs. 250 a month on their electricity bill. He also disclosed the amounts which the Central Ministers had spent on their furniture. Mr. Desai himself should have told the Rajya Sabha how much money the Central Ministers and their juniors spend on useless tours, sometimes accompanied by their wives and retinue. In spite of extravagance and wastage, Mr. Desai has imposed taxes on all and sundry which will inevitably affect their standard of living.

Many consider it unlikely that all the money that is being raised for defence will be spent during the year ended 31st March, 1964. The critics, meanwhile, have not been unhelpful. They have suggested that Mr. Desai could introduce a supplementary Budget in Parliament in October if he wants more money. Then again, he could depend more on public borrowing than he proposes to do.

As far as the compulsory saving scheme is concerned, apart from its administrative difficulties, the Congress Parliamentary Party is opposed to the scheme being applied to cultivators. It will not surprise anybody if the latter are eventually exempted. In any case, Mr. Desai will have to explain how he proposes to compel a large number of people earning Rs. 1,500 a year to make compulsory deposits. The introduction of the scheme is a direct official admission that the small savings scheme has not been as successful as is officially claimed. As far as the Super Profits Tax Bill is concerned, some of its objectionable features should be rejectionable or modified. As it is, the Bill moved or modified. As it is, the Bill will hinder industrial expansion. The attempt to reduce profits to near 6 percent of capital and reserves, is the most objectionable feature of the Bill. It will affect foreign investment which needs to be encouraged due to the foreign exchange shortage in India.

In its present form, the Super Profits Tax Bill will make it impracticable, if not impossible, for the jute, cotton and many other industries to repay the loans they have taken for rehabilitation and modernisation. Considering its own wastage and extravagance, many wonder, how can the Government ask for large sums of money? According to lobby re-

ports, defence mobilisation has yet to gather full momentum. The Central Ministry of Economic and Defence Co-ordination is treated as an intruder by Ministries whose activities it is supposed to co-ordinate. In fact, it has hardly any work to do, and unlike other Ministers, Mr. Krishna-machari makes no secret of this.

The former Canadian High Commissioner in India and now the director of the World Bank, Mr. E. Reid was here during the past week in order to prepare the ground for the Aid-India Club meeting which is scheduled to be held on 30th April. He was given an hour's unconvincing sermon by the Planning Commission, which explained that the plan could not be trimmed because of the defence build-up.

To sum up, the Government is unwilling either to reduce non-plan ex-

penditure or trim such parts of the plan as are unrelated to the defence effort. It is equally unwilling to improve the tax-collection machinery in order to secure higher yields from the existing sources. But it dubs people as unpatriotic if they criticise the tax proposals or make suggestions for improving the yields from existing taxes.

AFRO-ASIAN COUNTRIES

Offering Export Credits

India is likely to offer medium-term export credits to the Asian and African countries to stimulate India's exports to them, the Central Commerce and Industries Minister, Mr. K. C. Reddy, said in Parliament last week. He gave no hope that the export target of Rs. 720 crores for 1962-

63 would be reached. According to him, total exports during the period would not exceed Rs. 695 crores—or Rs. 25 crores less than the target. The shortfall is largely due to the decline in exports to Asia and Africa, almost half of which are accounted for by Japan.

Sir Norman Kipping, director-general of the Federation of British Industries, who was in India last month, says the following in his report: "As for India's manufactured goods, it is early yet to expect many of the new industries to match up to the rigours of world competition. But, in the end, India will have to face this and to adopt policies consistent with this end. At present, inefficiency of some of her domestic producers is being too much protected by import restrictions and her system of excise duties are leading to high production costs. The pattern of aid, to some extent, results in the use of high-cost materials, and of high-cost plants leading to high overheads. The whole attitude at the moment is 'Oh well, export at a loss; you can recoup on the home market!'"

"Export incentives are being operated which, in any developed country, would be regarded by the trading nations with repugnance. They are link systems which lead to double-pricing of the kind which has

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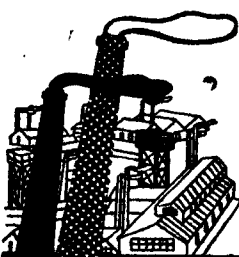
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been outlawed by G.A.T.T. They may be excusable as short-term expedients, but must be self-defeating in the long run for all that they really do is to cause increases in cost, and decreases in competitive power. In addition, there is the system of refusing licences to expand capacity unless undertakings are given that a proportion of the product will be exported. It is sometimes extremely difficult with honesty to give such undertakings. In short, there are many readjustments which will have to be made as India gains in self-confidence and comes to believe in her industrial competence and ability to export."

As far as medium-term export credit is concerned, the question is on what goods should it be offered? India cannot indefinitely borrow with one hand to sustain her own economy, and then lend to others to sustain their economies in the name of Afro-Asian solidarity or the promotion of exports. Indonesia has told India that it has no foreign exchange to justify the visit of a trade mission to this country. So it has been demanding credit to make its purchases from India. Meanwhile, will it be commercially wise to grant medium-term credit in order to claim that the country has reached its export target?

HINDUSTAN STEEL

Raw Material Worries

Some of the teething troubles of the three public sector steel plants are narrated by Hindustan Steel in its 1961-62 report. Dealing with the supply of such raw materials such as coal and iron ore, its says: "As pointed out last year, irregularity of transport from the producing centres to the steel plants, the insufficient supply of suitable coal and the deterioration in the quality of supplies, continued to cause anxiety. Agreement has not yet been reached with the mining industry on the method of improving quality, or on the mode of payment, or on the analysis of samples. As a result, quantities of blendable semi-coking coals have had to be used. Because of the serious effect of irregular or poor supplies of coal on steel production and its economy, it is most important that agreement be reached quickly with the coal industry for adequate mining and supply of coking coals of low ash content."

"The mechanisation of mines in Barsua proved that the quality of ore from that mine has not maintained the specification anticipated in the original project report. As a result, Rourkela had to continue to supplement its requirements from the Barajamda and Rajhara areas. Durgapur has also been faced with somewhat similar difficulties of supply and had also to obtain additional supplies from the Barajamda areas. In both Barsua and Bolani, beneficiation is being considered for expansion."

RUSSIA

Trade Team Arrives

A Russian trade delegation, led by Mr. V. Spandaryan, arrived here on Monday to negotiate a new five-year trade agreement with India. This country's trade with Russia has shown marked increase in recent years. As a result of the new trade pact, it is expected, there will be a substantial increase in trade between the two countries. An Indian team consisting of senior officials of the Department of International Trade and other Ministries and experts of the Government of India will conduct negotiations with the Russian team.

Among the items to be imported are likely to be oil products, power equipment, industrial machinery,

heavy machine tools, river dredging equipment, rolled steel products, pig iron, special steels, some non-ferrous metals, fertilisers and wood pulp. Manufactured products are likely to figure more prominently than hitherto in India's exports to Russia. They may include larger quantities of cotton textiles, fabricated steel structural, some rolled steel products, electrical machinery, machine tools, handicrafts, processed foods and fruits, shoes and leather goods, jute manufactures, some chemicals and pharmaceuticals, paints and varnishes and plastic goods.

India's exports of traditional items like tea, tobacco, coffee, shellac, mica, castor oil and hides and skins are expected to rise. Some new items are likely to be added to the trade between the two countries.

FERTILISER

Progress in Private Sector

Mr. C. Subramaniam, Central Minister for Steel and Heavy Industries, told Parliament's informal consultative committee for his Ministry that the fertiliser industry in the private sector has not made sufficient progress. So the question of the public sector taking over the units, which has not made satisfactory progress, is being considered. Production in the public-sector factories is expected to be satisfactory.

All the fertiliser projects in the public sector—except those in Neyveli, Rourkela, Belagola and Alwaye—are under the control and management of the Fertiliser Corporation of India Ltd. Of these, the Sindri and Nangal factories are in production while those in Trombay, Namrup, Gorakhpur and a unit in Madhya Pradesh, are in the construction stage.

A target of 1 million tons of nitrogen and 400,000 tons to 500,000 tons of P₂O₅ had been fixed for the third plan period. The total installed capacity at the end of the second plan was 248,300 tons of nitrogen. A further capacity of 308,250 tons is now being installed. Approval was accorded for the installation of an additional capacity of 519,000 tons of nitrogen during the first year of the third plan and of 312,250 tons during the second year. Thus the total capacity—existing and approved for installation—is 1,387,800 tons.

CEMENT

Progress Reviewed

Referring to the cement industry, Mr. C. Subramaniam said that production had been running at slightly more than 100 percent of the installed capacity during the past three months. The improvement in production may enable the Government to reduce the 25-percent cut in the State quotas, which has recently been imposed, to meet the defence needs. There are at present 35 cement factories with a total annual installed capacity of 9,728 million tons. In addition, 18 new units or a substantial expansion of the existing units with a total capacity of 3,032 million tons are already covered either by way of import of plant and machinery or by allocation of foreign exchange for components. This adds up to a total capacity of 12,76 million tons for which definite steps have been taken and which is expected to materialise within the third plan period. Additional capacity of about 6.99 million tons has been either licensed or approved. These comprise six expansion schemes in 31 new units. Measures to be taken for achieving the target installed capacity of 15 million tons within the third plan period are constantly being reviewed. It is estimated that about ten to 14 plants

with a total capacity of 2.5 million tons a year could be delivered before 1966.

S. T. C.

Barter Pacts Concluded

The State Trading Corporation, it is reported, has concluded barter-link agreements with business houses in Sweden, Switzerland, France, West Germany, Finland, Austria, Belgium, Italy, Jordan and Tunisia.

Country	Items of import	Items of export
Sweden	Wood pulp, newsprint, electrical machinery, ball bearings and special steel	Tea, coffee, deoiled cakes, jute manufactures, cotton textiles, woollen and worsted goods, leather manufactures, handloom furnishings, manganese ore, animal hair, carpet and floor coverings. (Value: Rs. 2.78 crores each way).
Switzerland	Standard machine tools, printing machinery (rotary), dye and pharmaceutical intermediates (as approved by the Development Wing, Government of India)	Mica, shellac, tinned food, including frozen food, marine food, fresh fruits, walnuts and hazelnuts, handloom fabrics, coir mats and matings. Essential oils, crude herbs such as senna leaves, light engineering goods, sports goods, woollen textiles, jute goods for the use of the Swiss Government departments only, tea, finished leather and leather goods. (Value: exports Rs. 85 lakhs and imports Rs. 75 lakhs).
France, West Germany, and Switzerland	Automatic looms	Vegetable oils, cotton textiles, ferro-manganese, decorticated cottonseed cakes, manganese ore, low-grade Virginia flue cured tobacco. (Value: export Rs. 3.80 crores and import Rs. 3 crores).
France and West Germany	Dye-stuffs and dye-intermediates, textiles, chemicals, pharmaceuticals and Pharmaceutical intermediates, machine tools, industrial equipment	Linseed oil, cottonseed oil, cottonseed cakes (decorticated), ferro-manganese, handlooms, ready-made garments, Robusta coffee, hemp, sewing machines, sports goods, tinned fruits and juices, tinned pickles and chutneys, tamarind seeds, myrobalam extracts, machine tools, thermite welder, ironclad switches, railway coaches, bicycles, quartz, feldspar, garnet, calcite, mica powder, red oxide of iron, carpets, coir mats and matings, finished leather and leather manufactures, deoiled cakes, mica scrap, tinned and frozen food, including shrimps and marine products. (Value: Rs. 1.50 crores each way).
Italy	Fertilisers, art silk yarn	Pepper, coir fibres, coir yarn, raw cotton, wood and timber, tanned leather and jute manufactures. (Value: Rs. 2.20 crores each way).
Austria	Plant and machinery required for the projects in India for which quotations are called on an open tender basis	Approximately 50,000 tons of iron ore. (Value: Rs. 31.14 lakhs each way).
Finland	Cellulose, newsprint, other paper qualities	Robusta coffee, food cakes (deoiled meal only), cotton textiles, tea, canned goods, spices, woollen piecegoods, carpets and carpetings (made of wool, cotton, jute and coir), leather manufactures and shoes, bristles, miscellaneous products, such as animal by-products, casin, sport goods, light engineering goods, etcetera. (Value: Rs. 1.73 crores each way).
Jordan	Rock phosphate	Various textiles including ready-made garments and hosiery, tea and coffee, spices, cottonseed oil, chemical and pharmaceutical products including toilet goods, various engineering equipment, electric appliance and accessories and manufactures, miscellaneous items such as glassware, cutlery, crockery, sports goods, handicrafts, etcetera, tinned food-stuffs, biscuits and confectionery including pickles and chutneys, etcetera. (Value: Rs. 58 lakhs each way).
Tunisia	Rock phosphate and hyper phosphate	Tea, yarn, jute and jute products. (Value Rs. 7.40 crores each way).

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MACHINE TOOLS

Raising Output

As for the machine tool industry Mr. C. Subramaniam said that Hindustan Machine Tools Ltd is exporting its products even to West Germany and Switzerland. Its prices compared favourably with the landed cost of similar foreign machine tools; in some cases, they were lower. A proposal to set up a machine tool factory in the public sector in Kerala during the third plan period at a cost of Rs. 7.5 crores, including a foreign exchange component of Rs. 1.75 crores, is being considered. The capacity of the factory will be 1,000 machine tools a year. The plant capacity could be doubled by an additional capital investment of Rs. 3 crores (Rs. 1 crore will be in foreign exchange). The implementation of the project is likely to be entrusted to Hindustan Machine Tools which is also setting up a factory in Pinjore, Punjab.

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The Government is at present considering a techno-economic report submitted by a Russian agency for setting up a unit for the manufacture of compressors and pumps, with a production capacity of 16,700 tons a year.

The Government is also considering a proposal to set up a ball and roller-bearing factory in the public sector. Two or three private undertakings are to go into production very soon. Some more units have also been licensed to be set up in the private sector.

TEA

Loan Sanctioned

The Government has agreed to the Indian Tea Board granting a loan of Rs. 3 lakhs to the Punjab Government for establishing a co-operative tea factory in Bir, Kangra, with an estimated capital cost of Rs. 5 lakhs to process 200,000 lbs of tea—either black or green tea—a year, with a provision to increase the capacity to 500,000 lbs to 750,000 lbs in stages.

COMMERCIAL OFFICES

Opening Proposed

The Government of India proposes to open commercial offices in Uganda, Tanganyika, the Central African Federation and Senegal which will also cover Upper Volta and the Ivory Coast. Cotton textile export promotion council offices are proposed to be opened in Lagos (Nigeria), Khartoum (Sudan), Mombasa (Kenya), the Engineering Export Promotion Council offices in Mombasa (Kenya) and Cairo (Egypt), a Plastics and Rayon Textiles Export Promotion Council offices in Mombasa (Kenya).

STEEL

Experimental Tests

According to the Central Ministry of Steel, tests in the experimental low-shaft furnace at the Unterwellenborn factory with sintered Salem iron ore and Neyveli lignite high temperature coke have shown the technical feasibility of applying the low-shaft furnace technique for the production of steel-making iron based on these materials. Due to the high price of lignite coke, it is, however, doubtful whether the production of iron on an economic level could be achieved on Neyveli lignite and Salem ore with the low-shaft furnace technique.

Indications are that with a moderate price for 3 to 10 mm grain size lignite temperature coke and a reasonable price for power consistent with the high load and power factors which electric smelting involves, there is a prospect of economical production of iron with Neyveli lignite and Salem iron ore based on the electric smelting technique with pre-reduction.

LIGNITE

Investment in Neyveli Project

Mr. K. D. Malaviya said in Parliament last week that the total amount of investment in the integrated

Neyveli lignite project up to the end of January 1963, is Rs. 90.74 crores. The estimated cost of lignite, when the mine is developed for full production at the rate of 3.5 million tons, is expected to be about Rs. 13.3 a ton. In terms of heat value, lignite conforms to 4,410 British thermal units a lb, round coal from the Singareni collieries to 9,500 British thermal units a lb, and Grade I coal from Jharia to 12,000 British thermal units a lb, on average. The average price a ton of Singareni coal is almost double the price of lignite, but on the basis of the heat value mentioned above the effective price of Singareni coal at the pit-head and that of lignite will be about the same. Since Jharia coal has a still higher heat value, its average effective price on this basis will be about two-thirds of the effective price of lignite.

RAILWAYS

Expansion Schemes

The railways are going ahead with various projects for expanding their line capacity, provisionally on the basis of the following targets of production which have been fixed for both Bengal-Bihar and the outlying coalfields:

	(In Million tons)			
	1962-63	1963-64	1964-65	1965-66
Bengal-Bihar coalfields	47.3	51.7	56.3	65.1
Outlying coalfields	13.75	16.25	20.23	33.24

In addition to the various line capacity works, including doublings, etcetera, proposed for expanding the transport facilities, the railways have also prepared a programme for acquiring diesel locomotives which will mainly be employed for transporting coal and for exporting ore on various sections of the railways as follows: 1962-63 112 B.G. diesel locomotives (103 received up to 20th February, 1963), 1963-64 133 B.G. diesel locomotives, and 1964-65 54 B.G. diesel locomotives.

The plan also provides for the transport of coal in specially designed high capacity wagons having a carrying capacity of 55 tons in block rakes to large consumers and to specified stations where dumps are to be located. The number of such wagons to be added to the coal fleet during the plan is 16,052 according to the following programme:

1961	5,390
1962-63	2,112
1963-64	5,874
1964-65	2,676

B.I.C.C.

Railway Contracts Received

Three contracts valued at about £2.5 million have been awarded to British Insulated Callender's Cables Ltd (B.I.C.C.) by the Indian Railway Board. The first contract, for the Northern Railway, is for overhead

equipment to be installed over 225 track-miles between Moghalsara and Subedarganj, near Allahabad. This section forms part of the main line from Calcutta to Delhi. B.I.C.C. has already provided equipment on an adjacent section (Gaya-Moghalsara) under an earlier contract.

The second is for the Eastern Railway, where about 145 track-miles are to be electrified between Sakrigarh and Dum Dum and from Belur to Dankuni. The extensive marshalling yards at Chitpur are also covered by the contract. From Sakrigarh to Dum Dum, the electrified line will accelerate the flow of heavy freight and mineral traffic between the Calcutta docks and the north Bengal coalfields.

The final contract is for the electrification of some 25 track-miles from Rourkela to Birmitrapur on the South Eastern Railway. This will facilitate the transport of raw materials to the steel plants.

T. I. S. C. O.

Raising Output

The proposal of the Indian Iron and Steel Co. Ltd to increase its production capacity by 300,000 (ingot) tons a year has recently been approved in principle. The question whether any further expansion is either called for or is practicable during the fourth plan period is being considered.

49 years ... not even a scratch

The rate of industrial accidents in India has increased from about 24 per thousand workers in 1938 to about 44 in 1959. Every year, over 93,000 workers are involved in accidents and 250 lives are lost. Also wasted annually are a million man-hours—enough to produce 170 broad gauge locomotives or 700 coaches for the Indian Railways.

Safety has always been Tata Steel's watchword as efficiency is hardly possible without it. 'No-accident month' as an annual feature, safety exhibitions, training in safety, safety awards, safer working conditions, a continuing campaign under the direction of joint councils to turn safety into a habit... these are some of the means adopted in Jamshedpur to prevent accidents in the Plant.

Safety, however, depends largely on the worker himself because about 75 per cent of industrial accidents are found to be caused by human negligence. This is where men like Jamuna Dube, the oldest employee in Tata Steel, come in. He has worked for 49 years without ever sustaining an injury, not even a scratch.

The importance of safety was one of the first things that Jamshedpur taught Dube when he arrived in the Steel City half-a-century ago... a city where industry is not merely a source of livelihood but a way of life.

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BUILDING PIPELINES ACROSS BRITAIN

(FROM OUR LONDON CORRESPONDENT)

A CLASH between the major oil companies and the "independent" distributors is likely to give extra edge to the competing applications to Mr. Wood, U.K. Minister of Power, for consent to build a pipeline across Britain. One application has already been made, and the other is expected to be ready within the next two months. United Kingdom Oil Pipeline Ltd, which lodged an application at the Ministry on 29th January, is backed by five major oil companies. These are Esso, Mobil, Petrofina (Great Britain), Regent and Shell-Mex and B. P. The Company has applied for permission to build a

217-mile long pipeline between the Thames and the Mersey at a cost of about £7,570,000. Of the 800 land-owners who would be involved, 450 have already given their consent. Of the remainder, less than 100 have raised objections. The objections are despite payment of at least 5s a yard for the installation of the pipe three and a half feet beneath the land surface. They would also be compensated for any damage done during the pipe-laying process.

Although a pipe system running North-West to South-East of England would have great advantages in the distribution of liquid fuels, the

Minister is unlikely to give his consent until he has also received the impending application from the other concern interested in building a similar pipeline. The new application is coming from Trunk Pipelines Ltd. This Company is controlled by S. G. Warburg and Company, the City merchant bankers. It has made a profit-sharing agreement with the British Railways and with the British Waterways Board. The proposed route is mainly over railways and canal property.

Construction of Pipeline

Under the Pipelines Act, passed last session, the construction of any pipeline more than ten miles long requires the authority of the Minister of Power. U.K. Oil Pipelines decided against using railway or canal easements on several grounds. These included cost, the difficulty of getting round obstructions such as signal-boxes, bridges and locks, and the fact that the route would be unnecessarily circuitous. Explaining the situation as far as U.K. Pipelines was concerned, a spokesman said that his Company believed it should control its own pipelines. He claimed that the five groups interested in the Company "now meet some 95 percent of the oil demand served by their proposed pipeline system." If the concerns used an alternative pipeline, they would have no guarantee of security of use, or of a certain price over a period. He added: "Our plans do not visualise the possibility of using an alternative pipeline, should our scheme not receive the sanction of the Minister of Power and the other is approved."

Interest in using a pipeline owned by United Kingdom Oil Pipelines, the spokesman said, had already been

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shown by three other companies, Gulf, Total and Amoco. These are some of the companies that Trunk Pipelines probably looks to as possible customers if its project is approved. Others may include Lobitos, Manchester Oil Refineries and Jet Petroleum, the "cut-price" distributor now owned by Continental Oil, the largest independent group in the U.S.A.

United Kingdom Oil Pipelines does not expect that transport of oil by pipeline would lead to a fall in the volume carried by the railways. Trunk Pipelines, commenting on railway and canal participation in its project, has said that it should safeguard the substantial revenues received by the railways from carrying oil. Latest available figures for inland consumption of oil in Britain put the total for 1962 at an estimated 52 million tons. This compares with 42.7 million tons in 1960.

The proportion of demand served by the major companies in the areas to be served by proposed pipeline routes, is questioned at Trunk Pipelines Ltd. The Company indicates that the "independents" may have a significantly larger share of the market. Reluctance of the major oil groups to use a pipeline not controlled by them is described as "rather strange" at Trunk Pipelines, which says that the leading companies use independent pipelines in the United States and Europe.

United Kingdom Oil Pipelines counters this with the comment that the structure of the pipeline organisations is different elsewhere. Costs of sending oil pipeline depend on a number of factors of distance and volume. But on a broad average, it costs rather less than 1d for each "ton-mile" to send it by pipeline, against about 2½d by road and about 1½d by rail. Should the Minister of Power decide in favour of the Trunk Pipelines' project, the chances of its being used by the big oil companies are very small indeed. What they want is a guaranteed long-term system of distribution which will cut their transport costs.

Scheduled Route

Permission is to be sought from the Minister of Power to build the pipeline along the following route: Canvey Island to near Barking: 22.2 miles, involving North Thames Gas Board; near Barking to Barking Creek: 0.7 miles, non-residential land; Barking Creek to Victoria Park: 5.8 miles, along the northern outfall sewer; Victoria Park to Greenford: 16.8 miles, along the Regents Park Canal; Victoria to Denham: 6 miles, along British Railways; Denham to Birmingham: 126 miles, along the Grand Union Canal; Birmingham to Ellesmere Port: 84.5 miles, along the Shropshire Union Canal.

Trunk Pipelines says that throughout the length of 262 miles, there are only six private landowners from whom entirely new "way-leave" agreements are needed. Agreement is also needed from the private owners of three bridges and of land above tunnels to be used. Other consents concern public bodies and local authorities. An alternative route round the north of London would call for other agreements. In deciding on applications for consent to build pipelines, the Minister of Power has to have regard to their "ordinary development." It seems unlikely that the British Railways and British Waterways Boards could have entered into the agreement with Trunk Pipelines without the sanction of the Minister of Transport.

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Jute

PRICES EASE AS BUSINESS REMAINS POOR

THE past week has again been dull for the jute and jute goods markets. The volume of business has been small. Overseas enquiries or manufactured goods are few, and very little interest has been shown in raw jute. Speculators in the Calcutta markets have again caused considerable fluctuations, but these have had little relation to actual business conditions. The main trend has been towards lower levels. In the circumstances, it is not surprising that consumers have taken little interest. Requirements for early deliveries seem to have been pretty well satisfied, and buyers cannot be blamed if they hesitate to acquire additional supplies at the present prices. In view of the fall in stocks of manufactured goods held by the mills during February, the I.J.M.A. has decided to continue the current high rate of production until the end of April 1963. The decision, it is hoped, will create more stable conditions and help to increase the consumption of jute goods.

Loose Jute Standards

Loose jute standards have once more become an urgent topic of discussion with the approach of the sowing season for the new crop. The existing guarantees of quality have worked well enough for the past few seasons, not so much because the specifications are sound but because of natural factors which define standards of jute from the standpoint of normal conditions obtaining in upcountry markets. This year, however, conditions have changed and a good deal of irregularity in standards and prices has resulted.

There is considerable dissatisfaction over the failure to adopt a system of permanent standardisation which, as in the case of pucca bales, would remain stable from year to year, irrespective of the vicissitudes of the weather or the whims of the sellers. Too often is the trade presented with the anomaly of having to buy middle jute of a certain grade in one season which only the season before it would have bought as Bottoms. The Calcutta mills are seriously perturbed over the present trend. While one sympathises with them in their dilemma, one feels that much of the trouble might have been avoided by a stricter interpretation of the guarantees, which leave big loopholes for the unscrupulous. As an alternative, a completely new system of guarantees could be evolved. The underlying idea of any revision must be, as in the case of pucca bales, the establishment and maintenance of a uniform standard of assortment, whereby each grade will be fixed and sustained with greater regularity throughout the season.

Colour of Fibre

With the increase in the sale of high-grade fabrics, many mills are concerned about the "colour" of their jute. The present guarantee is vague on this point, merely stating "average colour of the district". As a means of ensuring general agreement and regularity, a concise description of each district could be compiled and distributed to each of the interested associations for the general information of members. This would prevent many disputes about the "colour" of jute from districts that are generally not regarded

as good. Too many mills interpret the phrase "average colour of the district" as good colour.

Quality could be treated likewise, and the descriptions might be used, fully arranged under headings enumerating the main characteristics in order of importance. In the early months of the season, when quality in the normal course of events is uniformly better than at a later stage, business transactions would be a natural consequence of being confined to the higher standards. Later on, when quality tends to fall, the higher grades are automatically restricted, the higher grade characteristics as compiled by the table would practically disappear and the lower numerical orders would be available in corresponding larger quantities. The attainment of a degree of uniformity would tend to be reflected in a corresponding permanent stabilisation of all subsidiary standards.

As a practical way of inaugurating this system, a full range of type standard samples of all grades of different fibres could be selected by a committee of approved experts and kept under special supervision in a room set aside for that purpose under the jurisdiction of the tribunal of arbitration of the various chambers of commerce. These samples should be available for reference at all times by arbiters. Several sets of samples would be necessary for the purpose. Alternatively, a system of periodical substitution under expert supervision might be best suited to requirements. Duplicate type samples could similarly be instituted by chambers of commerce or other institutions for the guidance of mofustitions for the guidance of a premium sil interests. As hitherto, a premium would be asked for and paid for this standardisation, consistent with a guarantee of a correspondingly higher assortment and regularity than in the case of ordinary gradings. This type of specification, as

at present, would continue to be conducted on a basis of private samples as mutually agreed between buyers and sellers.

I.J.M.A. Jute Goods Stocks

At the end of February 1963, stocks of manufactured goods held by member-mills of the I.J.M.A. amounted to 83,400 tonnes, made up of 24,600 tonnes of hessian (29.5 percent), 44,900 tonnes of sacking (53.3 percent) and 13,900 tonnes of other goods (16.7 percent). Compared with the previous month, the total is down by 7,000 tonnes—hessian being down by 600 tonnes, sacking by 5,100 tonnes and other goods by 1,300 tonnes. In February 1962, total stocks were 61,800 tonnes, 17,100 tonnes being hessian (27.7 percent), 29,000 tonnes sacking (46.9 percent) and 15,700 tonnes other goods (25.4 percent).

THE JUTE MARKETS

Manufactured Goods: There was very little genuine activity in the jute goods market during the past week, and price movements were influenced mainly by speculative activity. Operators paused while waiting for the I.J.M.A. jute goods stock figures. Opening quotations last Thursday were based on March B Twills at Rs. 113.80 and October-December shipment at Rs. 114.20. In hessian, 40in. 10oz. opened at Rs. 49.70 for March shipment and Rs. 48 for forward shipment. There was very little alteration in these rates and, as the week-end approached the market became slack and neglected on account of the Holi celebrations. On Monday, prices were slightly easier and B Twills dropped to Rs. 113 and 40in. 10oz. to Rs. 40.50; in the absence of any overseas interest, these prices were reduced by about 50p during the day. Towards the close, the general undertone was quiet, and rates continued to decline.

Opening quotations on Wednesday morning were as follows:

	March	Apr.-June	July-Sept.	Oct.-Dec.
40in. 7oz.	38.35	37.35	36.35	35.85
40in. 8oz.	41.35			
40in. 10oz.	49.20	48.75	48.30	47.75
B Twills	112.35	113.25	113.35	113.00
Cornsacks	116.25	116.25	116.00	115.50
Heavy Ceess (Plain)	112.00	113.00	113.25	113.90
A Twills	138.00	137.50	137.50	137.00
Liverpools	128.50	127.50	127.50	127.00

Raw Jute: Only small business was transacted in the fibre market during the past as the mills took up the quotas assigned to them by the Jute Commissioner. Prices declined slowly; in the white and mesta sections, the fall was about Re. 1 or Rs. 1.50 below the minimum, but Daissee and Tossa continued to command premiums. Sellers in general offered freely and in each case the mills had sellers over. Many upcountry jute areas had rain over the past week and the preparation of the fields had begun. This also helped to bring prices down. Imports on an all-India basis fell, while in Cossipore arrivals showed a small increase at 305 wagons.

Opening quotations on Wednesday morning were as follows:

	Landed at Mills (Basis Bottoms)		T.S.D. Prices	
	Current Rs.	Minimum Rs.	Current Rs.	Minimum Rs.
Assam-Agartala	76.36	28.50	80.38	30.00
Jute	75.02	28.00	79.64	29.50
Northern Jute				
Western Desal				
Jute	71.00	26.50	73.68	27.70
Selected Daissee	89.75	33.50	85.74	32.00
Assam-Agartala				
Tossa	85.74	32.00	83.05	31.00
Mesta:				
Assam-Northern	69.66	26.00	72.34	27.00
Local Daissee	69.66	26.00	72.34	27.00
Bihar Dist.	64.30	24.00	66.98	25.00
Pakistani N. C.	88.00 a bale.		March-April	

THE U.K. JUTE MARKETS

FIBRE WEAK

(FROM OUR DUNDEE CORRESPONDENT)

NO change took place in the raw jute market in Pakistan during the past week. Most shippers were offering at current E.P.C. price levels, but this was not attracting spinners. Very little news was re-

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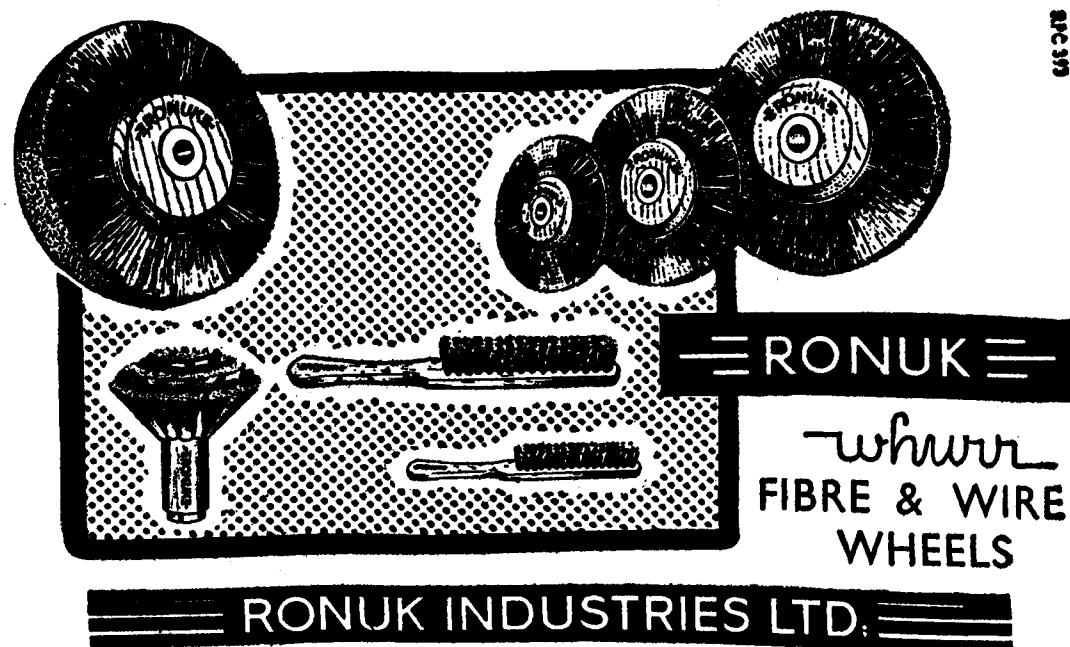
Jute Mills in and around Calcutta.

CONTACT

MESSRS G. B. & Co.

3, Netaji Subhas Road, Calcutta-1.

GRAM: GEEBECOMP PHONE: OFFICE 23-1702/3, WORKS: 66-3915



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ceived concerning weather conditions in Pakistan for new crop sowings. Some reports indicated that there was still lack of rain in some areas which was holding up operations.

There is still a large quantity of unsold jute in Dundee and this kept

the market weak. As spinners are already holding large stocks of raw material, it will be some time before all the unsold spot parcels are taken up. At present, there is nothing to indicate that much change in raw jute prices is likely to take place in the immediate future.

Offers were irregular with holders of secured parcels willing to accept low prices. Mill Firsts were named at £145, Mill Lightnings at £115, Mill Hearts at £92 and Grade Hearts at £79, c.i.f., U.K., for March-April shipment. Grade Tossa-2/3 was named at £124 and Grade Tossa-4 at

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

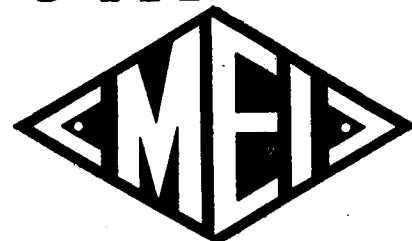
The Indian Jute Mills Association reports the stocks of jute goods at the end of February as follows:

Description	28th February, 1963		31st January, 1963		Increase over (+) or decrease from (-) last month		28th February, 1962	
	000 Metres (Lakh Yds.)	000 Metric Tons (000 Tons)	000 Metres (Lakh Yds.)	000 Metric Tons (000 Tons)	000 Metres (Lakh Yds.)	000 Metric Tons (000 Tons)	000 Metres (Lakh Yds.)	000 Metric Tons (000 Tons)
Jessian cloth and bag	8,18.13 (8.95)	24.6 (24.3)	8,40.15 (9.19)	25.2 (24.8)	-21.97 (-24)	-0.6 (-0.5)	5,74.26 (6.28)	17.1 (16.9)
Sacking cloth and bag	9,95.73 (10.89)	44.9 (44.2)	11,14.85 (12.19)	50.0 (49.3)	-1,19.12 (-1,30)	-5.1 (-5.1)	6,31.51 (6.91)	29.0 (28.5)
Others		13.9 (12.6)		15.2 (14.9)		-1.3 (-1.3)		15.7 (15.4)
Grand Total		83.4 (82.1)		90.4 (89.0)		-7.0 (-6.9)		61.8 (60.8)

N.B.—These figures are based on replies received and represent all members of the Association and Gagalbhai with estimates for two non-member mills. The figures in brackets are in British measures.

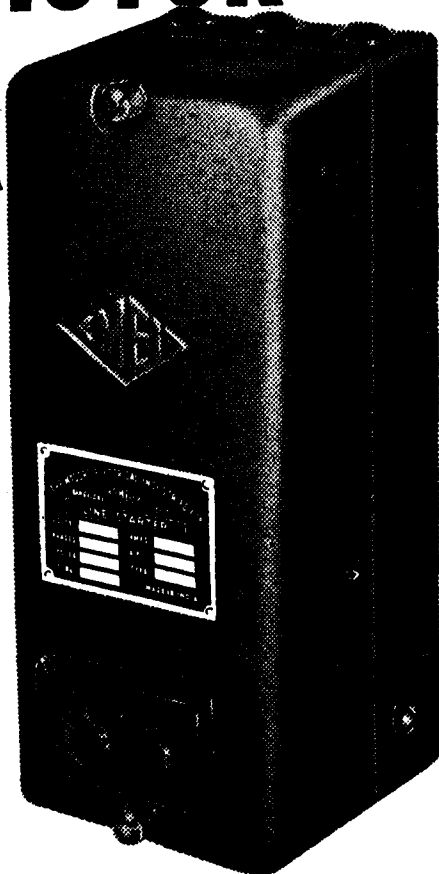
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CAPITAL, 14th March, 1963.

£109. Dacca Tossa-5 was at £128 and Dacca Tossa-6 at £112.

THE PAKISTANI JUTE MARKETS

FIBRE SHIPMENTS DELAYED

(FROM OUR Dacca CORRESPONDENT)

THE total registrations during the second half of February which included some five days of holidays, only amounted to 80,758 bales, mostly to so-called outports. Japan was the biggest buyer with 11,500 bales. Czechoslovakia bought 9,250 bales and Poland 8,820 bales. South Africa bought 8,680 bales and Belgium 7,375 bales. The U.S.A. bought 7,350 bales, Italy 5,875 bales, France 4,945 bales, the U.K. 2,350 bales and West Germany 2,158 bales. India bought 4,130 bales of cuttings. This brought the total up to the end of February to 3,088,389 bales.

Balers' premises continue to be unusually full of jute for this period of year, and the congestion in Chalna has reached alarming proportions. It is reported that there are about 120,000 bales awaiting shipment. Much of the blame is being laid at the door of the U.K. Continental Conference, and its pooling and rationalisation scheme. Although the conference may be partly to blame, the main cause for the congestion at present is a large amount of jute on account of some communist countries as well as others which do not have a regular shipping service. It would be reasonable to expect that with such delays in shipments there would be a certain steadiness in the afloat and ready market.

MAINTAINING RAW JUTE PRICES

Speaking at the annual general meeting of the Calcutta Jute Brokers and Dealers Association in Calcutta last week, Mr. I. S. Boyed, deputy chairman, said that as a result of the large jute crop last year, the market was easy and except for some of the higher grades, there was an abundant supply. Far too much raw jute was available in the lower grades and "had it not been for the concerted efforts of the Government and the Indian Jute Mills Association through the medium of minimum purchase quotas and the Jute Buffer Stock Association, the market would undoubtedly have collapsed." The position was aggravated towards the end of the past year by the incidents in border areas and also by the strike of the Joint Steamer Companies' crews. Nevertheless, the market survived and for this thanks are due to the efforts of all the parties concerned. Mr. Boyed referred to two other factors in connection with the maintenance of prices, namely, the State Trading Corporation entered the market for the first time and the export of "pucca" bales of raw jute was permitted for only the second time since partition. In neither case was the quantity involved significant in itself but sentiment assisted in arresting any drastic market collapse. If there is another bumper crop this year, Mr. Boyed said, it is impossible in the present circumstances to visualise how a serious decline in prices can be averted. It is not possible for the mills to continue building up stocks, for reasons of space and finance. It is, therefore, imperative that the accent should be more on quality rather than quantity, particularly to meet the increased demand for higher grades used in the manufacture of specialities, such as carpet-backing cloth, and to meet the situation caused by the loss of a considerable part of the sacking market to Pakistan.

E. E. C. PRESIDENT TO VISIT INDIA SHORTLY

By Malcolm Subhan

THE news that Professor Walter Hallstein is shortly to visit India came as a surprise to observers here. Although the Commission's president is a frequent visitor to the United States, official visits to third countries are normally paid by Mr. Jean Rey, the Belgian member of the Commission who is in charge of the Community's external relations. Coming so shortly as it does after Professor Hallstein's remarks to the European Parliament that the provisional agreement on India and Pakistan of last August should not be allowed to fall into oblivion, the news has inevitably given rise to speculation as to whether the Professor is not in fact going to New Delhi in order to discuss with Mr. Nehru and other Cabinet members the feasibility of a commercial agreement between India and the E.E.C. Both the Commission and official Indian circles have discouraged such speculation. Both stress the fact that Professor Hallstein has been invited to deliver the Azad Memorial lectures, and point out that the invitation was extended before the break-down of the negotiations with the U.K.

The Commission's president will no doubt take the opportunity to meet Mr. Nehru and certain of his colleagues, although in view of the present unsettled conditions prevailing within the Community itself, Professor Hallstein is not likely to discuss so important a problem as that of a commercial agreement between India and the Community except in very general terms. The fact that Mr. K. B. Lal, India's ambassador to the European Communities, does not plan to be in New Delhi during Professor Hallstein's visit, only confirms this impression.

None of this should distract from the importance of the visit. The Commission has little first-hand contact with Asia. The only visit which any of its members has paid to an Asian country was that of Mr. Jean Rey to Japan more than a year ago; but Japan is hardly typical of the developing countries of Asia. The developing countries have been strongly influenced by its relations with the 18 African States, associated with it, although as the Dutch and Germans have often pointed out, the associated States, with a population of 40 million or so in all, are hardly an adequate substitute for the countries of Asia and Latin America.

Professor Hallstein's visit may be seen as an attempt on the part of the Commission to broaden the Community's horizons. It is, therefore, of particular significance that India should be the first Asian country which the Commission's president has chosen to visit. Of course, his visit will not produce any dramatic results, and none should be expected. Although the Commission has substantial powers under the Treaty of Rome, and is in fact responsible for negotiations with third countries on Community problems such as those relating to tariffs, the decision-making power lies nevertheless with the Council of Ministers.

Relations with Developing Countries

It is difficult, however, to say just how far the six member States would be prepared at present to follow the Commission were the latter to adopt a more positive approach to the developing countries. During the

recent ministerial discussions on the new Convention of Association, the Dutch urged their partners to look beyond the 18 associated African States, although the cynics claim that the Dutch enthusiasm for the English-speaking States in Africa is not unrelated to the interests which Unilever and Royal Dutch Shell have in these regions, where it is not simply a question of reprisals against the French for having vetoed the British negotiations.

The fact remains, however, that in the case of India and Pakistan, the Six already have the basis of an eventual trade agreement, and Professor Hallstein will presumably refer to it when he is in New Delhi. It is contained in the provisional agreement adopted last August by Mr. Edward Heath and the six foreign ministers of the Common Market. An examination of this agreement in the light of the present situation could be instructive.

It will be remembered that the provisional agreement was in two parts. The first was devoted to the comprehensive trade agreement which the enlarged Community undertook to negotiate with India and Pakistan on Britain's accession to the E.E.C., and the second to the arrangements for the transitional period from Britain's entry to the conclusion of the comprehensive trade agreements. As the U.K. had accepted the common external tariff, the main purpose of the transitional arrangements was to provide for the gradual application of this tariff to her duty-free imports from the Indian sub-continent.

Obviously, the transitional arrangements have now become irrelevant. India is regarded by the Community as any other third country, and her exports to it are subject to the common external tariff. And yet it would be unwise to dismiss these arrangements as of no further interest. The mere fact that it should have taken so long to draft the transitional arrangements for cotton textiles, suggests that however liberal the principles espoused by the Six, their application will not always be easy. Moreover, the Six will insist on safeguards before making any concessions for products such as cotton and jute textiles, carpets, coir matting, and perhaps even light engineering goods, for all of which they had insisted that Britain introduce the common external tariff in four or five stages.

Principles of Trade Agreement

But the first part of the provisional agreement of last August, containing the decision to negotiate comprehensive trade agreements with India and Pakistan, is of even greater significance now. Unfortunately, it is relatively short and not sufficiently detailed to give a clear idea of the proposed agreements. The fact is, of course, that once the negotiators had outlined the principles of the comprehensive trade agreement they felt that the main apprehensions of India and Pakistan had been met. Happily, the objectives sought are explained clearly enough. The primary object of the agreements would be the development of trade between the Community and India and Pakistan in order to maintain, and if possible increase, the foreign exchange earnings of the two countries. As the Six have always been somewhat sceptical of the slogan "trade, not aid," the comprehensive trade agree-

ments were also expected to cover the question of direct financial aid. The Six maintain that India's foreign exchange requirements are so great that her exports cannot meet them. They expressed, therefore, their readiness to grant development credits and to extend other forms of direct financial and technical assistance.

It was this concern with financial as well as commercial problems which justified the objective "comprehensive." It is not clear now whether financial problems also would be discussed in any eventual negotiations between India and the Six. Presumably, much will depend on whether or not India wants to see credit problems covered by a trade agreement or dealt with within the framework of such an organisation as the Aid India Club (although the one does not exclude the other in principle). The Six may show a preference for a Community approach to problems of financial aid. They have already agreed to consult one another on questions of export credits, and in principle, they must adopt a community policy in this matter by the end of the transitional period. But as no such policy exists at present, each of the Six member-States may prefer to negotiate with India bilaterally in the matter of financial assistance.

Methods of Increasing Trade

A number of methods of increasing trade between the Community were outlined in the provisional agreement. The principal one, of course, related to tariff policy. The Six presumably would be prepared to grant to India the various concessions which they offered Mr. Heath last year, such as a zero tariff on tea, handloom products, and some other items. They would no doubt also be prepared to reduce certain tariffs. Such concessions may pose a practical problem for the Six, however. As the Community would negotiate separate agreements with India and Pakistan, the Six would find themselves in the awkward position of having to decide to whom the concession should be made. The obvious criterion—that of the principal supplier—may not always be feasible. (There is a feeling within the Commission itself that a zero tariff on tea, for instance, should be granted in the first instance to Indonesia, which is the Community's principal supplier—and extended to India and Pakistan on the basis of the most-favoured-nation clause.)

On the whole, the Six are unlikely to offer to reduce tariffs other than those agreed to last year. Indeed, they may prefer to negotiate important reductions only within the framework of the forthcoming Kennedy round in Geneva in order to avoid the impression of discriminating between developing countries. The Six have, however, indicated their willingness to open new tariff positions. This was a solution advanced in the case of East India kips, where the Six had agreed to reduce the tariff from 9 percent to 6 percent. It may be used in cases such as that of textiles, where any substantial reduction of the overall tariff is out of the question. Certain of the coarser textiles of which India is a main supplier could be the object of new tariff positions at lower rates.

The Community may also grant duty or duty-free quotas to its members. Such quotas are regarded as a temporary solution only. They are

disliked by the Commission, and Mr. Heath's request for duty quotas for certain Indian products such as tobacco was received by the Six with little enthusiasm. Moreover, the terms on which these quotas are granted are such that it is unlikely that any Indian products would qualify for them.

Negotiation for Quotas

Although quotas themselves are a matter for member-States to negotiate bilaterally, the provisional agreement listed the suppression or the enlargement of existing quotas as another means of achieving the objectives of the comprehensive trade agreements. The enlarged quotas would eventually be made available on a Community basis; that is to say, they would not be confined to any one member-State. Before suppressing quotas altogether, the Six may, however, insist on safeguard clauses or voluntary restriction agreements such as that in force between India and the U.K. for textiles.

Broadly speaking, the comprehensive trade agreements which the Six were prepared to negotiate with India and Pakistan offer a reasonable basis for negotiation. Much depends, of course, on the evolution of the present crisis within the Community. Moreover, the difficulties which the Six have encountered in their negotiations with Israel, and the problems which the negotiations with Iran have posed, suggest that the time is not yet ripe for India to make any official approach to the E.E.C. The sudden storm over the signing of the new Convention of Association must be allowed to blow over also.

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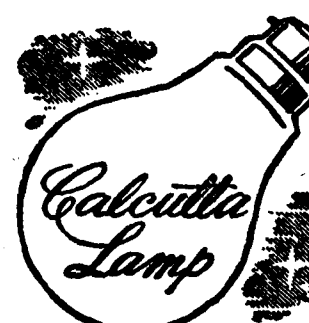
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Commodity Markets

NO FRESH STATE TAXES ON SOUTHERN PLANTATIONS

(BY OUR SOUTH INDIAN CORRESPONDENT)

NO fresh levies have been imposed by the south Indian State Governments on the plantation industry in their 1963-64 Budgets. Although the Kerala Finance Minister has made several sweeping and far-reaching taxation proposals for the coming year to bring in an additional revenue of Rs. 4.85 crores, he has left the plantation industry and agricultural holdings alone. It appears that this State Government has started realising that the planting industry's capacity is almost exhausted. The Kerala Finance Minister disclosed in his Budget speech that actual turnover from the State levies affecting plantation and agricultural properties have fallen very much below the Budget estimate. The yield from the plantation tax which was introduced a couple of years ago is not likely to exceed Rs. 25 lakhs in 1962-63, compared with the Budget estimate of Rs. 50 lakhs. The additional tax on land and the land tax together amounting to Rs. 4 an acre have fallen through following the striking down of the Land Tax Act by the Kerala High Court. Under agricultural income tax, a fall of Rs. 11 lakhs is anticipated on account of the fall in the prices of cardamom, pepper, arecanut and some other crops. The plantation industry in south India which is confined to these three States, therefore, will pay in 1963-64 only the existing levies to the State Governments.

Although the tea interests welcome the abolition of export duty, they hasten to add that the relief has been rendered negligible by the simultaneous withdrawal of the refund of excise duty on tea export allowed in the previous Budget. The 20 percent surcharge on the already heavy excise duty will further enhance the cost of production. They are perhaps more concerned with the new taxes on the corporate sector visualised in the 1963-64 Budget. A major portion of the companies' profits will be taken away by way of income tax, corporation tax and super profits tax. Further, the super profits tax will impose a penalty on efficiency, impede capital formation and affect growth of the economy.

Raw Rubber Imports

Manufacturers of rubber products in India may have to spend more on their raw rubber imports on account of the new import duty on the commodity. Indigenous supply of natural rubber which is far short of the manufacturers' requirements is not expected to show any substantial improvement during the current year. Synthetic rubber is expected to become available from India's first factory from this year. Yet the manufacturing industry in this country will have to import a substantial share of its requirements from outside.

World statistics relating to the production and consumption of raw rubber (both natural and synthetic) point to an increasing trend. According to the International Rubber Study Group, world stocks of natural and synthetic rubber at the end of last year were higher than in the previous years. Last year, a total quantity of 2,105,000 tons of natural rubber were produced, compared with 2,090,000 tons in 1961. On the other hand, sales from the U.S., British

and other Government stockpile surpluses totalled 66,000 tons in 1962, against 29,000 tons in 1961. The total supply of natural rubber in 1962 was thus 2,171,000 tons, compared with 2,120,000 tons in the previous year. Consumption continued to be higher at 2,167,000 tons last year, against 2,132,000 tons in 1961, and 2,062,500 tons in 1960, inclusive of Russian imports which fell from 363,750 tons in

1961 to 345,000 tons in 1962. During 1962, China's imports rose from 83,250 tons to 107,500 tons, offsetting the fall in Russian purchases.

Synthetic rubber output rose from 1,980,000 tons in 1961 to 2,224,000 tons in 1962, whereas consumption rose from 1,917,500 tons to 2,142,500 tons. Stocks went up by 22,500 tons to 410,000 tons towards the end of 1962. Consumption prospects appear to be more favourable. Demand for rubber in the United States has been bigger, while consumption in Europe is also likely to rise substantially. There has been some anxiety about the political situation in south-east Asia, the main source of natural rubber supply. Stocks in Malaya are said to be substantial, and they are likely to be put on the market soon. The present feeling in market circles appears to be that the world rubber

market is unlikely to be strong in the near future.

Coconut Oil Recedes

Coconut oil price has started receding from the peak following the abolition of Central excise duty on unprocessed non-essential vegetable oils. Oil price was ruling at Rs. 308 a quintal on the Alleppey market just before the concession was announced and it drifted gradually to Rs. 272 by 8th March. Market sentiment continues to be weak and uncertain.

The new situation following the announcement of the 1963-64 Budget proposals has created difficulties in the settlement of the pending hedge contracts which had been quoted inclusive of the excise duty before the pre-Budget sessions of the market. The Oil Millers and Merchants Asso-

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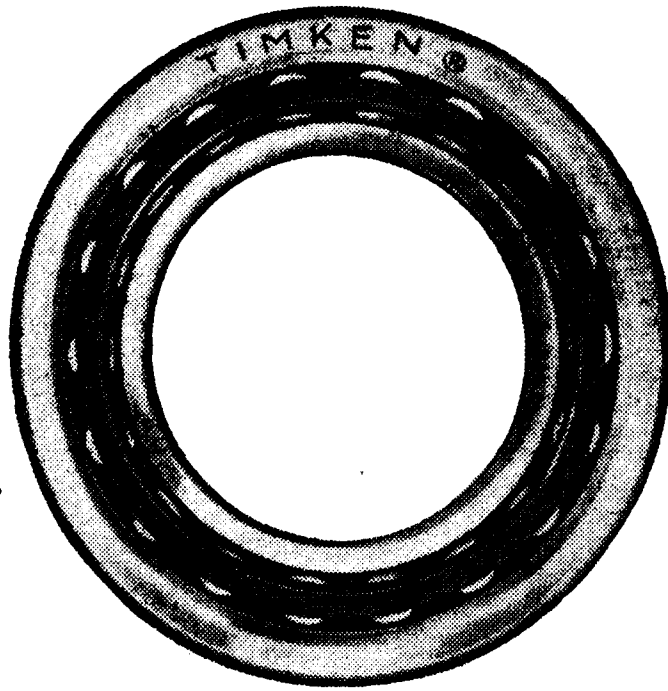
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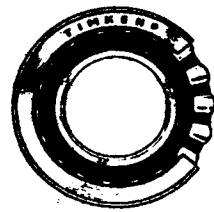


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ciation which was conducting the futures market in Alleppey had decried that all futures contracts concerning March and April deliveries in the Alleppey market still outstanding as at the close of business on 28th February would be deemed to have been closed at the closing rates of Rs. 290 and Rs. 286 a quintal, respectively. Meanwhile, trading in the March and April delivery contracts has been suspended by the Association pending the approval of the scheme by the Forward Markets Commission.

The Chief Minister of Kerala, Mr. R. Sankar, in his recent Budget speech has testified that the present prices of coconut and its products are the "highest in history". Coconut is an important crop of Kerala, and its price fluctuations have a direct impact on the fortunes of the people in that State. According to the Chief Minister, there was a considerable fall in the production of coconut in 1960-61 due to abnormal weather conditions. Of the agricultural crops of Kerala, coconut earns the highest value of output and a considerable fall in the production of this crop badly affected the economy of the State.

Coir Exports to Burma

India's coir export trade with Burma is almost paralysed, according to certain members of the Kerala Assembly. These members who have

some stake in the coir industry complained in the State Legislature last week that following the trade pact between Burma and Ceylon that came into force from November last, Burma does not buy Indian coir. With the nationalisation of banks in that country, Indian exporters are finding it hard to realise their dues from Burmese buyers. The Labour Minister, Mr. Achuthan, who replied on behalf of the State Government said that Ceylon is not in a position to meet the entire requirements of Burma so much so that the trade agreement between these two countries is not going to block coir exports from India completely. Besides, the trade pact between India and Burma provides for coir exports to Burma. The State Government is not aware of any difficulty of the Indian exporters about the settlement of their accounts with the Burmese buyers.

In reply to another question in the House, Mr. Achuthan disclosed that only Rs. 2 lakhs out of the Budget provision of over Rs. 19 lakhs for coir development could be used during the first nine months of 1962-63. This amount was distributed as loan to coir co-operative societies in Kerala. There was delay in the disbursement of loans due to the failure of the societies in satisfying certain conditions laid down by the Government for giving loans, the Minister said.

SUPER PROFITS TAX WORRIES TEA INDUSTRY

(BY A SPECIAL CORRESPONDENT)

THE Indian Tea Association held its annual meeting on 8th March in Calcutta. The chairman, Sir Richard Duckworth, in his address discussed the many difficulties with which the planting community is faced. The export duty on tea has been abolished, but the industry now has to take an increase of 20 percent in excise duty. "The move is one which the industry as a whole must regard with some satisfaction", but if the exporters find the situation easier, the industry is worried about the levy of the super profits tax. A great deal of the expansion as well as development in planting was financed in the past by ploughing back profits and not by raising new capital. The capital structure of many companies has remained unchanged for years, and such units are bound to be hit hard by the super profits tax. Other difficulties may be imposed on the managements by the Wage Board and the Bonus Commission. The payment of increased wages will aggravate the difficulty of financing tea estates for, it is reported, practically all gardens in Cachar, 11 percent in Darjeeling and 25 percent in Assam are already running at a loss. It follows that even the smallest increase in wages will add to the number of losing estates.

As for bonus, Sir Richard said that there had been occasional years of admitted prosperity. The industry has, therefore, accepted the principle of profit-sharing, and it has agreed that if the industry makes profits, a share of the profits will go to the workers. Such an arrangement is very flexible, and imposes no additional burden when times are bad and allows the workers to participate when times are good. "Since our agreements started, we have paid out over Rs. 19 crores in bonus, the equivalent of nearly £15,000,000".

Housing is another expensive problem. The chairman has pointed out that the allegations that the industry has provided accommodation only for 30 percent to 40 percent of its

workers is not correct. Actually, the gardens provide accommodation for men, women, children and a lot of other people, who live rent free in houses on companies' lands. This has always been the practice in the tea industry. As this correspondent can testify, over 50 years ago, when the new labour was being recruited, the garden concerned built new "lines" and made new "wells" for the fresh arrivals. The old thick mud-walled rooms with good thatch roof plus a semi-verandah were probably a great deal cooler than the new erections, now under construction. The industry has so far rebuilt or constructed 118,000 houses to new specifications. Another difficulty which will be

accentuated by the increase in excise payments is that "until the duty is paid no tea can be despatched from an estate."

The industry has made representations and suggestions to the Government, about minimising the difficulties of the estates on this account.

The Darjeeling Branch of the Indian Tea Association has also submitted its views on the proposed fiscal adjustments which are too severe on the tea industry, as the taxes on company profit will amount to about 80 percent. This will check expansion and development. The memorandum points out that tea production is a highly speculative business as in addition to trading risks and difficulties, it has to face

agricultural hazards such as drought, hail, pests and diseases.

The Tata-Finlay Private Ltd of Bombay will raise a further capital of Rs. 1 crore in equity shares of Rs. 100 each at par. The proceeds of the issue will be used for the production of instant tea. James Finlay and Co. Ltd of the U.K. is interested in the venture. The former Company's announcement states that 44,680 shares will be offered for cash, and 4,600 shares against payment for technical "know-how" will be offered to the U.K. Company. The instant tea product will be in powder form and soluble in hot or cold water. The factory will be in Kerala, and it is expected to begin producing early in 1964. The Company expects to export up to 14 million lbs in the near future.

The Price Line

The price line must be held. This is as much the responsibility of the State as of every citizen. Idle money, in the form of cash in hand, is the devil in the price spiral.

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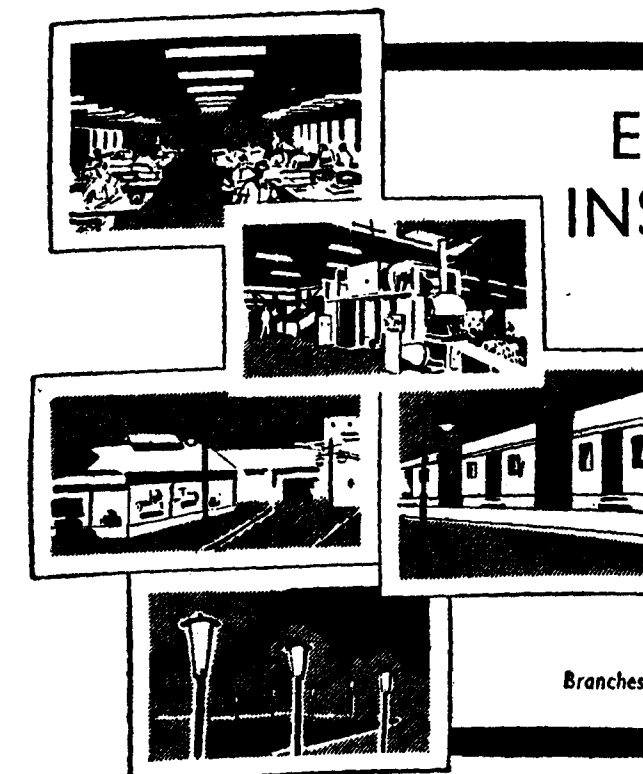
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COMPANY AND PUBLIC NOTICES

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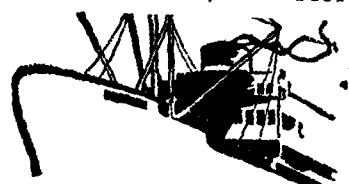
NOTICE is hereby given that payment of the half-yearly interest on the 5% Debenture Stock 1966/71 of the Company will be made on 1st April, 1963, to those Stockholders whose names appear on the Company's Register on that date or in accordance with their instructions.

By Order of the Board,

A. N. MITRA,
Secretary.

2, Fairlie Place,
Calcutta-1,
6th March, 1963.

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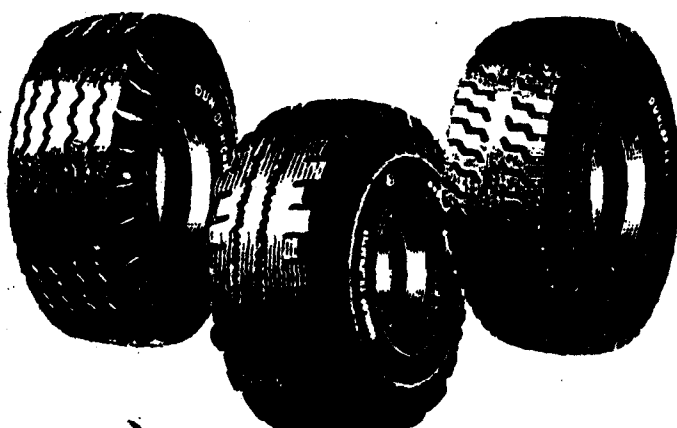
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THE IMPERIAL TOBACCO COMPANY OF INDIA LIMITED

NOTICE is hereby given that the Directors have decided to declare a second Interim Dividend on 28th March, 1963 (additional to the Interim Dividend of 24%, subject to tax, declared on 28th August, 1962) in respect of the Company's financial year ending 31st March, 1963, of 24%, subject to tax, payable on or after 11th April, 1963 to registered shareholders whose names appear in the Register on 28th March, 1963 or to their mandatees.

The Share Transfer Books of the Company will be closed from 25th to 28th March, 1963 and transfers received at the office of the Registrars of the Company, Jardine Henderson Limited, 4, Clive Row, Calcutta, before close of business on 23rd March, 1963 will, if in order, be registered in time for the transferees to receive the Dividend.

By Order of the Board
B. GRANGER PEARSON
Secretary.

Virginia House,
37, Chowringhee,
Calcutta.
8th March, 1963.

THE VICTORIA JUTE COMPANY LIMITED

THE Directors of this Company have declared:—

- (1) On the ordinary shares a dividend of 7% making, with the interim dividend, 10% for the year ended 31st December 1962; and
- (2) On the preference shares the dividend at the rate of 6% per annum for the half-year ended 31st December 1962.

These dividends will be paid on 2nd April 1963, less Income Tax at 7/9 per £, and the Transfer Books will be closed from 19th March to 2nd April 1963, both days inclusive.

At the Annual General Meeting the Directors will not recommend payment of any further dividend for the year ended 31st December 1962.

Preliminary figures for the year ended 31st December 1962 show Trading Profit £287,212 (loss £59,922), Income from Investments £17,600 (£14,989), Depreciation written off £45,000 (£10,000), net profit after Taxation £174,277 (loss £92,489), net interim dividends already paid £10,106, net dividends now declared £19,906, transfer to General Reserve £35,000 (from General Reserve £35,000), Transfer to Modernisation of Machinery Reserve £20,000 (Nil), and estimated carry forward £44,079 (£4,814).

Trading conditions for the current year continue favourable.

P. WILLIAMS,
Secretary.

Dundee, 12th March, 1963.

THE TITAGHUR JUTE FACTORY COMPANY LIMITED

THE Directors of this Company have declared:—

- (1) On the ordinary shares a dividend of 10% making, with the interim dividend, 13% for the year ended 31st December 1962; and
- (2) On the preference shares the dividend at the rate of 6% per annum for the half-year ended 31st December 1962.

These dividends will be paid on 2nd April 1963, less Income Tax at 7/9 per £, and the Transfer Books will be closed from 19th March to 2nd April 1963, both days inclusive.

At the Annual General Meeting the Directors will not recommend payment of any further dividend for the year ended 31st December 1962.

Preliminary figures for the year ended 31st December 1962 show Trading Profit £307,242 (loss £40,302), Income from Investments £31,915 (£27,003), Depreciation written off £30,000 (£10,000), net profit after Taxation £215,034 (loss £57,609), net interim dividends already paid £13,781, net dividends now declared £39,506, Transfer to General Reserve £65,000 (from General Reserve £65,000), Transfer to Modernisation of Machinery Reserve £30,000 (Nil), and estimated carry forward £73,365 (£6,618).

Trading conditions for the current year continue favourable.

P. WILLIAMS,
Secretary.

Dundee, 12th March, 1963.

THE SAMNUGUR JUTE FACTORY COMPANY LIMITED

THE Directors of this Company have declared:—

- (1) On the Ordinary Shares a dividend of 7% making, with the interim dividend, 10% for the year ended 31st December 1962; and
- (2) On the Preference Shares the dividend at the rate of 6% per annum for the half-year ended 31st December 1962.

These dividends will be paid on 2nd April 1963, less Income Tax at 7/9 per £, and the Transfer Books will be closed from 19th March to 2nd April 1963, both days inclusive.

At the Annual General Meeting the Directors will not recommend payment of any further dividend for the year ended 31st December 1962.

CAPITAL, 14th March, 1963.

Preliminary figures for the year ended 31st December 1962 show Trading Profit £471,356 (loss £58,238), Income from Investments £22,174 (£19,073), Depreciation written off £30,000 (£10,000), net profit after Taxation £115,879 (loss £77,715), net interim dividends already paid £13,781, net dividends now declared £28,481, transfer to General Reserve £65,000 (from General Reserve £65,000) and estimated carry forward £13,397 (£4,780).

Trading conditions for the current year continue to be favourable.

P. WILLIAMS,
Secretary.

Dundee, 12th March, 1963.

THE BENGAL PAPER MILL CO. LTD.

Notice of First Call.

NOTICE is hereby given that by a resolution passed on the 25th February, 1963 the Board of Directors of the Company have decided to make First Call of Rs. 5/50 per share (inclusive of Rs. 3/- on account of premium) on 1,80,000 Equity Shares of Rs. 10/- each issued at Rs. 22/- per share. The call money is payable to the Company at its Registered Office on or before 30th April, 1963 by the Shareholders registered as on the 30th March, 1963. The holders of shares with blank transfer deeds are requested to lodge them with the Company for registration of transfer.

The Transfer Books of the Company will remain closed from 25th March to 30th March, 1963, both days inclusive.

By Order of the Board,
H. P. DHANUKA,
Director.

Registered Office:
14, Netaji Subhas Road,
Calcutta-1.
11th March, 1963.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	A.S.T. Hours
Punjab Minerals Co. Ltd.	15-3-63	11 a.m.
Birds Investments Ltd.	19-3-63	11-15 a.m.
Alkali & Chemical Corp. of India Ltd.	21-3-63	2-30 p.m.
United Bank of India Ltd.	25-3-63	11 a.m.
Martin Burn Ltd.	27-3-63	12 noon
National Pipes & Tubes Co. Ltd.	29-3-63	3-30 p.m.

DIVIDENDS DECLARED OR PROPOSED

ED.—Sen-Raleigh Ltd.—8 p.c. (o), subject to tax; Martin Burn Ltd.—25 p.c. (o), subject to tax; Industrial Credit and Investment Corporation of India Ltd.—6 p.c., subject to tax; Coonoor Tea Estates Co. Ltd.—10 p.c. (f), subject to tax; Elgin Mills Co. Ltd.—17 p.c. (o), subject to tax; United Provinces Sugar Co. Ltd.—Nil; Samnugur Jute Factory Co. Ltd.—7 p.c. (o) (f), less tax; Victoria Jute Co. Ltd.—7 p.c. (o) (f), less tax; Titagur Jute Factory Co. Ltd.—7 p.c. (o) (f), less tax; Imperial Tobacco Co. of India Ltd.—24 p.c. (2nd Interim), subject to tax.

For a nominal charge, "Capital's" Statistical Department can provide you with a certificate of share prices.

"CAPITAL" STOCK AND SHARE LIST THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Wednesday, 13th March, 1963.

BANKS

Paid-up Capital Ordinary	Reserve & other Funds	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	NAMES	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Ra	Ra	Ra	Ra	Ra			1959 1960 1961	Ra	13-3-63 6-3-63 A year ago
67.50,000	1,23,75,000	27,37,97,908	22,49,414*	6,09,614	12	Allahabad Bank P.	18 18 18	100	396/00 396/00 329/00
1,50,00,000H 4,05,00,000H	1,81,24,560 4,11,50,000	33,09,58,958 43,61,96,153	67,63,195 1,11,53,496	3,02,553 13,09,847	12	Bank of Baroda Bank of India	14 17 17 20 20-20*	50 50	91/50 93/50 122/00 114/00 112/00 152/00
2,62,50,000H 52,50,000	3,68,08,634	78,29,75,001	1,93,04,910	18,61,470	12	Central Bank of India	17-1/2 20 2/5	25	55/00 59/30 71/50
66,60,000H 1,25,00,000H 50,00,000H HK\$79,046,125	27,150,000 10,00,000 2,85,000 215,000,000	2141,890,310 3,44,38,808 94,21,680 2165,691,749	2990,238 13,78,657 1,68,130 HK\$43,315,459	2540,648 13,261 28,888 HK\$2,340,534	12 12 12 12	Chartered Bank Hindustan Commercial Hindustan Mercantile Hong Kong & Shanghai	15 15 15 Nil Nil Nil Nil Nil Nil 23 23 23	£1 50 50 HK\$25	sh. 57/44 sh. 59/9 sh. 56/6 17/12 17/12 19/75 15/62 15/62 17/62 £16½ £16½ £17½
60,60,000 22,40,000	63,31,884	19,38,59,978	38,84,210	80,143	12	Indian Bank	15 15	100	174/50 174/50 180/00
75,00,000	78,36,660	14,65,60,072	43,80,498	2,22,933	12	Indian Overseas Bank	12 14 14	100	159/00 162/50 181/50
5,00,00,000	74,41,284	2,23,84,659	7,80,776	21,25,000	12	Industrial Finance Corp.	" " "	50	" " "
£5,703,000	£4,760,400	£105,373,912	£644,273	£311,105	12	National & Grindlays Bank	12½ 13½ 14	sh. 15 sh. 30/8 sh. 32/9	sh. 36/8 sh. 36/8 sh. 36/8
1,99,36,910	2,10,93,691	49,22,46,887	1,18,39,585	10,37,738	12	Punjab National Bank	20 20 20	10	18/19 19/25 21/94
60,00,000	43,00,000	10,42,69,664	14,75,220	1,14,551	12	Union Bank of India	" " "	8	6/40 6/52 9/32
2,68,84,370	90,74,000	23,80,78,403	20,50,008	2,39,694	12	United Bank of India	4.3 4.3 6	10	7/12 7/25 7/00
2,00,00,000	2,35,00,000	36,83,34,071	72,60,557	2,07,428	12	United Commercial Bank	11 12 12	50	75/25 75/25 101/50

* Excluding taxation.

** Per share on increased capital.

† Guaranteed.

*1962

JUTE MILLS

Hid-up dinary capital	No. of Looms	Net Block Account	Reserve & other Funds Premiums & forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed Mis. Accts. Securities etc.	NAMES	Dividends per cent	Paid-up per share	Latest Market Quotations as available until				
											13-3-63	6-3-63	A year ago		
Ra		Ra	Ra	Ra	Ra	Ra			1960	1961	1962	Ra	Ra	Ra	
0.00,000	879	99.19.361	66.42.500	3,92,646	59,794	79,587	3	Agarpara P.	10	2½	2½	10	9/75	10/56	11/25
6.00,000	446	28.70.981	18.59.900	4,22,325	2,57,931	1,40,179	12	Alexandra P.	44	15		100	305/00	305/00	265/00
0.00,000	1,264	48.84.147	8,04,850	5,70,976	11,43,880	58,837	6	Alliance P.	6	Nil	10	100	110/00	110/00	104/00
0.00,000	2,561	1,04.15.434	89.25.000	63,22,587	20,60,933	2,75,227	3	Anglo-India P.	20	7	10	100	199/00	199/00	215/00
0.00,000	810	61.70.400	26.57.703	4,56,210	5,54,728	5,02,872	27	21 Auckland P.	20	12	Nil	100	150/00	150/00	171/00
0.00,000	959	57.59.081	39.02.335	12,05,050	13,87,235	60,074	3	Bally P.	25	25	25	100	280/00	280/00	278/00
1,275,000	1,829	2,410.570	2,828.859	2,53,073	2,58,851	1,33,355	6	Barnagore P.	30	10	10	100	175/00	175/00	157/00
3,00,000	400	29.61.254	15.46.700	6,93,663	1,08,070	1,08,070	3	Bengal P.	15	15	15	100	10/25	10/25	9/44
9,56,210	1,413	5,25.85.505	3,35,31,987	90,84,701	96,65,712	3,90,684	10	Budge Budge P.	10	Nil		100	169/00	169/00	135/00
16,00,000	991	61.27.514	10.40.080	1,47,854	1,73,320	48,461	6-12	Calcutta P.	10	Nil		100	8/00	8/00	9/50
7,47,380	632	12.59.648	4.17.938	1,73,320	1,72,996	11,777	11	Caledonian P.	12	5		100	220/00	220/00	163/00
8,00,000	616	38.26.710	28.17.862	38,75,352	25,38,824	24,02,338	3	Chandany P.	10	5	Nil	100	136/00	136/00	125/00
18,16,400	1,400	1,01.87.080	62.26.228	2,47,272	16,01,287	1,21,444	11	Cheviot P.	Nil	5		100	23/62	23/62	20/37
18,98,250	230	59.15.022	40.65.400	13,38,874	12,49,444	61,455	7	Chitavalisab P.	8	Nil	8	100	11/00	11/00	12/44
10,15,000	500	53.11.479	40.65.400	13,38,874	1,51,574	18,447	3	Clive P.	1	1		100	8/87	8/87	9/85
16,00,000	959	13.80.489	25.12.433	1,35,556	6,51,574	6,51,574	3	Delbousie P.	1	1	Nil	100	152/00	146/00	135/00
31,49,200	786	52.19.772	12.23.514	3,57,222	6,51,574	6,51,574	1	Delta P.	1	1	Nil	100	173/00	173/00	175/00
98,00,000	779	1,24.93.482	51.26.797	3,06,994	9,12,181	8,98,543	12	Empire P.	12½	7½	12½	100	15/31	15/31	19/06
15,00,000	500	35.23.146	39.20.700	0,41,963	7,63,955	40,327	3	Fort Gloster P.	25	10	12½	100	399/00	399/00	428/00
33,00,000	1,884	1,68.88.474	87.06.518	7,52,017	26,14,782	7,033	3	Fort William P.	22½	22½	10	100	26/00	26/00	25/12
21,00,000	1,614	48.31.660	24.95.369	12,66,910	4,99,648	1,89,764	3	Ganges P.	10	10	15	100	12/56	12/37	14/00
34,32,100	1,708	1,20.88.547	40.93.282	5,26,122	41,36,028	1,87,586	12	General Industrial	40	10		100	17/00	17/87	43/00
13,20,000	407	62.13.502	39.58.215	98,513	45,41,712	48,518	3	Gouropore P.	30	25	20	100	487/00	487/00	508/00
24,00,000	1,394	1,02.44.325	74.30.587	45,41,712	12,24,172	1,01,636	3	Hastings P.	6	6	6	100	128/00	128/00	122/00
40,00,000	1,078	70.83.987	25.28.234	12,67,575	9,89,386	38,329	3	Hoshoily P.	10	10	10	100	20/00	20/00	26/87
16,80,000	720	28.41.201	42.62.842	8,05,642	10,94,477	13,61,553	3	Howrah P.	12½	10	Nil	100	19/00	17/72	20/37
85,62,500	1,940	72.72.179	38.55.000	23,48,290	27,19,471	57,366	3	Hukumchand P.	28½	28½	12½	100	28/12	28/12	27/84
52,50,000	2,474	1,31.00.000	38.55.000	36,11,862	7,44,969	5,18,900	3	India P.	14	12	8	100	17/75	17/75	16/31
30,00,000	790	93.29.345	38.24.567	6,75,226	13,75,188	17,20,761	12	Kamrathbhai P.	Nil	Nil		100	151/00	151/00	163/00
42,20,000	1,797	56.25.250	27.20.328	6,75,226	13,75,188	30,80,212	12	Kankannarab P.	Nil	Nil		100	121/00	121/00	111/00
54,00,000	1,527	68.65.106	9.43.776	5,58,886	13,35,427	47,758	5	Kelvin P.	15	15	5	100	176/00	176/00	188/00
28,00,000	708	63.93.372	56.73.800	12,38,826	6,41,366	16,20,587	9	Khardah P.	20	5	12½	100	18/25	18/25	17/12
54,00,000	1,530	95.81.995	26.08.164	6,41,366	16,20,587	59,933	3	Kinnston P.	20	7	Nil	100	150/00	150/00	165/00
42,00,000	1,250	70.14.881	46.11.711	24,80,797	22,58,828	21,89,282	3	Kinnston P.	20	7	Nil	100	120/00	120/00	133/00
24,48,000	931	33.87.827	Nil	3,63,702	15,54,671	6,84,149	3	Landowne P.	Nil	7	Nil	100	124/00	124/00	162/00
28,00,000	840	22.22.258	1,36.90.180	42,99,026	7,57,111	1,38,282	3	Lawrence P.	7	15	10	100	13/81	13/81	12/12
1,234	1,615	22.22.258	34.55.037	3,41,488	17,63,515	4,26,297	3	Lawrence P.	Nil	12	124	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Magna P.	12	124	Nil	100	13/81	13/81	12/12
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100	9/08	9/08	85/00
29,99,800	815	22.22.258	12.04.575	2,94,087	10,35,624	13,08,719	3	Nashati P.	12	124	Nil	100			

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Latest Market Quotations as available until	Names
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.		1960 1961 1962	13-3-63 6-3-63 A year ago	
25,50,000	58,52,284	43,77,800	3,90,484	16,40,057	39,096	6-12	315	24/81 24/81 22/00	Amalgamated
1,39,00,000	3,15,46,304	2,44,30,490	36,03,088	86,68,875	10,42,254	3	236	282/00 289/00 346/00	Bengal Coal
4,49,350	4,37,882	1,30,142	91,198	43,397	4,471	10	2	3/48 3/48 3/48	Bengal Bhatdee
2,25,000	3,06,216	6,45,835	5,19,015	1,55,838	16,129	12	368	22/00 22/00 20/19	Bengal Nagpur
15,87,000	23,27,321	4,87,308	93,992	2,62,417	21,275	12	...	5/00 5/00 4/75	Bhaigora
40,00,000	67,23,620	2,75,000	21,19,681	11,80,816	1,120	6	152	3/53 3/53 3/94	Bharat Collieries P.
7,15,000	14,96,845	11,02,672	64,329	3,06,106	4,92,536	6	335	12/00 12/00 5/00	Bhulanbarree
16,00,000	38,87,275	16,18,676	7,185	1,21,936	79,196	12	362	11/19 11/19 14/06	Bokaro & Ramgur
7,50,000	19,13,792	22,77,003	12,32,439	5,26,414	33,647	12	106	23/87 23/87 23/25	Borras P.
90,92,496	2,32,19,267	1,46,53,383	33,70,740	37,97,832	90,768	6	21	15/06 14/50 17/62	Burrakur P.
49,97,000	50,93,751	6,86,120	6,35,532	16,11,088	3,58,023	3	166	10/25 10/25 11/44	Central India
8,00,000	18,69,439	12,97,490	98,040	6,357	214	12	...	8/00 8/00 7/00	Central Kurund P.
4,00,000	...	1,55,159	6,05,472	63,765	7,043	12	106	3/06 3/06 3/06	Churulia
16,00,000	25,01,705	...	19,429	6,45,261	5,39,034	12	444	5/75 5/75 6/50	Dhemo Main
2,40,000	...	...	...	...	...	4	128	37/00 37/00 37/00	East Indian
29,63,700	1,42,23,654	1,18,76,888	2,61,905	2,13,858	2,62,234	12	...	25/62 25/62 26/84	Equitable P.
15,00,000	21,00,420	41,000	27,66,725	10,14,185	33,594	12	19	14/25 14/25 14/00	Ghustick & Muslia
6,50,000	4,21,847	...	26,500	920	6,24,344	3	307	2/03 2/03 4/75	Guzdar Kajora
8,00,000	6,43,022	...	16,702	10,479	14,705	12	30	8/12 8/12 14/37	Hurriladib
15,00,000	23,47,982	27,81,955	39,74,704	3,95,071	1,40,029	12	21	10/56 11/62 16/00	Karanpura Developmer
20,00,000	34,15,535	9,86,018	3,72,692	8,92,065	32,810	2	21	18/00 18/00 19/04	Karanpura Collieries P.
14,88,460	20,68,761	16,01,825	8,75,590	8,29,862	1,11,842	1	?	48/75 48/75 49/00	Katras Jheriah
1,38,400	6,75,000	95,000	11,80,294	49,776	1,918	6-12	337	18/70 18/70 18/70	Khas Kajora P.
5,65,750	5,95,833	...	...	...	...	...	...	2/69 2/69 2/62	Mundulpur
7,48,240	3,46,525	2,50,000	7,62,941	1,28,839	94,963	12	347	5/12 5/12 6/87	Nazira
31,97,210	61,56,849	34,47,233	3,39,307	9,75,812	93,646	10	?	19/94 19/94 21/50	New Beerbhoom P.
9,90,340	9,04,373	5,21,710	75,374	4,12,216	43,822	3	202	13/75 13/75 13/62	New Manbhoom
15,00,000	7,05,719	4,31,409	40,364	1,44,042	15,045	12	441	19/75 19/75 22/06	North West
7,50,000	1,33,788	13,22,645	22,85,077	1,91,515	45,080	12	106	18/00 18/00 20/25	Ondal P.
8,34,000	23,69,066	1,52,212	4,79,984	1,79,344	588	12	207	13/00 13/00 14/40	Parasa P.
15,75,000	32,93,192	24,59,125	4,11,055	8,41,674	64,553	3	236	18/00 18/00 17/88	Parasa Valley
2,50,000	5,62,405	7,500	1,10,558	2,003	18,381	6-12	8	19/12 19/12 15/87	Pure Stabpur
33,58,900	50,26,723	40,85,000	1,26,141	11,54,576	35,781	3	370	8/00 8/00 9/00	Raneegunge
13,50,000	25,32,135	20,80,190	16,89,318	13,18,197	41,523	12	236	15/00 15/00 15/00	Rewa
37,50,000	74,38,430	38,61,070	1,69,086	12,37,914	26,993	12	48	28/50 28/50 30/00	Samsa
2,50,000	4,47,534	74,281	10,748	19,279	4,27,396	1	553	10/03 10/03 8/87	Searpole
2,80,000	10,74,008	12,23,716	16,17,267	8,13,147	67,383	12	2	1/94 1/94 0/78	Seebore P.
8,00,000	6,203	4,54,648	13,04,570	78,390	1,540	12	106	45/00 45/00 47/00	Senders
17,50,000	28,29,652	10,02,341	50,728	2,66,373	2,926	8	21	5/75 5/75 6/44	South Karanpura
8,00,000	1,90,901	15,48,989	28,78,295	1,84,925	38,908	12	106	8/25 8/56 7/19	Standard
2,50,000	4,36,300	3,23,000	38,660	1,37,973	1,77,952	12	...	16/00 16/00 15/19	Union
49,98,000	63,57,150	6,08,055	2,89,620	11,72,192	1,19,162	3	166	10/37 10/37 10/00	Western Bengal
7,00,000	26,06,335	...	47,091	6,51,403	6,23,711	12	444	9/06 9/06 9/03	West Jamuria

*1962

COTTON MILLS

Paid-up Capital Ordinary	Number on Spinning Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Latest Market Quotations as available until	NAMES
Ra.		Ra.	Ra.	Ra.	Ra.	Ra.		1960 1961 1962	13-3-63 6-3-63 A year ago	
15,00,000	14,108	856	14,06,683	3,15,002	12,50,541	26,012	41,532	12 49		Basant P
9,11,280	36,000	932	17,17,120	2,20,389	30,842	5,66,177	47,818	8 27		Banga Luxmi
27,00,000	81,676	624	17,77,373	...	93,672	4,24,150	6,86,163	12 223		Bengal Nagpur P.
50,00,000	...	...	1,10,03,281	39,06,890	9,82,146	55,78,866	1,45,329	12 394		Bharat Commerce
39,95,860	36,784	992	60,94,300	1,21,02,782	53,37,204	39,77,025	1,67,525	8 22		Birla Cotton
24,00,000	43,136	941	94,15,536	31,39,700	2,59,240	30,41,946	2,15,837	12 138		Bowraah P
30,00,000	22,600	510	23,07,805	48,99,584	5,33,310	20,76,448	47,303	12 28		Cawnpore Textiles
8,78,33,535	1,97,346	3,307	6,72,37,739	6,96,27,768	77,61,228	3,08,40,769	4,03,636	7-1/5 10		Delhi Cloth & Genl. P.
38,00,000	43,049	618	65,25,204	46,09,112	3,35,657	40,11,298	2,29,807	12 138		Dunbar
63,00,000	64,000	1,200	95,39,870	2,10,49,560	93,81,545	70,11,091	89,499	9 386		Elgin P.
1,23,00,000	...	...	3,86,97,871	56,34,321	85,50,730	1,22,795	12 158	11 17 17 1/2		J. K. Cotton (Rayon) P.
49,18,000	6,772	202	61,44,000	24,71,900	4,76,536	28,42,100	87,266	12 23		Jay Shree
80,00,000	36,000	1,625	67,44,848	52,19,301	92,65,055	18,77,941	7,77,290	12 208		Muir P.
35,11,283	78,986	1,367	67,49,840	3,96,980	1,09,256	12,73,361	63,55,495	12 237		New Victoria P.
60,00,000	...	...	1,08,10,352	78,144	2,34,189	12,34,741	22,17,624	3 398		Orissa Textiles P.
29,47,780	23,196	795	15,49,229	80,773	2,37,475	3,38,087	...	6 4		Rampooria Cotton
17,50,000	...	...	...	...	...	...	...	...		...
1,97,50,000	1,14,896	2,071	4,68,79,351	1,63,83,071	2,15,81,189	76,20,241	6,044	12 333		Swadeshi (Kanpur) P.

MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Latest Market Quotations as available until	Names
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.		1960 1961 1962	13-3-63 6-3-63 A year ago	
8,00,000	3,97,903	1,70,000	5,86,425	1,53,521	3,834	10	85	5/90 5/90 5/90	A Firpo (Restaurateur)
93,75,000	4,66,28,334	219,45,581	9,97,268	1,20,001	60,514	12	382	12/75 12/75 18/62	Aluminium Corporation P.
20,00,000	42,19,816	16,50,000	52,45,373	3,56,934	2,34,634	10	111	11/75 11/75 11/75	Anderson Wright Ltd P.
30,00,000	13,34,003	43,57,426	25,11,996	21,50,119	1,49,864	12	274	21/75 21/75 21/97	Angelo Bros
30,00,000	19,07,791	28,03,818	38,63,364	18,71,969	10,925	10	28	28/75 28/75 25/25	Assam Match
13,99,886	20,17,690	19,73,119	31,224	2,57,148	1,04,925	9	348	2/50 2/50 2/50	Assam Saw Mills & Timber
1,18,00,000	53,91,481	93,43,063	59,95,725	50,77,803	7,18,123	8	591	26/19 26/19 32/37	Associated Battery
20,00,000	43,09,876	44,17,208	43,55,171	7,61,605	1,22,491	3	204	10/31 10/31 10/31	Associated Hotels of India P.
80,01,400	41,69,783	1,00,44,367	89,25,652	41,27,153	4,49,959	12	396	257/00 257/00 258/00	Balmer Lawrie & Co.
12,00,000	5,96,566	10,21,963	6,94,390	9,56,254	46,563	3	128	24/00 24/00 18/31	Bararac (Coke)
44,00,000	1,01,23,412	9,27,823	68,58,381	2,87,091	2,634	9	160	11/50 11/50 12/62	Birds Investments P.
68,95,530	73,67,363	2,01,22,345	1,56,81,691	1,06,65,119	19,948	12	392	43/87 43/87 45/37	Britannia Biscuit P.
50,00,000	21,14,667	40,83,860	2,92,254	13,04,762	19,948	12	392	9/37 9/37 11/56	British India Corporation P.
5,00,000	8,83,781	1,65,739	1,54,429	2,63,717	5,201	3	213	20/50 20/50 26/37	British Paints
1,38,80,000	14,79,453	1,92,04,790	14,62,760	2,49,217	12	12	2	7/15 7/15 7/12	Calcutta Silk Manufacturing P.
90,00,000	22,97,556	1,21,50,000	2,48,19,559	37,24,110	3,46,877	12	160	8/19 8/19 8/85	Clive How Investment
4,50,00,000	6,31,32,676	4,12,74,162	8,32,011	2,87,37,462	25,38,694	12	96	159/00 159/00 152/00	Duncan Brothers & Co Ltd P.
76,88,000	63,98,196	1,76,05,602	1,11,25,276	1,32,549	12	12	14	32/50 32/50 43/37	Dunlop Rubber Co (India) P.
60,93,490	64,20,000	20,22,000	1,61,547	19,35,092	2,10,371	3	61	129/00 129/00 153/50	Eastern Investments Ltd P.
30,00,000	28,94,555	27,23,508	19,90,833	15,65,118	2,10,371	3	61	12/00 12/00 15/00	Electric Construction
5,00,000	8,83,781	1,65,739	1,54,429	2,63,717	5,201	3	213	35/12 35/12 34/50	French Motor Car
14,00,000	21,39,604	17,97,547	25,404	6,52,807	46,218	12	19	8/19 8/19 8/85	Ganges Road
65,00,000	32,50,865	50,30,906	1,51,99,383	28,70,050	6,305	2	21	236/00 236/00 231/00	General Investments Trust P.
40,00,000	17,69,681	7,21,344	38,90,302	5,43,666	1,68,102	3	108	43/00 43/00 43/00	Gillanders Arbuthnot & Co Ltd P.
40,00,000	33,21,954	5,22,500	87,620	46,18,514	8,524	12	208	13/81 13/81 14/06	Gladstone Lyall & Co Ltd P.
30,00,000	43,74,366	17,65,560	1,60,432	1,08,512	794	3	228	33/25 33/25 31/00	Godfrey Phillips (India) Ltd P.
4,88,75,000	3,08,48,439	2,33,36,909	2,11,555	2,11,555	12	438	228	241/00 241/00 240/00	Great Eastern Hotel

such dangerous ideas unless the Finance Minister can persuade himself to make a formal and categorical denial. The report hints that the super profits tax might be only temporary; that the averaging of assessments might be allowed in order to help companies with widely fluctuating profits; and that "the disincentive to foreign investment could also be suitably taken care of by necessary relief measures." But these would represent only marginal adjustments in a levy that, to begin with, is wrong-headed and disastrous. No investor or company can be expected to rely on hints and assurances other than those specifically given by the Finance Minister and written into the law.

The basic assumption implicit in the discussion on the super profits tax is that companies in India are making excessive profits, so these must be penalised. No attention has been given to the criticism that the criterion for judging "super profits" is completely arbitrary, and is likely to hit the efficient concerns hardest. The view, on the contrary, seems to be that "super profits" are due to "monopoly power"—the politicians' syno-

JUTE MILLS STUNNED

IN an industry subject to wide fluctuations in its fortunes, long-term problems tend to get obscured by the natural concern over immediate prospects. This is particularly true of the Indian jute industry since independence, because neither raw material supplies nor world market conditions have remained sufficiently stable over any length of time for the basic policy issues to crystallise in public thinking. With production running at the level of 100,000 tons a month, and with ample supplies of raw material in hand because of two successive bumper crops, 1963 could have provided the jute industry with just that breathing spell it clearly needed to consolidate its gains and equip itself for an uncertain future. But that is unfortunately not to be because the Finance Minister, Mr. Morarji Desai, has chosen to undermine the very basis on which long-term plans were being formulated by his super profits tax. After a long spell of misfortunes culminating in the heavy losses of 1961, the industry has had a prosperous year in 1962. But if a large proportion of these profits are to be taken away by Mr. Desai's latest levy, there will be no cushion left against periods of adversity. More than that, the industry will be deprived of the financial resources required for completing the urgent task of modernising the mills. In fact, the financial stringency, already acute because of the large fibre stocks the mills are compelled to hold, will become much worse with the commitments for the purchase of new equipment that have in many cases already been made.

It is appropriate, therefore, that the threat to the industry's future posed by the super profits tax should have been underlined by Mr. C. L. Bajoria in his address from the chair at the I.J.M.A. annual meeting in Calcutta last Friday. As he said, there are only two courses open to the jute industry—either it modernises to strengthen its competitive position, or it reconciles itself to a slow but steady decline in the face of Pakistan's determined bid to capture world markets, and the emergence of local manufacturing units in several countries of Africa and the Middle East. Since modernisation, in spite of the limited assistance available from State-sponsored financial institutions, has to be based on the jute mills' own resources, penal taxation of profits in a good year like 1962 will have the effect of halting further progress. This, as Mr. Bajoria warned, is a grim prospect indeed for India's principal export industry, and the fact that textiles are specifically excluded from the benefit of the new export incentives only compounds the injustice.

Official apologists for the super profits tax have claimed that the 26 percent development rebate available on new equipment will have the effect of reducing its rigours and encouraging expansion. But the assertion overlooks the simple fact that if the tax sharply reduces the company's net earnings, the profits that can be retained in the busi-

nym nowadays for a sheltered home market. The argument follows that if the prices of basic industries like coal, cement, steel and paper are controlled, the profits of the others should also be—so as to divert investment to the former. The point has been missed that private savings are not an irresistible flood which must always find some industry or the other to get into; the main effect of the super profits tax will be that the volume of savings as such will decrease sharply, and any industry wanting to expand will then be left almost completely at the Government's mercy. The authors of the report appear to be not too unhappy about the prospect. In fact, it appears to be precisely what they want, since they imply that the savings raked in by the Government will always be there to make up for the decline in savings from private investors. In the light of their report, the super profits tax acquires an altogether new meaning. Its significance is not merely that it mops up Rs. 25 crores or Rs. 30 crores; the more important aspect may be that it is a far-reaching attempt at financial starvation, followed by Government intervention, in private industry as a whole.

Urging companies to borrow in order to finance expansion is unlikely to be a practical idea in the present conditions of the capital market, apart from the fact that high gearing reduces the capacity to absorb shocks in periods of adversity when the servicing of debt becomes difficult. In an industry where profitability is as erratic as in jute, this factor alone will deter borrowers no less than lenders. It is hardly a solution to suggest that the Government's financial institutions may be expected to help. There is the example of the coal industry, where such assistance was expressly promised but has still to materialise to any significant extent. If the Finance Minister is serious in his professions of concern for export promotion, nothing short of substantial modifications in his tax ideas will really serve.

Although the immediate issue of the super profits tax is prominent in the industry's mind in these post-Budget days, its need for New Delhi's support to contend with Pakistani competition is equally pressing. Here again, it would be pointless to delay action because just now the industry is in a position to earn reasonable profits despite the competition offered by the rapidly growing industry across the border. The pent-up world demand which kept both Pakistani and Indian mills working to capacity for most of 1962 is petering out, specially in the case of sacking. In July-December 1962, exports of sacking were only 17,000 tons above the same six months of 1961, as against a difference of 86,000 tons in the case of hessian. A similar conclusion emerges from the fact that the stocks of sacking rose from 36,500 tons at the end of May 1962 to 49,200 tons at the end of January 1963. This confirms that Pakistani mills, thanks to their lower raw mate-

THE BUSY SEASON SQUEEZE

ALTHOUGH the traditional busy season in the money market still has many weeks to run, the banking system is under heavy strain. The acute monetary stringency has pushed the inter-bank call money rate to 6½ percent or 6½ percent. Scheduled banks' returns for the week ended 8th March show how intense the pressure on banks' resources is. During that week, bank credit increased by as much as Rs. 43.92 crores (from Rs. 1,536.61 crores to Rs. 1,580.53 crores), which accounts for nearly 22 percent of the total credit expansion since the beginning of the busy season in November. While credit recorded a steep rise, bank deposits declined by Rs. 15.02 crores (from Rs. 2,028.51 crores to Rs. 2,011.49 crores), with the result that the banks were obliged to liquidate their investments and borrow more from the Reserve Bank. Investments declined by Rs. 24.27 crores (from Rs. 612.15 crores to Rs. 587.88 crores)

and the export bonus scheme, are in a position to displace Indian sacking at will, the only limitation being their present production capacity. But the number of looms is steadily on the increase, about 2,000 having been added within the past 12 months and another 4,000 due to be installed before 1965, when the total on the basis of 24-shift working will be equivalent to 35,000 looms. Having already lost 60 percent of the market in Burma, 37 percent in Australia and 63 percent in Peru (according to the figures Mr. Bajoria cited), the I.J.M.A. chairman's analogy with an oncoming flood cannot be dismissed as a mere rhetorical flourish.

It is not as if the problem is not recognised by New Delhi. Almost a year ago, concern over the industry's prospects led to the appointment of a committee headed by Mr. N. C. Shrivastava, adviser to the Planning Commission. But before its recommendations have been either acted upon or made public, another study group has been set up under the aegis of the Board of Trade to look once again into export possibilities. While there can be no objection to keeping export problems under continuous study, the need for fresh thinking should not stand in the way of positive action even if it is explicitly on a temporary basis. The point may also justly be made that competitors are not going to wait while New Delhi perfects its counter-measures. It is futile, therefore, to defer protective measures until such time as the whole structure of the jute goods trade has been refashioned (if it can ever be done) to fit some academic mould of New Delhi's conception. With the U.S.A. as one of India's principal markets, anything suggestive of official control over trading cannot but do harm to India's reputation, as the Government was obliged hastily to recognise by the storm of protests from U.S. buyers over the Customs authorities' interpretation of existing contracts.

The price of raw jute has an important bearing on the industry's international viability because it accounts for almost 60 percent of the production costs. The point here essentially is that price support should not foster the cultivation of low-grade jute, the large proportion of which in the total crop is already a major source of embarrassment. With the greater emphasis on the production of hessian and carpet backing cloth, the demand for low grades suitable for sacking is in any case likely to decline. This tends to exert an unhealthy downward pressure on fibre prices, which statutory controls cannot stem, and the only practical solution is to build into prices an incentive for the improvement of quality. The I.J.M.A. has taken a fair share of the responsibility by its work in popularising improved seeds and better cultural practices. It is up to State Governments—particularly in Bihar, where the low grades constitute a special problem—to undertake effective follow-through. State Governments are understandably more susceptible to political pressures exerted, ostensibly at least, on the growers' behalf. But the realisation has to be brought home that unrealistic prices will only increase the cost advantages of Pakistan and encourage other countries to establish their own mills.

and borrowings from the Reserve Bank rose sharply by Rs. 26.91 crores (from Rs. 56.91 crores to Rs. 83.65 crores).

During the current busy season—26th October, 1962 to 8th March, 1963—bank credit has expanded by Rs. 196 crores, against an increase of Rs. 154 crores in the corresponding period of 1961-62 and Rs. 204 crores in the entire 1961-62 busy season (November to April). Deposits are up by a mere Rs. 15 crores—the figure has been arrived at after allowing for the transfer of Rs. 50 crores of U.S. counterpart funds from the State Bank to the Reserve Bank—against an increase of Rs. 73 crores in the same period of the last season. In view of the disappointingly small increase in deposits so far this season, the credit expansion of Rs. 196 crores has been achieved mainly by borrowing from the Reserve Bank (which have risen by

Rs. 75 crores) and liquidation of investments (which are down by Rs. 73 crores, after allowing for the adjustment of U.S. counterpart funds amounting to Rs. 50 crores). In the corresponding period of the 1961-62 busy season, the Rs. 154-crore credit expansion was met mainly by an increase of Rs. 73 crores in deposits, a Rs. 41-crore rise in borrowings from the Reserve Bank and liquidation of investments to the tune of Rs. 35 crores.

In spite of various restraints on banks' lending, the demand for credit has continued to expand in keeping with the growing tempo of economic activity in the country. On 8th March, the credit-deposit ratio of all scheduled banks touched a high of 78 percent; if the State Bank of India is excluded, the ratio of scheduled banks in the private sector is much higher, around 83 percent. Scheduled banks' borrowings from the Reserve Bank at Rs. 83.65 crores, as on 8th March, are nearly Rs. 18 crores in excess of their overall quota, which works out to around Rs. 66 crores. Bank borrowings from the Reserve Bank are at present ordinarily subject to a ceiling of 100 percent of their statutory reserves, borrowings up to 50 percent being charged at Bank rate of 4½ percent and the remaining 50 percent at 6 percent. Advances above this limit are subject to approval, and also to a special charge. The special accommodation sought by the banks from the Reserve Bank is an indication of the growing pressure on their resources. With the growing industrialisation of the country, and the changes in the structure of deposits and in the pattern of bank advances, the busy season has lost much of its traditional character. This is why the contraction of bank credit during the 1962 slack season amounted to only Rs. 42 crores—a little more than a half of that in the 1961 slack season. The pressure on banks' resources might not ease materially even after the end of the traditional busy season in April. While the stepping up of defence and development effort is likely to sustain the demand for bank credit at a high level, the growth of deposits has slowed down appreciably and the rate of growth cannot be expected to show any marked improvement in the near future in view of the steep rise in taxation and the massive programme of public borrowing.

The Reserve Bank has now decided to introduce, with effect from 23rd March, the export bills credit scheme. It has also offered to provide additional quotas in relation to banks' advances to small industries and co-operatives. The decisions indicate that the central banking authority is well aware of the impact of current economic trends and the budgetary policy on the banking system. Under the export bills credit scheme, banks will be granted the facility of borrowing from the Reserve Bank at Bank rate within their overall quotas against eligible export bills drawn in Indian rupees or foreign currencies. In the case of bills drawn in Indian rupees, banks will be entitled to borrow from the Reserve Bank over and above their quotas at Bank rate amounts not exceeding the value of export bills, provided they do not charge a rate exceeding 1½ percent above Bank rate. As for the facilities for securing accommodation from the Reserve Bank against advances to small industries and co-operatives, the Reserve Bank has stipulated that the additional quotas made available to scheduled banks at Bank rate for such lending will be over and above their total borrowing quotas, without any corresponding reduction in their 6 percent borrowing quota as at present. As a result of this relaxation, scheduled banks will be able to borrow an additional amount of about Rs. 10 crores at Bank rate. A substantial portion of the benefit will naturally go to the State Bank of India, which is the major lender to small industries and co-operatives.

F.I.C.C.I.: MR. NEHRU ASKS FOR HONESTY

THE main feature of the annual session of the Federation of Indian Chambers of Commerce and Industry in New Delhi last Saturday was the Prime Minister, Mr. Nehru's exhortation to business men to observe the highest standards in their dealings. He gave this advice in view of the Vivian Bose Commission's report on Dal-

mia-Jain companies which came as a shock to many. Mr. Nehru said that the report revealed how things were done and managed by a group of companies "to the detriment of public good". Many questions had "arisen since then as to how this kind of thing should be dealt with, not only a particular thing enquired into, but the wider picture". Although the Vivian Bose Commission's report related to the working of a single group of companies, Mr. Nehru felt it was necessary for business men to check the impression that "all is not well in our commerce and industry and that the standards that we should keep up are not adhered to".

Mr. Nehru's exhortation came after the speech of the F.I.C.C.I. president, Mr. Shriyans Prasad Jain, who is one of the persons criticised by the Vivian Bose Commission in its report. Mr. Jain's speech was, perhaps understandably, confined to other, more general economic issues. Criticising the Central Budget, and the super profits tax in particular, he said that it would drain the resources of the private sector and penalise efficient companies. The additional incidence of the super profits tax on better-managed concerns would be about 15 percent to 25 percent of profits. The F.I.C.C.I. president reiterated the criticism that the Government has not taken advantage of the help and co-operation offered by industry for the defence effort. Pointing to the freeze on plans for industrial development, he referred to the virtual embargo on the licensing of many new industries and the decision to curtail the number of priority industries for the import of capital goods to 21. Economic policies based on political dogmatism are still being pursued at the cost of increased production. Besides, the administrative machinery continues to move as slowly as ever before.

The growth of the economy is already being seriously retarded. The stock markets, which are the barometer of investor confidence, are depre-

sed. New company flotations have become extremely difficult, and foreign risk capital is tending to shy away from India. To add to the worries of the corporate sector, bank finance has become expensive and difficult to obtain because of the restrictive credit policies. As Mr. Jain stated, the test of the new tax burdens is whether they will promote economic growth and production. But when the squeeze has been applied on every section of the people so as to net in a total of over Rs. 275 crores in one big sweep, little scope will be left for corporate savings and expansion. Middle-class investors, whose interest in the investment market has been welcomed and encouraged by the Government, will be left with little savings.

In his speech at the F.I.C.C.I. session, Mr. Nehru reiterated the Government's decision to strengthen the defence effort and at the same time to go ahead with the development plans. But unfortunately, there are certain basic inconsistencies in the official policies. Firstly, if development has to proceed smoothly, the resources for it cannot be denied to the private sector. Secondly, if the Government wants to prevent a rise in prices, the proposed fiscal measures will have to be modified, since they will inevitably push up industrial costs. The F.I.C.C.I. has expressed the readiness of its members to undertake new responsibilities and has offered its co-operation in stepping up the defence effort and accelerating economic growth. The resolution on the subject says that this "can be accomplished by the authorities and the people working together in unison". It is to be hoped that ideological considerations will not come in the way of the Government harnessing the energies and resources of the private sector. The F.I.C.C.I. emphasises that "the preoccupation with taxation as a key to development must give place to a purposive programme of financial and fiscal encouragement to private industry".

Current News and Comment

Importance of Small Banks

The Governor of the Reserve Bank, Mr. P. C. Bhattacharyya, told a seminar for chief executive officers of small banks in Madras last week that in India's expanding economy, small banks have ample scope to co-exist with large banks. The former have a distinct advantage where local knowledge and contacts are important. The remarks should go a long way in correcting the popular belief that small banks are always at a disadvantage. Mr. Bhattacharyya went further and pointed out that small banks are already playing a significant rôle in reducing the operations of usurious moneylenders. At present, nearly three-fifths of the assets of the household sector—in which the bulk of the national savings are made—are held in the form of physical assets. Since small banks have many offices in centres with a population below 50,000, there is ample scope for them to mobilise resources which big banks cannot. In the past, small banks have concentrated on personal loans, usually against the security of gold ornaments. At present, such loans form nearly two-fifths of the total advances of Indian non-scheduled banks. It is possible for the banks to play a greater rôle in the financing of small-scale industry and trade, thereby making their advances more broad-based and at the same time increasing their earnings.

The main problem is to make small banks viable and efficient. In the past, the Reserve Bank has tried to achieve this result by amalgamating small banks with bigger and more efficient ones. But, in this process, even the efficient small banks might lose their individual existence. Another method which the Reserve Bank has tried is to conduct careful and frequent inspection of banks, both big and small. But external inspection is no substitute for internal efficiency and integrity. Besides, as Mr. D. R. Joshi, executive director of the Reserve Bank, pointed out,

when the Reserve Bank inspector visits the bank, the small bank executive views him with hostility as someone trying to find fault. This prevents the inspector from being as useful as he could otherwise be. The fact of the matter, as Mr. Joshi put it, is that "the Reserve Bank makes many rules but allows the bank executive and the banking machinery to function on their own. Only when there is a fault the Reserve Bank tries to set it right. The Reserve Bank is just like a pilot". If executives realise this fact clearly, it would be possible to increase the viability and efficiency of small banks much more quickly. With the introduction of the deposit insurance scheme, it should be possible to make a greater appeal to small depositors and thus to attract more funds.

In the ultimate analysis, the viability and efficient operation of small banks depend on the efficiency and integrity of bank managers and scrupulous adherence to "canons of business prudence and sound management". As Mr. Bhattacharyya pointed out, the discretion of the chief executive officer plays the most crucial rôle in planning the scale of operations of the bank, in improving its services, in the judicious dispensation of credit, in maintaining adequate liquid assets and in ensuring profitable working so as to add to reserves and pay dividends to shareholders. For this purpose, it is necessary that small banks should make greater use of the Bankers Training College in Bombay. The benefits of training at this College have accrued over a wide area but it has not been possible for small banks to take full advantage of the facilities.

Banks: Interest and Service Charges

At a meeting held in Bombay last week under the auspices of the Indian Banks Association, it was decided that no change is required in the

existing interest rates on deposits and advances. The spread between these rates, it was claimed, was not greater than in other countries; the expenses of banks in India were increasing rapidly; and it was necessary to strengthen their financial position. The main problem which commercial banks face at the present time is that their deposits have not increased much, while the demand for bank credit has expanded greatly. It has been argued that the present position is unstable because the spread between deposit rates (ranging from 3 percent to 5 percent) and rates of interest on advances (ranging from 6½ percent to 8 percent) is too great and should be narrowed. But the bankers have come to the doubtful conclusion that it would not serve any worthwhile purpose to increase deposit rates.

It seems that the deposits of commercial banks are not increasing rapidly because some people are lending their money to industry and trade at high rates of interest. Business houses may also have reduced their deposits with banks because they have to pay the emergency risks insurance premiums and also taxes. When the slack season sets in, the deposits of commercial banks might grow, but it seems unlikely that they will increase fast enough. In order to help the banks to tide over the present difficulty, the best course would be for the Reserve Bank to liberalise their credit limits so that they are not forced to liquidate their investments.

Mr. Tulsidas Kilachand, chairman of the Indian Banks Association, who presided over the meeting, suggested that the question of standardising service charges should be considered further. But the bankers came to the conclusion that service charges should be flexible in order to allow for an element of competition. The financial charges made by the banks differ widely. In addition to interest, they usually include insurance charges, charges for godown and inspection, charges created by the minimum interest clause and by the margins imposed by banks. Although the banks charge interest rates according to the inter-bank agreement, they often waive some of the other charges and provide special facilities to favoured clients. The nature of banking business is such that it is best to leave them flexible in order to promote competition.

An important problem which the bankers discussed was the incidence of the super profits tax on banking companies. According to one estimate, the banking industry might have to pay Rs. 4 crores annually as super profits tax. This will impose a heavy burden. The Central Finance Minister, Mr. Morarji Desai, has himself suggested the need for increasing paid-up capital and reserves. Moreover, banks not only have to pay deposit insurance premia and higher emoluments to their staff; they also have to run branches in semi-urban areas at a loss for quite a long time in the beginning. There is a strong case for exempting banks, like the Life Insurance Corporation, from the super profits tax.

Replacing Super Profits Tax

The speech of Mr. F. E. H. Goddard, outgoing president, at the annual general meeting of the Bombay Chamber of Commerce and Industry last Friday, naturally concentrates on the controversial super profits tax. While conceding that business men and industrialists have to contribute money for defence, Mr. Goddard says that the super profits tax, with an estimated yield of Rs. 25 crores, will be disastrous in its incidence. This yield can be obtained with less administrative trouble by a special emergency surcharge of 6.25 percent on the corporation tax. The super profits tax is a wholly new measure and will inevitably give rise to disagreements between tax collectors and assesses with consequent additional work. As an instance of the litigation-potential of a new levy, he cites the business profits tax which was in force from 1946 to 1949. Even 14 years later, cases arising from genuine disagreements about assessment are pending in the courts. The Super Profits Tax Bill does not mention that it is proposed only for the period of the emergency. Besides mulcting efficient producers, it will discourage the flow of foreign capital into Indian industries. Mr. Goddard says that in Maharashtra

alone, the future of investment schemes in the private sector involving over Rs. 50 crores has been jeopardised. Efficient companies that are going into production will find that the income they had planned to use for repaying loans under deferred payment terms will not be available because of the new tax.

Mr. Goddard is highly critical of the large number of holidays declared by the Government in spite of the emergency. They will naturally affect production. This apart, the existing production capacity is not being used fully because of the shortages of raw materials, coal, power and transport. Although some idle capacity may be inevitable in the initial stages of development, he says that there can be no justification for unused capacity of 35 percent to 65 percent in many industries. There may also be idle capacity in the civil machinery of the Government itself. When the tax-payer has been asked to shoulder such large burdens, it is essential that the Government should make the best use of its own human and material resources.

Importers in Difficulties

The foreign exchange allocations for imports having been cut drastically, the lot of established importers has not been a happy one. Since the declaration of the emergency following the Chinese invasion, their position has become even more difficult. More and more of their licences are being taken away and given instead to actual users or the State Trading Corporation. Addressing the annual general meeting of the Calcutta Import Trade Association in Calcutta last week, Mr. L. R. Patel thought that this was being done on the grounds that there has been trafficking in licences and that the goods imported against them are being sold "at an excess profit." This is wrong and no established importer of repute has ever done it, he says. The Government does not realise that the established importers' services to the consumer include not only a specialised knowledge of the equipment which he has been importing for a considerable time, but also the best methods of obtaining equipment on the most advantageous terms.

Discussing the disadvantages of the new policy, Mr. Patel says that an actual user who imports his own equipment and also spares must necessarily keep a full range of all the necessary spares. "If a hundred actual users import a hundred similar items together with a hundred sets of spares for these items", there will be a considerable duplication of the spares so imported and a totally unnecessary drain on foreign exchange. As for the increasing activities of the State Trading Corporation, Mr. Patel has pointed out that it does not have the same facilities nor the same experience as established importers, in catering to the demand for technical items. Even if it wants to, the State Trading Corporation cannot possibly provide the same service to its customers as the established importers do. "It is only another middleman who is increasing the cost of goods to the consumer without providing the necessary and essential service."

Referring to the latest Budget increases in the rates of import duty on machinery and spares, Mr. Patel says that all items will now be assessed at 22 percent, instead of 15 percent. Where excise duty is applicable, the total amount of duty payable will be 38 percent in place of 27½ percent previously. The total amount of Customs and excise duty on an earth-moving or mining dumper will work out to the incredible figure of 78½ percent, which is an increase of almost 65 percent on the previous rate of 47½ percent. Most of the heavy equipment and earth-moving machinery are now purchased by Government projects; collieries and Government-managed companies, and any extra duty levied on new equipment by one Ministry will have to be paid by other Ministries. The burden, of course, will have to be borne ultimately by the consumer. Mr. Patel did not wish to offer specific comment on the Central Budget proposals for 1963-64, but he broadly observed that the extent and magnitude of the proposed taxes are such as will increase the cost of maintenance and production, inflict a serious blow to the growth and development of industry and have

widespread repercussions on economic growth and the general price level.

Growth of Cotton Mill Industry

The latest statistics about the Indian cotton mill industry for the year ended August 1962, compiled and published by the Millowners Association, Bombay, show that the industry's growth has continued to be at a very slow pace. At the end of August, there were 526 mills, compared with 523 mills a year before. In addition, the number of idle mills fell from 26 to 23. Besides, there were 23 mills which had been registered and are in the course of erection, the corresponding figure for August 1961 being 24. The paid-up capital of mills, however, increased substantially by Rs. 10.81 crores from Rs. 136.22 crores to Rs. 147.03 crores, which compares with an increase of only Rs. 1.34 crores in 1960-61 and Rs. 4.18 crores in 1959-60.

The expansion in the size of the mill industry was accounted for only by the spinning sector. The number of spindles installed rose by 152,903 from 13,984,981 to 14,137,884: the increase in 1960-61 was smaller at 121,230 spindles. The figure for looms installed, however, was down, although only slightly, from 206,525 to 206,486. In 1960-61, the number of looms installed recorded an increase of 961. There was a more intensive utilisation of the capacity than in the previous year, in that the ratio of spindles working first shift only to the total number of spindles installed, showed a small improvement from 86.7 percent to 87.8 percent. The like ratio for looms showed only a modest rise from 89.3 percent to 89.7 percent. The average number of workers employed in all shifts during 1961-62 was 782,176, compared with 778,301 in 1960-61 and 766,347 in 1959-60. The quantity of cotton consumed was considerably higher at 56,34,930 bales (of 392 lbs each), compared with 53,47,554 bales in 1960-61.

Trends in Industrial Output

During 1962-63, the second year of the third plan, there was a further increase in India's industrial output, according to the annual report of the Ministry of Commerce and Industry. The index of industrial production touched an average of 149.8 during January-September 1962 (base year 1956)—a rise of 8 percent, compared with the corresponding period of 1961. The upward trend was particularly marked in jute manufactures, woollen fabrics, steel, aluminium, machine tools, railway wagons, electric motors, power transformers, cables and wires, soda ash, calcium carbide, viscose staple fibres and coated abrasives. The production capacity was substantially increased in several industries, including tyres and tubes, aluminium, cables and wires and caustic soda. The jute industry, says the report, worked to full capacity because of the availability of adequate raw jute. The production of cotton cloth and yarn, however, remained steady at the previous year's level. The increases in production, however, should not lead to complacency because compared with the rise of 10.8 percent in 1960, an increase of 8 percent is a distinct slow-down. Shortages of transport, power, industrial raw materials and capital equipment have conspired to lower the growth rate.

The annual report claims that the third plan targets for several industries have been fully covered by industrial licences, the number of licences granted during the year being 1,058, compared with 1,353 in 1961. Vigorous steps, says the report, were taken to render all necessary assistance to the licencees. However, it should be noted that a large number of licences had to be revoked because the parties concerned did not go ahead with the schemes. The Government's desire to prevent concentration of industries in a few hands led to the grant of licences to a large number of new parties who had neither the experience nor the resources to start industries. There were also instances of some parties applying for licences just to preclude others from getting them. Thus the number of licences granted is hardly a reliable index to the progress of industrialisation.

Some of the new items, production of which was undertaken during the

nets, formaldehyde, heavy water, tyre cord yarn, polyester resins, transistors and diodes and punch-card sorters. Almost all metallurgical industries, excepting antimony, lead, brass/copper sheets and circles and electrolytic copper wire and rods, have registered a significant rise in production. The chemical industries have maintained a satisfactory level of output in spite of the foreign exchange shortage. The output of soda ash may rise significantly as a result of some of the new units going into production. The output of industrial explosives, safety fuses, polyethylene, polystyrene, potassium permanganate and antibiotics like penicillin and tetracyclin also increased substantially.

Idle Capacity in Refractory Units

The growth of the refractory industry has been rapid in recent years. The installed capacity has increased to 850,000 tonnes in 1962 from 400,000 tonnes in 1957. The meeting of the panel on refractories pointed out in January 1963 that the installed capacity would increase to about 1.4 million tonnes in 1965. Speaking at the annual general meeting of the Indian Refractory Makers Association in Calcutta recently, Mr. D. Gopalakrishnan, chairman, said that the expansion has brought in its wake serious problems of over-production and idle capacity. Some of the plants have reduced their output of fireclay refractories during the past three years because of insufficient demand. The situation, Mr. Gopalakrishnan explains, has arisen mainly because the steel industry, which normally uses 70 percent to 75 percent of the refractory output, has not progressed according to the plan targets. It is also partly due to a reduction in the consumption of refractories for each tonne of ingot steel because of improved techniques and greater efficiency in the steel-making processes.

It looks as if the idle capacity in the industry will continue throughout the third plan period. It may, in fact, even increase on account of more refractory manufacturing units coming into production during the period without there being any prospect of an appreciable increase in the overall demand. It is disturbing to note, Mr. Gopalakrishnan says, that although two years of the third plan have passed, the industry has not so far received any substantial orders from the steel plants. Since the steel plants are likely to change their open-hearth furnaces "to an all basic construction much more quickly than was expected" there may be a rapid decline in the demand for silica bricks for the roof of open-hearth furnaces. The silica brick plants which have been built up during recent years at considerable costs will, therefore, be rendered idle. The chances of using these plants for basic brick manufacture are remote, since the existing capacity—and the expansion in hand for basic brick manufacture—will be more than sufficient to meet the future demand.

Meanwhile, there is a growing preference for "L.D." and other oxygen processes for the manufacture of steel. These processes do not use the conventional basic refractories which are being manufactured at present. They require instead only a comparatively small quantity of tar-bonded dolomite bricks. The Association, Mr. Gopalakrishnan said, was surprised to see recent Press reports that the Government and Hindustan Steel intend to set up five new refractory manufacturing units attached to the steel plants as recommended by a Russian team of experts. The Association has made representations to the Government that, in view of the idle capacity in the industry, there is no need to establish further refractory manufacturing plants involving heavy foreign exchange expenditure. The Association is also deeply concerned over the Government's decision to import 82,000 tonnes of refractories from Russia to meet the constructional requirements under the Bhilai steel plant expansion scheme.

Priorities for Steel Expansion

In a recent speech in Hyderabad, Dr. M. N. Dastur, steel consultant to the Government of India, has drawn attention to the need for reviewing the production pattern of the Indian steel in-

dustry for the purposes of development and defence. According to him, China's steel production is 20 million tons a year, as against the production capacity of 6 million tons in India. Unless special efforts are made in this country, the gap might increase further in the future. The policy of the Government has so far been to set up new plants to increase the total output of steel. Dr. Dastur suggests that one or more new steel plants might be set up at coastal locations like Goa or Visakhapatnam, not only to diversify the industry but also to secure more economical production, if imported coal has to be used in a larger measure than in the past. Another point worth emphasising is the need for expanding production capacity in the private sector. Although the demand for all kinds of steel is increasing, the manufacture of flat products like sheets and plates, and of tool, alloy and special steels, deserves particular attention.

Dr. Dastur acknowledges that increasing the steel output in India to 18 million ingot tons by 1970-71 and 28 million tons by 1975-76 is "a very large task". Apart from the difficulties of securing machinery and raw materials, the industry faces an acute shortage of coking coal and skilled labour. But, at present, India spends nearly Rs. 100 crores a year on importing steel, and unless production is raised the foreign exchange expenditure will increase. Dr. Dastur claims that it might be cheaper to import good-quality coal for increasing domestic steel output, instead of importing finished steel. Low-ash coal imported from abroad can be blended with local supplies to make it suitable for use in the Indian steel plants. The Central Fuel Research Institute is reported to be working on the proposal.

According to Dr. Dastur, the main reason for the shortage of steel engineers and mechanics is the waste of talent in keeping men of skill and experience in jobs which could be done by lesser men. In a system where all authority is concentrated in a small group at the top, the development of talent in the lower rungs of management has been retarded. Besides, there is a defective promotion procedure which was "designed for very different circumstances", and which has hindered the development of skill in the junior grades of service. Dr. Dastur has suggested that men of promise should be picked out from the five large steel plants, irrespective of seniority considerations, and given intensive training to equip them for senior positions. Another difficult problem which the Indian industry faces is that costs of production are too high. Not only is there a consumption of coke a ton of iron produced unusually large; other costs too are high, especially in the public sector plants. It is unfortunate that India, which at one time produced the cheapest steel in the world, has now lost the advantage. To increase productivity, Dr. Dastur has made four suggestions: (a) reliance should be placed to a much larger extent on modern technology, particularly in the preparation of raw materials; (b) adequate incentives and training facilities should be provided to increase the rate of output a labourer; (c) optimum-size equipment and machinery should be used in order to reduce unit costs of production; and (d) methods of maintenance should be improved.

CORRESPONDENCE

SUPER PROFITS TAX

(TO THE EDITOR OF "CAPITAL")

Sir,

The Finance Minister's proposal to levy the super profits tax on the lines indicated in the draft Bill is not only untimely but is also retrograde. No doubt, funds will have to be raised for meeting the additional expenditure, particularly for defence; but it is unfortunate that the method adopted, particularly the levy of the super profits tax, is haphazard and unscientific. The Finance Minister has made it clear that in spite of the emergency, the plan targets will be pursued, that is to say, the expansion of industries in the private and public sectors, will be continued at the same tempo.

However, the measure he has adopted will have the opposite effect. At present, the corporate

taxation is already heavy, being 50 percent of the net profit. The proposed levy of the super profits tax on residual income exceeding 6 percent will considerably retard the growth of the existing industries, and discourage the flow of capital into new companies. This levy will particularly affect the small private limited companies, because their only source of finance for expansion is the plough-back of profits. Under the proposed levy, the small companies will not be in a position to create or add to their existing reserves after paying even the nominal dividend of 6 percent permitted by the Government, because 50 percent of the balance left after payment of dividend will go to the Government as the super profits tax and 60 percent on any surplus exceeding 10 percent will also go to the Government. The only other course for the companies will be to increase their share capital, but then because of the super profits tax, investors will be shy.

The limit of 6 percent laid down by the Government is also inexplicable, because the rates of interest charged by banks are 7½ percent to 8 percent, while preference shares carry dividends up to 10 percent, in the case of individual deposits with banks, interest on term deposits is allowed at 6 percent. Surely, with the risks that are attached to a business venture, the 6 percent allowed by the Government is too small a compensation to attract capital from the public. This factor will also curtail the flow of foreign capital into India.

The super profits tax will mean a penalty on efficiency and premium on inefficiency. On the one hand, it will penalise efficient companies which have a small capital but make good profits by efficient methods of production; on the other hand, it will conduce to inefficiency in as much as, deprived of the incentive to make profits, the production costs will tend to increase. It will also discourage foreign collaborations in Indian ventures. The result will be disastrous to the country since foreign collaboration, at least in some basic industries, is essential if the plan targets are to be achieved.

Yours etcetera,
HARIKISHANDAS T. AGGARWAL,
Chairman,

Devidayal Cable Industries Private Ltd
Bombay, 11th March.

ADVERTISING IN INDIA

THE Advertising Agent, as we understand him in London, New York and on the Continent, does not exist in India, and we are of opinion that many years must elapse before there will be any scope at all for his legitimate operations in the East. And even granting the scope for his energies—granting it, that is, in the abstract—the vast majority of Indian Advertisers are not at all likely to be easily convinced that the Advertising Agent with Western ideals is at all a necessity. The Advertising Canvasser, whether he travels for a group of papers or whether he be the special representative of one paper, or publication only, is thoroughly understood, and fills a useful link between the publishing proprietary and the Advertising community. But the Advertising Agent in Western lines is something to which Indian Advertisers are not likely to get accustomed. His methods are, no doubt, suitable to the conditions of Western business, or he would not exist, but in India trade conditions are altogether different. The Western Advertising method deals primarily with the Advertiser. The latter, whether he be manufacturer or seller, places the whole of his Advertising business with the Agent who distributes business among the various newspapers. This system, of course, does not always obtain; but it does in a vast number of cases. Here, on the contrary, the Advertiser generally distributes or places his Advertisements himself, either with the newspapers direct, or through a canvasser or representative. He selects his own medium, fixes his own terms, pays his bills direct to the newspapers, and, so far as we are aware, has been perfectly satisfied to do business in this way. But of late years an attempt has been made to induce Advertisers to place their advertising business in the hands of "Agents" through whose hands the entire advertising business of firms is by the terms of the arrangement, supposed to go.

FROM

CAPITAL

26th March, 1903

PROSPECTS FOR THE POUND STERLING

(BY A SPECIAL CORRESPONDENT)

NO great significance attaches to the fact that the pound sterling dropped below its exchange parity with the U.S. dollar around the middle of last week. The fall was sharp and sudden, and the below-parity quotation appeared for the first time in 18 months. Nevertheless, sterling has been fairly quick in recovering above parity subsequently. This suggests that the earlier weakness was due mainly to speculative influences. The latter were aggravated by the troubles in the Middle East, worries about the pace at which the U.K. Government intends to expand the economy, and comments in the Press about the possible devaluation of sterling. The sterling market has become particularly vulnerable to such short-term influences since the breakdown of the Brussels negotiations. The growth of unemployment in the U.K. at a time when exports are no longer rising, and the possibility of a general election before long, have tended to make the market more sensitive.

Now that Britain's energies have been irrevocably diverted from the attempt to get into the Common Market to the task of revitalising the internal economy, the time is appropriate for assessing what the switch might mean for sterling. In the long run, of course, it cannot in any way be regarded as favourable. The main economic purpose of seeking Common Market membership was to provide expanding markets for Britain's exports. Now, efforts will no doubt be made to increase Commonwealth trade and to negotiate cuts in the Community's tariffs from which Britain might benefit. Already it has been agreed by member-countries of the E.F.T.A. that tariffs and quotas on manufactured imports should be abolished by 1966, four years earlier than was originally provided for in the Stockholm Convention. All this was foreshadowed a short time ago by Mr. Macmillan, but it will be necessary to wait for the completion of the "Kennedy round" of negotiations in G.A.T.T. before deciding precisely what consolations can be drawn from the breakdown at Brussels. More important at the moment for the health of sterling will be the success enjoyed by the British Government's plans to relieve the stagnation within the economy, improve its competitive efficiency, and generally to achieve the 4 percent a year growth rate laid down by the National Economic Development Council. In other words, the future health of the pound will depend chiefly on the state of Britain's internal economic health.

Considerable Heart-searching

At present, there is considerable heart-searching going on in Britain about the immediate and long-term prospects for the economy. This is probably chiefly because unemployment has once again emerged at the centre of the domestic scene, for the first time since the 1930s. No British Government can afford to ignore this problem, and the present Conservative one has already gone a long way in its attempts to relieve the situation. But so far these have not been successful, and now the country is looking forward with confidence to an expansionary Budget in April. The main trouble is that the sum total of all the efforts necessary to get the economy on the move again might well, eventually, push it into another inflationary boom. If this should happen, then sterling is bound to suffer. The question now being asked is whether or not it can be avoided. Bearing in mind that measures so far announced have already pumped nearly £500 million of new purchasing power into the economy, and that additional ones foreshadowed in the Budget may possibly add another £400 million, the final total of all such moves might well amount to more than one-fifth of the entire Budget. It does not seem likely that the British economy can absorb this without an eventual risk of inflation.

Whether the Chancellor of the Exchequer will all the way with the recommendations of the

National Institute of Economic and Social Research and release a further full £400 million of new purchasing power is, of course, doubtful. The dilemma facing the Chancellor is how to pump in enough to get the economy on the move again without launching it off into inflation. This could probably be resolved by using a sum of rather smaller size than £400 million, although it must be understood that the risk of making it too small, and so failing to achieve the necessary expansion, is almost as great for the long-term future of sterling as making it too large. The maximum benefit from any sum will be obtained only if the major part of it is concentrated on the relief of consumer taxes. Along with the recommendations for the release of a further £400 million, the National Institute has pointed out that this sum would be best applied in consolidating all purchase tax rates at 10 percent, reducing income taxes and abolishing the "Schedule A" levy on owner-occupied property. This would mean placing by far the major part of the new purchasing power where it would be likely to have the greatest impact on prices. Together with what has already been released, therefore, it is clear that the coming Budget is going to throw a heavy strain on the pound unless the new resources can be absorbed by vastly increased output or restrained by physical and fiscal controls.

The Economy Depressed

Judging from the depressed state of the British economy, it is quite possible that output expansion may account for a substantial proportion of the new purchasing power. It is the size of the remainder which represents the threat to sterling. The possibility of this being controlled by physical means, instead of the monetary ones used hitherto, can be completely ruled out as long as the present Conservative Government remains in power. Fiscal controls, therefore, are the most likely alternative, and that is why the coming Budget is expected to include a substantial measure of tax reform as well as reductions. What shape these reforms should take is now the subject of lively debate. The whole thing ties in with the Government's plan to stimulate a 4 percent annual rate of growth through the N.E.D.C. It is almost impossible to separate reforms required to protect the balance of payments from those intended to encourage the work and effort needed for expansion. In the former category, however, tax incentives for exports and penalties on imports are easy enough to identify. It is widely known that the Chancellor is seriously considering export incentives. But whether these will be introduced, with all their attendant international repercussions, what form they will take, and whether they will be accompanied by their logical complement, fiscal burdens on imports, are questions which only the Budget can answer.

The Chancellor cannot complain of any lack of good advice in choosing his tax reforms. The one so far most widely advocated is a turnover tax based on value added in manufacture as a substitute for the present purchase taxes. The Economist has advocated it as a substitute for profits tax, but only within the framework of a scheme to correlate the general level of prices and wages. The most popular concept of a turnover

India's Resources

are Precious

WASTE NOT,
WANT NOT

CAPITAL, 21st March, 1963.

tax is of a levy which can be used more easily to encourage exports, or to regulate consumption over a wider range of goods than the present purchase tax structure. It is pointed out by advocates that something of the kind would have been inevitable if Britain had joined the Common Market. The main objection to it at the present time, at least from the British Government's point of view, is that it might be administratively difficult to introduce, and could cause inconvenience and misunderstanding if adopted so close to a general election. For this reason, it is doubted by some observers that anything so radical can be expected in the coming U.K. Budget.

The other suggestions for tax reform generally revolve around the need to encourage work and initiative. The Labour Party has recently come forward with a vague plan to substitute a portion of the present burden on earned income by levies on wealth and capital gains which has not shaken opinion in the City of London quite as much as might have been expected. This is partly due to the fact that it is nothing new so far as Labour is concerned, and partly because it is now generally accepted that the existing burden on work and enterprise is far too high for sustained economic growth. Other suggestions for reform include the separation of personal income tax and corporation tax, the removal of the present wholly objectionable tax on short-term stock exchange profits, and the use of the fiscal system more adequately to control industrial location. Some of these should prove more politically acceptable than others. But as most of them have some connection with the need to increase output, cut costs and quicken the rate of economic change in Britain, they have a direct relevance for the future of sterling. That is why it is unfortunate that the most likely course the Government will take in the coming Budget is to play safe over the more far-reaching and controversial measures and confine itself to the more popular idea of tax reductions.

Impending Changes

The impact that all these impending changes, both external and internal to the British economy, will have on the health of sterling, largely depends on the vigour with which they are applied and the success they enjoy. Put another way, it all depends on the willingness to undertake radical changes which the failure at Brussels has instilled into the British people and their Government. Unfortunately, there are few signs at the moment that any such willingness exists. There is much talk on the subject of what is needed, but so far little show of enthusiasm for the various forms of action required. It is generally agreed that the Government should give a lead. But with all the goodwill in the world, this is not easy under the present circumstances where failure at Brussels has not been exonerated, or punished, by the verdict of a general election. Thus, trade agreements and hypothetical Budget reforms notwithstanding, it may still be true that the main hope for sterling is an early appeal to the polls, because short of that there seems little chance of the Government being able to carry the country with it in the more difficult of the new policies needed.

Sterling has shown remarkable health during the past year, even in face of the Cuban crisis and the Chinese incursions into Assam. This was partly due to the relative buoyancy of Britain's exports and partly to the fact that internal stagnation has held prices in check. How long this will continue is anybody's guess, but already exports have stopped rising and the balance of payments seems dependent for its immediate future on the relatively stable level of imports. This seems likely to rise along with economic expansion, even if internal prices are held down by rising production. So the short-term threat to sterling is a two-pronged one arising from the likely behaviour of both imports and prices in a period of economic expansion. The prospects for the future might be more promising if the sterling area's gold and convertible currency reserves had been substantially increased during the pound's period of good health. But this has not been so, except to a very limited extent.

CAPITAL, 21st March, 1963.

A Ditcher's Diary

CHINA'S HINT THAT RUSSIA TOO WILL SOON BE FACED with territorial claims came as no surprise to me. Nor, I suspect, did it to the Russians themselves who, if the truth were known, have probably been expecting something of the sort for years now. It has always been a conviction of mine that Russia's anxiety to preserve her extensive Asian empire from the encroachments of her great communist neighbour has been at the bottom of her much-publicised sympathy for India. The Russians have, of course, worked a highly-successful confidence trick over their colonial territories for the past half century. Under the Tsars, they were frankly acknowledged to be imperial possessions—in those days it was both fashionable and respectable to have such things. But after the revolution they were closely integrated into the Soviet Union as ostensibly independent regions, although in fact there has been no real change in their colonial identities at all. It would indeed be true to say that nowhere in the world does the old eighteenth century colonialism survive in such an unchanged form as it does in Russia's Asian empire today. That is not to say that the Chinese have any more right to claim the regions north of Manchuria as metropolitan territory than have the Russians, although I daresay a slightly better historical case could be made out for them. But, of course, the question is not going to be settled on the basis of right and wrong, and the possibility of the world being witness to a struggle between two rival empires over a disputed colonialist possession, such as was already out of date in Kipling's time, cannot be dismissed altogether. The question now is how it will all end. Not disastrously, I imagine; at least not yet. This is probably just another attempt by China to frighten Mr. Khrushchev into discussions on their current ideological dispute, from which, of course, the Chinese have every intention of emerging as the leaders of the communist world. Along with the rest of humanity I shall watch the performance with detached amusement, and the sincere hope that it will remain strictly localised. But it is clear to me, and even more to the Russians, or so I suspect; that if China's multiplying millions are to find the room they need to expand, then eventually it is going to be at the expense of the Russian empire in Asia. It certainly cannot be into India's congested areas.

FRANKLY, I WOULD NOT HAVE ENJOYED BEING IN the shoes of Sir Paul Gore-Booth and Mr. John Kenneth Galbraith during the fourth round of talks in Calcutta on Kashmir—and other related matters—between the Foreign Minister of Pakis-

tan and the Railway Minister of India. I wouldn't even know what our brief was. When anyone was frank at all and said anything off the record, the usual statement was: Well, our purpose was to tell them in private that the talks, however infructuous, must not break down. I daresay the two diplomatists did their job well; but, to raise a wartime question, was their journey really necessary? I think not. Both New Delhi and Rawalpindi must now realise that the talks were initiated by Britain and the U.S.A., less for an early solution of the Kashmir problem than for domestic political reasons. The U.S. Congress would take a dim view of President Kennedy's large allocations of military aid to India—and Pakistan—if they did not even affect to desire a settlement. The Macmillan Government also has a small but stubborn Tory backbench. You might say that this calculated simulation by Washington and London is not very honest to the British and American publics. All I will say is that both Governments and both publics have known worse ruses. As have Governments and peoples in India and Pakistan. Diplomacy is not the simple thing some imagine. Although Sardar Swaran Singh more than held his own. I find some of Mr. Z. A. Bhutto's loaded questions worthy of diplomatists older than he. Until the other day, Paris and London gave airs that only they knew the fine art of diplomacy. The older capitals should see how fast the others are learning—including the Americans, for whom they had special contempt.

WHEN A FEW YEARS AGO PRINCE RAINIER OF Monaco was joined in marriage to the beautiful Hollywood actress, Grace Kelly, just about the entire world Press was there to cover the event. And that, I was told, was the whole point. It was then suggested by some that Sir Winston Churchill's friend, the great shipping magnate Mr. Aristotle Onassis, had a hand in bringing the marriage about; and if Mr. Onassis had an interest in some of the casinos and hotels in Monaco at the time, he can hardly have done too badly out of the many foregathered there for the wedding. Was there an Onassis in the Gangtok woodpile yesterday? I doubt it. If, however, I were a communist, I could easily think up several plausible theses. Why, the Peking man would easily argue, how could an American girl, Miss Hope Cooke, marry the Maharajkumar of Sikkim without there being behind it the diabolical machinations of the U.S. State Department? From here it is a very short step to insist that

for New Delhi, the marriage must be one more provocation against China. I only hope that, after the celebrations, delightfully exotic I am sure, various neighbouring diplomatists will leave the charming bride and bridegroom alone for, in the final analysis, marriage is an intensely personal affair; and even well-intentioned outsiders can only introduce complications. That the couple will not spend their honeymoon in Europe or the U.S.A. seems an excellent decision. This part of the world has more beautiful spots than most of us know; and as Miss Hope Cooke has decided to make Sikkim her home, she should spend as much time there as possible. The people of Sikkim are enormously friendly; but their friendship, like any other people's, has to be worked for and earned. I wish the marriage all success.

LONDON HAS ALWAYS BEEN A COSMOPOLITAN CITY. But I see it is becoming even more so, and although few of its immigrants these days find its streets paved with gold, if in fact they ever did, I suspect the economic reasons for moving there are still the predominant ones. At least they are with the colonial and Commonwealth residents, who now comprise 5.8 percent of the total population, compared with only 1.9 percent in 1951. And with the Irish, too, of course, much as it has always been; their proportion has risen from 3.3 percent in 1951 to 5.1 percent. The British Government's 1961 census figures establish the somewhat startling fact that not only has overseas immigration into the London area trebled in the past ten years, but that 10 percent of the present total population was born outside Britain. Over 30,000 of these are from India, although many must be only temporary residents. The largest Commonwealth contingent is from the West Indies, chiefly Jamaica, and that numbers 70,523, or did in 1961. Few of these "new Londoners" can be living in luxury either. The proportion of households still without a separate bath comprises 30.5 percent of the total, which seems extremely high for the world's second most prosperous capital city. What does surprise me most, however, is that 41.4 percent of London's households do not enjoy exclusive use of a hot-water tap; as many as 36.6 percent have none at all. Britain is a cold country, at least during such winters as the one which has just ended, and I have no doubt that bathing can sometimes be a greater privation. In fact, the habit of a daily bath was unknown in the country until returning India hands—or "nabobs" as they called them in the eighteenth century—took it home with them. For a wealthy city like London to have more than one-third of its households still without a hot-water tap is a depressing reminder of how long it is going to take to introduce some vestige of modern civilised comfort into poverty-stricken Calcutta. The situation seems even more hopeless when one notes that London's population has actually been going down during the past ten years,



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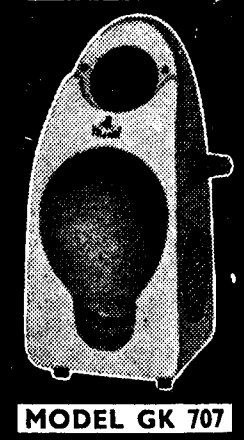


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although not of course the inhabitants of the greater London area, whereas I shudder to think of the extent to which that of Calcutta has been growing.

I THINK THIS, FROM A CINEMA WEEKLY, IS A BEAUTY:

I hear reliably that C. S. Forrester had been receiving a lot of offers from leading Hollywood film producers to sell the story rights of 'His Passage to India' (sic). But so far he has declined to do so. But it seems that Forrester (sic) is interested (sic) in striking a deal provided that Satyajit Ray directs the film.

It is possible to feel sorry for Mr. E. M. Forster; but so many come to India these days that I am altogether unable to swear that Horatio Hornblower has not been around too; and if he calls his book *His Passage to India* he can scarcely be accused of plagiarism. Such confusion over authors' names is not unknown; everyone knows the bookseller's advertisement about "Mill on Liberty" and "Mill on the Floss". Pardonable and not unamusing. But the truth behind the howler goes deeper. In so many film epics does Hollywood start with a book like *A Passage to India* and end with a film that is still called *A Passage to India* but is, in fact, closer to something concerning Hornblower. When turning a book into a film it is often necessary to make changes; the language of words isn't the same as that of pictures. This is not always appreciated by writers. Shaw, for instance, was so scared of manhandling by film producers that he sold the rights of very few of his plays and then only to selected directors. We all know instances of perfect collaboration between writer and director in producing films which the director by himself could never have done. I am thinking of the remarkable films made by Graham Greene and Carol Reed; in some cases it was difficult to say whose contribution was the greater; and, for *The Fallen Idol* and others, Greene was the first to acknowledge Reed's creative participation. On the other hand, some Hollywood (and not Hollywood alone) producers have such scant respect for the writer that they "hire" (that's the word) half a dozen scriptwriters to "improve" the original—with disastrous results. As for Satyajit Ray, I am sure he could take on both "A" and "His" *Passage to India*, if he cared, and cover himself with further glory: his genius is cinematic first, literary a long way behind.

MOST PEOPLE ASSOCIATE BRITAIN'S WELFARE STATE with the Labour Party, and perhaps in particular with that irrepressible member of it, the late Aneurin Bevan. But in fact its architect was the staunchly Liberal William Beveridge who died in Oxford on Saturday at the ripe old age of 83. Born in Rangpur, Bengal, this son of an Indian Civilian undertook the work during the war on behalf of Mr. Churchill's coalition Government. The subsequent Beveridge Report was presented to the British people as an incentive for winning the war, a fact which may have been responsible for the reluctance always shown nowadays when the question arises of pruning welfare benefits to proportions more suited to the country's economic circumstances. The trouble with Britain's welfare State is that it appears to have grown to represent something more than an institution: it is now a condition of mind. But that was not the fault of Lord Beveridge, who embodied in it many years of social and economic research as a civil servant and later as the Director of the London School of Economics. He would have preferred to call it the "welfare society", a title which would have excluded its socialist overtones. But popular opinion seems inevitably to have associated its principles with left-wing thought, as indeed it also did in the case of full employment, another subject on which this great Liberal did much pioneering work. In fact, had Lord Beveridge decided to throw in his lot with the Labour Party in 1945, instead of maintaining his old loyalty—as also did his distinguished contemporary, Lord Keynes—he would undoubtedly have held high office in Mr. Attlee's Government, and indeed might eventually have been his successor. But, instead, he preferred comparative academic obscurity. His name, however, will live for ever in Britain's social history.

SUPER PROFITS TAX DEPRESSES JUTE SHARES

(BY A SPECIAL CORRESPONDENT)

AFTER the presentation of the Central Budget, jute shares weakened along with other shares because of the heavier tax proposals. The weakness has been aggravated since Mr. C. L. Bajoria, chairman of the Indian Jute Mills Association, took a gloomy view of the outlook while addressing the annual general meeting in Calcutta last Friday. The slump in these shares is all the more unfortunate considering that large investments have been made in the industry. The rise in these shares before the presentation of the Central Budget was largely due to the increased support extended to them in the belief that jute mills would make bigger profits during the current financial year. The improvement in the industry's working since the middle of 1961 was welcomed by investors after the staggering losses it sustained during 1960 and 1961.

When the industry started making satisfactory profits on "simultaneous business"—especially after the middle of 1962—hopes were entertained that not only would the previous losses be wiped out, but shareholders would also be rewarded with satisfactory dividends. The interim dividends paid by some jute companies reinforced this optimism. But the hopes have vanished as the super profits tax is proposed under the latest Central Budget. Since a large portion of the profits will be siphoned off by the levy, jute companies will have very little money left to plough back into the business and to pay dividends to shareholders. In fact, it is feared that no jute company will be able to pay even moderate dividends if the tax is levied in its present form.

The industry will be hit badly by the levy due to various factors. Firstly, investments in the industry greatly exceed the share capital. So the rule of exempting profits equivalent to 6 percent of capital and reserves from the new impost will place the industry in an unfavourable position. Secondly, the industry's fortune fluctuates from year to year. As the Super Profits Tax Bill contains no provision to offset the losses of one year by the profits of another, the burden on the industry will be crippling. Although the special report issued by the Government supporting the Budget proposals has vaguely hinted at the possibility of averaging profits for the purpose of the super profits tax, it remains to be seen whether losses will eventually be allowed to be offset against profits. Unless this is done, the industry will find it impossible to recoup any losses which it may sustain in lean years. Thirdly, the jute companies have been put in an awkward position due to the loans they have taken to finance the expansion, modernisation and diversification of activities. During recent years, the industry has invested heavily in modernising the spinning section. It has also spent large sums of money on installing broad-loom for the production of carpet-backing cloth. This has been done with a view to increasing exports since this fabric has met with an excellent demand in foreign countries.

The industry has borrowed heavily in order to effect these improvements since it believed that it would liquidate its indebtedness in due course

by earning sufficient profits. Now that the super profits tax threatens to mop up the major part of profits, jute mills will find it extremely difficult to repay the loans. This also raises doubts about the dividend outlook. Since jute companies will be keen on repaying their debts, whatever profits are left are likely to be conserved rather than distributed as dividends. The impost will reduce the liquidity of jute companies, so they will be reluctant to pay good dividends. The willingness of companies to pay dividends, it must be remembered, is governed greatly by the cash in hand. Meanwhile, the finances of jute mills have been strained by the huge raw jute stocks which are almost equivalent to their six months' consumption. They have built up these stocks in order to support the price of fibre. The super profits tax will be particularly burdensome since the profitability of the industry compares unfavourably with that of other industries. In a study undertaken by the Reserve Bank on company profitability in 1960, it was confirmed that the profits, after tax, as a percentage of net worth, were only 7.4 percent for the jute industry, compared with an average of 10.8 percent for all other industries.

Investors are also getting worried whether the industry, under the present circumstances, will continue to improve its competitive power in the face of keen competition in foreign markets. The Pakistani jute industry has captured markets which were hitherto largely served by the Indian industry. The loss of markets—especially in sacking—has been pronounced in recent years. The Pakistani industry enjoys the advantage of having cheap as well as quality fibre; its labour costs are lower than in India; and its equipment is modern. It has also flourished under the shelter of an export subsidy given by the Pakistani Government. As a result, the Pakistani mills enjoy a price advantage of about Rs. 400 a ton for sacking, compared with Indian mills. Whether this advantage of the Pakistani mills should not be offset by giving immediate assistance to the Indian industry in some form the industry is under serious consideration. The help is needed only for a temporary period until the competitive power of the Indian jute mills is improved. The weaving section of the jute mills must be modernised at an early date. This is likely to contribute to the increased competitive power of the industry. Since modernisation will involve considerable finance, it is doubtful whether the industry can afford to incur further capital expenditure as long as the super profits tax threatens to cut profits.

The present downward trend in gunny prices, following the slower off-take of jute goods by overseas countries, has also disturbed investors. Although exports during 1962 are expected to touch a new high of Rs. 150 crores, the near-term outlook is not bright. Since the pent-up demand has been satisfied and the market has started declining, foreign countries will be inclined to buy slowly. The industry has decided to continue the maximum level of production up to the end of April, for the time being. The raw jute supply is adequate. So it is generally

believed that there will be an abundant supply of jute goods in the near future.

But if the price of gunnies continues to move downward, the profit margin of mills will be reduced, since the Government is determined to hold the price of raw jute above an economic level. Meanwhile, foreign countries are taking the view that the next jute crop will be quite satisfactory. Reports of rainfall have been received from many jute-growing areas in India, so land preparations there have started. Although preparation of the char lands in Pakistan has been delayed by the shortage of rainfall, the crop in that country is also expected to be fairly big. Under the circumstances, investors cannot be blamed if they take a gloomy view about jute shares. Unless the super profits tax is substantially modified, the prices of jute shares will decline further. Since dividends may be reduced, many shares at present prices look rather overvalued.

Rights Share Issue by Dr. Paul Lohmann

DR. Paul Lohmann (India) Ltd is offering rights ordinary shares for Rs. 60 lakhs at par to existing shareholders. The funds will be used for financing the expansion scheme. The Company has obtained an industrial licence for producing formic acid, oxalic acid and sodium formate in its factory. It is expected to produce 600 tons of the former two chemicals and 300 tons of sodium formate a year. These chemicals have widespread industrial uses. The Company will use a portion of these chemicals for producing fine chemicals at its own factory. It foresees no difficulty in selling the balance of its production considering that these chemicals are at present imported. The Company's factory on Jessore Road, near Calcutta, may start production during the next couple of months.

Belsund Sugar Cuts Dividend

IN their report for the year ended September 1962, the directors of the Belsund Sugar Co. Ltd say that the shortage of sugarcane is being felt during the current season. Not only has cane cultivation been restricted, but there has also been a considerable diversion of supply to the manufacture of gur and khar-sari. The profit has fallen from Rs. 5.72 lakhs in 1960-61 to Rs. 5.09 lakhs in 1961-62, after transferring Rs. 3.4 lakhs (against Rs. 3.15 lakhs) to depreciation. The taxable ordinary dividend has been cut from 10 percent to 6.6 percent. It is covered more than two-and-a-half times and offers a yield of 5.9 percent at the present price of Rs. 8.50 a share of Rs. 7.50 each. Taxation absorbs Rs. 303 lakhs (against Rs. 1.65 lakhs) and development rebate reserve Rs. 7,240 (against Rs. 1.57 lakhs). Sales have increased from Rs. 1.16 crores to Rs. 1.62 crores, but the Company has incurred a loss of Rs. 3.86 lakhs on sugar exports. The cane crush was 1.8 million quintals, against 1.9 million quintals. The

Star Paper Passes Dividend

THE Star Paper Mills Ltd has shown disappointing results for the year ended September 1962. There has been a loss of Rs. 1.18 lakhs, after providing Rs. 14.97 lakhs for depreciation. After making all adjustments and bringing in Rs. 1.72 lakhs, there is a balance of Rs. 56,480 which is carried forward. The dividend has been passed. Sales increased from Rs. 1.74 crores to Rs. 2.97 crores. The directors point to the increase in production costs. They add that the U.P. Government has not offered sufficient forest areas to the Company, so the latter has had to contend with the shortage of wood supplies. Star Paper has been forced to buy wood from the open market at prohibitive prices. The forest royalty has also been raised. Chemicals and stores have had to be bought at higher prices. There has been an increase in labour emoluments. Under the circumstances, the directors think that the last increase in the paper price has been insufficient to compensate for the rising production costs. The Company's working during 1961-62 was also affected by technical difficulties in running the pulp plant. There was also a temporary stoppage at the new paper machine. But these difficulties have now been overcome. Normal production has begun with the installation of additional machinery. The Company hopes to increase production in future.

Mohini Sugar Loses Again

MOHINI Sugar Mills Ltd has incurred a loss of Rs. 4.12 lakhs for the year ended September 1962, after providing Rs. 2.37 lakhs (against Rs. 3.30 lakhs) for depreciation and Rs. 1,747 (against Rs. 220) for development rebate. The loss

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poor quality of sugarcane was responsible for a decline in recovery from 9.14 percent to 9.11 percent.

was Rs. 7.36 lakhs in 1960-61. The dividend has been passed. The cane crush was 520,474 quintals with recovery at 9.86 percent, compared with a crush of 601,200 quintals with a recovery of 9.65 percent. During the current 1962-63 season, the crush has so far amounted to 304,131 quintals with a recovery of 9.25 percent.

Orient Engineering Resumes Dividend

Orient Engineering and Commercial Co. Ltd. has made a profit of Rs. 7,231 for the year ended September 1962, compared with a loss of Rs. 16,834, after providing Rs. 3,800 (against Rs. 3,309) for depreciation. A taxable ordinary dividend of 4 percent has been declared. There was no dividend for 1960-61. It is alleged that a senior officer has misappropriated funds of the Company. The matter is being investigated, although it will be difficult to find out to what extent the financial position of the Company has been affected by this alleged defalcation.

Albion Plywood Repeats

ALBION Plywood Ltd has repeated a taxable ordinary dividend of 10 percent for the year ended September 1962, which is more than one-and-a-half times covered and offers a yield of 10.5 percent at the present price of Rs. 9.50 a share of Rs. 10 each. The profit has amounted to Rs. 3.82 lakhs, against Rs. 3.92 lakhs in 1960-61, after transferring Rs. 1.09 lakhs (against Rs. 1.06 lakhs) to depreciation. Taxation absorbs Rs. 1.50 lakhs (against Rs. 99,000), development rebate reserve Rs. 10,000 (against Rs. 57,000) and general reserve Rs. 90,000. The carry-forward is Rs. 462, against Rs. 68,316 brought in. Sales rose from Rs. 52.85 lakhs to Rs. 60.61 lakhs.

The directors point out that the setting up of the veneering unit in the Andamans was delayed due to the shortage of shipping space for transporting equipment. But the installation work, it is expected, will be completed soon. As soon as commercial veneers start to flow from the Andamans factory, there should be an adequate supply of wood at reasonable prices. Meanwhile, the factory in Budge Budge near Calcutta has been working below its output capacity due to the shortage of wood. The price of wood as well as that of coal have increased. The quality of coal has also deteriorated.

Punjab Minerals Shows Loss

THE Punjab Minerals Co. Ltd has incurred a loss of Rs. 4,066 for the year ended September 1962, after providing Rs. 2,633 for bad debts. So a debit balance of Rs. 1.47 lakhs

has been carried forward. The dividend has been passed.

William Powell Loses

WILLIAM Powell and Sons Ltd ran into financial difficulties soon after issuing shares to the public nearly two years ago. This happened due to misappropriation of the Company's funds, the directors point out in their latest report for the year ended March 1962. Since the Company has had to raise loans by mortgaging its assets, the mortgagee has taken possession of all plant and machinery. William Powell has been compelled to do its work by hiring other factories. But the directors say that manufacturing orders to the extent of Rs. 18 lakhs to Rs. 20 lakhs are being negotiated, and they hope to get the orders.

They have asked the shareholders whether they will permit the management to issue further shares in order to pay off the Company's debts. Unless all loans are repaid, the Company cannot take possession of its factory from the mortgagee. The latter has, however, been paying rent of Rs. 1,500 a month for the plant and machinery taken over from the Company. During 1961-62, there was a loss of Rs. 2.33 lakhs. This has increased the total debit balance to Rs. 3.84 lakhs, which is being carried forward. The dividend has been passed. The ordinary shares of the Company are being quoted at substantial discounts.

J. K. Synthetics Pays Interim Dividend

J. K. Synthetics Ltd which has had to skip the dividend for the year ended June 1962 because of the net loss that the Company incurred on account of a huge provision for depreciation, has declared an interim dividend of 5 percent—50p a share, less tax, for the current year. The working results for 1961-62 showed a gross profit of Rs. 5.74 lakhs, compared with Rs. 8 lakhs in the preceding year when the Company paid a dividend of 3 percent. But the surplus for 1961-62 is converted into a net loss of Rs. 9.94 lakhs as the Company has had to provide Rs. 15.88 lakhs for depreciation. This compares with a net profit of Rs. 4.40 lakhs, after providing Rs. 3.60 lakhs for taxation in 1960-61. Adjusting the surplus sum of Rs. 44,000 brought forward from the previous year, the net balance loss of Rs. 9.50 lakhs has been adjusted against general reserve which stands reduced to Rs. 2.49 lakhs.

The directors state in their report that the Company's synthetic nylon yarn plant in Kotah was successfully commissioned last year. The trial operations started in January 1962, and within a few weeks, the Company was able to produce nylon yarn of a satisfactory quality for the first time in India. The plant, it is said, has been started in record time. Re-

cently, the Company has undertaken to produce yarn for defence requirements as well. The directors state that the Company is facing difficulties in obtaining raw material which has to be imported from abroad until such time as it has its own plant for the manufacture of caprolactum. For this an application has been made to the Central Government for the grant of an industrial licence to produce its own raw material. The Company's satisfactory working during the current year has enabled the directors to declare the interim dividend of 50p a share on the increased capital, the number of equity shares having been raised from 726,250 to 1,250,000.

No Early Rights Issue by Dena Bank

THE chairman of the Devkaran Nanjee Banking Co. Ltd (popularly known as the Dena Bank), Mr. Lalit Chandra C. D. Nanjee, assured the shareholders at their annual meeting last week that in spite of the super profits tax, the bank would be able to maintain the dividend for the current year. He was unable to say how exactly his bank would be affected, but he had no doubt that the super profits tax would hit the banking industry very hard. Mr. Nanjee said that the Dena Bank was contemplating to celebrate its silver jubilee towards the end of this year in a suitable manner, and he assured shareholders that their interests would be properly looked after, taking into consideration the prevailing conditions and the profitability of the bank at that time.

The chairman disclosed that the bank had opened five new branches in 1962 and another four offices have been opened since the beginning of this year, which brings the total number of branches to 116. The bank has received permission from the Reserve Bank to open branches in several centres, and before the end of the year, it will open branches in Bhopal, Hyderabad and in certain towns of Gujarat and Maharashtra. Replying to shareholders' questions, the managing director of the bank, Mr. Pravinchandra Gandhi, stated that although the authorised capital of the bank had been raised from Rs. 1 crore to Rs. 2 crores, the bank had no intention of issuing additional capital in the near future. The capital fund-deposit ratio of the bank is low around 3.9, but additional capital would be issued only at an opportune time when the bank was in a position to maintain dividend on the increased capital. The Life Insurance Corporation holds 28 percent shares in the Company.

The chairman said that the new taxation measures were likely to accentuate the prevailing stringency in the money market. Deposits were not keeping pace with the growth of demand for credit, and without a proper climate for the growth of deposits, the pressure

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arising from an increased demand for funds as a result of the huge outlay on development and defence would adversely affect the banking industry's prospects. The super profits tax, he said, would greatly reduce the disposable profits of banks which will not only affect allocations to reserves necessary for achieving the requisite capital fund-deposit ratio, but will make it difficult for banks to maintain their dividends.

Mr. Nanjee said that the banking industry had a strong case for exemption from the super profits tax since, unlike other companies engaged in manufacturing activity, banks had no direct influence on prices except through advances which were being strictly regulated by the Reserve Bank of India. He criticised the Reserve Bank's credit policy on the ground that it had a restraining effect on the supply of credit to trade and industry which was not in keeping with the growing requirements of an expanding economy. He demanded an urgent review of the current curbs to ensure an effective and efficient banking system.

The chairman made very pertinent observations on the question of branch banking. That banks have been concentrating their offices in big towns while half the towns in the country are without any banking facilities is common knowledge. Mr. Nanjee has made a plea for introducing an element of compulsion in opening branches in semi-urban and rural areas. The Reserve Bank, he says, should take steps to ensure that there is no encouragement of overbanking and competition among banks in the urban areas. He also suggested that the Reserve Bank should set up a healthy convention of directing foreign exchange banks to open their branches in centres and areas which are not at present covered by banking facilities and where they would not offer keen competition to Indian banks.

Prospects for Automobile Products

THE Automobile Products of India Ltd fared very badly during the year ended July 1962; the Company incurred a huge loss of Rs. 19.72 lakhs, against a profit of Rs. 19.44 lakhs in the preceding year. The results for the current year, however, are expected to show some improvement. The chairman, Mr. M. A. Chidambaram, assured the shareholders' annual meeting in Bombay on 14th March—the meeting had later to be adjourned to 19th March on a point of order that the necessary books of the Company had not been produced at the meeting—that the turnover in the current year would go up and that there would be no further loss. He said that he was devoting personal attention to improve the Company's working on the technical side and that necessary steps were being taken to reduce overheads, consumption of materials and wastage.

The output of the Lambretta division is gradually catching up and now that all the machines have been commissioned, the proportion of indigenous content in the LI model has gone up to 75 percent. The Company has been supplying clutches as original equipment for Standard Herald, Hindustan Ambassador and Comet lorries of Ashok Leyland. It has also started supplying clutches as original equipment to T.E.L.C.O. and Premier Automobiles for cars. The turnover in the brake linings division is picking up and is now running at a level of Rs. 30 lakhs a year, against Rs. 21.86 lakhs last year. The chairman informed shareholders that a

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sum of Rs. 3 lakhs, against the outstanding mortgage loan of Rs. 40 lakhs from the Industrial Finance Corporation and the third instalment of Rs. 4.20 lakhs for machinery imports worth Rs. 22.36 lakhs from Italy, would be payable on 31st March, 1963. The Company expected to receive the final instalment of Rs. 6 lakhs from Premier Automobiles on 29th April. The chairman informed shareholders that the directors did not propose to call up till the end of this year a further capital on 89,720 new shares, allotted against the rights issue of 350,000 shares made about the middle of last year.

Good Progress by Union Bank

THE preliminary figures about the working results of the Union Bank of India for 1962, which were released along with the dividend announcement, showed that after providing Rs. 4.68 lakhs (against Rs. 3.26 lakhs) for depreciation and making the necessary provision for taxation the bank has made a net profit of Rs. 22.06 lakhs, against Rs. 21.62 lakhs in 1961. The directors' full report shows that the bank has made good progress all round. The deposits in 1962 rose by 29.8 percent from Rs. 32.83 crores to Rs. 42.62 crores; advances increased by 25.5 percent from Rs. 18.50 crores to Rs. 23.23 crores; investments rose by 27.4 percent from Rs. 8.24 crores to Rs. 10.51 crores and the bank's total income increased by 20.8 percent from Rs. 18.5 crores to Rs. 22.3 crores.

The increase in deposits was shared by all accounts, fixed deposits rising by Rs. 4.45 crores to Rs. 18.58 crores, savings deposits by Rs. 1.19 crores to Rs. 4.44 crores and current deposits by Rs. 4.15 crores to Rs. 19.59 crores. The bank's expenses increased by 22.8 percent from Rs. 1.60 crores to Rs. 1.85 crores. The increase in expenses was caused by an all-round rise in costs. Interest paid on deposits rose from Rs. 58.58 lakhs to Rs. 76.15 lakhs, salaries and wages from Rs. 68.59 lakhs to Rs. 80.49 lakhs and rent, taxes and miscellaneous expenses rose from Rs. 33 lakhs to Rs. 40 lakhs. As against the paid-up capital of Rs. 1 crore, the Union Bank's reserves amounted to Rs. 70 lakhs at the end of 1962. The bank opened two new branches during the year. Mr. K. R. P. Shroff, who has been associated with the bank for 33 years as member and chairman of the board, is retiring due to his advanced age.

Indo-Swedish Pipe Manufacturing

INDO-Swedish Pipe Manufacturing Co. Ltd is a new company which has been formed to undertake the manufacture of cast iron soil pipes in collaboration with the well-known Swedish firm of A. B. Styckebruck. The former has been licensed to manufacture 24,000 tons of pipes and fittings a year on a single shift basis. The project is estimated to involve a capital outlay of Rs. 50 lakhs, of which Rs. 28 lakhs will be spent on plant and equipment and Rs. 12 lakhs will be the working capital. The authorised capital of the Company will be Rs. 1 crore, made up of 80,000 equity shares and 20,000 preference shares, both of Rs. 100 each. The issued capital is Rs. 5.25 lakhs in equity shares, of which Rs. 2.70 lakhs has been subscribed by the promoters, directors and their friends and Rs. 2.55 lakhs by Mr. Ole J. Bach, representative of the Swedish firm.

The Company proposes to issue further equity capital of Rs. 29.75 lakhs. Out of this, shares worth Rs. 3.50

lakhs are proposed to be allotted to the Life Insurance Corporation and the balance of Rs. 26.25 lakhs will be offered for public subscription. The Company is negotiating for a foreign exchange loan of Rs. 15 lakhs from a financial institution. It proposes to set up two plants, one in Agra with a capacity of 12,000 tons and the other near Bombay with a capacity of 15,000 tons. The first plant, it is expected, will go into production by the end of this year, and the other six months later.

The Company has already received an import licence worth Rs. 17.55 lakhs. It has given an undertaking to the Government to export 15 percent of its production. All the raw materials are available from indigenous sources. The Swedish firm which is collaborating in the venture has agreed to provide, initially, for a period of ten years technical collaboration for the manufacture of soil pipes on their special machines by a patented process. The foreign firm will help in the erection, installation and initial operation of the plants. It will be paid a licensing fee of 50,000 Swedish crowns and also a royalty of 3 percent of the net sales. The Company's board of directors includes Lala Hansraj G. Gupta, Mr. P. L. Kirloskar, Mr. M. M. Muthiah, Mr. Ole J. Bach, Mr. Ram Prasad Khandelwal, Mr. K. C. Sood, Mr. Baij Nath Gupta and Mr. Bisheshwar Nath Gupta.

Nizam Sugar Pays Less

THE working results of the Nizam Sugar Factory Ltd for the 15-month period ended September 1962—the Company has changed its accounting year from June-end to September-end—show a sizable setback with the gross profit falling to Rs. 52.26 lakhs, compared with Rs. 81.33 lakhs in the preceding 12 months. The fall in profit is attributed to the absorption of three months' extra expenditure in the accounts—July 1962 to September 1962—amounting to Rs. 22 lakhs and lower realisation on the sale of sugar. The sugar market was greatly depressed during the period under review, following the removal of restrictions on the inter-State movement of the commodity. The Company crushed 600,000 tonnes of sugarcane producing 57,566 tonnes of sugar at an average recovery of 9.59 percent. The corresponding figures for the preceding 12 months were 649,000 tonnes of cane, 65,219 tonnes of sugar and 10.05 percent recovery. The factory farms produced 239,000 tonnes of cane, against 20,700 tonnes, the average yield being higher at 44.26 tonnes, against 38.27 tonnes an acre.

Provision for depreciation and development rebate has been raised from Rs. 9.03 lakhs to Rs. 22.09 lakhs, and that for taxation is substantially lower at Rs. 10.44 lakhs, against Rs. 27.62 lakhs. No provision has been made for general reserve which received Rs. 16.38 lakhs in 1960-61. A sum of Rs. 2.60 lakhs (against nil) has been transferred from dividend equalisation reserve. The dividend of Rs. 4.50 a share (against Rs. 5.75 a share), less tax, and the preference dividend, absorb Rs. 22.39 lakhs, against Rs. 27.32 lakhs, leaving a balance of Rs. 3,044 to be carried forward, against Rs. 9,960 brought in.

Bharat Commerce Maintains

ALTHOUGH the dividend has been maintained at 15 percent, less tax, the working results of Bharat Commerce and Industries Ltd for the past working year show a substantial

setback over the previous year's performance. The gross profit is down by nearly 38 percent from Rs. 64.18 lakhs to Rs. 39.84 lakhs. Provision for depreciation has been raised from Rs. 7.93 lakhs to Rs. 11.62 lakhs, and that for development rebate from Rs. 4.36 lakhs to Rs. 5.88 lakhs. A sum of Rs. 6.25 lakhs (against Rs. 8.50 lakhs) has been set aside for taxation and provision for contingency has been maintained at Rs. 2 lakhs. The preference dividend of 9 percent absorbs Rs. 2.70 lakhs, and the ordinary dividend of 15 percent absorbs Rs. 7.50 lakhs. After all these appropriations, there remains a surplus of Rs. 18,000 to be carried forward, against Rs. 1.46 lakhs brought in.

New Capital Issues

SIX companies have been allowed to raise capital totalling Rs. 4.66 crores. The following are the details:

McNally-Bird Engineering Company, Calcutta: Rs. 70 lakhs of which Rs. 16 lakhs will be contributed by the McNally Pittsburg Manufacturing Corporation of the U.S.A.

Plastic Resins and Chemicals Ltd, Bombay: Rs. 265 lakhs in

equity shares of Rs. 10 each for cash at par. Out of this, Rs. 25 lakhs will be offered to the foreign collaborator, Marubeni-India Company Ltd, Tokyo, for cash or other than cash against supply of machinery and the balance will be offered to Indian nationals.

Hindustan Steel and Metal Company Private Ltd, Calcutta: bonus shares of Rs. 1,00,000, divided into 10,000 ordinary shares of Rs. 10 each by capitalisation of general reserves to a like extent.

Asian Cables Corporation Ltd, Bombay: Rs. 55 lakhs in 55,000 equity shares of Rs. 100 each for cash at par. The entire issue will be made to the foreign collaborator, Phelps Dodge Enfield International Corporation, Inc., New York.

Gandhidham Spinning and Manufacturing Company Ltd, Adipur (Gujarat State): Rs. 35 lakhs in equity shares of Rs. 10 each, to be issued for cash at par.

The Panipet Woollen and General Mills Company Ltd, Kharar (near Chandigarh): Further capital of Rs. 40 lakhs in 300,000 equity shares of Rs. 10 each and 10,000 cumulative redeemable preference shares of Rs. 100 each carrying dividend at 9.3% for cash at par.



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THE STATE BANK OF INDIA—Cont'd.

BALANCE SHEET OF THE STATE BANK OF INDIA AS AT 31st DECEMBER, 1962—Cont'd.

As at 31st December, 1961		As at 31st December, 1962		As at 31st December, 1962		As at 31st December, 1962	
Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.
Capital and Liabilities—Cont'd.		Property and Assets—Cont'd.		Property and Assets—Cont'd.		Property and Assets—Cont'd.	
Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.
572.10.38,771	48	Brought forward	615.35.32,596 24	572.10.36,771	40	Brought forward	615.35.32,596 24
		In addition to the credit of Rs. 40,21,875 pertaining to the final dividend for 1961, a sum of Rs. 30,83,750 was credited to this Fund on account of the interim dividend declared in July 1962. A sum of Rs. 5,63,274 was appropriated from this Fund during the year, under the authority of the Reserve Bank of India, in respect of losses for the year 1961 of the new branches established under Section 16(5) of the State Bank of India Act, vide item 7(a) of the Profit and Loss Account. A further sum of Rs. 9,77,062.94 was appropriated from the Fund, with the approval of the Reserve Bank, in respect of the subsidies granted to the Subsidiary Banks towards losses of their new branches, in terms of Section 36(2) (aa) of the State Bank of India Act read with Section 48(1) (b) of the State Bank of India (Subsidiary Banks) Act.					
		† Includes Staff Welfare Fund and Staff Co-operative and Housing Fund, ownership whereof vests in the Bank.					
		* Of which Rs. 40,21,875 is to be credited to the Integration and Development Fund (item 2A above) bringing the amount in the said Fund to Rs. 3,51,75,643.41.					
		Total	615.35.32,596 24	572.10.36,771	40	Total	615.35.32,596 24
572.10.38,771	48			572.10.36,771	40		

PARTICULARS OF ADVANCES

At 31st December, 1961		December, 1962	
Rs.	nP.	Rs.	nP.
228,93,81,814	08	234,96,09,979	37
2,78,84,176	47	4,16,31,439	51
23,58,87,294	41	31,36,06,636	80
255,31,53,284	96	270,48,48,655	66
13,23,170	42	25,30,305	26
67,81,21,514	62	72,80,69,984	75
22,96,259	92	27,28,687	86
71,65,96,786	34	76,20,64,915	08
10,71,00,237	08	10,71,00,237	08

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1962

Year ended 31-12-1961		EXPENDITURE	Year ended 31-12-1962	Year ended 31-12-1961	INCOME (less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Year ended 31-12-1962	
Rs.	nP		Rs. nP	Rs. nP		Rs. nP	
6,88,72,141	51	1. Interest paid on Deposits, Borrowings, etc.	7,91,44,541	24	1. Interest and Outcount	16,19,07,118	11
		2. Salaries and Allowances and Chairman Rs. 1,845.30 and Salaries and Allowances of Chairman Rs. 1,041.80 for the year)	9,41,70,579	35	2. Commission Exchange and Brokerage	6,14,32,292	70
7,97,80,106	96	3. Directors' and Local Board Members' Fees and Allow- ances	93,930	00	3. Rents	4,72,479	42
93,940	00	4. Rent, Taxes, Insurance, Lighting, etc.	68,93,976	19	4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and other Assets		
47,10,120	91	5. Law Charges	51,3,864	55	5. Net profit on revaluation of Investments, Gold and Silver, Land, Premises and other Assets		
1,57,476	00	6. Postage, Telegrams and Stamps	39,51,949	88	6. Income from Non-banking Assets and Profit from Sale of or Dealing with such Assets		
36,72,510	68	7. Auditors' Fees	1,00,000	00	7. Other Receipts:		
1,00,000	00	8. Depreciation on and Repairs to the Bank's Property	30,26,139	33	(a) Recoveries from the Integration and Development Fund for the year 1961	Rs. 5,63,274.00	
25,46,746	17	9. Stationery, Printing, Advertisement, etc.	46,95,810	50	(b) Dividends on Shares in Subsidiaries received during the year 1962	Rs. 14,26,703.55	20,09,977
47,02,726	64	10. Loss from Sale of or Dealing with Non-banking Assets	63,82,666	77	8. Loss		58
97,20,100	04	11. Other Expenditure	2,69,25,376	03	Total		
2,71,00,379	91	12. Balance of Profit	22,58,71,831	84		22,58,71,837	84
19,74,64,258	82	Total					

REPORT OF THE AUDITORS

TO THE PRESIDENT OF INDIA.

We, the undersigned Auditors of the State Bank of India, appointed under Section 41 (1) of the State Bank of India Act, 1955, do hereby report to the Central Government upon the Balance Sheet and Accounts of the Bank as at the 31st December, 1962.

We have examined the above Balance Sheet and the Profit and Loss Account and the Accounts relating thereto of the Central Office and the Local Head Offices at Bombay and Calcutta and the Returns submitted and certified by the Secretaries and Treasurers of the Local Head Offices at Madras and New Delhi; by the Manager, Pakistan Branches and by all the necessary particulars have been incorporated in the above Balance Sheet and Accounts, and report (i) that, in our opinion, the Balance Sheet is a full and fair one, containing all the necessary particulars and properly drawn up so as to exhibit a true and correct view of the affairs of the Bank, according to the best of our information and the explanations given to us and as shown by the Books of the Bank; (ii) that matters which have come to our notice have been within the powers of the Bank; (iv) that the Returns received from the Local Head Offices at Madras and New Delhi and from the Branches of the Bank have been found adequate for the purpose of our audit; (v) that the Profit and Loss Account shows a true balance of profit for the period covered by such account; (vi) that, in our opinion, the Balance Sheet and Profit and Loss Account are drawn up in conformity with the law; and (vii) that, in our opinion, Books of Accounts have been kept by the Bank as required by law.

The audit of the Books and Accounts of the Central Office has been carried out jointly by Messrs. S. B. Billimoria & Co. and Messrs. Ray & Ray. The audit of the Books and Accounts of the Local Head Offices has been carried out at Bombay by Messrs. S. B. Billimoria & Co. and at Calcutta by Messrs. Ray & Ray.

SPRATASINR MATHURADAS
VENKATAPPAIAH, Chairman.

Accounts of the Local Head Offices has been carried out by		Pratapsinh Mathuradas J. D. Choksi Ramnath A. Podar Purusottam Kanji D. G. Karve D. P. Goenka Triguna Sen Satya Paul Virmani		Directors.	B. Venkatappaiah, Chairman. H. M. Seervai, Vice-Chairman.
S. B. Billimoria & Co. Ray & Ray	Auditors.				B. Mukerji N. A. Krishnan
					Managing Directors.

12th February, 1963.

THE CHARTERED BANK

CHAIRMAN, MR. V. A. GRANTHAM'S STATEMENT

The following are the extracts from the statement of the Chairman, Mr. V. A. Granttham, which will be presented at the Annual General Meeting of The Chartered Bank on 3rd April, 1963, at 38, Bishopsgate, London, E.C.2.

The administration of a banking business extending over the greater part of Asia into a multiplicity of sovereign states each pursuing highly individual and often conflicting economic policies grows increasingly complex with the passing of the years. It will be seen, however, from the statement which follows that the management of The Chartered Bank has continued during 1962 to respond to rapidly changing situations and to every challenge of new political forces emerging in the East. It is often alleged that banks are hide-bound by precedent; this cannot be true of The Chartered Bank. If it were there could have been no rapid adaptation of traditional credit operations to new financial conditions. In 1962 the challenge of change was perhaps more insistent than at any time during the past decade and the results of the bank's operations during that year, to which I shall shortly refer, demonstrate the success with which this challenge has been met.

The continuing favourable condition of the bank's affairs is a reflection of the professional skill displayed by the General Management in London and the branch managers everywhere. The stockholders will, I am sure, wish to be associated with the Court of Directors in acknowledging the skill, devotion and enterprise exerted on the bank's behalf by the General Management, the branch managers and staff at all levels and throughout the establishment. I would again draw your attention to the number of new branches opened at various points.

The Court of Directors

Mr. E. J. Pakes, C.B.E., on retiring from business in the City a year ago, relinquished his seat on the Court and I take this opportunity of acknowledging with gratitude the valuable help and good counsel he brought to the deliberations of the Directors. The

Court elected in place of Mr. Pakes, Mr. Kenneth M. Campbell, M.B.E., Chairman of The British India Steam Navigation Company Limited and the stockholders will be invited to confirm his election at the approaching annual general meeting.

The Bank's Balance Sheet

In 1961, because our balance sheet total had shown a very substantial increase over that of 1960 after rapid progress in previous years, I felt bound to warn that there were factors that might affect our further progress although I hoped that increased business resulting among other things from the opening of new branches and the increase in our capital and reserves would outweigh these factors. In the event we have had another good year and our Balance Sheet shows an increase of no less than £49 millions, standing at the record figure of £402 millions.

It will be noted that the main contributions to this increase are rises in Current and Other Accounts and Fixed Deposits of £26 millions and £24 millions respectively.

On the other side of the Balance Sheet the figure for Advances and Other Accounts shows an increase of £26 millions, while our figure for Cash and Securities are up £5 millions and £19 millions respectively.

The Consolidated Balance Sheet total of £468 millions, which includes of course the figures of The Eastern Bank, shows an increase of £60 millions over that of last year and is an all-time high.

In view of these figures we have deemed it wise to increase our allocation to Reserve Funds.

Consolidated Profit and Loss Account
The profit we show for 1962 of £1,076,748 is up £86,510.

While we are doing all we can to increase our efficiency by the introduc-

tion of mechanisation, this much larger business of ours has entailed increases in overseas staff and in all parts of the globe costs, and in particular salaries, have risen and still show a tendency to rise. We are fortunate so far that our income has enable us to keep pace with these increases and I think it will be agreed that the result achieved in this not altogether easy year is satisfactory. Our stockholders have benefited by the increased dividend distribution arising from the rights issue made at the end of 1961. The total distribution is £50,531 higher.

With the balance brought forward from the previous year of £540,648 the amount available for allocation totals £1,617,396 out of which we have transferred £450,000 to Reserve Funds which now stand at £7,700,000. The interim dividend of 7½ per cent. less income tax paid in September last, absorbed £303,187 and it is now proposed to pay a final dividend of 7½ per cent. less income tax costing £303,188. This leaves a balance of £561,021 to be carried forward, an increase of £20,373 on last year's figure.

India

Already painfully beset with economic difficulties, India was given by the events of October and November, a stark and unwelcome reminder of the harsh political realities of the modern world. The shock administered by the exposure of mistaken assumptions in foreign policy and military planning was profound, and the reasons which have long prompted friends of both India and Pakistan to urge on them the need to settle their differences over Kashmir and other problems became increasingly recognised by thoughtful people in both countries. Whatever other effects the hostilities on the northern frontiers may have had, a feeling of fervent national unity has been stimulated among the Indian people and there is a universal willingness to work together in the national interest. If leadership emerges to harness this spirit there can be little doubt of the country's ability to respond to the challenge it now faces. This is a testing time for government, which is now called on to lead the nation in a situation which contains hazards and difficulties unforeseen at the time its policies were overwhelmingly endorsed in last year's general elections.

Even before increased spending on the armed forces became necessary it seemed that lack of foreign exchange was likely to cause some revision of the third five-year plan (1961/66). After some delay the consortium of countries helping to finance the plan agreed to raise their contributions for the second year of the plan, but as most of this aid is allocated to specific development projects, and is available only for purchases from the donor country concerned, it did little to ease the shortage of ready foreign exchange required to pay for the country's normal day-to-day import requirements. The reduction in the reserves has been gradual, but has continued steadily and in July a standby credit from the International Monetary Fund was arranged, part of which has since been drawn.

If then, as is hoped, the equipment now required from abroad for the armed forces will be either on lease-lend terms or under aid, the country's basic economic problem is still to earn enough foreign exchange to meet the inescapable needs of its people and to keep its new industries going. It was

CAPITAL, 21st March, 1963.

anticipated that the export of manufactured goods would increase and make a valuable contribution to overseas earnings but setbacks have occurred through transport difficulties, lack of electric power and inability to purchase abroad vital spare parts and materials. With exchange reserves at a level that gives no scope for further reduction, there can be little optimism for an early improvement and in any case manufacturing costs are generally too high for open competition in world markets. Some reduction in costs will no doubt come as experience is gained in running the new industrial units, particularly if the protected domestic market is not made so easy to sell in, but even the older industries find that they are unable to compete abroad with the heavy taxation, high cost of protected local raw materials and low productivity of an increasingly costly labour force. It would seem then that any betterment of the exchange position is more likely to come from the gradual rise in agricultural production, but even an appreciable rise in exports will not meet an import bill already cut to the minimum.

In these circumstances it was not unexpected that official thought again turned to the country's hoarded gold. It has always been assumed that India would have no balance of payment problem if the vast quantity of gold privately hoarded within the country could be brought out and at last official action has been taken to mobilise it for the national benefit. An offer of gold bonds met with a poor response, which was not surprising for its terms were unrealistic and ignored the fact that prerequisites for the voluntary surrender of gold are an attractive price and a guarantee against inflation and a depreciating currency. Moreover, as a proportion of the privately held gold in the country represents the proceeds of tax evasion there was some reluctance, despite assurances from the government, to disclose such holdings. Persuasion having failed the authorities have now had to resort to compulsion and the ownership of all gold, other than ornaments, is to be declared. If this causes a fall in the Indian gold price to something near the world level the considerable traffic in gold smuggling from abroad, by which the Indian demand is at present met at a serious cost in foreign exchange, will be decisively checked. Whether it will bring out gold is another matter, and for some years, when the exchange reserves were high, I advocated the contrary policy of a free market, which would at least have saved the many millions of pounds lost through smuggling over the years.

Defence orders, industrial expansion, a soft home market and generous labour tribunals all point to one thing—inflation—and our sympathies must be with the monetary authorities who require dearer money and restricted credit to combat the danger and yet are under departmental pressure to keep interest rates low to finance development plans as cheaply as possible. In these circumstances it is important that the policies followed by the indigenous banks should not be at variance with the real needs of the country as a whole. The bank rate was recently raised and what is needed is a realistic rate structure for commercial banks round that rate, with no distortion through holding of free counterpart funds by one privileged bank. A reasonable spread in rates would help the banks to build up their reserves in keeping with the Reserve Bank's policy of creating a strong banking system.

In furtherance of that policy too, they are restricting credit to the banks, some of which had become badly over-levered and over-dependent on official assistance. Nevertheless the Reserve Bank has always helped where restrictions jeopardised essential industry or seasonal crops and this system of selective credit control worked smoothly and is in the country's best interests. The new

CAPITAL, 21st March, 1963.

statutory requirements to be operative from September 1964 are, however, obligatory by legislation, but in a rapidly expanding economy they may be too drastic and amendments may have to be introduced. There is still some doubt whether the central institution's policy on government securities is fair to the commercial banks, who are obliged to make purchases at artificially controlled low yields.

All the foregoing, I am sure, points to the necessity of the economy of India and its industry being consolidated in preference to further industrial expansion. Perhaps I am being a little pessimistic in stressing the difficulties and the failures rather than the general achievement, but optimism about India's future must, for the time being, be based largely on the political importance of its stabilising influence in Asia and the willingness and the determination of the Western powers to support it in that role.

We have recently received permission from the Reserve Bank to extend our

branch organisation to Vasco de Gama in Goa and arrangements are now in hand for the opening of the new office.

Conclusion

From this review, it is clear that continuing inflation is still a major problem with many of the developing countries and, in addition to this, their ever increasing short-term and medium-term foreign debt must cause deep concern. Its servicing accentuates the already difficult balance of payment problems and at times the return from eagerly sought after foreign loans is not commensurate with the cost, as they are diverted into nationalistic enterprises which do little to balance and strengthen the economy.

The supply of aid is necessarily limited, save in exceptional circumstances and many Asian countries are now seeing the advantages of encouraging private investment from abroad. Whereas foreign loans involve interest charges and repayments which become

a burden on budgets and exchange reserves, the risk of private investment is borne entirely by the investor who can only receive a return on his investment if his enterprise is successful. Ability to attract new private capital is closely linked with the treatment of existing investments and those countries which have failed in their appeal to the overseas investor are invariably those which have been less than fair to direct investments made in the past. It is those who already know the East and have confidence in its future who are most likely to be the new investors and it is not accidental that most of the private investment which has been made in Asia in recent years has come from enterprises which were already locally established. The potential investor from overseas who is considering setting up business for the first time naturally takes into account the treatment meted out to existing foreign firms in the country in which he is interested. He is unlikely to be impressed by promises of freedom to remit profits and repatriate capital by governments which deny such

freedom to existing enterprises. It is significant that those governments which have been most successful in attracting foreign investment have been at pains to create conditions favourable to business enterprise and to induce confidence in the political and economic stability of their countries. The flow of private capital to developing countries would be greatly facilitated if agreement could be reached on an internationally acceptable code of behaviour regarding the treatment of foreign property on the lines of the draft convention recently sponsored by the Organisation for Economic Co-operation and Development.

We continue to assist to the best of our ability the many countries in which the Chartered Bank group is working. This assistance can be financial or in the form of advice based on many years experience in many different countries and, needless to say, wherever we have a branch it is our policy to work fully in the interest and aspirations of the country concerned and within its regulations.

THE CHARTERED BANK

CONSOLIDATED BALANCE SHEET 31ST DECEMBER, 1962

	1961	1961	1961
	£	£	£
Capital—	6,600,000	6,600,000	6,600,000
Stock issued	7,700,000	7,700,000	7,700,000
Reserve Funds	1,012,295	1,012,295	1,012,295
Consolidation Reserve	561,021	561,021	561,021
Profit and Loss Account	15,873,316	15,402,943	15,402,943
Current and Other Accounts, including reserves for contingencies and taxation on profits to date	250,773,112	221,350,364	221,350,364
Fixed Deposits	176,848,805	144,012,541	144,012,541
Notes in Circulation against security per contra	5,394,778	5,106,981	5,106,981
Bills Payable	2,554,820	303,188	303,188
Proposed Final Dividend, less income tax	303,188	19,366,965	19,366,965
Acceptances, including undertakings to accept, on account of customers	15,726,068	452,784,790	392,694,959
NOTES—			
(1) There are contingent liabilities on bills rediscounted, £5,059,437 (1961 £7,526,273) of which £2,354,383 has run off at 31st March, 1963, and commitments in respect of confirmed credits, forward exchange contracts and guarantees.			
(2) Contracts for outstanding capital expenditure on premises amount to approximately £870,000. (1961 £220,000).			
(3) Assets and liabilities in foreign currencies have been converted into sterling at approximately the rates of exchange ruling on 31st December, 1962.			
(4) Under Part III of the Eighth Schedule to the Companies Act 1948, the Group is exempted from showing the aggregate amount of its reserves and the movements therein.			
W. G. PULLEN, Chief General Manager			
J. SHEWAN, General Manager			
H. W. J. ENGLISH, Chief Accountant			
	£468,658,106	£408,097,902	£408,097,902
V. A. GRANTHAM, Chairman.			
W. E. FADIE, } Directors.			
K. M. CAMPBELL, }			

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1962

	1961	1961	1961
	£	£	£
Allocations to Reserve Funds	450,000	400,000	400,000
Dividends paid and proposed, less income tax—			
Interim 7½% paid 26th September, 1962	303,187	252,656	252,656
Final 7½% proposed	303,188	303,188	303,188
	606,375	555,844	555,844
Balance proposed to be carried forward—			
The Chartered Bank	510,076	494,910	494,910
Retained in Subsidiary Companies' Accounts	50,945	45,738	45,738
	561,021	540,648	540,648
	£1,617,396	£1,496,492	£1,496,492
		On £5,500,000 Stock	
Profit, after providing for taxation and after making allocations to inter reserves, out of which reserves full provision has been made for diminution in value of assets			1,076,748
Balance brought forward from 31st December 1961—			
The Chartered Bank	484,910		469,805
Retained in Subsidiary Companies' Accounts	45,738		36,449
	530,648		506,254
Note—The aggregate emoluments received by the Directors of The Chartered Bank for their services amounted to £236,400 (1961 £226,400) of which £4,400 (1961 £4,400) has been borne by Subsidiaries.			£1,617,396
			£1,496,492

REPORT OF THE AUDITORS

TO THE STOCKHOLDERS OF THE CHARTERED BANK

We have obtained all the information and explanations which we considered necessary for our audit. In our opinion proper books of account have been kept by the Bank and proper returns adequate for the purposes of our audit have been received from the branches, which have not been visited by us. The annexed balance sheet of The Chartered Bank is in agreement with the books and returns.

We have also examined the annexed group accounts, comprising the consolidated accounts of the Bank and its subsidiaries, other than Allahabad Bank Limited, and the separate accounts of Allahabad Bank Limited, with the audited accounts of those companies, certain of which have not been audited by us. Subject thereto in our opinion the said balance sheet and group accounts give, in the prescribed manner, the information required of banking companies by the Companies Act 1948, and, on the basis indicated in Note (4) on the balance sheets, give a true and fair view of the state of affairs as at 31st December, 1962 and of the profit, ascertained as indicated in the profit and loss accounts for the year ended on that date of the Bank and its subsidiaries, so far as concerns stockholders of The Chartered Bank.

W. A. BROWNE & CO.
DELOITTE, PLENDER, GRIFFITHS & CO.
Chartered Accountants

London, 6th March, 1963

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tended to Aluminium Industries rights around Rs. 2.85. Mettur Chemical new shares have been taken at Rs. 12.06. Ogale Glass has paid a taxable ordinary dividend of 10 percent and its authorised capital has been increased from Rs. 25 lakhs to Rs. 50 lakhs.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations. Highest for the week. Lowest for the week. Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs. 26/81—26/81—25/00—25/25—(35/62).
Dunlop Rubber—Rs. 33/19 S.T.—33/44—32/00—(43/62).
Guest, Keen, Williams—Rs. 30/00—30/12—30/00—30/12—(44/75).
Hindusthan Motors—Rs. 16/25—16/25—15/90—15/90—(19/75).
Indian Aluminium—Rs. 30/37—30/37—29/50—29/75—(38/69).
Indian Aluminium (Right)—Rs. 13/00—13/00—12/75—12/87.
Indian Copper—Rs. 4/20—4/25—4/13—4/16—(5/04).
Indian Iron & Steel—Rs. 20/05—20/05—19/70—19/70—(24/26).
Jaipur Udyog—Rs. 10/50—10/62—10/50—10/62—(13/62).
J. K. Cotton Spg. & Wvg.—Rs. 12/75—12/75—12/75—12/75—(23/19).
Kesoram Industries—Rs. 19/31 S.T.—19/37—19/25—19/31—(33/00).
Orient Paper—Rs. 32/20—32/20—31/25—31/25—(41/80).

Orissa Cement—Rs. 14/87—14/87—14/50—14/50—(19/31).
Rohtas Industries—Rs. 10/75—10/87—10/75—10/75—(16/75).
Textile Machinery—Rs. 20/50 S.T.—20/70—19/70—20/70—(21/70).

GOVERNMENT SECURITIES

3 % Loan (1986)—Rs. 63/35 S.T.—63/35—63/15—63/15.
3 % " (1966-68)—Rs. 96/35—96/35—96/30—96/30.
3 % " (1970-75)—Rs. 85/58—85/60—85/58—85/60.
3½ % " (1967)—Rs. 98/05—98/05—98/05—98/05.
3½ % " (1965)—Rs. 99/00—99/00—99/00—99/00.
3½ % " (1968)—Rs. 97/90—97/90—97/90—97/90.
3½ % " (1966)—Rs. 98/95—98/95—98/95—98/95.
4 % " (1972)—Rs. 98/95—98/95—98/95—98/95.
4 % " (1981)—Rs. 98/20—98/20—98/20—98/20.
4 % " (1980)—Rs. 98/15—98/15—98/15—98/15.
4 % U.P. (1969)—Rs. 94/75—94/75—94/75—94/75.
4 % " (1971)—Rs. 93/60—93/60—93/60—93/60.
4½ % Madras (1974)—Rs. 96/30—96/30—96/30—96/30.
4½ % U.P. (1974)—Rs. 96/20—96/20—96/20—96/20.
4½ % Orissa (1974)—Rs. 96/20—96/20—96/20—96/20.

BANKS

Punjab National—Rs. 18/12—18/25—17/50—17/50—(22/00).
United Bank of India (Rs. 10/- Paid)—Rs. 7/06—7/25—7/06—7/19—(6/90).

RAILWAYS

Dehri Rohtas—Rs. 13/75—13/75—13/75—13/75—(19/25).
Arrah Sasaram—Rs. 27/00—27/00—27/00—27/00—(30/50).
Shahdara (Delhi) Saharanpur—Rs. 50/00—50/00—50/00—50/00—(68/00).

COTTONS

Bharat Commerce—Rs. 21/87—22/00—21/75—21/75—(28/62).

Jay Shree—Rs. 14/00—14/00—13/75—13/75—(16/87).
Muir Mills (Pref.)—Rs. 126/00—128/00—126/00—128/00.

COALS

Amalgamated—Rs. 21/50—21/50—21/00—21/00—(22/00).
Bengal—Rs. 275/00—275/00—267/00—267/00—(348/00).
Central India—Rs. 9/50—9/62—9/50—9/62—(11/94).
Equitable (Pref.)—Rs. 80/00—80/00—80/00—80/00—(79/00).
Ghusick & Musila—Rs. 13/75—13/75—13/75—13/75—(14/00).
Karanpura Collieries—Rs. 15/00—16/00—15/00—16/00—(19/04).
New Beerbloom—Rs. 17/50—17/62—17/37—17/62—(21/50).
Ondal—Rs. 12/00—12/00—12/00—12/00—(14/40).
Western Bengal—Rs. 8/50—8/50—8/19—8/19—(9/06).

JUTES

Agarpara—Rs. 9/81—9/87—9/75—9/75—(11/50).
Alexandra—Rs. 260/00—264/00—260/00—264/00—(265/00).
Anglo-India (Pref.)—Rs. 93/00—93/00—93/00—93/00—(91/00).
Do. (Ord.)—Rs. 200/00—200/50—199/00—199/00—(222/00).
Barnagore—Rs. 173/00—174/00—172/00—172/00—(162/00).
Birla (7½ % Pref.)—Rs. 77/00—77/00—77/00—77/00—(88/50).
Bally—Rs. 255/00—256/00—255/00—256/00—(291/00).
Do. (Pref.)—Rs. 97/00—97/00—97/00—97/00—97/00.

Caledonian—Rs. 188/00—205/00—187/00—205/00—(174/00).
Champdany—Rs. 134/00—134/00—134/00—134/00—(130/00).
Dalhousie—Rs. 146/00—148/00—144/00—145/00—(135/00).
Ganges—Rs. 12/62—12/94—12/50—12/50—(14/81).
Hukumchand—Rs. 19/00—19/00—17/00—17/00—(27/94).
Hastings (Pref.)—Rs. 83/50—83/50—83/50—83/50—83/50.

CAPITAL, 21st March, 1963.

Kinnison—Rs. 140/00—140/00—140/00—140/00—(166/50).
Do. (Pref.)—Rs. 86/00—86/00—86/00—86/00—(89/00).
Kankannarrah—Rs. 125/00—127/00—125/00—127/00—(117/00).
Lawrence—Rs. 105/00—105/00—102/00—102/00—(162/00).
Megna—Rs. 13/25—13/25—13/25—13/25—(12/75).
Naihati—Rs. 81/00—81/00—81/00—81/00—(85/00).
New Central—Rs. 12/25—12/31—11/87—12/06—(18/00).
National (Pref.)—Rs. 87/50—87/50—87/50—87/50—(88/50).
Northbrook—Rs. 29/00—29/00—29/00—29/00—(35/25).
Reliance—Rs. 6/44—6/44—6/44—6/44—(6/69).
Union—Rs. 146/00—146/00—146/00—146/00—(183/00).
Waverley—Rs. 5/50—5/50—5/50—5/50—(5/94).

MININGS

Karanpura Development—Rs. 10/50—10/50—10/50—10/50—(16/00).
Metal Corp.—Rs. 8/00—8/06—8/00—8/06—(12/19).

CEMENTS

Ashoka—Rs. 7/00—7/00—7/00—7/00—(8/56).
Dalmia (Bharat)—Rs. 13/00—13/00—13/00—13/00—(13/37).
Sone Valley—Rs. 4/25—4/31—4/19—4/22—(5/00).

CHEMICALS

Alkali & Chemical—Rs. 30/00—30/00—29/44—29/44—(46/37).
Bengal—Rs. 97/00—98/00—97/50—98/00.

ELECTRICS

Bareilly—Rs. 14/31—14/37—14/31—14/37—(11/75).
Calcutta—Rs. 14/31—14/37—14/19—14/31—(15/00).
Do. (Pref.)—Rs. 8/06—8/06—7/94—8/00—(8/68).

ENGINEERING

Britannia Eng.—Rs. 10/00—10/00—9/50—9/50—(12/12).

CAPITAL, 21st March, 1963.

Calcutta Steel—Rs. 13/69—13/69—13/69—13/69—(15/87).
Dalmia Iron—Rs. 11/06—11/06—11/06—11/06—(11/75).
Indian Iron & Steel (Pref.)—Rs. 83/50—84/50—83/50—84/50—(86/50).
Jay Eng.—Rs. 24/25—24/25—24/25—24/25—(28/00).
Kumardhubi—Rs. 7/44—7/44—7/44—7/44—(8/06).

Machinery Manufacturing—Rs. 18/50—18/50—18/50—18/50—(20/00).
Marshalls—Rs. 3/25—3/31—3/22—3/22—(3/87).
National Iron & Steel—Rs. 4/25—4/25—4/25—4/25—(5/69).
Textile Machinery (6½ % Pref.)—Rs. 99/75—99/75—99/75—99/75—99/75.

INSURANCES

Concord of India—Rs. 10/25—10/25—10/25—10/25—(11/00).
New Asia—Rs. 7/75—7/75—7/12—7/12—(8/00).
Ruby General—Rs. 9/69—9/69—9/69—9/69—(9/06).
Standard General—Rs. 6/00—6/00—6/00—6/00—(5/44).
Triton—Rs. 130/00—132/00—130/00—132/00—(133/00).

MISCELLANEOUS

Asian Refractories—Rs. 7/75—7/75—7/75—7/75—8/81.
Asiatic Oxygen—Rs. 9/06—9/06—8/81—8/81.

Aluminium Corp.—Rs. 12/87—12/87—12/87—12/87—(18/50).
Angelo Brothers—Rs. 21/75—21/75—21/75—21/75—(21/87).
Calcutta Sale Deposit—Rs. 8/00—8/00—8/00—8/00—(7/25).
Calcutta Tramways—Rs. 11/00—11/00—11/00—11/00—(11/79).

Clive Row Investment—Rs. 8/19—8/19—8/19—8/19—(8/85).
Dr. Paul Lohmann—Rs. 19/00—19/00—19/00—19/00—19/00.

Electric Construction—Rs. 12/19—12/19—12/12—12/12—(15/12).
Goodyear India—Rs. 37/87—37/87—37/87—37/87—(39/50).
Hindustan Aluminium—Rs. 13/12—13/12—13/00—13/00—(15/37).
Hindusthan Filkington Glass (New)—Rs. 16/69—16/69—16/69—16/69—16/69.

Hindusthan Twyford—Rs. 14/00—14/00—14/00—14/00—(18/37).
Hindusthan Wire Products—Rs. 16/25—16/25—16/25—16/25—16/25.
Indian Aluminium (Pref.)—Rs. 87/50—87/50—87/50—87/50—(70/00).
Indian Oxygen—Rs. 28/25—28/25—28/25—28/25—(37/75).

J. K. Synthetics—Rs. 11/00—11/00—10/75—10/75—(14/81).
Jardine Henderson (Pref.)—Rs. 55/00—55/00—55/00—55/00—(53/75).
Kalimpong Ropeway—Rs. 0/50—0/50—0/50—0/50—0/50.

Kesoram Industries (1st Pref.)—Rs. 106/00—106/00—106/00—106/00—(106/00).
Macneill Barry (Pref.)—Rs. 50/75—50/75—50/75—50/75—50/75.

National Tobacco—Rs. 11/25—11/25—11/25—11/25—(16/56).
National Rolling & Steel Ropes—Rs. 19/56—19/56—19/56—19/56—(20/19).
Phillips India—Rs. 26/25—26/25—26/25—26/25—(35/84).

Phillips Carbon—Rs. 20/12—20/12—20/12—20/12—20/12.

Scientific Instrument—Rs. 100/00—100/00—100/00—100/00—100/00.

Sirsil—Rs. 8/31—8/31—8/06—8/06—(10/00).
Union Carbide—Rs. 42/50—42/50—42/50—42/50—(52/50).
Usha Martin Black—Rs. 13/00—13/06—13/00—13/06—(14/50).
Walford Transport—Rs. 3/37—3/37—3/19—3/19—(4/06).

OIL

Indo-Burma (Pref.)—Rs. 73/50—74/50—73/50—74/50.

PAPERS

Orient (1st Pref.)—Rs. 88/00—88/00—88/00—88/00—88/00.
Sirpur—Rs. 11/25—11/25—10/87—11/00—(15/75).
Do. (Pref.)—Rs. 73/00—73/00—73/00—73/00—73/00.
Titagur—Rs. 17/44 S.T.—17/50—17/31—17/50.

REAL PROPERTIES

Midnapore Zemindary—Rs. 10/00—10/00—9/25—9/25—(10/25).
Sahu Properties—Rs. 2/06—2/06—2/06—2/06—2/06.

SHIPPING

India Steamship—Rs. 6/00—6/06—5/84—5/84—(6/84).

SUGARS

Balrampur—Rs. 1/81—2/00—1/81—2/00—(2/44).
Belsund—Rs. 8/50—8/50—8/50—8/50—(10/31).
Cawnpore—Rs. 10/75—10/75—10/75—10/75—(12/69).

New Saran—Rs. 3/62—3/62—3/62—3/62—(5/00).
New India—Rs. 25/81—25/81—25/81—25/81—25/81.
Purtabpore—Rs. 10/50—10/50—10/50—10/50—(11/81).
Do. (Pref.)—Rs. 10/56—10/56—10/56—10/56—(10/75).
Raza Baland—Rs. 9/37—9/37—9/37—9/37—(10/37).

TEAS

Baitakhal—Rs. 7/00—7/00—7/00—7/00—(6/69).
Brooke Bond—Rs. 11/44—11/44—10/75—10/75—(14/50).
Bishnauth—Rs. 15/62—15/62—15/62—15/62—(23/00).
Birpara—Rs. 149/00—149/00—149/00—149/00—149/00.

Choonabhatti—Rs. 210/00—210/00—210/00—210/00—210/00.
East India—Rs. 15/00—15/00—13/00—13/00—(20/00).
Grob—Rs. 7/56—7/56—7/50—7/50—(10/00).

Gungaram—Rs. 115/00—116/00—115/00—116/00—(154/00).
Gopalpur—Rs. 19/50—19/50—19/50—19/50—(19/62).
Hasimara—Rs. 12/00—12/06—12/00—12/06—(31/61).

Hanuman—Rs. 10/06—10/06—10/06—10/06—10/06.
Hulidbari—Rs. 12/37—12/37—12/37—12/37—12/37.

Killecott—Rs. 16/25—16/25—16/25—16/25—16/00.
Kadambini—Rs. 16/00—16/00—16/00—16/00—16/00.

DEBENTURES

3½ % (1956-66) Howrah Bridge—Rs. 94/50—94/50—94/50—94/50—94/50.
5 % Macneill Barry—Rs. 85/00—85/00—85/00—85/00—85/00.

London

SELECTIVE BUYING IN EQUITIES

OPERATORS CAUTIOUS

London, 20th March.

ALTHOUGH the speculative attack on sterling in the early part of last week was short-lived, the event had a sobering effect on sentiment in the stock market and buyers were adopting a distinctly cautious approach. The February trade figures were no inducement to open new commitments, and there appeared to be a general disposition to await the Budget due in just a fortnight. However, some selective buying went

on in equities which was stimulated by good company news, and the heavy electrical shares which had been out of favour for so long, were being bought on the strength of the good results from the giant A.E.I. group. But leading stocks as a whole were inclined to drift lower in the absence of support. A fair amount of interest was shown in the lesser known stocks and useful gains were recorded. Gilt-edged see-sawed in the wake of sterling and were now looking easier again. Dollar stocks also moved irregularly, and the dollar premium, which at the height of last week's sterling trouble, reached a peak of 1¼ percent was back to under 10 percent. Gold shares met with a strong demand as the pound plunged, but subsequently much of the ground gained was lost. The de Beers results proved rather disappointing and the shares lost ground. Coppers went ahead at one time, but eased later. The Royal Dutch-Shell results were well received, and a strong investment demand carried Shell to a new 1962-63 peak. Rubbers met with selective buying, but teas drifted lower.

We can help EXPORTERS to expand their business by providing pre-shipment finance. We can advise EXPORTERS of trade enquiries, put them in touch with foreign buyers, and obtain credit information and status reports on foreign buyers.

We can give to EXPORTERS effective Letters of Introduction on our Foreign Branch Managers and Correspondents, provide them with Travellers' Cheques, Foreign Currency Notes, and Letters of Credit—when they travel.

We can collect and negotiate for

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EXPORTERS all types of foreign bills; give Excise guarantees where necessary and guarantees under Export Promotion Schemes; and buy various foreign currencies, at the finest rates, both "spot" and "forward".

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With our 14 branches overseas and correspondents in almost all parts of the world, we are well equipped to handle FOREIGN EXCHANGE BUSINESS of any description.



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T. D. KANSARA, General Manager

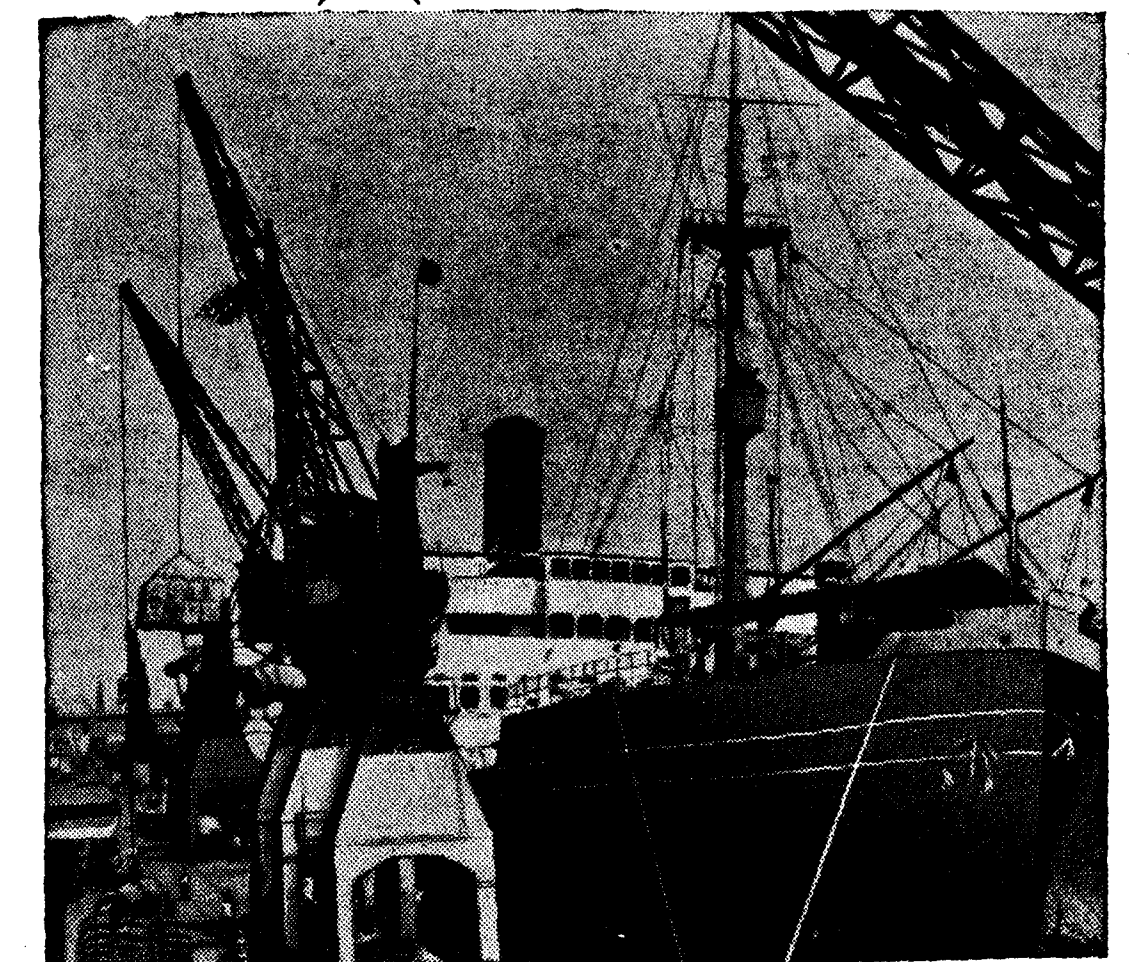


FIG 147

SERVE INDIA IN THOUGHT WORD AND DEED

There is no phase or corner of our lives where discipline and self-control cannot well be planted to give their strength and assurance to our resolution

- Whether it be in refusing to heed the subtle poison of rumour
- Whether it be in foregoing luxuries to provide funds for defence
- Whether it be in controlling purchases of goods to avoid the inflation of prices
- Whether it be in individual dedication to service and endeavour
- Whether it is to discipline our personal conduct so that there is minimum of conflict, a maximum of co-operation

All these are disciplines we have need of now
Let us be aware. Let us be determined

YOUR DISCIPLINE IS INDIA'S STRENGTH

Space donated by INDIAN OXYGEN LIMITED

excluding township, etcetera, is likely to be about Rs. 40 crores. Of this, the foreign exchange components as far as can be roughly assessed at present—is likely to be Rs. 23 crores; this will be mostly met from the rouble credits offered by Russia.

Following the acceptance of the detailed project report in November 1959, the Heavy Engineering Corporation entered into three separate contracts with Messrs Prommash-export of Moscow as follows:

(i) A contract dated 12th March, 1960, for a total sum of Rs. 12.80 crores for the supply of plant and equipment, fabricated structurals and certain items of stores from Russia.

(ii) A contract dated 1st February, 1960, for the supply of working drawings for the project for 80,000-ton capacity; and

(iii) a contract dated 30th July, 1962, for the supply of equipment, devices and materials for the 80,000-ton stage, valued at Rs. 5.90 crores.

Against the total quantity of 43,958 metric tons of plant and equipment valued at Rs. 18.70 crores c.i.f. ordered for the 80,000-ton stage, 17,665 metric tons valued at Rs. 7.34 crores have been shipped up to December 1962. Contracts for all the major factory buildings have been awarded. Work in production and ancillary shops is progressing according to schedule. The erection

of the plant and machinery is proceeding satisfactorily.

Coal mining machinery project: The plant is being set up in Durgapur, West Bengal, with Russian technical collaboration. The plant was initially designed to produce 30,000 tons of coal-mining machinery a year. But in view of the proposed increase in the coal output during the third plan, it has been decided to expand the plant's capacity to 45,000 tons a year in the second stage. The value of finished machinery items is estimated at Rs. 16 crores a year in the first stage and Rs. 24 crores in the second. The total outlay of the plant, excluding township, is estimated at Rs. 30.50 crores, of which the foreign exchange component will be Rs. 13 crores. The latter will be met from the rouble credits offered by Russia. In the first stage, the plant is expected to provide employment to about 4,000 workers.

Following the acceptance of the detailed project report in November 1959, a contract for the supply of plant and equipment, fabricated steel structurals and other stores and materials of the total value of Rs. 7.30 crores was entered into with Messrs Prommash-export of Russia in March 1960.

A contract for a detailed project report and working drawings to conform to a capacity of 45,000 tons was executed with Messrs Prommash-

export on 12th December, 1960. The Heavy Engineering Corporation entered into a contract with Messrs Prommash-export, Moscow, on 30th July, 1962, for the supply of equipment and material valued at Rs. 9.74 crores for the 45,000-ton stage of the plant.

Against the total quantity of 23,363 metric tons, valued at Rs. 9.775 crores, of plant and materials ordered for the 45,000-ton stage, 11,471 metric tons valued at Rs. 3.05 crores, have been received from Russia up to the end of December 1962. Contracts for practically all the major factory buildings have been awarded. Work on all the production and ancillary shops and the erection of plant and machinery are progressing according to schedule.

Heavy electrical equipment project, Ranipur, Hardwar: This project, with Russian assistance, is being designed to manufacture steam turbines and generators in the range of 50-200 megawatts for an annual output of 1.5 million kilowatts, hydro-turbines and generators from 10 megawatts to 100 megawatts for a total output of 1.2 million kilowatts and medium and large-size industrial motors for an annual output of 520,000 kilowatts. As a first step towards the implementation of the project, a contract for the preparation of a detailed project report was signed on the 15th May, 1962, by the Heavy Electricals (India) Ltd with

CAPITAL, 21st March, 1963

Messrs Prommash-export, Moscow. A team of four Indian engineers was deputed to Russia for participating in the preparation of the detailed project report. The latter is expected to be received in May 1963.

Heavy plate and vessels project and heavy structurals project: Discussions with a leading manufacturer of pressure vessels and structural steel works of the United Kingdom concerning the establishment of the heavy plate and vessel works (capacity: 12,500 tons a year) and the heavy structural works (capacity: 25,000 tons a year) were concluded in 1962. A draft agreement was also finalised. The capital cost of the project is estimated at Rs. 17 crores (excluding township) out of which the foreign exchange component is Rs. 7 crores. The project was originally intended to be financed from the U.K. credit. Since it was later found that no British credit would be forthcoming, efforts are being made to implement the project with credits made available by some foreign countries.

SWITZERLAND

Experts Visit India

Dr. Southeim and Dr. Kellersberger of the Swiss firm of Brown Boveri are now visiting India. They are going to Calcutta, where a unit with which their firm had been collaborating for manufacturing electrical equipment, has been lying closed for over two years on account of labour troubles. Dr. Southeim and Dr. Kellersberger hope to meet some West Bengal Ministers to bring about a settlement of the dispute.

POLAND

Pact on Coal Mining

The Polish Minister for Mines and Power is expected to visit India shortly. The Minister, it is expected, will finalise an agreement on coal mining in the Raniguni area.

CEMENT

A.V.B. Machinery Project

A. V. B. Ltd is negotiating a collaboration agreement with Humboldt Denz of Germany for manufacturing cement machinery by using the dry process.

FERTILISER

The Mangalore Project

The Dutch collaborators of Hallis and Shaw Wallace in the Mangalore fertiliser project are expected here shortly to finalise the details of the project.

MACHINE TOOLS

Japanese Mission in India

A Japanese machine tool mission is here. It will shortly visit Calcutta and Ranchi in order to explore the possibilities of collaboration for manufacturing machine tools in India.

MANAGING AGENCY

Policy Clarified

The Central Minister of Industries, Mr. Nityanand Kanungo, said in the Lok Sabha last week that the Government is not considering any proposal to end the managing agency system. He added that the extension of tenure was granted to five managing agents and rejected in the case of others.

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during 1961-62. The rejected applications were all from Indian concerns. The Minister said in cases of extensions, there was no relaxation of the general policy on remuneration and time-limit. The Government's approval of the renewal of managing agencies was usually given after it was satisfied that (1) it was not against the public interest to have a managing agent; (2) the managing agent proposed was a fit and proper person to hold such appointment; (3) the conditions of the proposed managing agency agreement were fair and reasonable; and (4) the past performance of the managing agent was satisfactory.

INDUSTRIAL TRUCE

Cases of Breach

The Central Minister for Planning, Employment, and Labour, Mr. Gulzarilal Nanda, told the informal consultative committee of Parliament last week that the provisions of the Industrial Truce Resolution were better observed in November and December 1962 than during the last two months. Complaints concerning breaches were now increasing.

Mr. Nanda said that he had recently written to the Central organisations of employers and workers concerned in relation to specific instances of the breaches of the code. On receipt of the required information, he would ask State Governments to look into them. The Minister said that he was thinking of holding a tripartite conference to ensure that the truce resolution worked more satisfactorily in future.

NEYVELI-SALEM PROJECT

Report Ordered

The Government of India has appointed a firm of consulting engineers to prepare a detailed project report for the Neyveli-Salem iron and steel project, it is reported here.

I.I.S.C.O.

Expansion Plan Approved

The Government of India has approved in principle the expansion programme of the Indian Iron and Steel Co. Ltd which envisages a continuous casting plant with a capacity of about 300,000 tons of steel blooms a year. The metal required for the plant is to be met partly from the steel arising from increased production of iron in the existing four blast furnaces and partly from a 40-ton electric arc furnace which is to be installed. The blooms will be rolled into salable products in the existing mills. The total cost of the project was previously estimated at about Rs. 9.20 crores, including a foreign exchange component of Rs. 4.60 crores. According to more recent estimates, the total cost is estimated at Rs. 11.15 crores with a foreign exchange component of Rs. 5.28 crores.

OIL-TANKER

Pact Signed

The Shipping Corporation of India and Caltex (India) Ltd have recently signed an agreement for chartering a tanker to ply between the Visakhapatnam Port and the Persian Gulf. The tanker will be built at the shipyard of Hitachi Shipbuilding and Engineering Co. Ltd of Japan. The present agreement with the shipyard covers the construction of a single screw motor tanker of 32,640 deadweight tons with a speed of about 16 knots and a draft of 32.88 feet. Negotiations, however, are now being carried on for certain changes in the

specifications in order to meet the requirements of the agreement with Caltex (India) Ltd.

HALDIA

Plan for Satellite Port

The Government considers Haldia to be the best available site for a satellite port in the Hooghly estuary. There is natural deepwater at the site. The only technical points which still need to be clarified are: firstly, whether, in the foreseeable future, the depth now available along the bank in Haldia could be maintained and, if possible, improved. The second issue relates to the stability and the extent of improvement that can be obtained in the approach channels to Haldia.

CREDIT GUARANTEE

Scheme Extended

The Government has extended the credit guarantee scheme with effect from 1st January, 1963, to cover the entire country on a permanent basis. A broad classification of industries, which have benefited under the scheme, is as follows: Food manufacturing industries, including beverage industries, tobacco manufactures, manufacture of textiles, manufacture of footwear, other wearing apparel and made-up textile goods, manufacture of wood and cork, including furniture and fixtures, manufacture of paper and paper products, printing, publishing and allied industries, manufacture of leather and leather and fur products, manufacture of rubber products, manufacture of chemicals and chemical products, manufacture of non-metallic mineral products except petroleum and coal products, basic metal industries, manufacture of metal products, manufacture of machinery, including electrical machinery apparatus, appliances and supplies, manufacture of transport equipment and parts, miscellaneous manufacturing industries like surgical and scientific instruments, watches, stationary articles, toys, novelties and presentation articles.

FISHERIES CORPORATION

Progress of Scheme

The proposal to establish a fisheries corporation in the public sector to undertake deep-sea fishing and pro-

cess the catches for export as well as for internal consumption, has made some progress. Representatives of an American firm, which is interested in collaborating in the venture, are at present in India. They are currently engaged in a preliminary resources survey.

CARDAMOM

Development Scheme

The Government has decided to set up a Directorate of Cardamom Development and Marketing under the Central Ministry of Commerce and Industry with headquarters in Bangalore. It will be advised by a Cardamom Development and Marketing Advisory Committee. The functions of the committee will be to advise the Government on measures for developing the cardamom industry including: (1) the promotion and extension of cardamom plantations; (2) the improvement of the quality of cardamom and the productivity of the estates; (3) arrangements for the supply of fertilisers and ancillary equipment required by the industry; (4) the provision of adequate financial assistance in the form of working capital and credit, etcetera, for measures of improvement; and (5) in particular, the marketing of cardamom with a view to ensuring economic and reasonable prices to the grower and augmenting the foreign exchange earnings for exports.

The compulsory quality control and preshipment inspection scheme under "Agmark" for exporting cardamom has been introduced with effect from 1st January, 1963.

SANFORIZING PROCESS

Pact Extended

There is no contract between the Government of India and any foreign company for the continued use in India of the "Sanforizing" process. There were some discussions with the U. S. firm, which is the proprietor of the "Sanforized" trade mark, on the question of the continued use of that trade mark in India under the Trade and Merchandise Marks Act. As a result of these discussions, 60 textile mills have been or are being given "registered user" licences under the above Act for the use of the "Sanforized" trade mark on their fabrics, for a period of three years from 25th November, 1962. No new

mills will now be added to this list. The extension of the arrangement is now finally granted for a period of three years ending 24th November, 1965. The Government does not propose to extend it any further after that date. This has been made clear to the foreign company as well as the Indian mills.

Royalty in foreign exchange payable to the proprietors of the "Sanforized" trade mark is: (i) 0.175 cent (U.S.) a yard up to 45in. width of cloth; and (ii) 110 percent of the above rate for cloth above 45in. width.

DAIRY

New Scheme Approved

The Government has approved in principle a scheme to set up a factory for manufacturing powder milk and unsweetened evaporated milk to meet the requirements of the Defence Services. It is subject to a scrutiny of detailed estimates, economics of manufacture and related issues. Jind in Punjab is one of the sites surveyed but a final decision is yet to be taken. The project is estimated to cost about Rs. 65 lakhs in capital expenditure. It is to be a departmental venture of the Ministry of Defence and is not likely to get any foreign aid.

POWER GRIDS

C.W.P.C. Convenes Meeting

The Central Water and Power Commission has suggested the division of India into seven power regions. The suggestion was endorsed by a meeting of the representatives of the State Electricity Boards and the Damodar Valley Corporation. It was convened by the Central Water and Power Commission for considering the question of development of the regional power grids.

POLAND

International Fair

The Government of India has decided to participate in the Poznan International Fair in Poland. The Fair is to be held from 9th June to 23rd June this year. The Poznan, International Fair is one of the most important international trade fairs held in the Continent and attracts a very large number of buyers and visitors from all parts of the world.

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A half inch spanner is the only tool required to erect Mills Scaffolding. A few turns and the fittings secure the steel tubes firmly—the greater the load the stronger the grip due to the "shackle grip" principle on which they are designed.

Strong and safe, Mills tubular scaffolding is versatile; the same tubes and fittings can again be used to erect anything from Grandstands and temporary buildings to storage racks and road blocks.

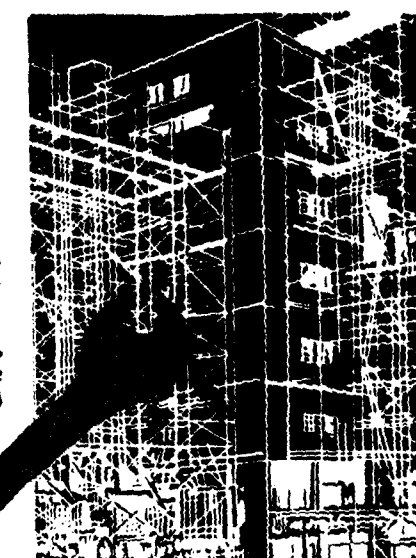
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"...to ensure for the people of the country all the benefits that can accrue from the acquisition and application of scientific knowledge"

Government of India Policy Resolution on Scientific Research, March 13, 1958

Today at Goregaon, Bombay, the Prime Minister will inaugurate the first centre in South Asia offered by private industry for fundamental chemical and biological research. It has been established by the international chemical organisation C I B A.

Initially the Centre's scientific programme will comprise two main fields. Basic research in pharmaceuticals is to include chemical and biological investigations of Indian medicinal plants and the elaboration of new synthetic drugs. Dyestuff research will be conducted in collaboration with Atul Products Limited.

This new venture supports one important goal of the Third Five-Year Plan: increased efforts in basic research by private industry for economic development of the country. The project has been carried out in a spirit of goodwill and the most cordial cooperation. The 80 laboratories are now a functioning reality whose future rests in the hands of scientists dedicated to the task of improving the health and well-being of Man.

C I B A where research is the tradition

C I B A of India Limited

London

PROSPECTS OF GROWTH FOR THE U.K. ECONOMY

(FROM OUR LONDON CORRESPONDENT)

THE National Economic Development Council, whose report on "Growth of the United Kingdom Economy to 1966" has now been officially published, has yet to make its impact on the country felt. It is anticipated that this may come about after the Chancellor has presented his Budget next month, but whether it will or not is a moot point—and an examination of the report explains why, for the truth is that it is both encouraging and disappointing. The encouragement lies in the fact that nothing miraculous would be needed to raise the annual growth rate to an average of 4 percent. But it is infuriating to find that it implies, quite rightly, that the major barriers in the way of faster growth are the out-moded attitudes of a divided society. The Government is suspicious of management, management is suspicious of the trade unions; and the trade unions suspect both. To achieve the growth "Neddy" shows is feasible, someone has got to make an effort to resolve these suspicions.

So far, the Government has declined to give a purposeful lead. Treasury thinking still seems to be dominated by the inability of industry in the past to make significant progress in the export market, and thereby to save the country from falling into balance of payments difficulties whenever expansion at home has really got under way. This defensive mentality is understandable, but if it means only a mildly expansionist Budget in April, then the N.E.D.C.'s growth target may as well be forgotten.

The Council's original aim was an annual growth of 4 percent each year until 1966. As the report points out, however, "one year of the five-year period has already elapsed. The increase in output has been well below the average required. Between 1961 and 1962, output increased by less than 2 percent, so that the average annual increase between 1962 and 1966 will have to be rather more than 4 percent, if the 1966 target is to be achieved." But it adds that the programme of expansion could be re-phased and "the slack" that had arisen in 1962 could be taken up. The slow increase in output in that year could be offset by a faster growth between 1963 and 1966.

Adequate Manpower

The Council concludes that manpower to achieve the target is adequate provided it is properly used, that increased effort devoted to scientific development will continue, productivity will increase much faster than in the past, and industrial capacity will be available. But there will have to be a faster growth in exports. Certain shortages of skilled men will have to be remedied. "There are undoubtedly difficult problems to be tackled," says the report, "the solution of which will call for changes in policies, arrangements and attitudes. A vital element will be a determination to succeed on the part of the Government, management and trade unions."

The Council started its task of determining how the required rate of growth could be achieved by investigating the implications of such an expansion to 17 key industries. In general, the industries believed they could cope with the demand on them arising from faster growth in the economy.

Individually they saw no insuperable difficulties in obtaining the capital equipment and finance for the investment they would need, nor in recruiting sufficient manpower. Difficulties of obtaining sufficient skilled labour were foreseen. Two of the industries, electricity and to a less extent chemicals, expected some difficulty in extending their capacity. But others, including the motor-car industry and steel, already had spare capacity and could meet a large increase in home demand.

The report goes on to consider the implications of the proposed faster rate of growth for the economy as a whole. Part of the growth until 1966 will come from an increase in the manpower available, which is expected to go up by 8 percent a year. If employment in the less prosperous regions could be raised to reduce the level of unemployment towards the level of the more prosperous regions, it would make a significant contribution to the level of national employment. The report also suggests that special measures to help married women wanting to work might be taken. They would have to take into consideration the desire of many married women to take only part-time work. The measures suggested include vocational guidance and training or refresher courses, and special shifts or hours for women wanting to work part-time should be arranged.

It is proposed that steps should be taken with the object of retaining workers above the normal retiring age. A possible inducement would be an increase in the increments to the flat-rate pension which workers who postpone retiring can earn. "On the whole," the report concludes, "there seems good ground to suppose that the overall growth in the labour force will be adequate for 4 percent a year growth in output."

Mobility of Labour

In the five-year period, there will be significant movements of work-people between different industries, and substantial contractions in the railway, shipbuilding, aircraft and cotton industries. The Council estimates that 200,000 workers become redundant each year and adds: "Redundancy has a far greater significance for economic growth than the actual number of work-people directly affected by the contraction of particular firms or industries would suggest. From the viewpoint of growth, it is essential to see whether more cannot be done to assist mobility and to tackle the problems to which redundancy gives rise."

Referring to the problem of shortage of skilled labour, the report says: "Technological progress requires an increasing proportion of trained and technical manpower in the labour force and experience suggests that a much bigger training programme will be needed to overcome the shortages due to faster growth. Existing apprenticeship schemes would not produce sufficient skilled labour up to 1966. It would, therefore, be necessary to rely mainly on the training of adult workers. In the long-term sense, it was important to ensure that the country's apprenticeship arrangements and other training systems in industry and commerce were appropriate to the needs of an expanding economy."

The report emphasises that the major part of the increase in national output will have to come from increased productivity. Assuming that employment increases by 8 percent, each worker's output will have to rise by an average of 3.2 percent a year. The Council appears to see little difficulty in achieving this increased productivity. The number of qualified scientists and engineers in industry, it is pointed out, has been increasing rapidly and they will contribute to a faster increase in productivity in the future. Technical developments will also help productivity in the gas and electricity industries. The introduction of labour-saving devices is expected to be marked in many industries. Research also will play its part and the heavy investment in some industries in recent years will yield its benefit.

Efficient Plants

Another factor mentioned is the concentration of output in more efficient plants. The value of advisory services set up in some industries is also pointed out. The report then examines estimates of the rise that will take place in the country's resources if the target is achieved. The resources available will be a gross domestic product nearly 22 percent higher than in 1961 plus imports of goods and services. The following table gives details of resources available and their use in 1961 and in 1966:

	1961 £ million at 1961 prices	1966 £ million at 1961 prices
Resources available—		
Gross domestic product at market prices	26,481	32,230
Imports of goods	4,006	4,870
Net imports of services*	70	95
Total	30,567	37,195
Use of resources—		
Consumers' expenditure	17,336	20,590
Public consumption	4,570	5,440
Investment	4,798	6,225
Export of goods	3,863	4,940
Total	30,567	37,195

* Military expenditure abroad, payments for shipping, travel, etcetera, less receipts from abroad for similar items.

On the assumption that the annual 4 percent growth is realised, total consumption a head of the population would increase by 2.8 percent a year. Expenditure on motor-cars would be expected to go up, but demand for clothing would rise more slowly. The report adds: "It seems reasonable to assume that one of the ways in which it would be desirable to reap the fruits of a faster growth would be a more rapid improvement in housing standards." Some 4 million dwellings in Britain would be over 100 years old by 1980. Several experts had put the desirable rate of replacement at about 200,000 a year. There was also a need over a long period for about 100,000 dwellings a year to provide for new households. About 500,000 other dwellings would have to be built to provide a reasonable number of vacant houses, which were important if the mobility of labour was to be increased.

Domestic Investment

The higher level of domestic investment and the transformation of the balance of payments on current account from a deficit in 1961 into a substantial surplus in 1966, would mean that almost 2 percent more of the gross domestic product must be saved. The Council then poses the question: "What increase in the volume of exports would secure an improvement in the current balance of payments from a deficit of £77 million in 1961 to a surplus of £300 million which it is estimated will be needed in 1966?"

The answer given is an increase of about 5 percent a year over the five-year period. The enquiry which it made into key industries, says the Council, suggested that on a "non-Common Market basis" exports by them were expected to increase at about the same rate as in the past. This was 5½ percent a year. But the 17 industries concerned increased exports more rapidly than was the case with exports as a whole. If total exports also moved in line with past trends, the increase would be about 3 percent a year. The report says bluntly: "To achieve a rate of increase in total exports of 5 percent a year is clearly a formidable task. Nevertheless, it is not high by comparison with the rates achieved by other countries whose production has grown faster than our own." It adds: "Our exports have been hampered by a comparatively low level of investment and slow rate of increase in productivity at home, and it is assumed that there will be improvements in both directions." Measures to improve selling methods, design and the speed of innovation would help.

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last week numbered 400, against about 300 in the previous week. Opening quotations on Wednesday morning were as follows:

	Landed at Mills (Basis Bottoms)		T.S.D. Prices		Minimum Prices	
	Rs.	Rs.	A Qtl.	A Md.	A Qtl.	A Md.
Assam-Agartala	75.02	28.00	80.38	30.00		
Northern Jute	75.02	28.00	79.04	29.50		
Western Desal						
Jute	71.00	26.50	73.68	27.50		
Selected Daissee	88.41	33.00	85.74	32.00		
Assam-Agartala						
Tossa	85.73	32.00	83.05	31.00		

Mesta:
Assam-Northern 69.66 26.00 72.34 27.00
Local Daissee 69.66 26.00 72.34 27.00
Bihar Dist. 64.30 24.00 66.58 25.00
Pakistani N. C. 88.00 a bale. March-April

I.J.M.A. PRODUCTION FIGURES FOR FEBRUARY

The Indian Jute Mills Association reports the total production of jute goods for February as follows:

Description	Quantity	
	(a) Hessian	(4,375 tons)
1. Gunny Bags	4,445 tonnes	(1,33.06 thousand metres (1,45.5 lakh yds.))
	1,01.5 lakh nos.	

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(b) Sacking	38,713 tonnes	(38,102 tons)
	8,12.68 thousand metres (9,21.6 lakh yds.)	4,66.6 lakh nos.
2. Gunny Cloth		
(a) Hessian	36,277 tonnes	(35,704 tons)
	12,46.78 thousand metres (13,63.5 lakh yds.)	
(b) Sacking	1,114 tonnes	(1,096 tons)
	24,11 thousand metres (26.4 lakh yds.)	
3. Other Manufactures	13,909 tonnes	(13,689 tons)
4. Total Production		
(All kinds)	94,458 tonnes	(92,966 tons)

	Summary		
	(0.0 metres and 00.00 yds.)	Feb. '63	Jan. '63
Hessian	13,79.84	15,48.09	13,06.40
	(15.09)	(16.94)	(14.29)
Sacking	8,66.79	9,74.70	9,44.31
	(9.48)	(10.66)	(10.33)
Others	13.9	13.3	11.8
	(13.7)	(13.1)	(11.7)
Grand Total	94.4	1,03.1	92.2
	(93.0)	(1,01.5)	(90.8)
Hours worked	184.0	208.0	192.0

N.B.—These statistics are based on replies received and represent all members of the Association and Gagalbhai with estimates for two non-member mills. The figures in brackets are in British units.

THE U.K. JUTE MARKETS POOR DEMAND FOR FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

DEMAND for raw jute from all consuming countries remained very small last week. As a result of this, the market in Pakistan was quiet and there was no doubt that shippers would accept less than their quoted rates if any real buying interest was shown. There are still ample supplies of the lower grades of both white and Tossa jute available in Pakistan from the present crop, and spinners were in no hurry to add to their present stocks.

Dundee spinners have purchased very little raw material during the past two months. This is not only due to their holding large stocks, but also to the fact that a substantial quantity of jute is available on spot and further unsold quantities are afloat at present. This could amount to at least 80,000 bales. Holders of these parcels were willing to accept low prices in many instances, but this was not attracting spinners. Many grades were available at up to £5 a ton below the minimum export prices. In past years, it was normal for a fair business to have taken place in new crop fibre, but it was not so on this occasion. Any offers of new crop being made were at or above minimum export price levels, which were not attractive when old crop could be obtained at much less.

Offers being made in the U.K. last week were very irregular with the lowest rates at £145 for Mill Firsts, at £114 for Mill Lightnings, at £91 15s for Mill Hearts and at £78 5s for Grade Hearts, c.i.f. U.K. for March-April shipment. Grade Tossa-2/3

was named at £124 and Grade Tossa-4 at £110. Dacca Tossa-5 was at £128 and Dacca Tossa-6 ranged from £112. Output Tossa-2/3 was now available at £95 and Output Tossa-4 at £85, for March-April shipment. Cuttings were about unchanged at £54 for S.N.C. and at £46 for N.C. There is nothing to indicate that much change can be expected in raw jute prices in the near future. Prices of Siam jute have become much easier of late, but offers were not very freely made last week. Grade A was at £75, grade B at £69 and grade C at £64, delivered mill Dundee for March-April and April-May shipment.

Although there was an improvement in the Indian mill stock position of finished goods at the end of February, this made very little difference to prices. Quotations were at 74s 9d for 40in. 100z. and at 58s 6d for 74oz. a 100 yards f.o.b. Calcutta for March shipment, at 74s and 58s 9d April-June, at 73s 6d and 55s 3d July-September and at 72s 6d and 54s 9d October-December. B Twills were at 171s 3d, 172s 6d, 172s 9d and 172s 6d for the respective shipment periods.

Less business was taking place in yarns and cloth in Dundee. The carpet industry has slowed down its offtake of yarns, but there is still sufficient demand to absorb production. There is a lack of demand for linoleum hessians at present, but the wide cloth for tufted carpet backing is in good demand. The heavy end of the trade is busy and producers of sacking and tarpaulins have orders in hand for forward delivery.

THE PAKISTANI JUTE MARKETS

FIBRE DULL

(FROM OUR DACCAL CORRESPONDENT)

COMPLETELY dull and inactive conditions prevailed in all sectors of the market during the past week. From overseas, regular reports show that resellers have been discounting more and more each day. If it were not for the congestion in Chalna, this position might be even worse since over and above the unsold stocks in Europe, there are some 70,000 bales in this port, which should have been on the high seas for Europe already. Due to foodgrain ships, there is also a certain amount of congestion in Chittagong, and this explains the fact that there is an even heavier stock of unsold jute afloat to Europe.

In the pucca bale market, occasional business is reported in Lightnings and in spite of an apparent weakening last week, a fairly large amount of business in cuttings was done at about £38 f.o.b. Recently, some business has been reported in Export Hearts at £63 f.o.b., which is practically a distress sale. In the loose sector, one large baler continued to buy. Otherwise, there was no interest among balers or the mills. Despite this, loose prices have, if anything, hardened.

Recently there were some healthy and beneficial rains in the eastern part of the country. North Bengal earlier had beneficial rains. This means that the only area still in need of rains is the southern half of the western part of the country. At this time of the season and with the stock position heavy, good rains suggesting a healthy new crop should be a bearish factor. The news of rains may have had a weakening effect on the overseas market, but has had no reaction whatsoever in the loose market.

Books

LABOUR PARTICIPATION IN MANAGEMENT

Workers' Management in Yugoslavia. (Published by the International Labour Office, Geneva. Price Rs. 18, pages 320. Review copy received from the International Labour Office, India Branch, Mandi House, New Delhi 1.)

The concept of workers' management of modern industrial undertakings is not new. This was the basis on which syndicalism and guild socialism grew up. Socialism of all shades incorporates this idea in varying degrees. Socialism, as practised in Russia and other east European countries, lays emphasis on the centralised control of production and distribution and on collectivisation. In Yugoslavia, the trend from the very beginning has been towards decentralisation of economic power and of initiating workers' management of industries.

Compiled by the I.L.O., this publication is an interesting study of the Yugoslav practice against the background of the country's economy. It gives a factual account of the administrative machinery, the functioning of an undertaking under workers' management, the sphere of central control, the determination of prices and the distribution of income. The workers' participation in the economy is ensured by "workers' councils" of individual undertakings. These councils are elected by workers who control investment and production of the industrial units and also determine the distribution of revenue among workers. The board of management, too, is selected by them. Senior executives and technical personnel have wide discretionary power in day-to-day administration, although they are responsible to the council for their action. The remuneration of all concerned considerably depends on the success and failure of their collective effort. The system does not entertain the idea of equal pay for all—wide differences, in fact, exist between the pay packets of skilled technicians and ordinary workers, but the linking of remuneration to results of an undertaking provides an incentive to all concerned.

The Yugoslav system seeks to reconcile the two apparently diversified ends of planning at all levels and of the freedom to trade and produce for all individual producers and undertakings. The Federal Government fixes interest charges, depreciation rates for different sections of the economy and determines the general level of taxation. It also plans for the allocation of investible funds. The determination of prices of most commodities and services and of factors of production are left to the "free play of economic laws". This is where many socialist economists will object, since there is the possibility that individual undertakings—particularly if they are strong—may seek to adopt the all too familiar monopoly practices of retaining the high prices of their products, thereby maintaining larger revenue for their workers. In the Russian economy, the authorities will tackle the problem by directly controlling prices and rationing the consumption of the product. In the competitive capitalist economy, the entry of new firms and competition from substitutes will ultimately bring down prices and lower the margin of profit. The Yugoslav system relies on the criticism of the Press and the Intervention of the Central Secretariat of Economic Affairs to restrain the profit motive of the

workers' council. This, it is claimed, has so far proved effective.

As in India a large part of the economy belongs to the public sector, the problem of incentive in public undertakings is a vital issue. Workers must not think that they are mere cogs in a machine and should be given the opportunity to participate in the organisation of production. But a serious limitation is the illiteracy of workers here, who may not be able to understand, let alone practise, such socialistic ideas in industry. The scheme succeeded in Yugoslavia because workers there are more literate than in India. So the pre-condition for introducing the scheme in this country is to raise the level of literacy among workers. Otherwise, trade unions with political affiliations will only exploit the situation to their advantage.

PIECEGOODS MARKETING

Marketing of Cotton Piecegoods in India. By M. P. Kacker. (Published by Vora and Co. Publishers Private Ltd, 3 Round Buildings, Kalbadevi Road, Bombay 2. Price Rs. 12, pages 204.)

This book is an adaptation from the author's doctoral thesis. While the book covers a wide range of subjects, there is a noticeable lack of expertise. On page 167, the author says that controls were responsible for depriving the livelihood of many middlemen but he wants (on page 194) strict licensing of the latter. On page 191, he wants more opportunities for weavers' co-operative societies, but he admits (page 167) that co-operative institutions have no experience of cloth business. The author abhors middlemen whom he calls parasites (page 190). But he forgets that the middleman discharges a vital economic function, namely, locates the sources of supply and demand. As long as this function is necessary, the middleman will undoubtedly exist. In his recital of the activities of the State in relation to marketing, the author wants everybody to be licensed, policed and penalised. There is no mention of the promotional measures undertaken by the Japanese agencies since 1959 with noteworthy results, nor the rise and fall of "Bleeding Madras." There is also no awareness of the problem that even well-managed spinning mills are finding it difficult to operate. A doctoral thesis should either present new facts or make a fresh recital of the existing facts. This book does neither.

MONETARY ECONOMICS

Monetary Economics. By N. C. Agrawal. (Published by Vora and Co. Publishers Private Ltd, 3 Round Buildings, Kalbadevi Road, Bombay 2. Price Rs. 7, pages 134.)

Dr. Agrawal's book is designed for students preparing for the degree course in economics. It is also intended for those who wish to have an acquaintance with monetary theory. The book is apparently based on several standard works on the subject.

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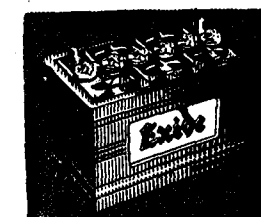
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ASSAM URGED NOT TO TAX TEA MORE

(BY A SPECIAL CORRESPONDENT)

THE Indian Tea Association has addressed the Government of Assam on the subject of the proposed increase in the rates of agricultural income tax by the State. New impositions will check the development programme of the tea industry, the third plan target for which is 900 million lbs. The State Governments should follow the Centre's example and reduce (not increase) taxation. Tea remains one of the main earners of foreign exchange, and it would be in India's interests if, instead of allowing the States to penalise this industry in order to secure an insignificant amount of revenue, the Central Government could share with the States concerned the collections which must accrue when the super profits tax is imposed. This tax or any modification thereof will bring in far greater sums than the original estimates.

Any steps that will help the tea industry should be carefully considered. This country cannot afford to allow a major exchange producer to be crippled by a load of taxes. It is of national importance to prevent further loss to outside competitors. Although the Indian tea output over the years has shown a steady increase, the percentage of such improvement suffers by comparison with Ceylon and east Africa. There are also many new areas coming into greater production. Therefore, this industry must be allowed to produce cheaply. To do that, one must aim at quantity also, and that implies buying markets for the commodity, both internally and externally. Producers can make the grade, but the Central and State Governments should realise that co-operation in the matter of taxes is important.

The following figures confirm the fact that India has been losing ground in the world's tea markets. In the decade 1951-61, production has risen from 629.1 million lbs. compared with 776.6 million lbs in 1961, that is, a rise of 23½ percent. Whereas, production in Ceylon during this period has risen by 36.3 percent from 326.2 million lbs in 1951 to 455.2 million lbs in 1961. East Africa has gone ahead from 37.6 million lbs in 1951 to 82.8 million lbs in 1961, or up by about 121 percent.

Exports from the same areas in the period were: India 454 million lbs in 1951 (1951 happened to be a bumper crop year for India); and 455.5 million lbs in 1961, Ceylon 305.1 million lbs in 1951 to 425.7 million lbs in 1961; east Africa 30.1 million lbs in 1951 to 70.1 million lbs in 1961.

It is expected that as a result of the energetic propaganda undertaken by the chairman of the Indian Tea Board, the 1962 season will show some improvement.

At the tea auction held in Calcutta on 11th March, only 44,861 packages were put up for internal sale. There was again a good general demand, with orthodox types selling at dearer prices. CTC styles were somewhat irregular, but sold, on average, around the rates prevailing at the previous sale. On Wednesday, 13th March, 30,695 chests containing dust teas were catalogued for sale. The demand was good and general although the rates were somewhat irregular, but again, giving strong liquors sold at higher prices. Colombo offerings also met with a strong demand, but again, some irregularity was reported in small leaf offerings. "Bright teas" were dearer and the best B.O.P.

fannings were in strong demand at higher prices.

Later, London reported offerings of 32,683 packages, of which India supplied 28,425 packages. Good Assams sold well, but lower grades were easier to buy. On 14th March, the U.K. tea stocks were reported higher at 152.7 million lbs, compared with 150.9 million lbs one week ago. This is normal as shipments from Calcutta will fall off from now on. The present stock is below average at this time of year. Deliveries during the week were given as 10.78 million lbs. This would suggest that consumption is being maintained around 550 million lbs a year, which compares with 522.7 million lbs in 1960 and a record 548.2 million lbs in 1958.

The total allot for the U.K. was shown at 32.7 million lbs, of which Calcutta shipped 19.35 million lbs. Colombo accounts for 10.5 million lbs and others, which presumably include East Africa, shipped only 2 million lbs.

The chairman, the Tea Trade Association of Cochin, Mr. R. I. Bishop, has suggested that a small portion of the cess collected from tea exports should be retained for a replanting subsidy as many estates are not able to afford the interest charged on the replanting loans offered by the Tea Board. When addressing the annual general meeting of the Association recently, Mr. Bishop stated that most of the tea estates in south India are old, and of poor quality and low yielding. Therefore, something must be done to improve their position. Any delay in replanting would impair the competitive position of south Indian tea in world markets.

The chairman expressed the hope that it would be possible to improve the original legislation on emergency risks insurance by ensuring that the extra charge did not fall on overseas customers who might not be sympathetic towards such an impost. He wanted the method of charging premium under this scheme to be critically examined since the maximum holding as a basis for assessment did not seem to be equitable. Mr. Bishop added that the 5 percent sales tax levied on tea in Kerala acted as a drag on the development of Cochin as an auction centre. The abolition of the export duty on tea announced in the Central Budget was welcome, but he said that the surcharge on excise duty payable by the producers would mean a further inroad into estate profits.

In 1962, south India produced 81,317,847 kilograms. In 1961, the figure was 80,164,165 kilograms. Cochin auctions accounted for 24.95 million kilograms of leaf and 14.33 million kilograms of dust, showing an increase of 3.87 percent and 12.87 percent, respectively.

BOOKS RECEIVED

The Trade Union Situation in Burma. (Published by the International Labour Office, Geneva. Price 7s, pages 74.)

Southern Economist: Republic Day Special Number. (Edited and published by Mrs. Susheela Subrahmanya, 45-88 S. J. Park Road, Bangalore 2. Price 75p, pages 40.)

Supreme Court Digest of Labour Law Cases, Vol. II. By V. B. Kher. (Published by K. S. Arora for Thacker and Co. Ltd., Rampart Row, Fort, Bombay. Price Rs. 15, pages 307.)

COMPANY AND PUBLIC NOTICES

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NOTICE

Payment of Dividend on Preference Shares

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ASSOCIATION OF MANAGEMENT CONSULTANTS FORMED

At a meeting held recently at the Indo-German Cultural Society, Bombay, the Association of Management and Industrial Consultants (A.M.I.C.) was formed. Mr. H. N. Thadani, managing director of Ikon Private Ltd. was elected as the first president of the Association. The objectives of the Association are:

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Alkali & Chemical Corp. of India Ltd.	21-3-63	3-30 p.m.
United Bank of India Ltd.	25-3-63	11 a.m.
Martin Burn Ltd.	27-3-63	12 noon
National Pipes & Tubes Co. Ltd.	29-3-63	3-30 p.m.

DIVIDENDS DECLARED OR PROPOSED.—National Rubber Manufacturers Ltd.—8 p.c. (o), subject to tax; Rajasthan Spinning & Weaving Mills Ltd.—Nil; Bombay Oxygen Corporation Ltd.—Nil.

ciation are: (a) to promote better understanding and appreciation of the techniques of management and industrial consultancy practice; (b) to provide facilities for interchange of ideas in the field of management and industrial consultancy; (c) to maintain the practice of management and industrial consultancy at the requisite professional level by setting standards of qualifications and practice; (d) to formulate and to sustain a code of professional ethics among management and industrial consultants.

ISI AND EXPORT DRIVE

Boost India's exports. Create confidence in the goods sent abroad by assuring the overseas customer that he would receive quality.

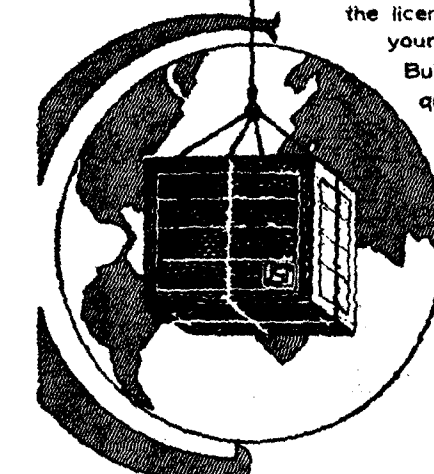
This is possible if the goods exported conform to accepted standards.

The Indian Standards Institution (ISI) has developed over 2000 standards for industrial and consumer goods. It also provides for the certification of products through ISI Certification Marks Scheme. The ISI Mark on a product is a third party guarantee of dependable quality to the consumer and a symbol showing that the product has been made according to a well-defined system of quality control.

Take advantage of this scheme. Produce goods to accepted standards. Get the licence to affix ISI Mark on your goods.

Build for yourself a name for quality in overseas markets.

SEND QUALITY ABROAD



**SEND
QUALITY
ABROAD**



**INDIAN
STANDARDS
INSTITUTION**

New Delhi Bombay
Calcutta Madras
Kanpur

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Wednesday, 20th March, 1963.

BANKS

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

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		Rs.	Rs.	Rs.		A year ago	Rs.	Rs.		Rs.	A year ago	
Allahabad Bank P.	18	18	18	100	396/00	396/00	329/00	Indian Overseas Bank	12	14	14	100	159/00	159/00	181/50
Bank of Baroda	14	17	17	50	91/50	91/50	122/00	Industrial Finance Corpn.	..	..	..	50	..	..	..
Bank of India	16	20	20-20*	50	114/00	114/00	152/00	National & Grindlays Bank	12½	13½	14	h 15	sh. 32/7½	sh. 30/6	sh. 36/9
Central Bank of India	17 1/5	20 2/5	..	25	55/00	55/00	71/50	Punjab National Bank	20	20	20	10	17/50	18/19	21/04
Chartered Bank	15	15	15	£1	sh. 58/9	sh. 57/4½	sh. 56/6	Union Bank of India	..	..	..	5	6/40	6/40	9/32
Hindustan Commercial	Nil	Nil	Nil	50	17/12	17/12	19/75	United Bank of India	4.3	4.3	6	10	7/19	7/12	7/00
Hindustan Mercantile	Nil	Nil	Nil	50	15/62	15/62	17/62	United Commercial Bank	11	12	12	50	75/25	75/25	101/50
Hong Kong & Shanghai	£3	£3½	£3½	HK\$25	£17 ½	£16½	£17 ½								
Indian Bank	15	15	..	100	174/50	174/50	180/00								

* Excluding taxation.

** Per share on increased capital.

† Guaranteed.

* 1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up Share per	Latest Market Quotations as available until				
	1961	1962	1963		20-3-63	13-3-63	A year ago	20-3-63		13-3-63	A year ago	1960		1961	1962	20-3-63	13-3-63	A year ago
Agarpara P.	10	2½	2½	10	9/75	9/75	265/00	Hukumchand P.	28½	28½	26½	7½	17/00	26/12	27/94			
Alexandra P.	44	15	..	100	264/00	305/00	104/00	Indu	14	12	8	12½	17/75	17/75	16/31			
Alliance P.	6	Nil	10	100	110/00	110/00	215/00	Kamarbatty P.	5	Nil	..	100	151/00	151/00	163/00			
Anglo-India P.	20	7	10	100	199/00	199/00	171/00	Kankarnarab P.	Nil	Nil	..	100	127/00	121/00	111/00			
Auckland P.	27	12	Nil	100	150/00	150/00	278/00	Keirvin P.	15	15	5	100	176/00	176/00	188/00			
Bally P.	25	25	25	100	256/00	280/00	157/00	Kharchah P.	20	5	12½	10	18/25	18/25	17/12			
Baranagore P.	30	10	10	£5	172/00	175/00	9/44	Kinnison P.	Nil	7	..	100	140/00	150/00	165/00			
Bengal P.	5	..	..	10	10/25	10/25	35/31	Lansdowne P.	Nil	Nil	..	100	120/00	120/00	133/00			
Birla P.	15	15	15	10	25/25	26/62	135/00	Lawrence P.	7	15	10	100	102/00	124/00	162/00			
Budge Budge P.	10	Nil	..	100	169/00	169/00	9/50	Megna P.	12	12½	Nil	10	13/25	13/31	12/12			
Calcutta P.	..	..	..	10	8/00	8/00	163/00	Nalhati P.	..	..	..	100	81/00	90/00	83/00			
Caledonian P.	12	5	..	100	205/00	220/00	125/00	Naskarpara	..	..	..	10	9/06	9/06	12/25			
Champdany P.	10	5	Nil	100	134/00	136/00	20/37	National P.	7½	Nil	..	10	25/37	25/37	23/62			
Cheviot P.	Nil	5	..	10	23/62	23/62	12/44	Nellimarla P.	3	6	15	10	11/25	11/25	12/12			
Chitavalisab P.	6	Nil	5	10	11/00	11/00	9/85	New Central P.	15	15	Nil	10	12/06	12/87	18/06			
Clive P.	..	..	..	10	8/37	8/37	135/00	Northbrook P.	30	30	20	10	29/00	32/00	34/75			
Dalhousie P.	1	1	Nil	100	145/00	152/00	175/00	Nudde	8	6	5	60	57/00	57/00	64/75			
Delta P.	7½	Nil	..	100	173/00	173/00	19/06	Presidency	8	6	10	5	5/12	5/12	5/31			
Empire P.	12½	7½	12½	10	15/31	15/31	428/00	Rameswara P.	Nil	Nil	Nil	10	9/44	9/44	8/00			
Fort Gloster P.	25	10	12½	100	399/00	399/00	25/12	Reliance P.	Nil	Nil	Nil	10	6/44	6/31	6/81			
Fort William P.	22½	22½	10	100	26/00	26/00	14/00	Sammugger P.	6	Nil	..	£1	10/50	10/50	10/50			
Ganges P.	10	10	15	10	12/50	12/56	43/00	Shree Ambica P.	9	6	Nil	10	25/00	25/00	30/12			
General Industrial	40	10	..	100	17/00	17/00	508/00	Soorah P.	25	25	..	10	25/25	25/25	23/56			
Goudapore P.	30	25	20	100	487/00	487/00	122/00	Sitagarh P.	6	Nil	..	£1	10/50	10/50	10/50			
Hastings P.	6	6	6	100	128/00	128/00	26/87	Union P.	25	6	Nil	100	146/00	163/00	182/00			
Hockley P.	10	..	..	10	20/00	20/00	20/37	Victoria P.	6	Nil	..	£1	10/50	10/50	10/50			
Howrah P.	12½	10	Nil	10	19/00	19/00	27/94	Waverley P.	30	30	60	1	5/50	5/94	5/94			

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1960	1961	1962		Rs.	Rs.	Rs.	A year ago Rs.		1960	1961	1962		Rs.	Rs.	Rs.	A year ago Rs.
Amalgamated	10	12½	15	10	21/00	24/81	22/00		Mundulpur	..	..	..	10	2/69	2/69	2/62	
Bengal P.	25	21	..	100	267/00	282/00	346/00		Nazira	..	..	..	10	5/12	5/12	6/87	
Bengal Bhatdee	..	..	..	10	3/48	3/48	30/19		New Beerbhoom P.	18	10	..	10	17/62	19/94	21/50	
Bengal Nagpur	10	26	..	10	22/00	22/00	4/75		New Manbhoom	7½	9	12	10	13/75	13/75	13/62	
Bhalgors	..	..	..	10	5/00	5/00	4/75										
Bharat Collieries P.	..	..	..	10	3/53	3/53	3/94		North West	20	20	..	10	19/75	19/75	22/06	
Bhulanbararee	..	..	..	10	12/00	12/00	6/00						7½	18/00	18/00	20/25	
Bokaro & Ramgur	..	..	..	10	11/19	11/19	14/06		Ondal P.	6	7½	..	10	12/00	13/00	14/40	
Borrae P.	15	15	..	10	23/87	23/87	23/25		Parasea P.	11	11	..	10	16/00	16/00	17/68	
Burrakur P.	13	13	..	10	15/06	15/06	17/62		Pench Valley	10	10	..	10	19/12	19/12	15/87	
Central India	6	10	13	10	9/62	10/25	11/44		Pure Sitapur	..	..	..	10	8/00	8/00	8/00	
Central Kurkend P.	..	..	..	10	8/00	8/00	7/00		Raneegunge	15	17	..	10	15/00	15/00	15/00	
Churulia	8	..	..	10	5/75	5/75	6/50		Rewa	20	20	..	10	28/50	28/50	30/00	
Dhemo Main	Nil	Nil	..	4	3/06	3/06	3/00		Samia	10	..	..	10	10/03	10/03	8/87	
East Indian	7½	15	20½	21	37/00	37/00	37/00		Searsole	42 6/7	42 6/7	Nil	10	1/94	1/94	0/78	
Equitable P.	18	10	..	10	25/62	25/62	28/94		Seebpore P.	8	3½	..	10	45/00	45/00	47/00	
Ghuzdar & Musilia	Nil	Nil	Nil	10	13/75	14/25	14/00		South Karanpura	2½	Nil	..	10	5/75	5/75	6/44	
Guzdar Kajora	..	..	..	10	2/03	2/03	2/75		Standard	15	10	..	10	8/25	8/25	7/19	
Hurliadib	..	..	..	10	8/12	8/12	14/37		Union	..	..	..	10	16/00	16/00	15/19	
									Western Bengal	..	..	..	10	10/37	10/37	10/00	
Karanpura Developer	5	5	..	100	10/50	10/50	16/00		West Jamuria	Nil	Nil	..	10	8/19	9/06	9/03	
	15	15	..	107	10/50	10/50	16/00						10	9/37	9/37	9/37	
Karanpura Collieries P.	7½	10	10	10	16/00	18/00	19/04										
Katras Jheriah	95	40	25	10	48/75	48/75	49/00										
Khas Kalora P.	..	..	..	10	18/70	18/70	18/70										

* 1962

CAPITAL, 21st March, 1963.

COTTON MILLS

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

NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1960	1961	1962		20-3-63	13-3-63	A year ago		1960	1961	1962		Rs.	20-3-63	13-3-63	A year ago
				10	12/75	12/75	7/10	Elgin P.	11 1/2	17 1/2	17 1/2	10	20/69	20/69	23/12	
				40	28/00	28/00	28/00		12 1/2	..	..	10	12/75	12/87	23/50	
Basanti P	..	..	..	10	3/00	3/00	3/25	J. K. Cotton (Rayon) P.	10	10	..	10	13/75	14/12	17/31	
Banga Luxmi	..	..	..	10	21/75	21/00	29/50	Jay Shree	..	..	..	100	135/05	135/00	100/90/00	
Bengal Nagpur P.	Nil	5	..	10	22/75	22/75	28/00	Muir P.	Nil	..	..	24	1/62	1/62	1/72	
Bharat Commerce	5	15	..	10	23/81	23/81	39/00	New Victoria P.	Nil	Nil	..	10	8/00	9/00	10/25	
Birla Cotton	10	20	20	10	5/94	6/94	9/62	Orissa Textiles P.	3	Nil	Nil	10	12/00	12/00	11/00	
Bowrah P	10	20	..	10	46/12	46/12	62/06	Ramporia Cotton	5	..	..	100	11/50	11/50	11/50	
				5	26/87	26/87	35/00	Swadeshi (Kandur) P	5.51	..	..	100	7/00	7/00	9/00	
Cawnpore Textiles	7-1/5	10	..	5												
Delhi Cloth & Genl. P.	12	13	13	25												
Dunbar	20	20	..	10												

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1959	1960	1961		19-5-63	12-3-63	A year ago		1959	1960	1961		19-3-63	12-3-63	A year ago	
																Rs.
Ahmedabad Advance P.	1	16	..	100	170/00	170/00	218/00	Indian	..	..	..	250	760/00	760/00	..	
	..	..	..	2	1/92	1/98	2/28	Indore Malwa United	7	8 1/2	10	100	192/00	192/00	178/50	
Apollo	..	..	..	100	82/50	82/50	83/00	Khatav Mankaji P.	16	8 1/2	..	100	376/75	405/00	490/03	
Beharati Ramcharan	Nil	Nil	..	100	63/00	61/00	69/00	Kohinoor	9 1/2	15	18	100	278/00	284/00	315/00	
Bombay Dyeing etc.	14	14	14	25	50	150/00	150/00	24/25	Lakshmi Vishnu P.	Nil	5.7	6	100	107/50	106/25	650/00
Bradbury P.	10	10	25	50	150/00	150/00	24/25	Morjee Goudas P.	21 1/2	21 1/2	24-24*	100	450/00	450/00	435/00	
Century	..	..	..	100	490/00	494/00	147/00	Mysore Spn & Mfr P.	10	14	14	50	46/00	46/00	67/00	
Central India P.	..	..	..	100	105/00	105/00	147/00	New City of Bombay	..	..	..	100	142/50	142/50	181/00	
Coorla	..	..	..	100	150/00	150/00	151/25	New Great Eastern P.	..	..	..	100	270/00	270/00	300/00	
Dawn	20	30	30	50	142/00	142/00	175/00	Phenix	..	..	..	100	206/00	206/00	271/30	
Edward Textiles	9	18	22	50	325/00	325/00	452/50	Sassoon & Alliance	Nil	Nil	..	100	13/00	13/00	..	
Elphinstone P.	14	14	14	200	98/00	98/00	137/00	Sassoon Spinning	17	25	17	20	50/00	50/00	69/50	
Finlay	..	..	..	100	325/00	325/00	377/00	Sassoon Spinning	10	15	Nil	50	143/50	143/50	176/00	
Gokak	..	..	..	100	174/00	177/00	225/50	Shree Niwas P.	15	18	20	100	220/00	220/00	310/00	
Hindustan	..	..	..	250	965/00	965/00	..	Sundeshi P.	14	17	..	100	258/00	258/00	298/50	
	..	..	..	100	23/52	23/52	21/00	Swan	..	..	..	100	300/00	300/00	79/00	
India United	..	..	..	100	2/70	2/66	3/76	Tata	10	20	..	25	57/20	56/70	802/00	
	..	..	..	100	..	..	..	Western India	..	..	..	250	835/00	835/00	430/00	

MISCELLANEOUS COMPANIES-Cont'd.

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

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1959	1960	1961		Rs.	Rs.	Rs.	A year ago Rs.		1959	1960	1961		Rs.	Rs.	Rs.	A year ago Rs.
ENGINEERING & METAL																	
Arthur Butler (Muzafferpore) P.	..	..	..	10	14/50	14/50	14/00	J. R. Synthetics	..	..	3	10	10/75	11/12	..	..	
Bharati Electric Steel	15	10	10	10	14/00	14/00	10/50	James Wright P.	..	..	..	10	10/75	11/12	..	..	
Braithwaite India	22	25	25	10	36/50	36/50	51/00	Jardine Henderson Ltd P.	..	..	..	10	10/75	11/12	..	..	
Bridge & Root	80	30	30	10	52/25	52/25	52/25	Jay Shree Industries P.	14	14	12 1/2	10	15/75	15/75	20/87	..	
Britannia Building & Iron P.	6	Nil	Nil-Nil*	10	3/85	3/85	3/50	Kesoram Industries P.	2 1/2	5	12-12 1/2	10	19/31	19/75	33/75	..	
Britannia Engineering P.	10	10	10	10	9/50	10/00	12/19	Macfarlane & Co.	..	..	..	50	7/00	1/00	7/25	..	
British India Electric Cons.	25	45	20	10	33/12	33/12	41/00	Macneil & Barry Ltd P.	7	6	8	100	93/50	33/50	2/37	..	
Burn P (Engineering)	28 1/2	28 1/2	28 1/2	100	495/00	495/00	389/30	Martin Burn Ltd P.	27 1/2	27 1/2	27 1/2-25*	10	30/50	30/50	32/25	..	
Calcutta Steel	6	15	15	10	13/69	14/37	..	McLeod & Co. P.	15	15	15	1000	215/00	215/00	215/00	..	
Dalmia Iron	10	10	10-10*	10	11/06	11/87	11/94	Meta Box Co of India Ltd P.	10	10	10	1000	..	..	..	..	
Guest, Keen Williams	24	16	14	10	30/12	30/37	45/00	National Insulated Cable P.	17 1/2	25*	25	10	50/75	50/75	62/25	..	
Hooghly Docking	12	Nil	Nil	50	102/00	102/00	108/00	National Pipe & Tubes P.	20	25	25-25*	10	25/00	25/00	43/00	..	
Indian Iron & Steel P.	15	15	16-16*	10	19/70	20/10	24/54	National Rolling & Steel Ropes	15	20	20-20*	10	19/25	19/25	29/44	..	
Indian Malleable Casting	6	Nil	..	50	6/00	6/00	4/06	National Rubber P.	10	13	15-15*	10	19/56	19/56	13/00	..	
Indian Standard Wagon P.	28 1/2	28 1/2	28 1/2	100	30/37	30/37	..	National Tobacco P.	10	10	10	10	11/62	11/62	20/75	..	
Indian Steel & Wire Products	16 1/2	23	24-23*	100	49/00	49/00	47/37	New India Investment Corp.	8.7	8.7	7	75	80/00	80/00	55/25	..	
Industrial Containers	..	Nil	10	10	22/00	22/00	..	MISCELLANEOUS—(Contd.)								..	..
Jay Engineering	12	17 3/20	17 3/20-15*	10	14/25	24/25	..	Octavious Steel P.	12 1/2	10	..	100	..	..	..	..	
J. K. Steel P.	12 1/2	20	20-10*	10	15/75	15/75	20/25	Philips India	12	12	12	10	26/25	26/25	38/62	..	
Jessop & Co P.	6.58	6.58	6.58	10	22/06	22/06	22/75	Publicity Society	37 1/2	10	75-75*	4	26/19	28/19	24/75	..	
Kumardhobi Engineering P.	10	10	11 1/2	8	7/44	7/44	8/31	Rallis India P.	Nil	4	8 1/2-8 1/2*	100	130/00	130/00	163/00	..	
Marshall Sons (India)	10	Nil	Nil	2	3/22	3/25	3/94	Rohas Industries P.	15	20	10-8*	10	10/75	10/75	17/00	..	
National Iron and Steel	6 1/2	6 1/2	Nil-Nil*	4	4/25	4/25	5/75	Sir Silk P.	..	Nil	..	10	8/06	8/31	10/19	..	
Saran Engineering	7 1/2	6 1/2	10-12 1/2*	4	8/00	8/00	10/31	Sen Raleigh Industries P.	8	8	8-8*	10	14/00	14/00	20/06	..	
Steel Containers	..	30	20	10	19/75	19/75	21/35	Shaw Wallace P.	15	15	15	10	18/37	18/37	23/50	..	
Textile Machinery	20	10	10	10	20/70	20/60	..	Spencer's Hotel	14	2 1/2	2 1/2	2	0/94	0/94	1/50	..	
SUGAR BREWERIES ETC.																	
Batrampur Sugar	8	8	8-4*	2 1/2	2/00	2/00	2/50	Walford Transport	15	30	30	10	42/50	42/50	52/50	..	
Belaund Sugar	18 1/2	18 1/2	10	7 1/2	8/50	9/62	10/31	Concord of India	20	20	20	5	10/25	11/00	11/00	..	
Bharati Sugar P.	..	..	..	10	13/00	13/00	15/00	Hercules	20	22 1/2	26 1/2	10	25/00	25/00	24/12	..	
Carew (Sugar) P.	Nil	Nil	Nil-Nil*	10	12/50	12/50	12/75	Ruby General	10	10	13 1/2	8	9/69	8/50	9/06	..	
Cawnpore Sugar P.	Nil	Nil	Nil	10	10/75	11/12	12/69	Standard General	..	..	..	10	6/00	6/00	5/44	..	
Champaran Sugar	15	15	12-Nil*	10	15/87	15/87	18/00	Triton	45	45	60	25	132/00	131/00	133/00	..	
Durbhanga	20	4	Nil	10	8/12	8/12	10/50	FLOUR MILLS								..	..
Dyer Meskin (Breweries)	16	25	30	8	28/50	28/50	46/00	Bengal	45	40	25	10	34/25	34/25	38/62	..	
New Javan Sugar and Jav	..	..	..	10	3/62	6/25	5/00	Delhi P.	..	..	..	10	14/00	14/00	14/00	..	
Purbabou Sugar P.	Nil	..	..	10	11/50	11/50	11/81	Ganesh P.	12 1/2	..	..	12 1/2	15/75	15/75	21/00	..	
Ramnugger Cane & Sugar P.	213/7	30	35-30*	10	30/37	30/37	31/00	Hookhy	27 1/2	15	Nil	10	19/75	19/75	18/75	..	
Raze Guland	12 1/2	12 1/2	10	10	9/37	9/31	10/31	United	52 1/2	35	10	10	30/00	30/00	38/00	..	
Ryam Sugar P.	..	..	..	10	9/62	9/62	10/12	OIL COMPANIES								..	..
Samastipur Central Sugar	..	..	..	10	7/50	7/50	10/00	Attock Oil	12 1/2	12 1/2	12 1/2	25	10/00	10/00	10/00	..	
Shree Krishna Gyanodaya Sugar P.	15	15	..	10	7/12	7/12	7/12	..								..	..
Shree Sitaram Sugar	..	..	..	10	6/12	6/12	6/62	..								..	..
Sitalpore Sugar	Nil	4	Nil-Nil*	10	10/62	10/62	15/50	..								..	..
Unteo Provinces	15	15	..	10	60/00	60/00	77/00	..								..	..
Upper Ganges Sugar P.	72 1/2	72 1/2	72 1/2	10	..	..	..	..								..	..

MISCELLANEOUS

MISCELLANEOUS				4/00	5/00	5/06	Burmah Oil P.	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100	105	110	
A Firpo (Restaurant)	34	74	12-12*	10	12/94	12/75	18/62	Indo-Burmah Petroleum P.	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100	105	110
Aluminium Corporation P.	10	12	12-12*	10	11/50	11/56	11/50	Tide Water Oil	22	22	22	22	22	22	22	22	22	22	22	22	22	22	22	22	22	22
Anderson Wright Ltd P.	20	114		10	21/75	21/75	21/87	PAPER MILLS																		
Angelo Bros	20	25	224-28*	10	28/75	28/75	25/25	Bengal P.	32	32	274	10	31/25	31/25	33/00											
Assam Match	18	18	20	3	2/50	2/50	2/50	India Paper Pulp	10	15	13-12*	10	18/81	18/81	19/25											
Assam Saw Mills & Timber	NH	NH	15-15*	10	26/19	26/19	32/37	Orient Paper P.	15	224	224	224*	10	31/25	32/50	41/85										
Associated Battery	40	25	10-10*	10	10/31	10/31	10/31	Shree Gopal Paper P.	17/67	17-67	17-67	10	22/75	22/75	27/00											
Associated Hotels of India P.	NH	NH	10-10*	10				Sirpur P.	64	64	64	10	11/00	11/19	15/69											
Balmer Lawrie & Co.	25	25	25	100	257/00	257/00	278/00	Star Paper P.	3	NH	..	10	10/00	10/00	10/00											
Bararee Coke	NH	NH	NH-15*	10	24/00	24/00	16/31	Titaghar P.	10	10	13-13*	24PO	3/78	3/78	3/87											
Birds Investments P.	11	94	10-10*	10	11/50	11/50	12/62	West Coast P.	25	25	20-10*	10BO	17/50	17/31	42/12											
Britannia Shudi P.	14	25	30-25*	10	43/87	43/87	45/37		25	25	20-10*	10BO	17/50	17/31	42/12											
British India Corporation P.	NH	4	7	5	20/50	20/50	26/37	PRESSING COMPANY																		
British Paints	10	124	15	10	7/15	7/15	7/12	Camperdown	11	11	100	104/00	104/00	101/00												
Calcutta Silk Manufacturing P.	NH	NH	NH	10	8/19	8/19	8/85	REAL PROPERTY STORAGE																		
Clive Row Investment	10	8	74	100	159/00	159/00	152/00	Bengal Bonded Warehouse	6	11	8-8*	100	1050/00	1050/00	565/00											
Duncan Brothers & Co Ltd P.	14	14	14	100	32/00	32/50	43/37	Calcutta Safe Deposit	..	..	..	100	1050/00	1050/00	565/00											
Dunlop Rubber Co (India) P.	214	214	20	100	129/00	129/00	153/00	Humayan Properties P.	15	NH	..	100	1050/00	1050/00	565/00											
Eastern Investments Ltd P.	14	14	14-12*	100	12/12	12/00	15/00	Midnapore Zemindary P.	NH	NH	NH-NH*	85	9/50	10/06	9/87											
Electric Construction	5	10	10-10*	20	35/12	35/12	34/50	TRAMWAYS & STEAMER																		
French Motor Car	124	20	20	20	236/00	236/00	231/00	Bengal Assam Steamship P.	3	74	74	100	106/00	106/00	118/50											
Ganges Rope	17	174	20	100	43/00	43/00	43/00	Calcutta Landing & Shipping	34	34	..	10	35/06	35/06	13/31											
General Investments Trust P.	34	5	5-5*	75	13/81	13/81	14/06	Calcutta Steam Navigation	10	10	NH-NH*	21	8/87	8/87	12/37											
Gillanders Arbuthnot & Co Ltd P.	10	10	11-11*	10	14/00	14/25	16/62	Calcutta Tramways P.	24	..	..	10	10/06	10/06	10/06											
Gladstone Lyall & Co Ltd P.	NH	4 2/5	..	10	33/25	33/25	31/00	Fraser	NH	NH	..	210	66/50	66/50	67/87											
Goddrey Phillips (India) Ltd. P.	26	40	40	10	241/00	241/00	240/00	India General Nav. Railway P.	NH	NH	..	10	5/84	5/87	7/75											
Great Eastern Hotel	6	9	6	250				India Steamship P.	16	10	NH-NH*	10	12/06	12/06	11/00											
Hindustan Aluminium P.	..	NH	..	10	13/00	13/25	..	Port Shipping	NH	NH	NH	10	12/06	12/06	11/00											
Hindustans Motors P.	..	9	12-124*	10	15/90	16/28	20/25																			
Hindustan Pilkington	12	..	..	10	17/87	17/87	21/75																			
Hindustan Pilkington	..	NH	NH-NH*	10	14/00	14/25	16/62																			
Hindusthan Fyrtorls P.	..	6	6	10	6/19	6/19	7/00																			
Hoare Miller & Co Ltd	6	6	6-9*	10	10/25	10/25	12/62																			
Imperial Tobacco	12	15	15	10	29/75	30/00	38/94																			
Indian Aluminium Co. Ltd. P.	12	224	224-224*	10	34/00	34/00	36/50																			
Indian Cable P.	18	15	15-12*	10	28/37	28/25	39/12																			
Indian Oxygen	18	15	15-12*	10	21/06	21/06	20/25																			
Indian Rubber Manufacturers P.	18	20	30-36*	10	31/25	31/25	33/50																			
Indian Wood Products	28	30	30-30*	10	15/75	15/75	17/87																			
Isaac Holdens	..	..	NH	100	55/00	55/00	55/00																			
Investments and Finance P.	..	74	74-74*	100																						

SOUTH INDIA PLANTATION COMPANIES

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

NAMES	Dividend per cent			Paid-up Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
	1959	1960	1961		19-3-63	12-3-63	A year ago		1959	1960	1961		19-3-63	12-3-63	A year ago
Amalgamated P.	7 1/2	10	..	10	10/36	10/36	11/06	Malankara	15	15	..	10	15/92	15/92	16/00
Anandam P.	15	15	..	10	15/24	15/24	13/22	Midland Hub & Prod. P.	10	12 1/2	12 1/2	10	10/37	10/37	10/32
Athimattam	Nil	Nil	..	2	0/80	0/80	0/78	Nilgiri P.	5	6	..	10	8/90	8/90	8/30
Balanoo P.	15	15	12	10	12/91	12/91	13/75	Nonsuch	20	20	20	10	22/15	22/15	22/75
Balmadier P.	7 1/2	7 1/2	..	2	1/90	1/90	1/92	Jasoor	15	15	..	2	2/71	2/71	2/70
Be Be P.	5	Nil	..	5	2/15	2/15	2/35	Ouchterlony	15	13	12	2	4/35	4/35	3/93
Blue Mountain	12 1/2	12 1/2	10-10*	2	2/56	2/56	2/58	Parkside Neillgherry	27 1/2	27 1/2	22 1/2	10	24/00	24/00	23/00
Chemra Peak	15	20	20-20*	2	3/57	3/57	3/52	Peermade P.	22 1/2	22 1/2	25	10	22/50	22/50	20/50
Cochin Malabar P.	15	17 1/2	20-20*	3	6/00	6/00	7/27	Peninsular	20	20	..	10	20/70	20/70	22/10
Coffee Lands P.	25	6	..	10	12/75	12/75	14/75	Periakaramalai	12 1/2	13 1/2	20	2	3/05	3/05	3/35
Consolidated Coffee P.	25	20	..	10	16/25	16/25	17/77	Rajagiri Rub & Prod. P.	20	20	20	10	18/70	18/70	19/00
Concor P.	20	17 1/2	..	10	19/25	19/25	23/75	Rajendra P.	50	26	..	5	9/80	9/80	11/12
								Swinton	7 1/2	12 1/2	..	2	2/82	2/82	2/82
Coorg P.	20	20	..	2	3/93	3/93	5/30								
Cottanad Plantation P.	15	10	..	10	9/31	9/31	10/10	Teekoy P.	6	Nil	..	10	5/03	5/03	5/30
Devashola (Nilgiri)	25	20	..	10	24/92	24/92	25/97	Thirumandi	7	7	12	1	1/54	1/54	1/70
Devon P.	15	15	12	10	12/68	12/68	13/50	Travancore Rubber	10	13	..	10	10/95	10/95	13/12
Emerald Valley	5	..	..	6	5/30	5/30	5/67	Travancore Rub & Tea P.	7 1/2	9	10	10	9/00	9/00	10/80
Gokul	9	10	..	2	1/90	1/90	2/10	Tropical Plantations	5	8	..	10	19/75	19/75	19/25
Halleybury P.	12 1/2	15	..	10	12/62	12/62	13/25	Cwyford	10	10	..	10	9/10	9/10	10/85
Kallias	20	22 1/2	..	2	5/30	5/30	5/10	United Nilgiri	19 1/2	21	22	10	20/87	20/87	20/84
Kalasa Tea Produce	15	20	25	2	3/45	3/45	3/50	Vaikundam	25	30	..	10	30/85	30/85	32/75
Kil Kotagiri P.	35	25	25	2	5/15	5/15	5/10	Waterfall Estates P.	12 1/2	12 1/2	..	2	2/25	2/05	2/42
Lucky Valley	10	10	10	10	11/00	11/00	10/35	Woodland P.	5	10	..	10	7/85	7/85	7/85

SOUTH INDIA COTTON MILLS

NAMES	Dividend per cent			Paid-up Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
	1959	1960	1961		19-3-63	12-3-63	A year ago		1959	1960	1961		19-3-63	12-3-63	A year ago
Bangalore W C Silk P.	10	10	18	100	230/00	230/00	243/00	Lakshmi	12	20	30	50	137/00	137/00	169/00
Buckingham & Carnatic P.	10	10	18	100	262/00	262/00	264/00								
Cambodia P.	Nil	9	..	10	13/00	13/00	13/47	Madura	12 1/2	15	15	15	32/50	32/50	40/70
Colombore Cotton	6	12	16	100	178/00	178/00	216/00	Mettur Industries	25	30	30-22 1/2*	100	324/00	324/00	398/00
Colombore Spg & Wvg	..	..	..	50	68/00	68/00	83/50	Palam Andavar P.	..	..	..	10	215/00	215/00	232/50
Kothari Textiles P.	10	10	8	10	10/55	10/55	13/15	Vasanta P.	16	20	..	100	290/00	290/00	309/30

SOUTH INDIA SUGAR MILLS

NAMES	Dividend per cent			Paid-up Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
	1959	1960	1961		19-3-63	12-3-63	A year ago		1959	1960	1961		19-3-63	12-3-63	A year ago
Andhra P.	20	..	..	10	18/20	18/20	22/90	K. C. P.	15	..	..	10	25/07	25/07	22/95
Cauvery P.	Nil	6	..	100	99/00	99/00	106/00	Kothari	..	Nil	..	10	7/07	7/07	7/25
Deccan Sugar	25 1/2	25 1/2	12-18*	5	9/50	9/50	10/00	Mysore	50	30	30-30*	10	51/30	51/40	53/40
E.I.D.-Parry	28 4/7	21 5/7	21 3/7*	21	39/17	39/17	37/00	Travancore P.	10	10	..	10	6/85	6/85	7/60
Indian Sugar P.	12 1/2	14	10	10	10/25	10/25	10/30	United Breweries	60	60	60-25*	10	95/00	95/00	82/25
Jeyore P.	10	8	..	10	15/00	15/00	14/50								

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividend per cent			Paid-up Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
	1959	1960	1961		19-3-63	12-3-63	A year ago		1959	1960	1961		19-3-63	12-3-63	A year ago
Aluminium Industries	12 1/2	18	..	10	21/00	21/00	23/77	Mysore Chemicals Mfgs. P.	20	20	..	10	18/28	18/28	22/15
Andhra Cement P.	10	..	..	10	9/75	9/75	9/50	Mysore Lamp P.	16	20	..	10	34/10	34/08	32/20
Asbestos Leyland	5	8	..	5	7/85	7/85	9/28	Mysore Paper	12 1/2	15	13	10	13/50	14/30	14/25
Bingo	10	12 1/2	..	100	321/17	321/17	314/00	Mysore Tobacco	12 1/2	10	..	10	8/25	7/80	9/00
Brundage & Co.	Nil	..	..	10	5/30	5/30	5/50	Parry's Coni	20	30	..	10	3/44	3/44	4/43
Canal P.	5	8	..	10	9/25	9/25	12/15	Spencer (Provisions)	18	18	18-18*	10	22/50	22/50	24/00
India Cement P.	7	11	9-12*	9	6/20	6/20	6/02	Standard Motors P.	6	9	..	10	16/12	16/12	16/75
Indian Steel Rolling P.	6 1/2	12 1/2	12 1/2	10	10/50	10/50	11/90	St. James P.	27 1/2	32	..	10	29/75	29/75	31/50
Mettur Chemical Industrial P.	8 1/2	12 1/2	12 1/2	10	12/87	12/87	13/30	Textool	15	15	..	100	157/00	153/00	187/00
Mysore Chem. & Fert.	5	10	10	10	9/75	9/75	10/35	Tube Investments	10	10	10	100	235/00	235/00	290/30

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
	1959	1960	1961		20-3-63	13-3-63	A year ago		1959	1960	1961		20-3-63	13-3-63	A year ago
Ahmedpur Kates	1.90	1.90	1.75	100	28/00	28/00	31/00	Darjeeling Ropeway	..	..	..	10	8/00	8/00	8/00
Arrab Shivan	5	5	5	100	27/00	30/80	30/50	Dehra Dobra	17	20	15	10	13/75	14/00	19/31
Badrana Damoodar	1.90	1.90	1.75	100	28/50	28/50	29/00	Putrab Islampur	1.90	1.90	1.90	100	28/70	28/70	28/70
Burwala Kates	1.90	1.90	1.75	100	28/50	28/50	29/00	Howrah Amta (P)	5	5	44	100	46/00	46/00	45/00
Chaparmukh-Singhat	2.90	2.90	2.90	100	35/00	35/00	30/00	Howrah Shukhala	5	5	44	100	45/00	45/00	40/00
Cherra Lhatok Ropeway	9	12	12	5	6/75	6/75	6/75	Katiba: Late Gatar	3.50	3.10	1.90	100	41/00	41/00	41/00
								Shahdara (Delhi)	5	5	..	100	50/00	50/75	58/00



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75th YEAR OF ISSUE

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The outstanding achievement of the past year has been an unexpectedly large increase in production. Coal output has risen from 56 million tonnes in 1961-62 to a probable 64 million tonnes in 1962-63. As Mr. Prashad has pointed out, of the total increase of 8 million tonnes, the private sector has contributed more than 6 million tonnes, and it is at present ahead of its revised production target for 1962-63 as fixed by the Planning Commission's working group. Although the private collieries have thus reduced the shortfall carried over from the second plan, in the case of the Government-owned collieries the shortfall remains large. Perhaps two factors are mainly responsible for the overall improvement in output. The first is that special measures have been taken to increase coal production since the Chinese invasion. The second is that the shortage of transport and power, for the time being at least, is less acute than it was. The scarcity of explosives, spare parts and machinery, however, continues.

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last year were far less than the situation demanded. The price rise sanctioned now, to compensate for the interim wage increase recommended by the Wage Board for the Coal Mining Industry, once again does not meet the cost in full. While sand-stowing is sought to be officially encouraged, the subsidy scheme the Government has evolved discriminates against collieries which had voluntarily undertaken stowing earlier. Similarly, while the need for extracting more coal from deeper seams is recognised, the subsidy given to collieries operating in difficult mining conditions remains inadequate.

The difficulties of the coal industry have received somewhat closer attention from the Government during the past year. The credit for this is due to Mr. D. Malaviya who, barring occasional adventures of the imagination, has brought a new sense of urgency to the work of the Mines

and Fuel Ministry. It is to some extent because of the closer attention, especially since the emergency, that coal production has shown an encouraging increase after a year of stagnation. But even if this increase continues, there is no certainty that the original third plan target of 97 million tonnes (to say nothing of the revised targets of 101 million tonnes or 104 million tonnes) will be achieved. It is a sobering thought that the industry still has to raise its output by more than 50 percent in three years in order to reach that target. The handicaps imposed by the Central Budget could ruin the prospect. Even if the Budget is suitably amended, the financial difficulties which remain will be serious enough to call for speedy correctives. Coal-mining is still far from being the strong and economic enterprise it ought to be if the expansion of the economy and of defence industries in particular, is not to suffer.

STERLING AND THE U.K. BUDGET

Just over a fortnight ago, most people were confident that the U.K. Budget, due next Wednesday, would be one of the most generous and expansionary in the country's history. This was because of employment and persistent industrial stagnation clearly called for vigorous measures to stimulate economic revival. But on 11th March, the pound sterling was suddenly subjected to selling pressure on the world's currency markets which pushed its value below the \$2.80 parity for the first time in 18 months. This run was halted as soon as the authorities had collected their wits and set about absorbing the sales. Now the pound is back above the dollar-parity level and shows every sign of having recovered its previous health. But the doubt is being expressed in Britain that the Chancellor of the Exchequer, Mr. Reginald Maudling, will not now have the courage to make his coming Budget as expansionary as the country's internal conditions clearly call for.

The recent pressure on the pound has clearly caused the authorities in Britain considerable concern. But to suggest that might make the Chancellor alter the expected reflationary character of his Budget—as distinct perhaps from adjusting it marginally so as to avoid any unnecessary risks to sterling—is probably to misunderstand altogether the radical change which has taken place over the past year in Britain's economic thinking. The deflation of the internal economy by overall monetary means has, or so it is hoped, now been abandoned completely as the sole official form of economic control. After years of practice in such a policy, it has been discovered that while it certainly restricts production, discourages industrial expansion and chokes off consumer demand, it does not perform efficiently its expected function of boosting exports, cutting down internal inflation and correcting the balance of payments. In other words, the theory now goes that if Britain's balance of payments remains obstinately weak whether the internal economy is subject to austerity measures or not, then there is no real point in being austere. Such reasoning may not meet with much enthusiastic support from the traditionalists at the Treasury and the Bank of England, but there can be no doubt that if a Chancellor of the Exchequer still refuses to accept it, he and his Party can confidently expect a severe drubbing at the hands of the Opposition and an inevitable defeat at the next general election.

So the conclusion is that an ultra-cautious Budget next Wednesday is highly unlikely, although it may not be quite as expansionary as it would have been had 11th March never dawned. Fortunately, the factors pointing in this direction are not all political, nor connected exclusively with internal economic circumstances. Some of them are distinctly international and concerned with the external circumstances facing the pound. In fact, it may be true to say that what happened on 11th and 12th March was largely irrelevant to a balanced assessment of sterling's current health and strength. A run such as the one which took place was the outcome of special circumstances, and although its significance must not be minimised, it was probably not a clear indication of approaching weakness in the pound at all.

The outstanding feature of sterling during the past six months has been its persistent strength.

This has not only survived the Cuban and Sino-Indian border crises; it has also continued into the period following the breakdown at Brussels. And it still exists; the events of 11th March were caused by British importers covering future foreign exchange requirements in the light of academic Press comment on the possibilities of devaluation, and was only incidentally the result of subsequent international speculation. Because so much sterling was sold forward, future pressure on the pound will to that extent be reduced. Only the speculative selling has had a potentially lasting effect on the sterling area reserves, and this has been comfortably absorbed.

The question arises whether the future pressures could be just as easily reversed. And the answer appears to be yes. At present, the published figures for the sterling area reserves are just below the £1,000 million mark, and in themselves are not particularly impressive. They are, however, backed by at least \$1,000 million of drawing rights with the International Monetary Fund, by extensive holdings of British Government dollar securities and eventually, of course, by the large investments which British companies have in the north American markets. These last two items have tended to expand even during periods when the published reserves have been declining. Finally, there is the extensive support represented by the kind of international co-

operation embodied in the Basle Agreement which should be supplemented in any future on the pound by the United States stockpile sterling.

Thus, the backing which the pound now enjoys is probably larger than it has ever been in postwar history, is certainly much greater than was when the last run on sterling developed in 1930, and is judged by most competent observers to be at least reasonably adequate to permit Britain's expansionary plans to be pushed to ward without too great a risk of being taken back into restrictionist policies, into the spread adoption of physical controls, or into devaluation. So, when it is remembered that British short-term sterling debts are at present comparatively low, and that the main speculative alternative to the pound, the U.S. dollar, is by no means as strong as it has been in recent years, then the position of sterling is seen to be quite remarkably hopeful.

Along with the inevitability of a "stop-go" restrictionism as the only answer to balance of payments difficulties, criticism in Britain is also being levelled against the theoretical working of such policy itself. For example, it is being pointed out that higher production reduces overhead costs and cheapens the price of exports, while an industrialist subject to monetary restrictions is as likely to postpone new investment in plant manufacturing exports as he is in machinery turning out goods for the home market. Furthermore, the restriction of consumer credit and the forcing of high unemployment, far from reducing the pressure of wage demands, tends to encourage claims for more money to overcome the increased difficulty of purchasing conventional necessities and to offset the general feeling of insecurity.

So the factors pointing to a fairly generous Budget for Britain on 3rd April are both practical and theoretical. Any Chancellor erring in the direction of too much caution would find himself under attack not only on subjective, practical and political grounds, but would experience difficulty in justifying his underlying theories as well. The coming Budget is now recognised as a crucial one in Britain's postwar economic history, the one which marks the transition from a state of inflation-orientated economy to one which is deflation-orientated. No Chancellor would dare ignore such an historic watershed—or so it is being predicted—and nothing which has happened so far to the pound seems likely to make him do so.

SUPER PROFITS TAX

THE elaborate defence of the super profits tax contained in the special report on the Budget proposals appears to be steeped in such mediocre and mediaeval thinking that one is reminded of Marie Antoinette who, on hearing her hungry people crying for bread, suggested that they eat cake. To the wailing companies who will be starved of finance by the imposition of the super profits tax, the report gives a similar counsel of despair: "Why don't you borrow?" Apart from the fact that borrowing in a stringent money market may be neither attractive nor feasible, does the suggestion to depend on loans conform to the Government's declared policy of encouraging expansion through retained profits? Less than a year ago, the Finance Minister in his Budget speech on 23rd April, 1962, advised that "industry in the private sector should exercise a greater measure of restraint in relying on bank finance." He considered it desirable that "new companies should aim at raising a larger proportion of the capital they need through equity shares rather than by loans".

What, then, are the reasons for this sudden reversal of policy? Companies with existing high liabilities cannot afford to indulge in the luxury of further borrowing, particularly when the depletion of their finance, accelerated by higher taxation, will make repayment of loans impossible. Interest on borrowing is no doubt a deductible expense, but it cannot be forgotten that borrowed money does not form part of the capital on which the standard deduction is based for purposes of cal-

culating super profits. Thus, while interest income will swell the profits of the banking companies, making them liable to super profits tax, borrowed capital will be excluded from the computation of standard deduction and the Exchequer will have the best of both worlds. It would, therefore, obviously be uneconomic and costly to raise finance by borrowing.

The contention that the cost of raising new equity capital will be increased is summarily dismissed in the special report with a wholly unsubstantiated and erroneous remark that "in view of the excess demand for investment, there is no possibility that corporations as a whole will run short of finance for expansion". After a detailed study, the National Council of Applied Economic Research came to the contrary conclusion and stated: "While it cannot be maintained generally that the sources of supply of funds have begun to dry up, it can be shown that the combined impact of income and wealth-taxes tends to curtail severely the capacity to save of active entrepreneur-investors in the higher ranges of income and wealth. The rate of savings in the economy does not seem to have kept pace with the rate of investment in recent years. Even the savings of public and private limited companies do not show an upward trend in the years for which we have firm estimates". (Taxation and Private Investment, pages 77-78). The recent reluctance of investors to put money in equity capital proves the correctness of this conclusion. For obvious reasons, under-subscription is not widely advertised.

Cases of over-subscription receive such prominence as to create the impression on the public mind that all issues these days are over-subscribed.

In the special report, a novel argument has been adopted to suggest that the super profits tax, far from discouraging, will actually "encourage" expansion. The argument is based on the view that any company using its profits to buy equipment can, in addition to depreciation, deduct 20 percent of the price as development rebate, thus avoiding liability to super profits tax. The incentive to expand, it is therefore concluded, will now be stronger because the development rebate will remove a company from the super profits tax range. The logic is queer. An industry determines the net return on its capital after taking into account all the permissible deductions and reliefs under the law. The development rebate allowance is not an additional benefit being conferred subsequent to the imposition of the super profits tax. It has been in existence for long and has been taken into account by industry and trade in arriving at a normal return of profits for the past many years. Moreover, as stated in the special report itself, "development rebate is considered, at least to a certain extent, to cover the excess of replacement cost over historical cost". Depreciation rates having been prescribed long ago, and having remained unchanged for years, development rebate has been regarded more or less as an additional depreciation allowance. It is, therefore, erroneous to contend that the development rebate will spur further expansion.

It is common knowledge that any expansion or new project does not depend merely on the installation of plant and machinery. Land, buildings, furniture, equipment, motor transport and a host of other items, on which no development rebate is allowed, go to make the total cost of a project. As development rebate is allowed only on the cost of new plant and machinery and as net profits after tax will be reduced only by half the amount of the rebate, the allowance can seldom be so substantial as to affect the profit percentage materially, even if it be assumed that the statement made in the special report is correct. Further, as expansion will be financed by borrowed capital, the tax saved by development rebate will be absorbed by the service charge on debt finance, and not only the taxable profits but even the profits available for retention and distribution will be reduced. The next argument is that the proportion of profits distributed as dividends is much less in countries where the taxation on profits is higher than where it is low. This argument ignores two major points. Firstly, the distribution of dividends in India is forced by statutory provisions in the case of a number of companies. Secondly, the imposition of the super profits tax will not lead to the ploughing back of profits, although it will certainly curb the distribution of dividends.

A feeble attempt is made in the special report to counter the all important contention that the super profits tax will act as a guillotine on efficiency. The report implies that if the requirements of earning enough to expand take high precedence, more effort will be devoted to earning enough, after tax, to meet this requirement. This argument betrays an astonishing ignorance of human nature and the elementary principles of economics. Even a schoolboy knows that efficiency and reward vary in direct proportion to each other and not in the inverse ratio implied in the report. Similarly, the resultant inflation in costs is dismissed with a vague reference to controls and restrictions.

It is true that the super profits tax is not charged at 100 percent, but the fact remains that the standard deduction is based on 6 percent of capital and taxed reserves. The comparison between this return of 6 percent and the yield from loan finance and preference capital is wholly valid because the standard deduction is equivalent to a normal expectation of yield from equity capital. What justification is there, in case the return on equity capital works out to 8 percent, to mop up 1 percent and leave only 7 percent to the investor? It is highly desirable that the standard or normal return should bear some correlation to the minimum expectation of return on loan and prefer-

ence capital. Judged in this context, the comparison is not only sound but absolutely necessary.

Considerable emphasis has been laid in the report on the importance of collective saving and the Government's ability to channel funds into the private sector through the grant of loans and the purchase of equities, etcetera. In this connection, it is sufficient to quote the following extract from the publication referred to earlier in this article, without comment: "What is more disquieting is the trend in savings in the Government sector. If the capacity to save of individuals is curtailed, but the savings by Government correspondingly increase, then at least it could be maintained that public savings have taken the place of private savings. The real position, however, is quite the contrary. Net savings by the public sector have really declined since 1951-52. The ratio of net Government savings to net Government investments has steadily fallen from 94 percent in 1951-52 to 18 percent in 1957-58. In other words, an increasing proportion of public investment is financed by drafts on private savings. In this situation, there can be no doubt that the promotion of a high rate of private savings must be a basic goal of fiscal and other economic policies".

No attempt is made in the special report to meet the objection that the super profits tax is bad in principle, that it provides for no return on factors other than capital and taxed reserves, that

it levels the yield in all industries and trades to an arbitrary percentage and that it hits hard investment companies as corporate dividends paid out of profits subjected to the super profits tax will be again liable to super profits tax assessment. The other objections—its inequitable operation on companies with widely fluctuating profits, its disincentive to foreign investment and its tendency to inflate prices—are conceded, but it is suggested that these could be removed by suitable adjustments. Would such adjustments contained in executive instructions allay the fears of investors, domestic or foreign? The best course would be to scrap the super profits tax, but if grounds of prestige and policy stand in the way, radical amendments must be introduced in the Super Profits Tax Bill itself.

Last but not least, it is argued in the special report that the tax should be viewed as a purely temporary measure. A reference to the proposed wording used in the statute, however, leads to a contrary conclusion. Clause 4 of the Bill, which is the charging clause, provides that "there shall be charged for every assessment year commencing on and from the first day of April, 1963, as tax . . .". The notes on clauses clearly state that "clause 4 seeks to provide for the charging of super profits tax for the assessment year 1963-64 and subsequent assessment years." Investors have to be wary of verbal camouflage which might lead them to think otherwise.

RAISING SUGAR TARGETS

WHEN the Budget demands of the Central Food and Agriculture Ministry were discussed in the Lok Sabha last week, Mr. S. K. Patil, Food and Agriculture Minister, referred to a proposal to increase the third plan target for sugar production from 3.5 million tons to 4 million tons. The Government, he said, was also considering the incentives that should be given and the manner in which they should be implemented to raise the output to 3.3 million tons in the 1963-64 season. In his enthusiasm for a "farmer-orientated economy", Mr. Patil stated that, if necessary, some more price incentives would be offered to cane-growers. Under his new scheme for linking cane prices with the recovery of sugar, the growers have already been getting higher prices than before. Further incentives may result in a substantial shift in cultivation in favour of cane at the cost of food crops and also burden the sugar industry with higher raw material costs. The price of cane constitutes the major element in the production cost of sugar.

Any rational scheme for raising sugar output should in the ultimate analysis be based on increasing the yield an acre. The average yield an acre in India is extremely low. Increasing it is essentially a long-term solution which calls for improved farming methods. There is already a proposal in U.P. to take up blocks of 4,000 acres around each sugar factory for intensive cultivation of cane. Estimated to cost Rs. 1 crore, the scheme will be jointly financed by the Centre, the U.P. Government, the mills and the cultivators. It is reported that similar schemes may also be introduced in Bihar and Punjab. Then there is the question of using the sugarcane cess for improving the quality of cane. The cess was introduced to finance cane development, but it is actually used for other purposes. An important measure that can be taken to put sugar production on a sound footing is to use the crores of rupees which State Governments are raising by way of cane cess to improve the quality of cane. It is gratifying to note that the U.P. Government has decided to spend an additional Rs. 1 crore on cane development. Mr. Patil mentioned that similar steps would be taken in Punjab and Bihar. There would be a matching grant from the Centre for the purpose. Under the present pricing scheme, improvement in the quality of cane, by itself, will fetch better returns for the grower.

An important development which has to be reckoned with is the diversion of cane for producing gur and khandari, especially in Bihar and U.P. As Mr. D. D. Puri pointed out in his presidential address at the last annual meeting of the

Indian Sugar Mills Association, two-thirds of the cane grown in the country goes for the manufacture of gur and khandari, only one-third being used for producing sugar. This diversion of cane supplies is wasteful since sugar factories are able to extract between 33 percent and 50 percent more from the cane than the producers of gur and khandari. It also leads to idle capacity in the sugar industry. Mr. Patil has stated that, because of the incentives, there will be no more need for diverting sugarcane to gur manufacture; but, if this means higher prices for sugarcane, the benefit to the sugar industry will be dubious. It needs substantial resources to renovate and modernise its equipment in order to step up production. Among the major problems it has to contend with are the high costs of raw material and stores and accessories, heavier wage bill and the burden imposed by the emergency risks insurance scheme. The super profits tax, which may deprive the industry of resources to rationalise its production, will be another burden.

Mr. Patil mentioned in the Lok Sabha that the target for exporting 500,000 tons of sugar would stand, irrespective of the international price. The world price of sugar, however, is far lower than the cost of production in India and, for this reason, exports have to be backed with heavy subsidies. The subsidy comes from the excise duty and the cess which the domestic consumer pays. In view of the higher prices at home, the wisdom of exporting sugar has often been questioned, although many other producing countries too export their product at prices lower than the cost of production. A major difficulty in catering to the export markets is that they prefer raw brown sugar to the refined product since many of the importing countries possess refining capacity. The switch-over from the production of white sugar to

India's Resources
are Precious
WASTE NOT,
WANT NOT

raw sugar is not easy, particularly in view of the exacting specifications laid down by some importers. Apart from difficulties of production, there are also problems of storage, handling and deterioration in transit. The acute shortage of

foreign exchange may make it necessary for the country to undertake a serious export drive. But whether it is worth earning foreign exchange after paying a heavy subsidy on sugar exports is doubtful.

Current News and Comment

The Prospect for Steel Imports

With domestic steel production rising from 3.15 million tonnes to 4 million tonnes in a single year, 1962-63 is the best year so far in the history of the Indian industry. Yet, even with imports of 800,000 tonnes, taking total steel availability to 4.8 million tonnes, demand has remained unsatisfied and the engineering industry has continued to suffer from idle capacity. Since all the steel plants are now approaching the limit of their existing production potential, the most that can be added to output until new facilities are built is only half a million tonnes. The issue that has to be faced squarely, therefore, is of continuing imports to meet the most pressing demands, at the same time as various measures are adopted to restrict non-essential uses. Since scarcity is selective, being confined to categories like plates and sheet, wire and tinplate, restrictions will have to be devised with care lest they unduly curb the demand for freely available sections. The possibility of steel mills having to cut back production because no orders are in sight is not as remote as one may be led to think if the shortages are viewed only in terms of aggregates. Distribution controls over easy categories have, no doubt, been liberalised but this is unlikely to provide the whole solution. Many steel-processing or fabricating industries need matching supplies of scarce categories along with the easy ones to keep production going. This factor complicates the task of evolving a rational policy for steel distribution, and for determining the quantum of imports for which foreign exchange must be secured.

The issue of imports needs to be looked at from another angle. Steel being the primary construction material, its availability will determine the speed with which new projects progress. There is evidence that the foreign exchange component of many projects has been calculated on rather vague (or at best optimistic) assumptions about materials, especially the steel available from domestic production. Otherwise, the provision made for steel imports in drawing up a foreign exchange budget for the third plan would not have been proved hopelessly wrong already. It is necessary, therefore, that a fresh assessment should be made so that a more realistic picture of the demand-supply situation from year to year may be obtained. The last such appraisal was made by the Ministry of Steel and Heavy Industries for the 1962 Aid-India Club meeting, but a host of new factors, including the emergency, have intervened since to render it out-of-date. Of course, the final element needed to complete the demand-supply picture will still be missing because the volume of imports cannot be forecast until India knows what amount of foreign assistance to expect, particularly the proportion available for maintenance imports. Even a series of approximations is better, however, than pushing ahead in the dark. The consuming industries will find it helpful to know whatever it is possible to foretell.

Increasing Coal Output

In his inaugural speech at the golden jubilee meeting of the Indian Mining Federation in Calcutta last week, Mr. K. D. Malaviya, Central Minister for Mines and Fuel, has noted with satisfaction that coal production in 1962-63 is likely to touch 64 million tonnes. Of this, the private sector's share is 52.11 million tonnes, against the target of 49.33 million tonnes. While commending the performance of the private sector, he has observed that a mere increase in production is not sufficient and that it should be achieved at a low cost. This raises the much larger question of modernising the coal industry. There has been considerable

delay in using the World Bank loan of \$35 million to the private sector for importing mining machinery because of the shortage of matching rupee finance. The recent Budget proposals have rendered the plough-back of profits or fresh raising of capital from the market well-nigh impossible. Mr. Malaviya has given an assurance that the Government will guarantee the necessary rupee loans that may be sought by the collieries. It is to be hoped that this will enable the private sector to make quicker use of the World Bank loan.

Mr. M. Sen Gupta, chairman of the Federation, has made a lucid exposition of the industry's problems. The expansion in output is largely determined by the availability of rail transport, since the bulk of the coal supply to consumers has to be moved by rail. Apart from the shortage of wagons and line capacity, the railways have very few weighbridges, which are essential for correct loading of coal in the newly provided "box" wagons. It is true that lately the movement of coal has improved. But, as pointed out by Mr. Sen Gupta, so far the railways have planned the movement of coal according to their own operational convenience. Being an important raw material for industry, it is essential that the pattern of coal traffic should be moulded by the phased programme of coal production and not by the operational convenience of the railways. Apart from the problem of transport, the other difficulties faced by the industry are the shortages of power and explosives.

Mr. Sen Gupta has also pointed out that the present price structure does not allow adequate margin for the industry. Coal prices should cover all elements of cost, provide a reasonable return to the investor and leave a sufficient margin for re-investment. Mr. Sen Gupta has made a strong plea for granting a depletion allowance to the coal industry, as has been done in the case of the oil industry. Also, in view of the heavier wear and tear of machinery used in coal mines than in surface industries, he has pleaded for a special rate of depreciation, as was allowed during the second World War. The emergency risks insurance premiums have imposed a new burden. The price increases which have been granted so far have always fallen short of the minimum requirements of the industry.

Spurt in Industrial Production

The seasonally adjusted index of industrial production which stood at 146.6 in September and 148.2 in October—the average for the January-October period works out to 149.2—rose impressively in November when it touched an all-time high of 159.7. The sudden spurt of 11.5 points in a single month is an outstanding example of what can be achieved when employers and workers decide to co-operate wholeheartedly. For there can be no doubt that the steep rise in production in November is due to the satisfactory implementation of the Industrial Truce Resolution requiring workers and employers to work extra shifts, extra hours or on Sundays and holidays. That the Truce Resolution has had a marked impact on industrial relations is apparent from the amazing fall in the number of man-days because of work stoppages since the Resolution was passed. From a monthly average of 470,462 for the January-October period, the number of man-days lost fell to 70,149 in November and the figure for December was even lower at 19,147.

By and large, the provisions of the Truce Resolution calling upon managements and unions to exercise restraint and forbearance and promote constructive co-operation between them to ensure sustained defence effort have been implemented duly curb the demand for freely available sections.

by both the parties. The voluntary restraints exercised by them in the matter of their economic interest in terms of the Truce Resolution have helped in lessening pressure on prices and keeping them stable. The index for wholesale prices which had been moving between 129.7 and 130.8 between July and October, eased to 125.8 in November and it was only slightly higher at 126.1 in December.

While the impact of the Industrial Truce Resolution, as of the emergency, was well pronounced in November and December, the Resolution seems to have been less effective in subsequent months. The Central Minister for Labour, Employment and Planning, Mr. Gulzari Lal Nanda, told a recent meeting of the Parliamentary Consultative Committee on Labour recently that complaints about breaches of the Truce Resolution had increased in January and February. The number of man-days lost due to work stoppages increased in January to 21,603, although it is negligible when compared with 405,661 in January 1962. It is alleged that employers have not lived up to their obligations in the matter of retrenchment, lay-off and discharge and dismissal of workers; lay-off on the part of employers concerning voluntary arbitration have been more pronounced. Workers, too, have been found wanting because of the work stoppages although their contribution to defence effort in the form of donations, extra work and restraint on direct action has been commendable. Mr. G. L. Nanda spoke of the Government's obligation to preserve industrial peace. The Government is shortly calling a tripartite conference to discuss cases of violation of the Industrial Truce Resolution.

Linking Wages with Productivity

In his speech from the chair at the annual general meeting of the Employers Federation of Southern India in Madras recently, Mr. N. G. Bowen stressed the need for linking wages with productivity. Industrial wages have to be viewed in the wider perspective of economic development and not merely from the standpoint of enabling workers to lead a decent standard of living. Mr. Bowen says that in India, the abstract concept of social justice has often influenced the fixing of wages. If the working classes and the rest of the community are to achieve a reasonable standard of living in conditions of full employment and price stability, there will have to be a large increase in production as well as productivity. One of the implied conditions for creating enthusiasm among workers, the chairman said, is to make them feel that they are getting a fair deal as an incentive for playing their part well. But if a minimum wage is made applicable to all sections of the working population, including agricultural labour, it will call for an increase in national output of about 60 percent over and above that visualised in the third plan. "Clearly, this is impossible and it is futile to bargain for a need-based minimum wage for a long, long time to come."

The non-payment of such a wage, Mr. Bowen says, does not mean that labour has been given an unfair deal. If frustration is to be avoided, workers should not be led to expect things that are not feasible. Labour leaders will, therefore, make a substantial contribution to harmonious industrial relations if they desist from equating a need-based wage with a fair deal to workers. The chairman has pointed out that in the context of the country's determination to increase exports, efforts to raise productivity are particularly important. At present, the cost of India's exportable goods is substantially higher than that of her competitors. While the disparity in prices is due to a number of factors, such as the cost of raw materials, interest charges, insurance, freight and management cost, labour costs—if they are allowed to rise without a corresponding increase in productivity—will affect the country's export potential.

Mr. Bowen says that India does not have a cheap wage-cost economy as has been made out in some quarters. Individual earnings of some workers may compare less favourably than those in the more advanced countries in the West but, for that matter, even managerial emoluments in India are correspondingly lower. "It must not overlooked"

economics, it is the wage cost a unit of production which is all important."

Making P.V.C.-processed Goods in India

Since 1961, several schemes for P.V.C.-processed goods were deferred or rejected by the Government on the ground that indigenous P.V.C. production was not sufficient to meet requirements, and as such imports of P.V.C. would be needed which was not considered feasible in view of the tight foreign exchange position. It was only towards the end of 1961 that Calico Mills started the production of P.V.C. The plant has a capacity of 3,600 tons a year and actual production annually is placed around 3,000 tons. The second unit for P.V.C.—Rajasthan Vinyl Ltd, Kotah, is expected to come on stream by the end of the current year. The capacity licensed for this plant is 6,000 tons a year. These two units will use 25 percent of the production for their own consumption. Thus out of a total production of 9,600 tons in 1964, 7,200 tons would be available for the consuming industries. The consumption of P.V.C. by the established units in the current year is estimated around 4,000 tons, and it is expected to go up to 5,000 tons in 1964. Thus approximately 2,000 tons of P.V.C. would be available in 1964 for developing new consuming industries, particularly those which will replace metals. In the light of the fresh assessment of the position concerning the availability of P.V.C. during 1964, the Directorate General of Technical Development has now approved four schemes for the manufacture of P.V.C. pipes and fittings, synthetic foam and flooring material.

Mr. M. Varadarajan from Hyderabad has sought the Government of India's permission to set up a factory near Madras for manufacturing 600 to 1,000 tons a year of hard P.V.C. pipes and fittings in collaboration with Wavin N. V. of Holland. The entire foreign exchange requirements for the import of capital goods, estimated around Rs. 10 lakhs, are proposed to be met by foreign capital participation in minority. It is stated that in spite of the high price of P.V.C. prevailing in India, the cost of P.V.C. pipes would be economic with the utilisation of the technique of foreign collaborators. The project is estimated to cost about Rs. 25 lakhs, and will be implemented by a new Company to be known as Wavin India Ltd. The scheme has been approved by the Directorate General of Technical Development. The second proposal approved by the Government is that of Bhor Industries of Bombay for setting up a factory in Baroda for the manufacture of 480 tons of P.V.C. rigid pipes a year. This firm is already engaged in the manufacture of leather cloth and has been licensed for manufacturing plastic goods. No import of capital equipment or raw materials is required for the implementation of this project, and no foreign collaboration is required for know-how.

Messrs Caprihans of Bombay are being permitted to expand their production of P.V.C. unsupported sheets from 600 tons to 1,500 tons a year, subject to suitable arrangements for meeting the cost of imported capital equipment.

According to informed sources, P.V.C. pipes and fittings are ideal substitutes for G.S. pipes or cast iron pipes for portable and sewage water distribution, and the economics of its production and the maintenance compare favourably with those of the metal pipes. In fact, in Europe and Japan, P.V.C. has considerably replaced the use of metallic pipes for water distribution. In addition, due to its ability to withstand erosion, it is an ideal piping material in chemical plants.

Among plastic foams, there is at present only one unit engaged in the manufacture of polystyrene foam, and another one is manufacturing polyurethane foam on a small scale. P.V.C. foams are said to be equally useful both in the manufacture of consumer articles and also industrial applications. The Government has approved the scheme of Mr. Surendra Kumar Jain for setting up a new undertaking in Kotah (Rajasthan) for manufacturing 720 metric tons a year of synthetic foam. The firm, it is said, will be negotiating with Japan Machinery Trading Company, of Osaka for collaboration. The scheme visualises the import of raw material and equipment entirely on an export promotion basis. The proposal submitted by Bhor Industries for the manufacture of flooring material

has also been approved by the Directorate General of Technical Development. The firm proposes to set up a factory in Baroda for manufacturing 1,200 tons of P.V.C. flooring material a year. Semtex Ltd of the U.K. will collaborate in the project by providing technical know-how. No capital participation is visualised. The firm has undertaken to export P.V.C. flooring material to the extent of Rs. 26.5 lakhs over a period of five years. The import of capital goods required is valued at Rs. 8 lakhs, and the value of raw materials required to be imported annually is estimated at Rs. 7.85 lakhs.

Raising Paint Exports

In his speech from the chair at the annual general meeting of the Indian Paint Association in Calcutta on Friday, Mr. T. M. Bishop says that the progress of paint exports has not been encouraging in spite of various import entitlement benefits which the Government has made available to the industry. These benefits, Mr. Bishop points out, have been offset to some extent by increased production costs. An extensive survey of export markets has been carried out by individual members of the Association. This has shown that in spite of the preference for brands manufactured abroad, there is a market for the Indian products overseas. But if Indian exports are to be raised substantially, their competitive position should be strengthened. Non-standard specialised packings, the expense involved in undertaking market research, sales promotion and overseas agents' commission, which will inevitably involve foreign exchange, will make heavy demands on the industry's resources. "It is the view of many members", Mr. Bishop says, "that a specific study by the Government of the paint industry's particular problems and its true capacity to earn foreign exchange through exports, will prove informative and invaluable both to the Government and the industry". With India's industrial growth, the paint industry, he says, is making a substantial and worthwhile contribution to the export of other industries' products in the form of specialised coatings.

Dealing with the industry's problems, Mr. Bishop states that in spite of the difficulties which the industry has experienced as a result of the high freight rate and the cut in imports of essential raw materials, the production of paints and varnishes has registered "a not inconsiderable increase". The latest imposts in the Central Budget will further raise production costs. The introduction of such measures as the super profits tax will adversely affect the corporate sector, including the paint industry. Manufacturers should, therefore, try to rationalise their production methods and increase efficiency. As for research, a beginning has already been made by forming the Indian Paint Research Association. Mr. Bishop said that the research projects undertaken by the Association should be related to the needs of the members and the cost should be such as could be easily met by them.

Cloth Output, Stocks Down

The output of cloth by Indian mills in February is provisionally placed at 369 million yards, compared with 410 million yards in January 1963 and 396 million yards in February 1962. The February 1963 figure is the lowest for a few years, which seems quite intriguing in view of the easy availability of cotton and large defence requirements. The fall in production seems to be due mainly to the industry's anxiety to dispose of the large accumulated stocks held by mills at the end of January and uncertainties about the Central Budget. The February figure for yarn production is also lower at 147 million lbs, compared with 160 million lbs in the previous month and 151 million lbs in the corresponding month last year.

Stocks held by mills at the end of February fell by a little over 153,000 bales (of 1,500 yards each) from 454,300 bales to 301,100 bales. Stocks of unsold cloth fell from 234,300 bales to 180,800 bales, and the figure for "sold but delivery not taken" came down sharply from 220,000 bales to 120,300 bales. The steep fall in stocks in February cannot be explained away in terms of the

lower output of the month and improved trade and consumer off-take in the cotton piecegoods market. It appears that stocks had been taken away from the mills' premises in the belief that excise duties on cloth would be increased in the Budget, which, however, has not occurred. The February-end figure of 301,100 bales is the lowest since May 1962. At the end of December, stocks with the mills had risen as high as 499,800 bales which created a serious situation because of the acute financial stringency. For the first time in many months, stocks of yarn with mills also showed a welcome decline from 86,700 bales (of 400 lbs each) to 58,700 bales; unsold stocks came down from 42,100 bales to 32,800 bales and stocks under "sold but not lifted" fell from 44,600 bales to 25,900 bales.

Shipments of cotton piecegoods from Bombay port, which accounts for nearly 90 percent of India's cloth exports, amounted to 33.52 million yards in February, compared with 47.74 million yards in January 1963 and 38.58 million yards in February 1962. February 1963 shipments are the lowest for many years, which reflects the continued poor export performance in spite of the compulsory export scheme. Exports in March, it is expected, will show a satisfactory improvement, the provisional figure for 1st to 19th of the month being placed at 27.97 million yards.

Good Progress by E.R.I.C.

The Export Risks Insurance Corporation is only five years old, but the progress which it has made during the short span of its existence is quite impressive. The main function of the Corporation is to facilitate the growth of the country's export trade by providing insurance cover to exporters to enable them to shed their "commercial" and "political" risks, arising from the default or insolvency of the overseas buyer, from war or insurrection, from import restrictions or embargoes on exchange remittance. Apart from offering financial protection to the exporter against all the "commercial" and "political" hazards over which the exporter has no control, the Corporation also serves to improve his financial standing vis-à-vis his banker. The E.R.I.C. has designed a wide range of policies to suit the varying requirements of exporters and to provide for different patterns of trade. Apart from the usual shipments and contracts policies covering either comprehensive risks or only political risks, the Corporation now issues manufacturers' credit insurance policies, exporters' credit insurance policies and market development policies. The Corporation has steadily widened the sweep of its operations. It has decided, for instance, to issue policies covering countries hitherto taboo on grounds of abnormal risks, subject to considerations of prudence of course. It has intensified its publicity and public relations programme, strengthened its field organisation and established liaison with export promotion councils, commodity boards and chambers of commerce. All this holds out the promise that the Export Risks Insurance Corporation will soon become a strong arm of export promotion. With export performance continuing to fall far below the plan target of Rs. 740 crores a year—current year's exports are placed around Rs. 682 crores—the need for boosting exports can scarcely be over-emphasised.

The Corporation's operations in 1962 showed all-round progress, which, however, seems due, in no small measure, to the grave situation created by the Chinese invasion. Reliable reports indicate that there was a tremendous spurt in the Corporation's business in November, with exporters extremely anxious to cover their risks on business with communist countries. The number of policies issued in 1962 increased by 30 percent from 426 to 554; the maximum liability in force rose by about 49 percent from Rs. 12.9 crores to Rs. 19.26 crores; the value of risks covered increased by 72.3 percent from Rs. 12 crores to Rs. 20.7 crores; the premium income shot up by 61.6 percent from Rs. 3.48 lakhs to Rs. 5.63 lakhs and the average rate of premium came down from 29p percent to 27p percent. The bank finance availed of by exporters on the basis of policies issued by the Corporation increased by nearly 40 percent from Rs. 3.7 crores to Rs. 5.1 crores. The claims con-

cerning losses paid by the Corporation fell from Rs. 4.32 lakhs in 1961 to Rs. 1.55 lakhs and recoveries made against the claims paid amounted to Rs. 1.44 lakhs, against Rs. 2.75 lakhs in 1961.

Talking to newsmen in Bombay on 8th March, the managing director of the Export Risks Insurance Corporation, Dr. S. P. Chabiani, said that the value of the risks covered in 1962 corresponded roughly to about 3 percent of India's exports. But if allowance is made for trade in traditional items and for trade against letters of credit and between associates, the Corporation's business covered about 8 percent of the normally insurable risks, which, according to Dr. Chabiani, compares well with that of the similar organisations abroad of the same age. The Corporation has set a target of Rs. 25 crores to Rs. 30 crores for the current year, against Rs. 20.7 crores in 1962. Dr. Chabiani said that the Corporation's experience of the packing credit policies had been very encouraging and the question of enlarging its scope was before the second study group on export finance appointed by the Government of India. The report of the study group was expected to be ready within two months. Dr. Chabiani disclosed that the Corporation was studying the premium structure with a view to revising it to the advantage of exporters. A new dimension of "what the traffic could bear" would be introduced in revising the premia, but he did not say when the revised premia would come into force.

World Cotton Meet in India

Considerable interest centres on the forthcoming meeting of the International Cotton Advisory Committee in Bangalore from 23rd April to 8th May. This is the first time that India will be playing host to cotton experts from 23 countries which are members of this body. With perhaps the largest area in the world under cotton, the average yield in this country is about the lowest. Efforts at stepping up cotton production have not been of much avail, and with production continuing to lag far behind domestic needs, the country has to depend on large imports of cotton, which are now presenting a serious problem because of the critical foreign exchange position. The forthcoming meeting of cotton experts from all over the world should provide a valuable opportunity to the country in tackling the indigenous cotton problem. The problems that the Bangalore meeting will be discussing will, however, be of a very different kind, in that there has now emerged a world surplus of cotton because of the rapid increase in production during the last few years. The U.S. Department of Agriculture has estimated world cotton production in 1962-63 at 49.6 million bales. This is the fifth successive season in which world production has set a new record.

Cotton experts who will be meeting in Bangalore next month will discuss not only ways to stabilise cotton production in the world, but also the prospective level of consumption and the extent to which competition from man-made fibres is affecting raw cotton consumption. Another important issue which will come up for discussion is the impact of international textile agreements on world cotton production. The World Bank which recently undertook a study of the world situation in extra long staple cotton will present its report to the committee meeting. Each country is expected to provide the committee with a review of its cotton production and of its Government's price policy. The problems to be discussed at the Bangalore meeting are of special interest to India because the Government is already engaged in evolving a rational crop pattern to ensure the satisfactory supply of the raw material to the cotton textile industry.

Cotton Price Rise Worries Mills

Not many weeks ago, the president of the East India Cotton Association, Mr. Madanmohan R. Ruia, the president of the Indian Central Cotton Committee, Mr. A. D. Pandit, the Central Minister for Agriculture, Dr. Ram Subhas Singh and the Central Food Minister, Mr. S. K. Patil, were heard

expressing concern over the fall in cotton prices. On 19th February, Mr. S. K. Patil stated in the Lok Sabha that if the mills failed to lift cotton supplies by the end of March, the Government would resort to compulsion. He said that the Government was determined to ensure that the refusal of mills to lift supplies in time did not cause distress. By about the middle of February, cotton prices had already recorded a substantial recovery from the January low levels. Of course, even at their worst levels in January, most varieties stood only Rs. 30 to Rs. 40 a candy below the previous ceiling—a ceiling which had been kept unchanged for nearly a decade. Prices have registered a further sizable improvement over the past few weeks, the upward trend having been accelerated by the absence of any increase in excise duties on cotton textiles and because of a cess on indigenous cotton and the imposition of a duty on imported varieties in the Central Budget.

The recent rise has pushed certain varieties of cotton to the revised ceiling prices, which are Rs. 125 a candy higher than in the previous season, and several other varieties are quoted only about Rs. 20 to Rs. 40 a candy below the maximum. This has naturally caused considerable concern in the industry and the chairman of the Indian Cotton Mills Federation, Mr. Bharat Ram, has been obliged to issue a Press statement on the subject. The Federation chairman says that the cost of textile production, which is already high, will be pushed up still further as a result of the rise in cotton prices, causing great hardship to the domestic consumer of cloth and adversely affecting the industry's efforts at export promotion. The Government, says the Federation chairman, should take this development into account while assessing the textile industry's export potential and performance. The committee of the Indian Cotton Mills Federation has decided to make a strong plea to the Central Government to extend to the cotton mill industry the benefit of the proposed additional rebate on income tax and super tax to the extent of 2 percent of the value of exports. The textile industry sees no reason why it should have been excluded from this benefit. The committee feels that the super profits tax will cripple the country's industrial development, penalise prudent and efficient management and discourage the flow of foreign capital.

Growth of Joint-stock Companies

The annual report on the working of the administration of the Companies Act for the year ended March 1962, shows that the total number of newly-formed companies declined from 1,683 in 1960-61 to 1,614 in 1961-62. But the number of newly-formed public limited companies increased to 199 which was the highest on record. The paid-up capital of companies at work on 31st March, 1962, was Rs. 1,879 crores while the number of companies was 24,757. Of these, 5,999 were public companies with a total paid-up capital of Rs. 933 crores and 18,758 were private companies with a total paid-up capital of Rs. 946 crores. During the past six years, the total number of companies declined by 5,117 because the Company Law Department took active steps to remove the inactive and moribund companies. The move has been welcomed since there is no point in maintaining rickety companies on the list, particularly because they may also be used to indulge in corrupt practices and evasions. In spite of the decline in the number of companies at work, the total paid-up capital of all companies rose by Rs. 855 crores during the past six years. It is important to note that there has been a shift away from the managing agency system since 1956. The managing agency pattern has not found favour with the newly-incorporated companies which have adopted other forms of management. The number of new companies, which proposed to adopt the managing agency system during the past six years, was only 1.2 percent of the total number of new companies registered during the period.

An important move which the Company Law Department has initiated is in relation to Government companies. The department has rightly suggested that these companies must make their annual reports more comprehensive in order to reflect faithfully their performance and achievement. They should also outline their expansion

programmes. The need for giving fuller information cannot be exaggerated since the public must know clearly how these companies are faring. So the suggestion that the directors of government companies should furnish additional information in their annual reports deserves careful consideration. There were 154 government companies with a total paid-up capital of Rs. 627 crores on 31st March, 1963.

Solving U.K. Unemployment Problem

An editorial on Commonwealth trade in the latest issue of Barclay's Bank D.C.O. Overseas Review suggests that increase in British investment in the Commonwealth could be a long-term and more desirable method of tackling unemployment in Britain than stimulating the domestic demand for consumer goods. The article says that the Commonwealth has been and still remains the market on which British fortunes largely turn. Increases in exports to Europe, the United States and elsewhere are desirable and are, as a whole, being achieved, but they are of little avail in the face of static or even declining exports to the Commonwealth. The Commonwealth countries depend predominantly for their exports on foodstuffs, raw materials and minerals, but the declining level of prices of these primary commodities has slowed down the increase and caused a decrease in their earnings, says the article. It goes on: "Sooner or later, the countries have been forced to impose tariff controls on their imports. Their total imports were lower in 1961 than in 1960, with a further decline in 1962 almost certain. But the future is not necessarily gloomy. Nearly all the Commonwealth countries are progressing with industrialisation and diversification of their economies, and it seems impossible to believe that expansion and increasing prosperity (and, therefore, increased markets) will not come to them soon."

The article says it is not easy to see how better markets for Commonwealth products could be found in the United Kingdom. A more promising line was to seek to increase the flow of investment to the Commonwealth. The Government was talking of taking risks with the balance of payments situation in order to cure unemployment. The risks taken need not be great if international financial backing was sought, which might well be forthcoming if measures were designed to support a programme of investment in the Commonwealth. This seemed a longer-term and, ultimately, more desirable method of tackling unemployment than that of stimulating domestic demand for consumer goods made in areas with a fair measure of full employment.

THE PRICE OF MONEY

MR. Reginald Murray has an article in the March number of *The Bankers Magazine* on "Money and Prices in India" which is a plea for the development and the extension of the joint stock banking system as one of the prime needs of Commercial India, for encouraging and distributing credit. "Whatever is the influence of money on prices or the reverse," says Mr. Murray, "money plays such an important part in the daily transactions of every person of every class, that it behoves all concerned, which is practically everyone, to encourage and promote institutions, which, by partially collecting and distributing money, become automatically the indicators of the general supply and demand." There can be no doubt whatever that the utterly disconnected relation of all the various money markets in India to each other, as witness (for example) in Calcutta, "the European money market centred by the Joint Stock Bank, the Burra Bazar market composed of Marwari financial firms, and the Hatkhola Market, represented by Bengali capitalists," is a terrible drag upon the wheels of commerce. The rates of interest charged on loans by the bankers in Burra Bazar and Hatkhola are, as Mr. Murray points out, "no reliable index of the value of money even for the time being." Individual supplies are necessarily soon exhausted, and the terms on which they are let out are dependent upon limited knowledge and application.

FROM

CAPITAL
2nd April, 1963

A Ditcher's Diary

WHEN A COLLEAGUE OF MINE WENT SOUTH LAST year, he took the opportunity of talking things over with some old ex-Congress leaders in the region. With the wisest and shrewdest of them he discussed, quite casually, Biju Patnaik and his famous room in the External Affairs Ministry. The entire talk was "off the record"; but recent political comment and Monday's exchanges in the Lok Sabha make me feel that I shall betray no confidences by giving an indication or two of the tenor of the discussion three months ago when some of the old man's observations seemed preposterous to my colleague. "Yes", the old man said, "Panditji thinks Biju could succeed him". But how could this moderately successful business man endear himself so to the Prime Minister? The answer was to the effect that Mr. Patnaik's success in the mid-term election must not be forgotten, and that was a much-needed shot in the arm for the Congress at the time. "And", the old man said without the slightest trace of rancour, "Jawaharlal Nehru has all his life worshipped only one thing and that is success, however achieved and whichever the field of human endeavour. He loved his father for being such a tremendous success at the Bar; he knew from the start that Gandhi was the man in politics who would deliver the goods". All this seemed rather hard on Mr. Nehru, my colleague told me at the time; on Tuesday morning he wasn't so sure. Political observers in New Delhi apparently believe that Mr. Patnaik succeeding Mr. Nehru may not be altogether a joke, although the expedition with which Mr. Patnaik felt obliged to disclaim any ambition even for the Defence Ministership is a pointer to the contrary. Be that as it may, Mr. Nehru has already said that Mr. Patnaik's visit to Washington has done a lot of good; we have also been told that in dealing with the brand new Kennedy Administration he tended to adopt techniques associated with the New Frontier. (Whether Mr. Kennedy will take it as a compliment is another matter.) What must be obvious is that, in some matters, Mr. Nehru still seems moving in one direction and the rest of his Government in another. I am not suggesting that the former must by definition be wrong.

OFFICIAL AWARDS, WHETHER FOR FILMS OR BOOKS, are soon reduced to a farce, except possibly for the lucky ones of the year who may take their prizes almost as seriously as the cheques accompanying them. They breed intrigue and ill-will; if they ever inspired a work of art I would like to hear of it. In New Delhi the main defects are not caprice and subjectivity; we all are subjective

and can easily be capricious. What informs New Delhi, when it comes to judge the year's films (first selected, mostly ineptly, by regional boards), is what I shall call a moral pigheadedness. Nothing else can explain the acclamation of such pictures as *Bhagini Nivedita* last year and *Dada-thakur* this year. Both, I understand, have noble themes; and that's what carried the day. I am all for nobility; my only regret is that I see so little of it in living men around me. (I don't think my Calcutta address has anything to do with it; I'm not at all sure that I would see more of it in New Delhi or Bombay.) Nor shall I, on this occasion, go into the continuing iniquity of paying the producer, who is in fact financier and no more, Rs. 20,000 and the director, who makes or mars a film, only Rs. 5,000. But, surely, when you are asked to select a film for an award, you look in it for its qualities as a film and not for any message it may or may not have. This elementary point is never, never remembered in New Delhi; and subtlety is something that never seems to appeal to our superior judges. It is good that Satyajit Ray's *Abhijan* has got a certificate; a better film it was than any made by anyone else in India. But the same Ray had made a beautiful film called *Kanchanjanga*; and this, I understand, didn't make the grade even to go to Delhi! (If anyone had the simple idea of asking Ray which film he would prefer to be judged by, I am sure he would have chosen *Kanchanjanga*. Which shouldn't be the last word; but his opinion was certainly worth having.) It's all explainable, however, in psycho-analytical terms. If identification is the source of my pleasure at seeing Gregory Peck opposite Ava Gardner, our film judges may be going through the same process when seeing the self-sacrificing Dadathakur. They can, at least, forget the water and electricity bills. Escapism again!

ON A VISIT TO INDIA A FEW WEEKS AGO, A BRITISH writer specialising in the problems of urban development said to me that, in the course of his fairly extensive travels, he had seen innumerable examples of badly-planned cities, but never a completely unplanned one. Not, that is, until he arrived in Calcutta. A six-day sojourn is apt to leave one with only the most superficial of impressions; but I thought he got fairly near the heart of the matter with the remark that the main trouble seemed to be the passion for spectacular schemes, with the result that not much attention was given to the many little things that could be cheaply done. The West Bengal Government's idea of re-examining the feasibility of the proposal for an underground railway is an

excellent example of the sort of thing I have in mind. This particular proposal is an old brain-child of Dr. Roy's, along with several others concerning monorails, circular railways, suburban townships, and what-have-you. If memory serves, it has been resurrected and buried with unfeeling regularity every three years. More than a decade has passed, and it is still being studied. I should have thought that, the transport shortage in Calcutta being as acute as it is, the time had at last come for a holiday from academic enquiry and disputation. It is not for me to say which form of transport could be developed cheaply and efficiently—buses, a circular railway or an underground. Personally, the thought of noisy trains crawling round Calcutta makes me shudder with horror; so does the suspicion that the vibrations they would cause would accelerate the collapse of a fair proportion of the ancient monuments in which Ditchers are privileged to live and work. The answer, I suggest, is to have more buses moving faster on better roads. The idea is not spectacular, and perhaps therein lies the rub; traffic experts too have to justify their existence in an age of passionate devotion to futile brain-waves.

HAVING ONCE CONGRATULATED ALL INDIA RADIO on making Dr. B. V. Keskar's election defeat the lead in its news bulletin on the relevant day, I suppose I shouldn't be unduly annoyed that for most of Friday and Saturday last week the most important news for A.I.R. was that some odd M.P.s had said one or two nice things about Indian broadcasting during the national emergency. By now we have got used to the idea that All India Radio will in the main be at the service of the Government for its propaganda; it seems a bit much still that A.I.R. should use itself for its own glorification, to which A.I.R.'s only valid defence could be: "If I don't beat my drum, there's no one else who will". And if the Press Information Bureau could once have, may still have, a Press Relations Officer—without anyone asking what the rest of the P.I.B. might be for—one shouldn't be too harsh on A.I.R. But when All India Radio and I joined in our rejoicing over Dr. Keskar's well-earned defeat, we did it, I do not mind confessing, on the utterly fallacious assumption that nothing, nobody could be worse. Forgetting the Ministry of Information and Broadcasting for the moment, this "nothing could be worse" attitude inspires some of the most desperate and hence dangerous movements; in Germany, many well-meaning fellows really had had enough of the Weimar Republic, and we know today the alternative they chose with what results for themselves and for the rest of the world. That's a much bigger subject, to which I may return another day. As for All India Radio, I don't think it has done as badly as it might have done—given the shifting twilight governing the Government of India's foreign policy in general and China policy in particular. Now, broadcasting

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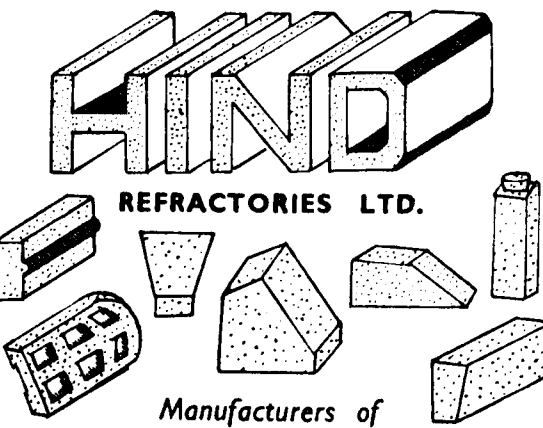
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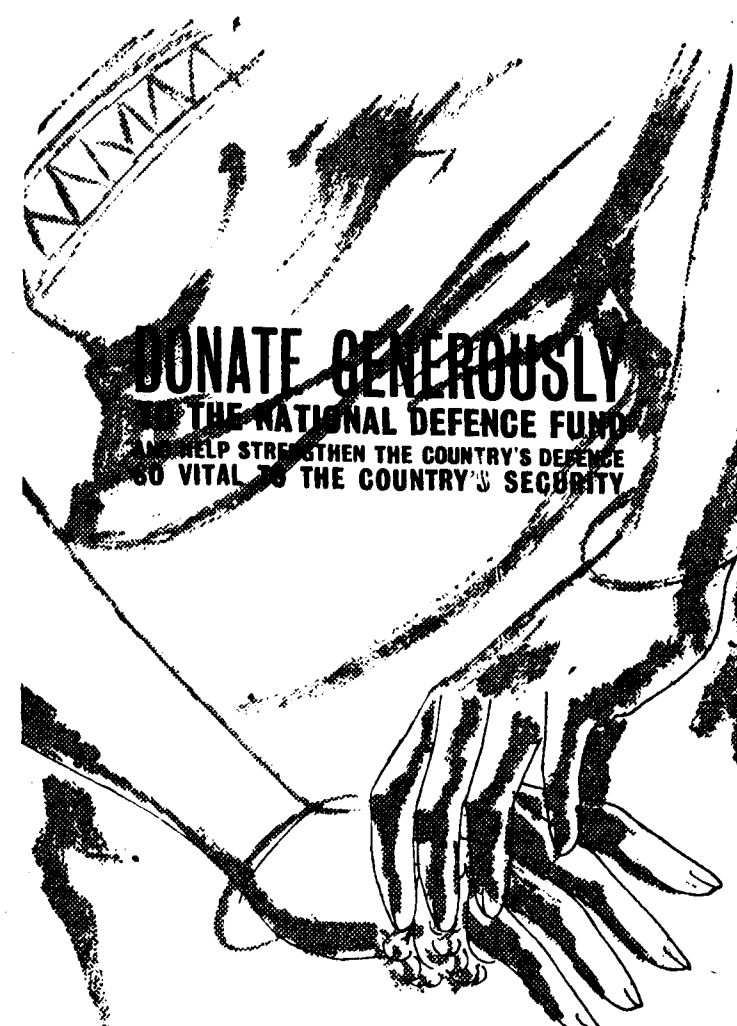
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is by and large a simple, straightforward and subtle medium. You say something or you don't. It would be quite impossible, perhaps also unwise to reduce India's China policy to such simple proportions; and no wonder All India Radio has been hectoring and harmless historical sciences by Mr. Panikkar (one of the architects of India's China policy, but how wise today!). It is altogether silly to expect A.I.R. to have a policy when its master, the Government of India has none. The listeners? The "Damn the classes" attitude ain't dead yet.

FEW MEMBERS OF THE BUSINESS COMMUNITY have commanded greater respect and influence in recent years than Sir John Brown, the distinguished chairman of Jardine Henderson who is leaving India on retirement later this year. J.D.K., as he is popularly known, came to India in 1937 on the staff of Lovelock Lewes; he became a partner of the firm nine years later, before moving to managing directorship. Jardine Henderson in 1949. In India, the transition from accountancy to industry has been a happy one; if it has been particularly so in Sir John's case, the credit is due primarily to his remarkable breadth of vision, combined with an astonishing memory for detail. These qualities have been seen not only in his work with Jardine Henderson, or within Assocham; his services to business and industry have ranged over a much wider field, through committees covering such complex problems as company law and reorganisation. Although his contribution has been unostentatious, those who have been in contact with him will testify that it has been distinguished not only by zeal and enthusiasm, but by a quality of insight and quiet logic which is perhaps rare. Sir John is known as a man of pronounced urbanity that he has gained and held the affectionate esteem of many who might have disagreed deeply with his opinions. Thoughtful, modest and charming, he and Lady Brown leave behind a large circle of friends and will be greatly missed.

SO THE FUTURE OF THE BRITISH GURKHA BRIGADE has been settled at last. And I am glad to say that it will not be as unpromising as some people had feared. There is a genuine affection for these fine soldiers in British military circles and there will be considerable satisfaction in the fact that, when complete, the run-down will leave the Brigade 10,000 strong. I have been interested in some of the views expressed during the recent British Parliamentary discussions about the Gurkhas' fate. It seems that good fantry men though they are, their rôle in a technically-orientated modern army is inevitably limited. Modern industrial communities do indeed have a certain general measure of technical insight and competence into those brought up in them, quite apart from individual aptitudes or later training. This is something the Gurkha soldier lacks, though I am sure that with suitable instruction he would make the grade. There are advantages, too, in using him for the kind of work which the professional peacetime British army is most likely to find itself doing outside Europe, namely, holding the ring in colonial disputes. So that leaves chiefly routine guard duties something which no proud, self-respecting soldier such as the Gurkha wants to find himself doing too much of. In view of these circumstances, therefore, the decision to reduce numbers should permit an improvement in quality, satisfy Britain's sentiments towards her loyal little friends, and incidentally help Nepal preserve an important element in her balance of payments. Besides, one can never predict when troops like the Gurkhas are urgently needed again; I have often wondered, for instance, why Britain appears never to have hit on the idea of training them exclusively for mountain warfare in her modern army. But perhaps that may come; there are plenty of changes going on in the British army at the moment. One of them, I see, is the abolition of battledress, after more than 24 years in fashion.

THE DITCHER

Guide for Investors

S.P.T.: COMPANIES DEFER RIGHTS ISSUES, CUT DIVIDENDS

(BY A SPECIAL CORRESPONDENT)

THE Calcutta stock market has lost its nerve, and no business has been transacted during the past few days. As the implications of the super profits tax are now understood more clearly, share prices have collapsed on a broad front. Since the umbrella of minimum prices has proved ineffective, the authorities have scrapped the minima for shares on the cash list in a desperate bid to restore normal conditions at lower prices. The minima for clearing shares have been maintained lest there be payment difficulties. But it has become nearly impossible to transact business, since buyers are difficult to locate even at discounted prices.

The market has not been able to stand up to the unfavourable corporate decisions taken during the past few days. Dunlop Rubber, for instance, has cut the dividend from 20 percent to 15 percent and Union Carbide from 18 percent to 12.5 percent. Although the cuts have been made on super profits tax considerations, operators wonder whether the companies have not acted hastily. Since strong representations have been made from all quarters pointing to the crippling effects of the impost, it is possible that the tax may be dropped or at least modified. There is no doubt that in its present form, the levy will damage the prospects for the private sector considerably. However, since the tax is yet to be put on the statute book, it would have been a better policy for companies to defer declaring dividends until the final form of the tax is known. Braithwaite and Company, for instance, has taken the right step by deferring its dividend. If Dunlop Rubber and Union Carbide felt that they should not keep their shareholders waiting for the dividends they could have paid an interim dividend. This would have left the door open for paying more later. Now that the final dividends have been declared, shareholders will suffer if the super profits tax is later modified. Whether they would be compensated in the latter eventuality, the shareholders would be greatly interested to know.

Hindustan Lever was perhaps the first leading company to show the adverse impact of the impost. It has already postponed its rights issue which was intended to finance the expansion programmes. Two companies in the Brady group have also cut their dividends. At a general meeting of Goodyear India Ltd., held in Calcutta last Friday, the shareholders have decided to defer the issue of 998,500 new ordinary rights shares of Rs. 10 each at a premium of Rs. 16 a share. The funds were intended to be used for financing the expansion of the tyre factory which has been set up in Ballabgarh. The expansion was estimated to cost Rs. 1.5 crores in machinery and in training personnel.

At the meeting, Mr. R. E. O. Carey, managing director, mentioned that in consultation with the associate company, the Goodyear Tyre and Rubber Company of the U.S.A., it has been decided to postpone the expansion programme in the light of the super profits tax. The impact of the impost has to be determined more fully after the Super Profits Tax Bill is passed. Hence it is desirable not to

proceed with the rights issue for the time being. But he hopes that the expansion plan will again be re-examined as soon as the proper time arrives. He has even hinted at the possibility of reopening the matter at the annual general meeting of the Company due to be held in June, provided the situation improves. Anyway, the licence to issue the rights shares will remain in force until February 1964.

The joint memorandum submitted by the eight recognised stock exchanges to the Central Finance Minister on the subject of super profits tax examines the position taken up by Mr. Desai in his Budget speech that an increase in the corporation tax is either not practicable, or may not bring in the required revenue of Rs. 25 crores, or would not secure an equitable distribution of the burden; and that the super profits tax would be more equitable because it would correlate the rate of tax with the percentage of profits by taking at 50 to 60 percent all "excessive" or "super" profits earned by a company exceeding a standard return of 6 percent on its paid-up capital plus taxed reserves. It is pointed out that *prima facie*, net profits above 6 percent cannot be said to be "excessive" or "super", when current bank borrowing rates are 7 percent to 8 percent and debenture and preference capital cannot be raised at less than 9 percent.

An examination of company balance sheets shows that even in the case of industries like iron and steel, cement and electricity where there is price regulation or statutory control, and in undertakings like banks and insurance companies which no one could charge with profiteering, some units make "excessive" or "super" profits and others do not. Therefore, what are called excessive or super profits are really differential profits.

Various Reserve Bank studies show that companies do not make excessive profits; and that even these moderate profits are not frittered away by distributing excessive dividends, but as much as 35 to 40 percent is conserved as reserves representing enforced savings on the part of shareholders for initiating, promoting and accelerating industrial growth, development and expansion.

SUPER PROFITS TAX LIABILITY OF SELECTED COMPANIES

The following is a statement showing approximate super profits tax liability of companies whose shares are included in the clearing list of the Calcutta Stock Exchange on the basis of last reported profits. The figures form part of the study of 523 companies made by the Calcutta Stock Exchange:

Company	Pre-tax profit	Tax	(In Lakhs of Rupees) CLEARED SECURITIES					Last dividend	Last transfer to reserve
			Taxed profit	Exempt profit	S.P.T. charged	Residual profit	S.P.T. charged		
Indian Iron	897	395	502	251	251	134	368	217	322
Orient Paper	133	65	68	40	28	15	53	48	20
Hind Motor	301	152	149	36	93	52	97	101	50
Indian Aluminium	164	53	111	44	67	38	73	62	50
Kesoram	87	36	51	26	25	14	35	39	31
Orissa Cement	112	44	68	20	48	28	40	36	31
Texmaco	52	20	32	11	6	26	26	6	—
Shree Gopal Paper	53	23	30	16	14	10	20	29	—
Indian Cable	137	69	68	30	38	21	47	56	18
Guest Keen, Williams	104	30	74	60	14	7	67	56	27
Burrakur Coal	35	21	14	15	—	—	14	14	—
Birla Jute	97	42	55	33	22	12	43	33	22
Dunlop Rubber	286	141	145	57	88	49	96	94	70
Indian Copper	123	67	56	28	28	15	41	49	13
J. K. Rayon	25	—	25	12	13	7	18	17	8
Rohtas Industries	46	—	46	50	—	—	50	47	3
Jaipur Udyog	63	—	63	22	41	22	41	23	33
Total								433.00	

This is confirmed by an examination of balance-sheets of individual companies. There is no yardstick in the nature of a standard return on capital with which to measure profits for either industry as a whole, or from industry to industry, or between one company and another in the same industry. It is, therefore, a fallacy to assume that all differential profits earned by a company in excess of 6 percent of its paid-up capital plus taxed reserves are "excessive" or "super" profits.

A super profits tax which taxes companies' net profits between 6 percent and 10 percent of their paid-up capital plus taxed reserves at the rate of 50 percent, and net profits above 10 percent at the rate of 60 percent, is *prima facie* confiscatory; and it will inculcably increase the maldistribution of the tax burden because, as observed by the Income-tax Investigation Commission (1949), "public companies generally attract a large number of middle class shareholders and many of them would be seriously prejudiced if the companies are subjected to super-tax at a progressively increasing rate". The investing public will also be hard hit by the adverse effects of the super profit tax on the stock market. Since the super profits tax will materially reduce the profit-earning and dividend-paying capacity of different companies, the structure of stock exchange prices will be distorted, and the continued and unequal fall in prices, differing from industry to industry and company to company, is likely to deepen the present depression.

To mitigate the defects, the proposed tax should at least be modified to provide for the following:

- Capital employed should include all shareholders' free reserves (e.g., development reserve) as well as

COAL SHARES DOWN

(BY A SPECIAL CORRESPONDENT)

AN increase of almost 6 million tonnes, or 12 percent, in the private sector's coal production in the course of one year is a remarkable achievement, as Mr. K. D. Malaviya,

debenture and long-term loan capital and bank borrowings.

- Standard return on capital employed should be increased from 6 percent to 10 percent with power to prescribe a higher percentage where necessary.
- Option should be given to companies to calculate standard deduction either with reference to a percentage return on capital employed, or in comparison with "normal profits" earned in a base-period, say, the last year or the average of the last two or three years.
- Profit chargeable to super profits tax should be reduced by preference dividend in excess of the amount of dividend calculated at the standard rate of return on capital employed.
- The super profits tax rates should be substantially reduced to less than 20 percent to 25 percent.
- Provision should be made for carry-forward and carry-backward of losses and deficiency of profits and for set-off and grant of refund.
- Exemption should be given to industries where there is price regulation or statutory control, and also to special industries like banking.
- Exemption should also be given to companies "in which the public are substantially interested" within the meaning of Section 2(18) of the Income-tax Act, failing which, as recommended by the Income-tax Investigation Commission (1949), provision should be made for refund or credit of super profits tax to shareholders of such companies.
- Tax holiday should be given to all new companies.

The customary form of taxation for companies is the corporation tax, and therefore, instead of levying a super profits tax, it would be from all points of view more practicable, desirable and equitable to levy a temporary surcharge of 10 percent to 12½ percent on the corporation tax, raising the effective rate of corporation tax to 55 to 56½ percent for the duration of the emergency.

Central Minister for Mines and Fuel, has acknowledged. Normally, it should have cheered coal investors, but the bullish influence of an upswing in production has been completely neutralised by the shadow cast over the stock markets by the super profits tax. Calculations made by the Calcutta Stock Exchange show that a group of 12 coal shares have shed something like Rs. 1.04 crores in value since the Budget was presented. Among the leading equities Bengal Coal is down from Rs. 299 to Rs. 265, Central India from Rs. 10.25 to Rs. 8.75 and Burrakur from Rs. 15.75 to Rs. 14.87.

This decline in coal shares reflects in part the generally depressed market sentiment, but there are also some special handicaps impinging upon this industry which make future prospects particularly bleak. The industry's expansion programme, requiring an outlay of something like Rs. 60 crores over the third plan period, assumed that a part of the resources would be available from the reinvestment of profits. But if profits are diverted to the Exchequer by the new levy, the gap already existing between resources in sight

and the total requirements for expansion programmes will be further widened.

Even before the Budget, 46 applications for a total value of Rs. 6 crores had been made for Government assistance in procuring rupee finances on the basis of the Reserve Bank guaranteeing loans made by commercial banks to the extent of 65 percent. With less money available from plough-back, the requirements will now go up, and some producers may find the situation too discouraging to proceed with expansion at all. Any prudent company must satisfy itself about its ability to repay loans before it actually undertakes to borrow. The effect of the super profits tax on the ability to redeem corporate debts is obvious. But in the case of coal companies, with their narrow capital base—because fresh investment has been difficult to attract for many years—the incidence will be especially harsh. Yet if companies fail to expand, they may well find their profitability squeezed by cost inflation on the one hand, and by New Delhi's obdurate refusal on the other to allow coal prices to rise to an economic level. In sum, the outlook for the industry, whichever way one looks at it, must cause considerable concern to the investor.

While congratulations for the record output, conveyed by the Minister in the message he sent to the Indian Mining Association last week, are entirely in order, investors feel that some indication of future policies would have been more to the point. No doubt, the Minister's missive mentioned that the Government would endeavour to create a climate in which private producers could fully play their part, but such pious expressions of goodwill are no substitute for policy decisions. Sympathetic noises are made from time to time to give the impression that New Delhi will not let political inhibitions stand in the way of doing the right thing by the private companies, but little actually gets done.

During the current financial year, the ad hoc increases in coal prices fell far short of requirements, although the Government had accepted the view that the effect of the heavy investment required to meet third plan targets should be specifically allowed for. In fact, the assurance had been expressly given that "necessary adjustments" would be made in the price structure to ensure "an adequate return" on the capital employed in the industry. But even before returns are calculated, the increases in production costs need first to be neutralised. Investors are worried that, here again, the gap between precept and practice continues. In the case of stowing subsidies, the principle that actual costs should be fully neutralised stands enshrined in the recommendation of the Coal Prices Revision Committee. But as Mr. P. Prashad has pointed out in his address to the Indian Mining Association, literal interpretation of procedures whittles down the benefits, and something like Rs. 1.50 a ton of costs is left uncompensated.

The new scheme of subsidies introduced last August tends to discriminate against those producers who have made heavy capital investment on aerial ropeways or belt conveyors, while compensating far more adequately units which are taking to stowing only now, employing trucks and trailers. Again, subsidies paid for difficult mining conditions fail to cover costs, which specially handicaps the private sector because it is confined largely to vertical expansion. As Mr. Prashad says, coal companies fully accept the need to get at the coal lying in deep seams but progress is held back by uncompensated costs. Yet there is no alternative to vertical expansion if the proportion of better grades in the total raisings is to be

improved. Had the collieries been allowed to spread the cost by combining horizontal expansion with vertical, the disability may not have been so crippling. As matters now stand, a producer is not permitted to extend his operations to new or contiguous areas unless his reserves amount to less than ten years' raisings. This overlooks the fact that he cannot always keep out of the red under the present price structure if his workings are confined largely to the deep seams.

The Government's response to these difficulties leaves the impression that, although the idea of a mixed economy is accepted in theory, there is a reluctance to accept the corresponding obligations. In a planned economy, and especially in the case of coal where production, distribution, movement and prices are all subject to official controls, private initiative has precious little elbow-room left to it. Producers' fortunes must, therefore, depend to a large extent on New Delhi's policies in which positive encouragement to growth is the element most conspicuously missing. It is futile to argue, as some foreign observers suggest from time to time, that the private sector should forge ahead through its own enterprise without depending on official assistance. This is hardly possible when the scope for enterprise is limited in every direction, and even financing must, in part at least, be arranged by the Government because of the disabilities imposed by past pricing policies.

In the context of prices, the Government's oft-expressed concern over the inflationary effect of a rise in the cost of coal is no doubt legitimate, but closer enquiry suggests that the burden of holding the price line should be shared more widely. Investors point out that, while denying coal producers their legitimate claims, the Government does not appear to be worried about the increase in the delivered cost of coal arising from the successive rises in railway freights. Nor do its policies concerning industrial location pay much heed to considerations of transport costs, as is evident from the steadily lengthening lead of coal traffic.

Because coal prices fail to reflect the real value of fuel, efficiency in its use is at a discount and wasteful utilisation is often sought to be offset by employing better qualities than really necessary. Mr. Prashad has drawn attention to the need for improved efficiency in the use of coal in the context of its pricing. Not only are the two issues inter-related, as has been brought out in the report made to the Government by the Colombo Plan team of experts; it is also valid to suggest that any increase in fuel costs from the revision of selling prices can be largely absorbed by improved burning efficiency. The quest for efficiency need not entail any great capital outlay, savings of at least 10 percent being possible in most cases by inexpensive measures.

In any discussion of the coal industry's prospects at the present juncture, investors can hardly overlook the possibility that stocks may pile up at pitheads in the absence of demand. There are persistent reports of cancellation of orders by consumers, and already some relaxation of grade entitlements has had to be made to forestall a glut. The basic point here is that the rise in industrial production since the end of the second plan has fallen short of estimates. The rise was no more than 6.8 percent in 1961-62, and about 8 percent in the first nine months of 1962-63, compared with an average increase of 14 percent a year assumed in the third plan. The outlook for the future, already clouded by the uncertainties of foreign exchange, has not been improved by the latest Budget proposals which must, unless

substantially modified, have the effect of restraining new investment.

Mr. Malaviya has at times talked as if he is himself uncertain whether 97 million tons of coal will really be required by 1965-66. For him, as far as the public sector operations in coal are concerned, the problem is largely academic, because N.C.D.C.'s performance so far does not indicate that it will be in a position to fulfil the task allotted to it. But in the case of private producers who stand almost at the half-way mark in their progress towards the 60 million-ton target set for them, this must cause anxiety. Every ton of coal lying unsold at pitheads increases their working capital liabilities, apart from all the risks of deterioration and loss in storage. Their capacity to weather adverse developments is strictly limited by the already low level of profitability.

Bangalore Stock Exchange Opened

THE Bangalore Stock Exchange is the eighth stock market to be recognised by the Central Government under the Securities Contracts (Regulation) Act, 1956. At the inaugural ceremony in Bangalore on Sunday, the president of the Exchange, Mr. M. L. Gopala Setty, said that several companies had already indicated their desire to get their shares listed on the Exchange. The president has requested other companies registered in Mysore State as well as those registered outside Mysore, but having shareholders in the State, to get their shares listed on the Exchange. The stock markets, he said, should help in ensuring distribution of shares among small investors and thus strengthen the democratic base of industrial development. Statistics show that the number of small shareholders in companies has been increasing gradually in recent years. Most of these investors come from the middle class, men in the professions, business executives, pensioners, etcetera. This is a healthy sign paying the way for industrial democracy.

Mr. Setty said that the Reserve Bank of India which restricted bank advances on shares, when the prices of the latter were rising steadily, should now reverse its policy. Bank advances on shares should vary proportionately according to the fluctuation of share values. The banks, Mr. Setty said, should be directed to take 30 percent margin in a depressed market and gradually increase it to 50 percent if there is a boom. The policy followed by the Federal Reserve Board in the U.S.A. in going to the rescue of the market when it passes through a slump and tightening the margin in times of a boom should be followed in this country.

The Central Budget proposes to impose a heavy burden of direct and indirect taxes. The three-fold way of encouraging economic expansion, Mr. Setty says, is to enable the existing industries to expand and modernise, to encourage the formation of new companies and to provide attractive incentives for foreign capital. But the irony is that the super profits tax will destroy all these possibilities and block the way for future industrial progress. A 6-percent base is given for calculating the super profits tax, but it is well known that companies borrow from banks and other institutions at 8 percent to 9 percent interest and raise preference share capital at 8 percent to 10 percent. The concept of the super profits tax is itself a misnomer, since very few companies have so far made super profits. The tax will hit the growth shares most. Investors who bought these shares at high prices in the past will get insufficient rewards for making wise investments. The tax will make it impossible for new companies

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to pay reasonable returns to shareholders even if the latter wait for four or five years. The companies will be unable to build up reserves, so capital formation will be retarded. There is already a slowing down of fresh applications for industrial licences and for capital issues in recent months. A sum of Rs. 20 crores expected from the tax, the president said, will be a small compensation for the harm that will be caused to the country's industrial growth.

Prospects for Alkali and Chemical

IN his chairman's address at the annual general meeting of Alkali and Chemical Corporation of India Ltd in Calcutta last week, Mr. A. R. Foster saw that it is difficult to forecast the trend in view of the emergency and the effect it will have on the costs and profits after tax. The super profits tax will have a heavy impact on all industries. As for expansion, the chairman points out that the existing units have been producing more and new lines of manufacture have been adopted. The rubber chemicals plant has been completed and will start producing soon. The paints factory has been licensed to increase its production capacity by 50 percent. The company has obtained a licence for setting up a modern resin plant.

The construction of the intermediate density polythene plant has made progress and is expected to start production before the end of the current year. As for the decline in profits in 1962 Mr. Foster hopes that the trend will change for the better in due course. In spite of bigger sales in 1962, the profit has been held down by increased competition in polythene. The paints factory could not make sufficient profits as the prices of various raw materials and wages have risen. The prices of caustic soda, liquid chlorine and hydrochloric acid have been fixed by the Government below production costs.

Jay Shree Textiles Maintains

JAY Shree Textiles Ltd has maintained the taxable ordinary dividend at 10 percent on the increased capital for the year ended December 1962. It offers a yield of 7.8 percent at the present price of Rs. 12.81 a share of Rs. 10 each. The trading profit has risen from Rs. 33.17 lakhs in 1961 to Rs. 43.10 lakhs in 1962. Depreciation absorbs Rs. 8.11 lakhs (against Rs. 3.19 lakhs), taxation Rs. 16.55 lakhs (against Rs. 11.95 lakhs) and development rebate reserve Rs. 8.60 lakhs (against Rs. 49.952). A sum of Rs. 1.25 lakhs has been allocated to general reserve. The carry-forward amounts to Rs. 12,038, against Rs. 87,266 brought in. Sales rose from Rs. 1.73 crores to Rs. 2.20 crores.

The cotton spinning unit in Risra in West Bengal has started producing. The mill has 15,200 spindles. The Company has received a licence to set up a cotton spinning unit in Midnapore, West Bengal, with 12,000 spindles. It has also received a licence to build a factory for producing malleable castings and steel fabrications in West Bengal. A licence for building an H.T. and L.T. insulators plant has been obtained. The Company has taken steps to get the necessary equipment.

Union Carbide Cuts Dividend

UNION Carbide Ltd has cut the taxable ordinary dividend from 18 percent for 1961 to 12.5 percent

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including a final of 5 percent, for the year ended 25th December, 1962. At the present price of Rs. 29 a share of Rs. 10 each, the yield works out to only 4.3 percent. Gross sales were Rs. 12.26 crores, against Rs. 9.50 crores. Profits before tax and after development rebate have amounted to Rs. 1.86 crores, against Rs. 83.21 lakhs. The higher profit has largely been due to the substantial increase in sales and a lower development rebate of Rs. 7.80 lakhs (against Rs. 65.50 lakhs). Taxation absorbs Rs. 1.29 crores (against Rs. 21.78 lakhs), a provision for Rs. 35.85 lakhs having been made for the super profits tax.

Dry batteries, flash-lights and zinc products of the Company have met with a steadily increased demand. Sales of chemicals and plastic products have been higher following the first year's full working of the chemicals and plastic plant in Trombay. Capital expenditure amounted to Rs. 33.81 lakhs for providing improved facilities and higher capacities at the chemicals plant and zinc rolling mills. Depreciation rose to Rs. 56.39 lakhs from Rs. 34.94 lakhs in view of the new factory capacities brought into production.

Deposits of United Bank Rise

COMMENTING on the growth of deposits in 1962 in his chairman's address at the annual general meeting of the United Bank of India Ltd in Calcutta last Monday, Dr. N. N. Law makes (a full text has been printed on a later page in this issue of Capital) some interesting observations on banking trends. The impact of the proposed super profits tax on the corporate sector will be considerable. In view of the special position that banks occupy in the economy and considering that they have been asked to plough back sufficient funds into the business, a fair portion of the bank profits, after tax, should be exempt from the impost.

As for the compulsory deposit scheme, it is possible that funds will be diverted from banks, so deposits may decline. Considering that the demand for money has been running ahead of banking resources, it is essential that steps be taken to reinforce banking funds. The Government should, therefore, use commercial banks for keeping its funds. Dr. Law thinks that in a regulated and closed economy, the deposit interest rate by itself does not act as a stimulant to deposit growth, so it is in the interest of banks to hold down the interest rate. Whenever this interest has been increased, there has also been more than a corresponding rise in lending rates. The chairman, therefore, thinks that the more desirable move will be to increase the differential between the deposit interest rates and lending rates in order to ensure a bigger profitability for banks.

As for standardising the service charges of banks, Dr. Law thinks that it is more or less a necessary component of the interbank agreement on deposit and lending rates. But a large section of banking circles is inclined to think that flexibility in service charges is essential to promote healthy competition among banks. It is relevant to point out here that the greatest weakness of Indian banks is that its services are poor. Unless there is competition in relation to service charges, any substantial improvement is unlikely in the near-term. The chairman has approved of the emergency risk insurance scheme since it has imparted security to various properties.

Commenting on the reference to establishing an investment trust in

the Budget speech of the Central Finance Minister, Dr. Law agrees that it is a good idea for mobilising savings. But the question is whether this trust can be operated efficiently by the public sector. Since the bureaucratic machinery is not suited to providing the necessary expertise for running an investment trust, it should be left to the private sector to develop it. But for this, substantial tax concessions have to be offered.

Bank of Baroda Earns Less

THE Bank of Baroda Ltd has declared a final taxable ordinary dividend of 8 percent for the year ended December 1962, making 16 percent for the year, including the interim of 8 percent paid earlier. Pro rata dividends have also been declared on the new shares recently subscribed. The profit has amounted to Rs. 63.19 lakhs, against Rs. 67.63 lakhs in 1961. Reserve fund is allocated Rs. 12.75 lakhs (against Rs. 20 lakhs) and bonus to staff Rs. 22 lakhs (against Rs. 20.20 lakhs). The carry-forward is Rs. 4.17 lakhs, against Rs. 3.03 lakhs brought in. Deposits rose from Rs. 95.46 crores to Rs. 113.96 crores.

Cash rose from Rs. 8.20 crores to Rs. 10.78 crores. Investments increased from Rs. 24.90 crores to Rs. 26.09 crores, and advances from Rs. 70.37 crores to Rs. 84.79 crores. The banking business of the Surat Banking Corporation Private Ltd has been taken over by the Bank of Baroda.

More from National Rubber Manufacturers

THE National Rubber Manufacturers Ltd has increased the taxable ordinary dividend from 6.5 percent for 1961 to 8 percent for the year ended December 1962. It is covered more than twice and works out to a yield of 6.9 percent at the present price of Rs. 11.62 a share of Rs. 10 each. The profit has improved from Rs. 6.87 lakhs for 1961 to Rs. 11.41 lakhs for 1962, after increasing the depreciation from Rs. 6.93 lakhs to Rs. 7.58 lakhs. Sales rose from Rs. 2.70 crores to Rs. 3.52 crores. Out of the profit, development rebate reserve absorbs Rs. 46.307 (against Rs. 1.72 lakhs), dividend equalisation reserve Rs. 1 lakh (against the same) and taxation Rs. 5 lakhs. The carry-forward is Rs. 75,633, against Rs. 58,466 brought in.

The satisfactory results have largely been due to the good effects of the expansion programmes. The installed capacity for cycle tyres, industrial V belts and fan-belts has been more than fully used. The need for further expansion has been felt. A new licence for extending the capacity for fan-belts and V-belts has already been received. The directors point to the improvement in the margin of net profits in relation to sales. The General Tyres Ltd, of which National Rubber Manufacturers are the managing agents, has made satisfactory progress and the new factory may start production soon.

Bank of Tokyo Earns Less

THE Bank of Tokyo Ltd has made a profit of Rs. 6.04 lakhs during the year ended December 1962, compared with Rs. 6.68 lakhs in 1961. Interest paid on deposits declined from Rs. 48.70 lakhs to Rs. 46.63 lakhs while interest and discounts earned increased from Rs. 63.18 lakhs to

Rs. 77.73 lakhs. Deposits were Rs. 3.74 crores, against Rs. 3.91 crores. Cash was shown at Rs. 63.96 lakhs, against Rs. 93.31 lakhs. Investments increased from Rs. 1.17 crores to Rs. 1.33 crores and advances from Rs. 9.14 crores to Rs. 11.68 crores.

Hongkong and Shanghai Bank Results

THE Indian branches of the Hongkong and Shanghai Banking Corporation has earned a profit of Rs. 9.63 lakhs for the year ended December 1962, compared with Rs. 14.68 lakhs for 1961. Interest paid on deposits rose from Rs. 30.57 lakhs to Rs. 33.99 lakhs, while interest and discounts earned improved from Rs. 59.77 lakhs to Rs. 72.96 lakhs. Deposits increased from Rs. 8.24 crores to Rs. 9.06 crores. Cash rose from Rs. 45.39 lakhs to Rs. 1.34 crores. Investments stood at Rs. 7.52 crores, against Rs. 1.51 crores. Advances rose from Rs. 9.99 crores to Rs. 11.32 crores.

Outlook for Indian Tack and Nail

IN their report for the year ended December 1962, the directors of the Indian Tack and Nail Co. Ltd point out that the factory in Konnagar, near Calcutta, has been completed. The production of shoe tacks and nails began in October 1962. They are confident that full production will be achieved during the current year if the supply of new materials and power is adequate. For the time being, there has been a serious delay in procuring steel sheets and wire. There has been a loss of Rs. 3.19 lakhs, as the factory could work only for a short period. Hence a total loss of Rs. 4.20 lakhs has been carried forward. The dividend has been passed.

Prospects for Fit Tight Nuts

THAT the Rs. 100-paid share of Fit Tight Nuts should be quoted around Rs. 167 in spite of the severe slump in the investment market is an indication of investors' faith in the Company's future, and this optimism is not unjustified. In his speech at the shareholders' recent annual meeting, the chairman of the Company, Mr. Laldas Jannadas, has held out the prospect of a handsome maiden dividend next year. The first expansion programme has been carried out more or less according to schedule.

The new items of the Company's products have been well received by the customers. The order books are full for the whole year. The national emergency has created further demand for fastenings and to meet this, the Company has submitted a second scheme of expansion to the Government. The chairman informed the shareholders that the Company will not have to pay any super profits tax for the past financial year and that for the current financial year, it will have to provide large sums for depreciation and development rebate on new machinery commissioned after September 1962 before it becomes liable to pay super profits tax.

Dhanalakshmi Mills Repeats

THE working of the Dhanalakshmi Mills Ltd for the year ended De-

cember 1962, shows a profit of Rs. 21.57 lakhs, after meeting all expenses and providing Rs. 7.39 lakhs for depreciation. The previous year's profit was Rs. 22.49 lakhs which was arrived at after providing Rs. 8.40 lakhs for depreciation. With Rs. 487 brought forward and Rs. 2.50 lakhs transferred from machinery replacement reserve, the total available for appropriation amounts to Rs. 24.07 lakhs. Income tax paid for 1959 amounted to Rs. 40.548 and sales tax for previous years to Rs. 60.400. Development rebate reserve gets Rs. 92,000 (against Rs. 1.18 lakhs) and provision for taxation Rs. 9.25 lakhs (against Rs. 8.50 lakhs). The directors have recommended a dividend of 17½ percent (the same), absorbing Rs. 8.51 lakhs. The balance of Rs. 2.447 is carried forward. Sales of finished goods rose to Rs. 1.73 crores from Rs. 1.61 crores.

Brady Group Revises Dividends

THE boards of directors of the three Companies belonging to the Brady group—Brady Engineering Company, G. Claridge and Company and Commerce (1935) Ltd—which had decided to reconsider the accounts and the dividends for 1962 in the light of the Budget proposals, have now announced their revised decisions about the dividends. Brady Engineering has maintained the dividend, including the bonus, at Rs. 9 a share. But the dividend of the other two Companies has been reduced. The dividend for G. Claridge and Company has been cut from 30 percent to 15 percent and that for Commerce from 27½ percent to 17½ percent. It may be recalled that the directors of G. Claridge had earlier announced a dividend of 20 percent, and Commerce had decided to maintain the dividend at 27½ percent.

Kil Kotagiri Tea Repeats

AN impressive rise in the profit and a record tea crop feature the working results of Kil Kotagiri Tea and Coffee Estates Ltd for the year ended October 1962. Considering that no provisions have been made for increased taxes on account of the Super Profits Tax Bill and the Finance Bill for 1963, the directors have recommended a final dividend of 17 percent for the year, making a total of 25 percent (the same). After deducting all charges and expenses but before providing for taxation, the profit for the year amounts to Rs. 10.45 lakhs, compared with Rs. 5.89 crores for the previous year.

After deducting Rs. 4.85 lakhs (against Rs. 2.65 crores) being the provision for taxation, the net profit amounts to Rs. 5.60 lakhs. With Rs. 10,852 brought forward, the total available for appropriation is Rs. 5.71 lakhs. Out of this, development rebate reserve gets Rs. 138 (against Rs. 3,125). A sum of Rs. 50,000 (against nil) is transferred to general reserve. The dividend at 7 percent on preference shares accounts for Rs. 17,500. The interim dividend at 8 percent paid on ordinary shares absorbed Rs. 1.37 lakhs. The proposed final dividend of 17 percent on ordinary shares will absorb Rs. 2.32 lakhs. The balance of Rs. 73,949 is carried forward. General reserve in the balance-sheet stands at Rs. 6.90 lakhs and dividend equalisation reserve at Rs. 2 lakhs.

The tea crop for the year amounted to 515,350 kilograms (against 446,673 kilograms). The all-in-cost

of production was lower at Rs. 3.49 a kilogram, against Rs. 3.60 a kilogram. The average price realised was higher at Rs. 5.35 a kilogram, against Rs. 5.17 a kilogram. The coffee crop amounted to 121,819 tonnes (against 37,379 tonnes). The estate cost of production amounted to Rs. 2,185 a tonne, against Rs. 5,607 a tonne. The Company has valued the coffee crop at Rs. 2.25 a pool point. On the basis of this valuation, the Company's coffee production has resulted in a profit of Rs. 44,361, compared with a loss of Rs. 1.67 lakhs in the last season. The estimated tea crop for 1963 is placed at 480,000 kilograms. The coffee crop is estimated at 80 tonnes.

The directors state that the prospects for the 1963-64 coffee crop are good. Given reasonable weather conditions, the directors hope to harvest a crop of about 150 tonnes. The report says that there are many imponderables which make it difficult to pass an opinion on the prospects for the current year. The final recommendations of the wage boards constituted in 1961 to investigate wages on estates, are still awaited. The estates are also faced with additional taxation and increased expenditure due to the national emergency. Mr. J. N. A. Hobbs, chairman, assures shareholders that the Company will do its best to overcome the difficulties, and if these are not too great, the Company can look to the future with reasonable confidence.

Madras Rubber to Expand

THE accounting year of Madras Rubber Factory Ltd has been changed to October-September from January-December. The directors have, therefore, submitted their report and audited accounts for the period ended September 1962. After meeting all expenses and providing Rs. 2.26 lakhs for depreciation, the Company's working shows a net profit of Rs. 13.20 lakhs. This compares with the previous year's net profit of Rs. 18.30 lakhs, after providing Rs. 4.58 lakhs for depreciation. The previous year covered the period from 16th November, 1960 to 31st December, 1961. With Rs. 4.56 lakhs brought forward and with Rs. 34,005 being the excess provision for dividends written back, the total available for appropriation is Rs. 18.09 lakhs. Out of this, Rs. 10.45 lakhs (against Rs. 14,294) is transferred to reserve for development rebate. No provision for taxation has been made as the year's income of the Company is not liable to income tax. Provision for taxation in the previous year was Rs. 9 lakhs. The directors have recommended a dividend of 45p a share, subject to tax, for the period of nine months. This dividend accounts for Rs. 5.63 lakhs. The balance of Rs. 2.02 lakhs is carried forward.

The directors state that the profit of Rs. 13.20 lakhs has been earned exclusively from the tread rubber division during a period of nine months. In spite of a considerable increase in expenditure, the average net profit has been maintained at the previous year's level. The dividend of 45p a share on the entire capital for a period of nine months is also 6 percent, the same as last year. The report says that the main plant for the production of tyres and tubes was commissioned on 4th December, 1962. The directors are confident that full production will be attained before long. The Government has sanctioned substantial expansion of the Company's factory by increasing the licensed capacity by 60,000 tyres and tubes a year, thus increasing the total licensed capacity to 360,000

tyres and 360,000 tubes a year. The second Banbury mill will shortly arrive in the factory. The directors feel that the factory is capable of carrying out any additional expansion which the Government of India may sanction in the future.

Pabbojan, Dekhari, Eastern Assam Merger Move

THREE leading tea Companies with net assets of £5,510,000, are to put merger proposals to their shareholders. They are Pabbojan, Dekhari, and Eastern Assam, and are all associated with the James Warren agency group. A new Company, Warren Tea Holdings, has been formed as a vehicle for the merger. Share-exchange terms proposed are in accordance with the advice given by Baring Brothers at the request of the three boards. Warren Tea Holdings will have an authorised equity capital of £2 million in £1 ordinary shares, of which 1,900,977 shares will be issued if the offers are fully implemented.

Terms for the merger are the exchange of nine "Warren" for every seven Pabbojan, four "Warren" for every three Dekhari and 11 "Warren" for every ten Eastern Assam. Because of the fluctuations in profits from company to company and year to year, adjusted averages have been used in arriving at an equitable basis. The real question is the market valuation of the shares of Warren Tea Holdings. Coupled with dividend forecasts and trading reports for the three Companies, the offer document says that the combined distribution should justify maintenance of tax-free distributions equal to 12½ percent from Eastern Assam, 14 percent from Pabbojan and 14½ percent from Dekhari. This indicates a dividend basis of about 11½ percent, tax free, for "Warren."

Oriental Metal Industries to Expand

THE Oriental Metal Industries Private Ltd has received an industrial licence for expanding its vitreous enamel division. The full capacity, after expansion, will be 3.6 million pieces of enamelware a year. The Company is already exporting hurricane lanterns to the Middle East and Africa. It proposes to export enamelware after the expansion programme is completed. Oriental Metal Industries is at present manufacturing the "Khas Janata kerosene cooker", "Khas Janata medium", "Khas Janata junior" and "Dipti kerosene stove".

Borrowing Plans of Mukand Iron

AN extraordinary general meeting of the shareholders of Mukand Iron and Steel works Ltd has been convened on 20th April to authorise the board of directors to raise funds through borrowings for meeting the cost of expansion and modernisation of its works. The Company's steel foundry in Kurla is being expanded and modernised at a cost of Rs. 2.10 crores, which will raise its annual output from the present 7,200 tonnes to 12,000 tonnes. The Kalwa (Thana) project of the Company is estimated to cost Rs. 4.70 crores, of which Rs. 3.70 crores will be for fixed capital and Rs. 1 crore for working capital. The foreign exchange component of the project amounting to Rs. 1.60 crores, it is proposed, will be met through loans from the I.C.I.C.I. and the Commonwealth Development Finance Company of the

U.K. Under the scheme, a wire rod plant will be set up in Kalwa to meet the rising demand from wire-drawing units and, in addition, the Company will install a 20-tonne electric arc furnace to produce billets from steel scrap. The Company proposes to borrow £600,000 from the C.D.F.C. of the U.K., \$1,680,000 from the I.C.I.C.I., Rs. 88 lakhs from the Industrial Finance Corporation and a sum not exceeding Rs. 1 crore from its bankers. The Company's borrowings may thus well exceed the aggregate of its paid-up capital and free reserves which amounted to a little over Rs. 1.60 crores on 31st January, 1963.

Share Offer by Facit Asia

FACIT Asia Limited, which proposes to set up in collaboration with A. B. Atvidabergs Industrier of Sweden a factory in Perungudi, near Madras, for the manufacture of calculators and adding machines, is offering 7,350 equity shares of Rs. 100 each at par for public subscription. The sanctioned capacity of the plant is 5,100 units in each of the models—calculating machines and adding machines. This is claimed to be the first plant of its type in Asia.

The Government of India has permitted Facit India to assemble and manufacture calculating and adding machines. It is estimated that after five years of the working of the plant, the indigenous content of calculators and adding machines will be around 85 percent. The Swedish firm, which is collaborating in the venture, will provide the technical know-how and assist in the establishment of the factory. The collaboration agreement provides for the export of these machines to the neighbouring countries in the East.

The Company has an authorised capital of Rs. 1 crore, all in equity shares of Rs. 100 each. The issued capital will be Rs. 30 lakhs, of which shares of the value of Rs. 7.65 lakhs have been allotted to the signatories to the memorandum, directors and their friends and shares of the face value of Rs. 15 lakhs have been reserved for allotment to the foreign collaborators in consideration of part payment of the price of machinery which they have agreed to supply. The balance of 7,350 equity shares will be offered for public subscription. The board of directors includes Mr. Gunnar Ericsson, Mr. Gordon Frederick Muirhead, Mr. Sundaram Iyer Rajam, Mr. Lenart Schussler, Mr. R. Natarajan, Mr. Girin Khandwala, Mr. T. D. Chatterjee, Mr. M. R. Pratap and Akbar Hydari.

Prospects for Madura Mills

ADDRESSING the annual general meeting of the Madura Mills Co. Ltd, held in Madurai last week, Dr. Rajah Sir M. A. Muthiah Chettiar, chairman, takes an optimistic view of the outlook during the current year. (A full text is printed on a later page in this issue of Capital.) An important factor contributing to the smaller profit in 1962 was the unprosperous price fixed for yarn. Yarn prices have been raised only since last February. Due to rationalisation, the operational efficiency of the mills has improved. As for the super profits tax, the adverse effect will be somewhat mitigated in the case of this Company by the large reserves built in earlier years. But it will not be possible to build reserves as much as in previous years as most of the profits will be mopped up by the new impost. He, however, hopes that it may be possible to maintain

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the dividend rate at a reasonable level.

In spite of a smaller net profit of Rs. 31.81 lakhs in 1962, the results are considered fairly satisfactory. The net profit was arrived at, after providing Rs. 10 lakhs for debenture stock redemption reserve and meeting the increased depreciation charges. The debenture issue made by the Company last year was successful. The funds are being used to implement the 450-loom project. The looms are in the process of erection and some of them have started operating. He thinks that the project will be successful and the Company will be able to fulfil its export obligations by selling 50 percent of the products of these looms in overseas markets. Dr. Chettiar mentions that the Company has still much to do by way of modernisation and expansion. The profit in 1962 was also held down by the increased price of raw cotton which was in short supply. The crop in 1961-62 was only 4.7 million bales, compared with an estimated crop of 5.4 million bales. Although imports of foreign cotton made up the shortfall to some extent, the domestic price short up because of shortages.

New Capital Issues

EIGHT companies including three new ones have been authorised to raise capital totalling Rs. 5.33 crores. The following are the details:

Kesoram Industries and Cotton Mills Ltd. Calcutta: Mortgage debentures of the value of Rs. 1.7 crores, carrying interest up to 7 percent a year.

United Carbon India Ltd. Bombay: A new company is to issue capital of Rs. 1,62,50,000 in equity shares of Rs. 100 each at par. Of this, shares of the value of Rs. 65 lakhs—Rs. 50 lakhs for cash and Rs. 15 lakhs for consideration other than cash against technical know-how—will be offered for subscription to the foreign collaborator, United Carbon Company, Houston, Texas, the USA.

Indian Oil Blending (Private) Ltd. Bombay: A new Company, it will raise capital of Rs. 20 lakhs in equity shares of Rs. 500 each for cash at par. Out of this, shares of the value of Rs. 10 lakhs will be offered for subscription to Mobil Petroleum Company Inc. of New York, U.S.A. and the remaining Rs. 10 lakhs to Indian Oil Company Ltd., Bombay.

K. C. P. Fives Lille-Cail (Private) Ltd. Madras: Equity capital of Rs. 40 lakhs for cash at par to be subscribed privately, 50 percent by K.C.P. Limited, Madras, and 50 percent by Fives Lille-Cail, Paris.

Binani Industries Private Ltd. Bombay: Rs. 49,000 in equity shares of Rs. 10 each to be issued on capitalisation of the Company's reserves to a like extent to the existing shareholders of the Company.

Indian Metals and Ferro. Alloys Ltd. Orissa: Rs. 75 lakhs (inclusive of Rs. 4,68,000 already raised) divided into 600,000 equity shares of Rs. 10 each and 15,000 cumulative redeemable preference shares of Rs. 100 each carrying dividend at the rate of 9.5 percent for cash at par.

The Mithila Iron and Steel Company Ltd. A new Company incorporated in West Bengal, is issuing capital of Rs. 35 lakhs divided into 250,000 equity shares of Rs. 10 each and 10,000, 9.5 percent cumulative redeemable preference shares of Rs. 100 each.

The Orissa Forest Corporation Ltd. A State Government undertaking will issue capital of Rs. 25,00,000 divided into 25,000 equity shares of Rs. 100 each for cash at par to be subscribed privately. The consent is valid for 24 months.

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The Stock Markets

NEGLIGIBLE BUSINESS IN LYONS RANGE. GLOOM PREVAILS

Wednesday Evening. THE past week has been a period of gloom for the Calcutta stock market. Since the minimum prices for shares on the cash list were scrapped, equity values have collapsed. It is almost impossible to locate a buyer at any price. In the circumstances, the authorities had to close the market last Saturday. Since Monday, operators have not transacted any business, partly as a mark of protest against the super profits tax and partly because there are no buyers. Lyons Range does not intend to transact any business until it knows the outcome of the meeting between the stock exchange presidents and the Central Finance Minister due to be held on Thursday.

This is not the appropriate time to debate whether operators are justified in refraining from transacting any business. The gloomy assessment about the impact of the new impost on the corporate sector has not been exaggerated since the adverse effects have already started showing up. Dunlop Rubber, Union Carbide and two companies of the Brady group have had to cut their ordinary dividends sharply. Braithwaite has deferred its decision on dividends. Hindustan Lever and Goodyear India have postponed their rights issues which were intended to raise funds for expansion.

The most disturbing feature is that the super profits tax has hit the new issue market hard. The disappointing response to the recent share offer by Indo-American Electricals Ltd is understandable. Considering that the super profits tax has scared foreign investors, many wonder whether foreign collaborators in new companies will continue to take interest in the Indian ventures. The fear is underlined by the fact that Goodyear India has postponed its rights issue in consultation with its foreign associate, the Goodyear Tyre and Rubber Co. of the U.S.A. This is said to be the main reason why the Indo-American Electricals issue has not succeeded fully.

Business in Government securities has also come to a standstill. Unless the capital market is helped to recover its confidence, the prospect of the forthcoming Government loans cannot be considered bright.

Bombay

EQUITIES DECLINE SHARPLY DIVIDEND CUTS AFFECT SENTIMENT

Wednesday Evening. THE Bombay stock market has passed through the gloomiest week on record. At one stage, operators decided to refrain from transacting any business, but they consented to carry on in response to exhortations by the authorities. Hopes have been held out that at their forthcoming meeting with the Central Finance Minister, the Stock Exchange presidents will succeed in impressing on him the need for scrapping or at least substantially modifying the super profits tax.

Meanwhile, there has been a sharp decline in share values all round.

Almost every holder has been keen on disposing of his shares. Hence prices have declined substantially in the absence of buyers. The adverse effects of the super profits tax have already been reflected in unfavourable corporate developments. Many cotton mill companies have pruned their dividends for 1962. Hindustan Lever has deferred its rights issue. Two companies in the Brady group have also cut their dividends sharply. Shares on the cash list and new issues have been badly affected. Towards the close, there is a predominance of sellers, and buyers are sitting on the fence. Since the prospects of capital formation and dividends have been seriously damaged by the super profits tax, any improvement in the near term is unlikely, unless the impost is substantially modified.

Tata Steel have fallen to Rs. 117, Century to Rs. 490, Tata Locomotive to Rs. 271, Scindia Steam to Rs. 10.44, Permanent Magnates to Rs. 160 and Bombay Burmah to Rs. 617.

Madras

THIN TRADING IN SHARES S.P.T. WILL HIT SOUTH INDIAN FIRMS BADLY

Tuesday Evening.

ALTHOUGH the Madras stock market has decided to continue the minimum prices fixed for shares earlier, there has been very little business during the past week. Since the share capital and reserves of the south Indian companies are generally small in proportion to the total business, they are likely to be seriously affected by the super profits tax. Unless the impost is substantially modified, the outlook for dividends will be very discouraging. Despite reports of good crops, tea shares have been freely offered at cut rates without attracting buyers. There has been scattered interest in high-yielding preference shares. Investors have also been worried by the growing shortage of funds. It is feared that in view of the sharp decline in share prices, there may be increased pressure from the banks to sell.

South India Viscose declined to Rs. 139 and Dalmia Cement to Rs. 12. The erstwhile support for rights issues of various companies has vanished. McDowell preference shares have been dealt in at Rs. 75. South Madras preference shares have been done at Rs. 7.12. Karur Vvsva have paid a taxable ordinary dividend of 12 percent.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures place during the past week. The figures indicate Opening Quotations. Highest for the week, Lowest for the week. Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs 25/37—25/37—25/00 25/00 —(37/75).

Burrakur Coal—Rs. 14/94—14/94—14/75—14/87—(17/69).
Dunlop Rubber—Rs. 32/00—32/00—32/00—32/00—(33/12).
Guest, Keen, Williams—Rs. 30/00—30/00—30/00—30/00—(45/69).
Hindustan Motors—Rs. 15/90—15/90—15/90—15/90—(19/87).
Indian Copper—Rs. 4/13—4/13—4/10—4/10—(5/12).
Indian Iron & Steel—Rs. 19/70—19/70—19/70—19/70—(24/96).
Indian Cable—Rs. 32/00—32/00—32/00—32/00—(36/75).
Jaipur Udyog—Rs. 10/50—10/50—10/50—10/50—(13/87).
Orissa Cement—Rs. 14/50—14/50—14/50—14/50—(19/75).
Textile Machinery—Rs. 20/35—20/35—20/30—20/30—(22/95).

GOVERNMENT SECURITIES

3 % Loan (1966)—Rs. 62/92—62/90—62/90—62/90—(62/90).
3 % " (1966-68)—Rs. 96/35—96/35—96/30—96/30.
3½ % " (1965)—Rs. 98/95—98/95—98/95—98/95—(98/95).
3½ % " (1967)—Rs. 98/00—98/00—98/00—98/00—(98/00).
3½ % " (1968)—Rs. 98/80—98/80—98/80—98/80—(98/80).
4 % " (1972)—Rs. 99/00—99/00—99/00—99/00—(99/00).
4 % " (1980)—Rs. 98/10—98/10—98/10—98/10—(98/10).

BANKS

Hindustan Commercial—Rs. 15/50—15/50—15/50—15/50—(19/75).
United Bank of India (Rs. 10 paid)—Rs. 7/19—7/19—7/19—7/19—(7/00).

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United Commercial—Rs. 72/50—72/50—72/50—72/50—(97/50).

COTTONS

Bharat Commerce—Rs. 19/75—19/87—19/75—19/87—(28/31).
Elgin ("B" Pref.) Rs. 6/25—6/25—6/25—6/25—(6/97).
Jay Shree—Rs. 13/50—13/50—12/81—12/81—(17/78).
Jagajit—Rs. 15/25—15/25—15/25—15/25.
Shree Bhowani—Rs. 7/75—7/75—7/75—7/75.

COALS

Bengal—Rs. 265/00—265/00—265/00—265/00—(348/00).
Burrakur (2nd Pref.) Rs. 5/85—5/85—5/85—5/85—(7/50).
Central India—Rs. 9/37—9/37—8/75—8/75—(11/44).
East Indian—Rs. 29/00—29/00—29/00—29/00—(37/00).
Ghusick & Muslia—Rs. 13/50—13/50—13/50—13/50—(14/00).
New Manbhoom—Rs. 13/00—13/00—13/00—13/00—(13/62).

Shree Mahakali—Rs. 4/00—4/00—4/00—4/00—(135/00).
South Karanpura—Rs. 6/50—6/50—6/50—6/50—(7/25).
Western Bengal—Rs. 8/12—8/12—7/56—7/56—(9/00).
West Jamuria—Rs. 4/12—4/12—4/12—4/12—(9/37).

JUTES

Agarpara—Rs. 9/75—9/75—9/56—9/56—(12/25).
Anglo-India—Rs. 200/00—200/50—200/00—200/50—(199/00).
Clive—Rs. 7/75—7/75—7/75—7/75—(9/85).
Delta—Rs. 140/00—140/00—140/00—140/00—(183/00).
Ganges—Rs. 11/62—11/62—11/62—11/62—(14/94).
Hukumchand—Rs. 18/00—18/00—18/00—18/00—(27/94).
Do. (Pref.)—Rs. 93/00—93/00—92/50—92/50—(91/00).
Kelvin—Rs. 165/00—165/00—165/00—165/00—(201/00).
Khardah—Rs. 16/50—16/50—16/50—16/50—(7/31).
Lawrence—Rs. 101/00—101/00—101/00—101/00—(172/00).

Lansdowne—Rs. 85/00—85/00—85/00—85/00—(135/00).
New Central—Rs. 12/00—12/00—12/00—12/00—(17/84).
Reliance—Rs. 6/25—6/25—6/25—6/25—(6/62).

MINING

Metal Corp.—Rs. 7/31 S.T.—7/31—7/25—7/25—(12/50).

CEMENTS

Ashoka—Rs. 6/94—7/00—6/94—7/00—(8/75).
Assam Bengal—Rs. 3/00—3/03—3/00—3/03—(3/81).
Dalmin (Bharat) (Pref.)—Rs. 8/36—8/56—8/56—8/56—(7/87).

ELECTRICS

Calcutta—Rs. 14/19—14/25—14/19—14/25—(14/81).
Do. (Pref.)—Rs. 8/06—8/06—8/06—8/06—(8/69).
Sijua Jheriah—Rs. 8/25—8/25—8/25—8/25—(8/75).

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U. P.—Rs. 106/00—106/00—106/00—106/00—(124/50).

ENGINEERINGS

Bharat Ball Bearing—Rs. 12/44—12/75—12/31—12/37.
Britannia Eng.—Rs. 9/00—9/00—8/94—8/94—(13/25).
Dalmia Iron—Rs. 10/00—10/00—10/00—10/00—(11/69).
Jessop & Co.—Rs. 20/25—21/06—20/25—21/06—(22/62).
Kumardhubi—Rs. 6/87—6/87—6/87—6/87—(8/00).

MISCELLANEOUS

Aluminium Corp.—Rs. 12/75—12/75—12/75—12/75—(18/87).
Asian Refractories—Rs. 6/94—7/19—6/94—7/19—(6/75).
Asiatic Oxygen—Rs. 8/56—8/56—8/44—8/44—(10/25).
Associated Battery—Rs. 23/50—24/25—23/50—24/25—(32/25).
Birds Investment—Rs. 10/00 x.d.—10/00—10/00—(12/62).
B. I. Corp.—Rs. 8/69—8/69—8/69—8/69—(11/19).
Calcutta Safe Deposit—Rs. 8/00—8/00—8/00—8/00—(8/00).

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Clive Row Investment—Rs. 8/16—8/19—8/16—8/19—(8/60).
Dr. Paul Lohmann—Rs. 14/50—14/50—14/50—14/50—(14/50).
Duncan Brothers—Rs. 135/00—135/00—135/00—135/00—(152/00).
General Tyres—Rs. 8/31—8/37—8/31—8/37—(13/25).
Hindustan Aluminium—Rs. 12/25—12/37—11/75—11/87.
Hindustan Twyford—Rs. 13/87—13/87—13/50—13/50.
Hindustan Pilkington Glass (New)—Rs. 16/00—16/00—16/00—16/00—(21/06).
Hoare Miller—Rs. 4/75—4/75—4/75—4/75—(6/94).
Imperial Tobacco—Rs. 10/50—10/50—10/12—10/12—(12/25).
Indian Oxygen—Rs. 26/25—26/75—26/00—26/75—(39/00).
India Carbon—Rs. 20/37—20/37—20/37—20/37—(36/75).
Jardine Henderson—Rs. 68/00—68/00—67/50—68/00—(63/00).
Jayshree Industries—Rs. 15/25—15/25—15/25—15/25—(20/62).
J. K. Synthetics—Rs. 10/62—10/69—10/25—10/25—(10/25).
Martin Burn—Rs. 24/75—25/00—24/75—25/00—(31/25).
Metal Box—Rs. 42/00—42/00—42/00—42/00—(62/25).
New India Investment—Rs. 65/00—65/00—65/00—65/00—(55/25).
Universal Elec.—Rs. 8/00—8/06—8/00—8/06—(51/25).
Union Carbide—Rs. 29/25—29/75—29/00—29/00—(51/25).
Universal Cables—Rs. 8/87—8/87—8/87—8/87—(8/87).
Window Glass—Rs. 7/00—7/25—7/00—7/25—(7/25).

PAPEES

Ballarpur—Rs. 14/50—14/50—14/50—14/50—(16/12).
India Paper Pulp—Rs. 16/12—16/12—16/12—16/12—(21/00).
Sirpur—Rs. 10/69—10/81—10/69—10/81—(13/75).
Seshasayee—Rs. 7/44—7/44—7/44—7/44—(16/44).
Titaghar—Rs. 16/44—16/50—16/44—16/50—(42/25).

PRESSING

Hooghly Ganges Hydraulic—Rs. 4/62—4/62—4/62—4/62—(4/62).

REAL PROPERTY

Midnapore Zamindary—Rs. 9/25—9/25—9/25—9/25—(10/25).

SUGARS

Balrampur—Rs. 1/94—2/00—1/94—2/00—(2/50).
Rayon—Rs. 7/50—7/50—6/80—7/00—(8/06).
Shree Krishna Gyanoday—Rs. 7/00—7/00—7/00—7/00—(9/81).

TEAS

Bhatkwa—Rs. 14/75—14/75—14/75—14/75—(17/81).
Dhelakhat—Rs. 19/50—19/50—19/50—19/50—(22/00).
Nagaisuree—Rs. 145/00—145/00—145/00—145/00—(177/00).

DEBENTURE

5 % Macneill & Barry—Rs. 85/50—85/50—85/50—85/50—(85/50).

London

INDUSTRIALS DULL GILT-EDGED RISE

London, 27th March.
QUIET and rather mixed conditions prevailed in the stock market during the past week. Even the opening of the long account covering next week's Budget failed to stimulate interest and there was little sign of pre-Budget buying. Gilt-edged securities recorded appreciable rises, but industrials generally were on the dull side. Many good features developed in industrials, but the leaders mostly lost ground. Falls, however, were small. Short-dated gilt-edged were unsettled by the authorities' money market move forcing the discount houses to borrow above Bank rate. This move was designed to attract foreign money and

strengthen sterling by keeping short-term rates high without affecting the long-term rate. Other gilt-edged securities, apart from the short-dated, therefore, moved up to record good gains on the week. Banking, hire-purchase, insurance and property shares moved within narrow limits. Dollar stocks inclined easier with Wall Street. Gold shares were virtually unaffected by the South African Budget and prices showed little change except Johannesburg which were a strong market. Other mining sections were subdued. Oils gave a mixed display. Rubbers were neglected, but Indian teas fell back on Mr. Nehru's speech referring to the possibility of another Chinese invasion.

CZECH CHEMICAL EXPORTS TO INDIA RISING

Dr. Z. Mojzisek, the president and general manager of Chemapol, the Czechoslovak foreign trade corporation for chemical and pharmaceutical products and raw materials, said recently in Calcutta that Czech chemi-

cal exports to India during the past ten years, have increased substantially. The total volume of exports in 1962 was six-and-a-half times higher than that in 1953. In 1953, Czechoslovakia was delivering 13 basic groups of chemical and pharmaceutical products and raw materials, but her present exports include about 35 groups of different pharmaceutical and chemical products. The increasing industrial potential of India reflects also the changing structure of Czech chemical exports. Whereas the final products as tar-dyestuffs were exported at the beginning, the share of semi-products and raw materials has been increasing in the past years. The following are some of the most important items of export: sulphathiazole, sulphaguanidine, phenobarbitone, vitamin C, glucose, glutamic acid, calcium benzoate, procain H.C.I., etcetera. The Indian market, Dr. Mojzisek said, continues to offer good possibilities for some types of human and veterinary antibiotics, sera and vaccines, in the supply of which Czechoslovakia can play an important part. Considering the future development of the Indian rubber

industry, the country will need to import more of auxiliary products for the industry, such as accelerators, antioxidants, factices and other allied products. Czechoslovakia is developing production in this line and there is a sound basis for a close co-operation in this field, Dr. Mojzisek said.

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ROUND THE BEND

A crooked hole is a driller's headache. The weight of a string of steel drill pipe tends to keep it vertical, but when the cutting bit strikes an inclined wall of hard rock buried deep in the earth it may sheer off at an angle. Then the hole has to be straightened by reducing or increasing the weight on the drill bit, or by using extra heavy drill pipe, called collars. As a last resort, a bad bend may have

to be sidetracked from the point where the deviation began, or the well may be abandoned altogether and a new hole drilled.

Many ingenious tools have been devised for dealing with difficulties at the well, but to use them effectively calls for men with practical experience at their command and high skill at their fingertips.



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RESERVE BANK

ISSUE DEPARTMENT		Week Ended			
		(In 000's of Rupees)	22-3-63	15-3-63	23-3-62
Liabilities—					
Notes in Banking Dept.	...	...	19,45.03	16,44.45	26,11.95
Notes in Circulation	...	...	22,30,43.61	22,41,79.48	20,68.69.07
Total Notes Issued	...	...	22,49,88.67	22,58,23.93	20,95,01.02
Assets—					
A. Gold Coin and Bullion	...	...	1,17,76.10	1,17,76.10	1,17,76.43
Foreign Securities	...	...	1,05,08.43	1,05,08.43	1,23,86.07
Total of A	...	...	2,22,84.53	2,22,84.53	2,41,62.10
B. Rupee Coin	...	...	1,15,61.99	1,13,97.25	1,16,22.40
Rupee Securities	...	...	19,11,42.15	19,21,42.15	17,37,16.52
Total	...	...	22,49,88.67	22,58,23.93	20,95,01.02
BANKING DEPARTMENT					
Liabilities—					
Capital Paid-up	...	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	...	61,00.00	61,00.00	50,00.00
National Agricultural Credit (Stabilisation) Fund	...	...	7,00.00	7,00.00	6,00.00
Deposits—					
(a) 1. Central Govt.	...	...	61,66.14	63,12.16	51,79.23
2. State Govts.	...	...	27,61.89	35,08.92	31,21.44
(b) Banks—	...	...	...	...	...
(i) Scheduled Banks	...	...	71,68.54	72,22.44	77,18.53
(ii) State Co-operative Banks	...	...	2,51.29	1,87.61	...
(iii) Other Banks	...	...	5.49	5.20	...
(c) Others	...	...	1,69,22.93	1,85,31.69	1,56,39.82
Bills Payable	...	...	42,58.39	33,70.17	30,66.69
Other Liabilities	...	...	63,31.66	62,09.27	57,58.23
Total	...	...	5,91,69.33	6,06,47.50	5,45,83.75
Assets—					
Notes	...	...	19,45.03	16,44.45	26,11.95
Rupee Coin	...	...	1.80	2.64	1.18
Small Coin	...	...	2.29	1.96	3.24
National Agricultural Credit (Long Term Operations) Fund	...	...	...	...	...
(a) Loans and Advances to—	...	...	...	...	...
(i) State Govts.	...	...	23,96.41	23,54.34	...
(ii) State Co-operative Banks	...	...	9,60.71	9,79.23	...
(iii) Central Land Mortgage Banks	...	...	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	...	...	2,91.88	2,84.88	...
National Agricultural Credit (Stabilisation) Fund	...	...	...	...	...
Loans and Advances to State Co-operative Banks	...	...	...	...	...
Bills Purchased and Discounted—	...	...	...	...	...
(a) Internal	...	...	...	...	...
(b) External	...	...	...	...	...
(c) Govt. Treasury Bills	...	...	60,76.19	76,72.03	44,97.43
Balances held abroad	...	...	12,48.67	10,88.03	9,88.17
Loans and Advances to Govt.	...	...	30,34.50	35,00.86	68,88.89
Loans and Advances to—	...	...	...	...	...
(i) Scheduled Banks	...	...	69,37.57	76,66.87	1,84,71.33
(ii) State Co-operative Banks	...	...	1,26,56.85	1,28,89.69	...
(iii) Others	...	...	1,65.57	1,65.57	...
Investments	...	...	1,99,71.66	1,89,39.24	1,77,81.35
Other Assets	...	...	34,86.83	34,82.71	33,40.21
Total	...	...	5,91,69.33	6,06,47.50	5,45,83.75

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		15-3-63	8-3-63	16-3-62
(I) Demand Liabilities—				
(a) Demand Deposits ...				
(1) From Banks ...		51,81.12	48,40.97	48,54.20
(2) From others ...		8,25,16.69	8,15,92.12	7,50,64.12
(b) Borrowing from Banks ...		21,56.99	19,54.24	14,74.16
(c) Others ...		61,00.72	62,98.68	53,27.32
(II) Time Liabilities—				
(a) Time Deposits ...				
(1) From Banks ...		20,40.81	19,46.53	13,92.28
(2) From others ...		11,91,86.48	11,95,57.32	11,25,30.36
(b) Borrowing from Banks ...		18,74.93	17,09.80	15,90.35
(c) Others ...		12,43.51	12,00.79	13,41.41
(III) Borrowing from State Bank—				
(a) Demand Liabilities ...				
(i) Time Liabilities ...		14,98.68	15,41.52	8,93.61
(ii) Cash ...		4,70.00	6,54.50	7,18.00
(iv) Borrowing from Reserve Bank ...		78,27.92	83,65.47	66,40.30
(v) Cash ...		52,94.07	51,33.41	50,42.00
(vi) Balances with the Reserve Bank ...		72,15.12	71,37.33	75,62.91
(vii) Money at call and short notice ...		18,90.60	19,51.42	16,87.62
(viii) Balances with other Banks in current account ...		36,68.72	32,47.12	31,74.43
(ix) Investments in Central and State Govt. Securities ...		5,87,55.31	5,87,97.78	5,85,62.21
(x) Loans Cash credits and Overdrafts ...		13,03,41.60	13,01,09.45	11,66,74.29
(b) Due from Banks ...		15,13.04	16,97.74	8,95.47
(xii) Inland Bills purchased and discounted ...		2,21,46.75	2,28,87.35	1,78,35.16
(xiii) Foreign Bills purchased and discounted ...		53,66.20	52,36.83	45,86.44
(xiv) Total of X XI and XII ...		15,93,07.59	15,97,51.37	14,00,01.36

Money

THE CALCUTTA MONEY MARKET

INTERBANK CONDITIONS TIGHT

Wednesday, 27th March.

THE general level of advances has shown a fair increase in the Calcutta money market during the past week. Most of the increase is accounted for by the iron, steel and engineering industries. Cotton and sugar credit is slightly higher. Advances against jute and for the storage of foodgrains and seeds, remain unchanged. In the interbank market, conditions have been tight and the call rate is quoted at 61 percent, with borrowers over.

The exchange market has been moderately active. There have been a fair number of gunny bills but very few tea bills. The demand for remittance has been good. Sterling is stronger in relation to all the major currencies except the Belgian franc.

THE CALCUTTA BULLION MARKET transacted only ready silver in the past week. The price was steady around Rs. 242.75, but turnover was small. The price was quoted at 110d in London and at 127.7 cents in New York.

There was no official dealing in gold which was unofficially talked around Rs. 103 a 10 grammes.

DURING THE WEEK ENDED 22ND March, Government of India Treasury bills for Rs. 45,39,75,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS 2 CRORES OF 91-DAY, Government of India Treasury bills were opened on 25th March. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.405 percent and above were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.370 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 30th March.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 26th March to 30th March at Rs. 99.426 percent, subject to the conditions previously announced that sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 20th March to 23rd March amounted to Rs. 6 lakhs.

THERE WERE FALLS OF RS. 11.35 CRORES TO RS. 2,230.45 CRORES IN ACTIVE notes and of Rs. 8.35 crores to Rs. 2,249.89 crores in the total note issue, according to the return of the Reserve Bank of India for the week ended 22nd March. The currency contraction was covered by reducing rupee securities by Rs. 10 crores to Rs. 1,911.42 crores in the paper currency reserve. Deposits of the Government of India dropped by Rs. 1.46 crores to Rs. 61.66 crores and those of other Governments by Rs. 7.47 crores to Rs. 27.62 crores. Balances of scheduled banks at Rs. 71.69 crores showed a decline of Rs. 53 lakhs. Balances held abroad were Rs. 1.61 crores larger at Rs. 69.38 crores, of which advances against usance bills were Rs. 54.31 crores (Rs. 58.54 crores). Ways and means advances to Governments stood at Rs. 30.35 crores, against Rs. 35.01 crores. The invest-

ment portfolio was Rs. 10.33 crores larger at Rs. 199.72 crores due to the transfer of securities from the Banking Department to the Issue Department.

THE RETURN OF THE STATE BANK OF India for the week ended 15th March, shows a rise of Rs. 2.99 crores to Rs. 547.97 crores in total deposits. Investments in Government securities are up by Rs. 2.01 crores and Rs. 5 lakhs to Rs. 204.75 crores and Rs. 7.83 crores, respectively. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have fallen by Rs. 2.48 crores to Rs. 319.55 crores. Cash and balances are, in consequence, shown at Rs. 21.69 crores or Rs. 4.60 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 15th March, shows Demand and Time liabilities at Rs. 959.56 crores (Rs. 21.57 crores on account of borrowings from banks) and Rs. 1,243.46 crores (Rs. 18.75 crores), compared with Rs. 946.86 crores (Rs. 19.54 crores) and Rs. 1,244.14 crores (Rs. 17.10 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 1.61 crores and Rs. 77 lakhs to Rs. 52.94 crores and Rs. 72.15 crores, respectively. There is a drop of Rs. 33 lakhs to Rs. 587.55 crores in investments. Advances and bills discounted at Rs. 1,593.68 crores show a drop of Rs. 3.83 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.7 percent and 72.3 percent, against 5.6 percent and 72.9 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 29-3-63.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
29-3-63	2-7-63	2,00.00	Rs. 2.370%
22-3-63	25-6-63	2,00.00	Rs. 2.370%
15-3-63	18-6-63	2,00.00	Rs. 2.370%
8-3-63	11-6-63	2,00.00	Rs. 2.365%
1-3-63	4-6-63	2,00.00	Rs. 2.365%
22-2-63	25-5-63	2,00.00	Rs. 2.365%
15-2-63	18-5-63	2,00.00	Rs. 2.365%
8-2-63	11-5-63	2,00.00	Rs. 2.360%
1-2-63	4-5-63	2,00.00	Rs. 2.355%
25-1-63	28-4-63	2,00.00	Rs. 2.355%
18-1-63	21-4-63	2,00.00	Rs. 2.355%
4-1-63	7-4-63	2,00.00	Rs. 2.355%
11-1-63	14-4-63	2,00.00	Rs. 2.355%
(Monthly Maturities 000's omitted)			
April 1963		8,00.00	
May 1963		8,00.00	
June 1963		8,00.00	
July 1963		2,00.00	
Total		28,00.00	

CLEARING HOUSE RETURNS

Week ended	Calcutta	Bombay
22-3-63	1,06.11	...
15-3-63	87.80	1,16.82

THE INDIAN MINING ASSOCIATION

COAL PRICES TOO LOW
MORE EFFICIENT USE OF FUEL RECOMMENDED

CHAIRMAN, MR. PRAN PRASHAD'S

ADDRESS

Speech delivered by Mr. Pran Prashad, Chairman of The Indian Mining Association, at the Annual General Meeting of the Association held in Calcutta on 22nd March, 1963 at the Bengal Chamber of Commerce and Industry.

Gentlemen,

Your Committee's report has been circulated and will give an idea of the field of activities covered by the Association in the year under review. We have had our share of success and disappointment.

Over the year, considerable interest has been shown in our affairs. We were pleased to appear before the Estimates Committee of the Lok Sabha which undertook a detailed and searching enquiry into the affairs of the Industry. A Working Party of this Committee toured the Coalfields and was able to obtain a first-hand impression of many of our problems. I hope that our legislators will now be even more appreciative of the difficult tasks imposed on us.

One of our significant achievements was the response of the Industry to the calls made upon it in the context of the National Emergency. This Industry, I am proud to say, was one of the first of all organised industries to step up output so that defence production and maintenance of essential services during the critical period of November last year were not handicapped by shortage of coal supplies. I should like to pay a tribute to those managements which, despite the extra expense involved, ungrudgingly responded to the call of the hour. We must also remember that our achievement would not have been possible without the whole-hearted support and co-operation of our workers who agreed to forgo their rest days and to resort to seven-day working. I am confident that if a like need arises the country can rest assured that the Coal Industry will not fail in its duty.

Production Increases

The most outstanding feature of the year, however, has been the fact that coal production has increased from 56 million tonnes in 1961/62 to about 64 million tonnes in 1962/63. The increase in production has been remarkable, despite shortages of explosives, spare parts, machinery and, until very recently, of power and transport. Out of this increase of 8 million tonnes, the Private Sector has contributed over 6 million tonnes and is at present ahead of its production target for 1962/63 as fixed by the Planning Commission's Working Group. However, I venture to suggest that there is no room for complacency, by either Government or producers, that this rate of progress can be sustained. The recent fall in demand for coal and the impact of the Central Budget proposals, as they stand, seriously affect the capacity of the Private Sector to increase its production potential. Urgent action is, therefore, necessary to remove many of the difficulties which have arisen. I make no apology for raising the subject of finance at such an early stage in my address this morning, and I feel that I must pinpoint these problems and indicate possible solutions.

Last year, when addressing you from this Chair, I referred to the Rs. 17

crore loan in foreign exchange granted by the International Bank for Reconstruction and Development to Government for use of the Private Sector of the Coal Industry. Out of the total allocation of Rs. 17 crores, of which Rs. 2 crores had been provided for equipment required for new mines, we had submitted applications for import licences in excess of the remaining sum. As against this, licences issued as at the end of February aggregated approximately Rs. 14 crores. Orders to the tune of about Rs. 7 crores had also been confirmed. The impact of the Budget would affect the ability of many Coal Companies to take up in full the foreign exchange allocations made against their approved Project Reports.

I also pointed out then that to ensure full utilisation of this foreign exchange, the provision of complementary Rupee funds was essential. The Industry had originally estimated that a substantial portion of these funds could be raised from ploughback or through fresh floatations. The result of the Budget proposals is that much of the ploughback will now be diverted to the State coffers. Because of historical reasons and depressed coal prices, the equity capital in coal mining has been low. The Industry has, therefore, perforce had to rely on borrowings to finance its development. The Super Profits Tax proposed in the Central Budget will hinder the processing of such loans. We welcome the measure of positive assistance whereby Government have now agreed to guarantee medium and long-term loans from commercial banks to Coal Companies. I sincerely trust that when the Budget proposals are enacted, some, if not all, of the harsh features will be moderated.

Rising Costs

The question of profitability and return on capital inevitably brings me to the question of costs of production and their relation to our existing selling prices. We are grateful for the prompt steps taken by Government in sanctioning ad hoc increases in coal prices as an incentive towards increased production. The increases in our price structure fell far short of our requirements and expectations, and moreover, we were distressed at the decision to extend ceiling prices for Grades II and HH coals. Most of you are aware that today's controlled prices are based on production costs of about six years ago and that over this period numerous impositions have been thrust on the Industry while costs on stores, power, royalties, etc. have steadily moved upwards. The profit left to the Industry, therefore, continues to be eroded.

It is appreciated that the level of selling prices of coal and coke has a direct bearing on the production costs of other industries. Although this must be borne in mind, I am sure all will agree that no single industry should be made to subsidise others if its own economics justify an increase in selling prices. The fact is that production has increased very substantially over recent years without a corresponding rise in profitability because of enhanced liabilities. The inevitable consequence of a selling price which makes no allowance for demands of development will be to retard expansion, which will thus give rise to the

very inflationary trends which are now sought to be avoided with the existing price structure. I should at this stage like to make the general observation that in my view coal prices are too low and it is because of this that so little attention is paid to economy in its use. I submit that the only way to reduce fuel costs to the consumer is not by keeping coal prices at an unreasonably low level but by the proper and efficient use of this fuel. Throughout the world, fuel economy is now a specialised science, and in our circumstances with coal as the major source of commercial energy, it is vital that this receives the country's attention.

Apart from adjustments of the price structure, which we contend should receive the early attention of the authorities to give us the relief we urgently need, there are certain legitimate claims which Government might reasonably approve without further delay. Firstly, we have proposed an increase in the depreciation allowances laid down in the Income-Tax Act for machinery and plant installed in mines. Although most coal mines work more than two shifts, the depreciation rates allowed do not provide for any extra shift allowance, as in the case of other industries. Besides, until recently, mining operations were by and large labour-intensive, but in order to achieve our targets, extensive mechanisation is inescapable. This involves more extensive as well as intensive use of machinery, making fair rates of depreciation essential. It will be recalled that during World War II, which can be considered as a roughly comparable period, special rates of depreciation at 50% of the written down value of machinery and equipment were allowed.

Depletion Allowance

Secondly, I would again reiterate this Association's previous suggestion for the grant of a suitable depletion allowance to the Mining Industry which is working a wasting asset. Here again, such allowances have been granted to our counterparts in other industrially advanced countries. In fact, in India also a depletion allowance has recently been allowed in the case of the oil industry. I feel that in all fairness this facility should also be extended to the Coal and other mining industries. It has, however, been contended that in the case of the oil industry the reserves are limited. Equally in the case of minerals and particularly in Coal, natural reserves are not inexhaustible, but it is well known that our reserves of the better grades are limited and the quality of the seams has deteriorated rapidly. The profitability of the enterprise, therefore, becomes poorer with lapse of time and some compensation by way of a depletion allowance should be provided on this account.

Thirdly, there is the question of import duty on mining machinery and plant. In September, 1957, Government were pleased to specify a concessional rate of duty at 5% for imported machinery and plant required by the Mining Industry, which in 1960 was increased to 10% and under the new Budget proposals has now again been increased to 15% plus a surcharge of 10%. I am constrained to point out that in the implementation of the decision to grant a concessional rate of import duty, the authorities have not been

fair to us. We are invariably asked to pay the higher rates of duty mentioned in the Customs Tariff, irrespective of the end-use of the equipment imported. Plant and equipment now being imported into India for coal mines particularly, is governed by the guarantees which individual companies have executed in favour of Government in terms of the World Bank Loan. Under this guarantee, equipment can only be installed at a colliery with an approved expansion project. In view of the numerous safeguards and the heavy penalties for misuse, I submit that the Customs authorities should allow importation of mining machinery at the concessional rate.

We have recently been informed that a production of an additional 83 million tonnes has been finalised for the Fourth Five Year Plan, making a total of 180 million tonnes annually by the end of that Plan. We have, however, not been given any indication as to the grades of coal required; the main consumption centres; the areas from which increased production is to be obtained; the transport facilities that will be available and the like. Accordingly, I would suggest that the Industry be informed at this stage of Government's intentions regarding these matters as well as its future policy concerning the working of contiguous and new areas. Most companies have been working their mines upwards of half a century, and with exhausting reserves they will, in the course of the next few years, be faced with the prospect of having to abandon such pits. The Industry should, therefore, be allowed to expand into new areas to replace old workings.

Supply of Wagons

While great credit is due to our Railways for their splendid performance over the last twelve months, our production capacity continues to be governed by transport availability. The actual supply during the calendar year ended December 1962 averaged 6363 wagons per day. This represents an improvement of 415 wagons per day over 1961, and is an achievement of which the Railways can be justifiably proud, having regard to their other pressing needs during the Emergency.

The Railways have had to manage in spite of lack of resources for implementation of their expansion programmes. As a result, they have sought to make up their requirements through numerous—in our opinion—unfair impositions on the users of their systems. The use of BOX wagons to speed up movement of raw materials to the Steel Plants and other bulk consumers has been introduced and it is contended that this necessitates the strengthening of colliery sidings. Demands have been made on numerous collieries to pay for not only the sub-grade work but also the permanent way materials required for remodelling of sidings. These demands have also been accompanied with threats of total stoppage of wagon supplies if not complied with. There are instances on record where collieries, having made such deposits, continue to load BOX wagons for months on end without remodelling of sidings. One wonders whether there is any justification for this demand when little has been done by the Railways to strengthen their own lines and marshalling yards. Another proposal is that collieries producing over 10,000 tonnes per month must install their own private weighbridges. This idea is, indeed, laudable but serious doubts arise as to whether expenditure of such large sums of money by several collieries is justified when the Railways can very well install them at each pilot section, thereby reducing the overall cost to the economy.

We, therefore, welcomed the interest shown by Government and the World Bank to study and advise on solutions to our problems connected with coal movement. We hope that their recommendations will receive the attention that they warrant and that remedial

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**THE HONGKONG AND SHANGHAI BANKING
CORPORATION**

(INCORPORATED IN HONG KONG WITH LIMITED LIABILITY)

GROUP CONSOLIDATED ACCOUNTS

The principal companies whose accounts have been consolidated in the Summarised Balance Sheet that follows are:

THE HONGKONG AND SHANGHAI BANKING CORPORATION

1, Queen's Road Central, Hong Kong.

London Office: 9, Gracechurch Street, E. C. 3.

THE HONGKONG AND SHANGHAI BANKING CORPORATION OF CALIFORNIA

80, Sutter Street, San Francisco 4.

MERCANTILE BANK LIMITED

15, Gracechurch Street, London, E. C. 3.

THE BRITISH BANK OF THE MIDDLE EAST

7, King William Street, London, E. C. 4.

SUMMARISED GROUP CONSOLIDATED BALANCE SHEET AT 31ST DECEMBER, 1962

Liabilities		1961 Sterling	1962 Equivalent
Issued Capital and Reserves	... £	20,100,000	£ 20,100,000
Hong Kong Currency Notes in Circulation	£	54,400,000	£ 59,900,000
Current Deposit and other accounts, &c.	£	401,700,000	£436,200,000
Acceptances (Contra)	... £	2,500,000	£ 86,700,000
		£478,700,000	£602,900,000

Assets		1961 Sterling	1962 Equivalent
Cash	... ..	£ 26,400,000	£ 28,300,000
Money at Call	... ..	£ 20,400,000	£ 26,300,000
Treasury Bills	... ..	£ 18,500,000	£ 15,800,000
Trade Bills	... ..	£ 71,200,000	£ 77,900,000
Hong Kong Government Certificates of Indebtedness	... ..	£ 52,300,000	£ 57,900,000
Investments	... ..	£ 82,400,000	£ 87,300,000
Advances, &c.	... ..	£201,900,000	£219,400,000
Acceptances (Contra)	... ..	£ 2,500,000	£ 86,700,000
Fixed Assets	... ..	£ 3,100,000	£ 3,300,000
		£478,700,000	£602,900,000

THE HONGKONG AND SHANGHAI BANKING CORPORATION PROFIT FOR THE YEAR ENDED 31ST DECEMBER, 1962

Profit, after providing for taxation and making transfers to the credit of inner reserves, etc., including dividends

received from Mercantile Bank Ltd., The British Bank of the Middle East and other subsidiaries	...	Sterling Equivalent	£ 2,900,000
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THE HONGKONG AND SHANGHAI BANKING CORPORATION

BALANCE SHEET OF THE INDIAN BRANCHES AS AT 31ST DECEMBER, 1962.

[illegible]

THE HONGKONG AND SHANGHAI BANKING CORPORATION—Cont'd.

BALANCE SHEET OF THE INDIAN BRANCHES AS AT 31st DECEMBER, 1962—Cont'd.

[illegible]

THE HONGKONG AND SHANGHAI BANKING CORPORATION—Cont'd.

AUDITORS' REPORT ON THE INDIAN BRANCHES OF THE HONGKONG AND SHANGHAI BANKING CORPORATION UNDER SECTION 30 OF THE BANKING COMPANIES ACT 1949.
We have audited the above Balance Sheet and the annexed Profit and Loss Account of the Indian Branches of The Hongkong and Shanghai Banking Corporation with the books and accounts of the Calcutta Branch and with certified returns from Bombay Branch.

In accordance with the provisions of Section 29 of the Banking Companies Act 1949, read with the provisions of Sections 211(1), (2) and (5) and 227(5) of the Companies Act 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with Schedule VI of the Companies Act 1956, but are in conformity with Forms A and B of the Third Schedule of the Banking Companies Act 1949.

We report that:—

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for our audit.
(b) In our opinion proper books of account as required by law have been kept by the Calcutta Branch so far as appears from our examination of those books and proper returns, adequate for our audit, have been received from Bombay which was not visited by us.
(c) The abovementioned Balance Sheet and Profit and Loss Account are in agreement with the books of account and certified returns.
(d) In our opinion and to the best of our information and according to the explanations given to us, such Balance Sheet and Profit and Loss Account give the information required by the Companies Act 1956 in the manner required for the Banking Companies and, on such basis and subject to the same remarks, give respectively a true and fair view of the state of affairs of the Indian Branches as at 31st December, 1962 and their results for the year ended on that date.

PRICE, WATERHOUSE, PEAT & CO.,
Chartered Accountants.

Calcutta, 22nd March, 1963.

PROFIT AND LOSS ACCOUNT OF THE INDIAN BRANCHES FOR THE YEAR ENDED 31ST DECEMBER, 1962.

31-12-61 Rs. nP.	EXPENDITURE	Rs. nP.	31-12-61 Rs. nP.	INCOME	Rs. nP.
30,56,748 11	1. Interest paid on Deposits, Borrowings, etc. ...	33,98,711 78	59,76,713 11	1. Interest and Discount ...	72,95,613 01
28,01,807 60	2. Salaries and Allowances and Provident Fund— Manager ... *Rs. 1,24,251 94 Others ... Rs. 28,84,549 10	30,08,801 04	17,60,853 76	2. Commission, Exchange and Brokerage ...	18,44,062 56
Nil	3. Directors' and Local Committee Members' Fees and Allowances ...	Nil	2,58,404 52	3. Rents ...	2,64,115 86
4,47,875 70	4. Rent, Taxes, Insurance, Lighting, etc. ...	4,58,716 45	Nil	4. Net Profit on sale of Investments, Gold and Silver, Land, Premises and other Assets ...	Nil
28,689 88	5. Law Charges ...	30,586 11	2,68,143 29	5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and other Assets ...	42,620 80
85,587 75	6. Postage, Telegrams and Stamps ...	13,947 82	Nil	6. Income from Non-Banking Assets and Profit from sale of or dealing with such Assets ...	Nil
15,000 00	7. Auditors' Fees ...	15,000 00	2,03,620 39	7. Other Receipts ...	57,842 00
1,88,913 60	8. Depreciation on and Repairs to the Banking Company's Property ...	2,76,089 79	Nil	8. Loss ...	Nil
1,20,202 14	9. Stationery, Printing, Advertisements, etc. ...	1,33,540 80			
Nil	10. Loss from sale of or dealing with Non-Banking Assets ...	Nil			
2,54,936 99	11. Other Expenditure (including proportion of Head Office and General Administrative Expenses) ...	11,08,108 98			
14,97,672 21	12. Balance of Profit ...	9,62,951 46			
94,07,735 07		95,04,254 23			95,04,254 23

* The figure is made up of the following:
Salary ... Rs. 1,12,800 59
Bonus ... Rs. 6,000 00
Servants' Allowances ... Rs. 4,800 00
Medical Expenses ... Rs. 651 35
Rs. 1,24,251 94

The monetary value of perquisites, Rs. 9,960/-, and Bank's Contribution to the Provident Fund Rs. 8,006/-, in respect of the Manager are not included in the above figure.

S. F. T. B. LEVER,
Manager, Calcutta Office.

MADURA MILLS COMPANY LIMITED

(Regd. Office: NEW JAIL ROAD, MADURAI)

CHAIRMAN DISCUSSES PROGRESS AND PROSPECTS

Speech of the Chairman Dr. Rajah Sir M. A. Muthiah Chettiar at the Annual General Meeting of the Shareholders of the Company held at Pandyan Building, Madurai, on 21st March, 1963.

Gentlemen,

Before we commence the regular business of today's meeting I have to refer, with very great regret, to the passing away of Shri Rajendra Prasad, our ex-President who was one of the noble sons of India. His death is a great loss to the Country and as a mark of respect to his memory I request you all to stand up and observe 2 minutes' silence.

The Report of the Directors and the Audited Accounts of the Company for the year ended 31st December, 1962 having been circulated in the prescribed manner, I propose with your permission to take them as read.

As you are all well aware, the Country is now passing through a very critical period in its history and we are in a State of Emergency, owing to aggression by a powerful and ruthless enemy. Although there is a lull in the fighting now and the Chinese have withdrawn to positions of their choice, we have to be prepared to meet the challenge. It is most gratifying to find that all parties are united in this effort and that there is an awareness on the part of labour on the need for achieving greater productivity. Your Company and its associates are playing their full share in meeting the requirements of Defence in this National Emergency.

Cotton Shortage

On the last occasion I mentioned the difficult position with regard to cotton we would face during the year. The crop for the year to 31st August, 1962 was only 46.50 lakh bales against the earlier expectations of 54 lakhs, as a result of bad weather conditions all round. Most of the areas produced sub-normal crops. The overall consumption estimated at 57.10 lakh bales was therefore much higher than the cotton available and Mills generally had great difficulty in purchasing the required raw material. To cover the deficit imports were allowed of short staple cottons from America and Pakistan to the extent of 10.66 lakh bales but actual arrivals were only about 8.65 lakh bales. Inadequate supplies and rising demand naturally led to heavy increases in the price of cotton. Although the Textile Commissioner took measures to tighten up control by the re-imposition of compulsory quality surveys, prohibition on Mills' holding stocks in excess of five months' average consumption and restriction on supplies to Mills by means of quotas, the Industry was forced to pay very high prices for its raw material. With effect from 1st September, 1962, Government raised the ceiling prices for all varieties of cotton by Rs. 125 per candy. It therefore became an extremely arduous task for your Company to procure the required supplies of cotton both qualitatively and quantitatively. Despite these odds you will note with gratification that production was well maintained by your Company during the year.

As in the previous year the demand for our products continued to be strong throughout the year. Together with the steady rise in the cost of cotton we also witnessed a steady rise in manufacturing cost but Government

was hesitant to yield to the Industry's demand for increases in yarn prices of counts 40s and below. This resulted in an increasing trend in the divergence between the ex-mill prices and market prices showing that Government's reluctance to allow increase in ex mill prices in no way benefited the consumer. From your Company's point of view the Government's policy affected the trading results of the year and if profits are not favourable in comparison with the previous year, you have the explanation. You will note from the Accounts that while there was a reduction in the net turnover by about Rs. 25 lakhs as compared with the previous year, the raw material cost was almost equal to that in the previous year. I am pleased to be able to report however that there has been a revision in the yarn prices, which with Government's approval has come into force from 7th February 1963. I sincerely hope that the Company will have a satisfactory trading year in 1963, despite the threatened power cut. I would like to mention in passing that the Company is giving its full support to the Textile Commissioner's and the Madras Government's schemes for distribution of yarns to the Handloom Weavers' Co-operative Societies in India to assist the handloom weavers in the Co-operative fold.

We continue to do well on the Export side, though our performance during the year has not been as good as in the previous year. I made reference, on the last occasion, to the meeting between the representatives of the Lancashire Textile Industry and the Indian Cotton Mills Federation and to the subsequent meeting of G.A.T.T. in Geneva. In pursuance of the agreement arrived at between the Governments of India and the United Kingdom a ceiling of 11.5 million lbs. has been fixed for the export of yarn. Export markets are highly sensitive to prices; however, we continue to have a very large share of the export quota.

Debtenture Issue

The proposed Debtenture Issue mentioned in my last speech was successfully effected in November 1962 and on the strength of this we have gone ahead with the full implementation of the 450 loom project. The first consignment of looms has already arrived and the looms are in the process of erection, with a few in operation already. Although these looms are the first of their kind in India we are wholly satisfied with their performance and versatility. We have an export obligation of 50% of the production on these looms, 350 of which will eventually be erected at our Ambasamudram unit where an up-to-date Weaving Shed is in course of erection. Market surveys done so far indicate that we shall be in a position to fulfil the obligation, provided we are granted a share of the markets at present restricted by Quotas.

Turning now to the Accounts for the year I must say that the net profit shown, Rs. 31,81,355 is considerably lower than that of the previous year but taking into consideration that this figure is arrived at after providing Rs. 10,00,000 for Debtenture Stock Redemption Reserve and after meeting the increase in depreciation charge together with the increase in raw material and manufacturing costs I referred to earlier, I am sure you will agree that the results are not unsatisfactory. With the increase in yarn prices an-

nounced in February and with the introduction since the 11th of this month of rationalised workloads in our units at Madurai and Tuticorin in settlement with the Unions at these places (who I am pleased to say have appreciated the need of the day for increased productivity), I hope and trust that results for the current year will be more satisfactory. In this connection I wish to mention that due to the conservative and prudent policy observed by the Company in the past in the matter of dividends and to the policy of ploughing back profits, the reserve position is very sound, but still I cannot say that the Company is not adversely affected by the proposed Super Profits Tax. It may not be possible in future to add to our reserves to the extent possible in previous years, but it is hoped that the dividend rate could be reasonably maintained.

Co-operation of Employees

The financial results are undoubtedly due to the harmonious co-operation and efforts of all our employees to whom again I would like to express my appreciation. We have still much to complete in our modernisation and expansion projects. With their continuing support we can look forward to the future with confidence and with mutual financial benefit.

Before concluding, I have to refer to the announcement in the Notice calling this meeting which stated that Mr. A. E. Cooper was not offering himself for re-election. Mr. Cooper joined the

Company in the latter part of 1954, and joined the Board of your Company and of the Managing Agents, the latter as Deputy Managing Director, in April 1960. He plans to leave India and to work in his home land. His departure will be a great loss to the Company and I would like to express on your behalf and on my own our appreciation of the valuable services he has rendered to the Company. I wish him all success in his future career.

As you know it had been my intention to propose to you, as the second and third items on today's Agenda that Mr. Victor Duxbury be elected to the Board in the vacancy caused by Mr. Cooper's retirement. I am very sorry to have to tell you that during the last few days Mr. Duxbury has advised the Company that personal considerations have made him decide to resign his position with the Company, and that he does not now wish to be considered a candidate for election to the Board. Under these circumstances Mr. Cooper has agreed to offer himself for re-election and to continue on the Board, if elected, until a suitable replacement for him can be arranged.

Note: This document does not purport to be a report of the proceedings of the Meeting.

SOUTHERN BANK LTD. (SCHEDULED BANK)

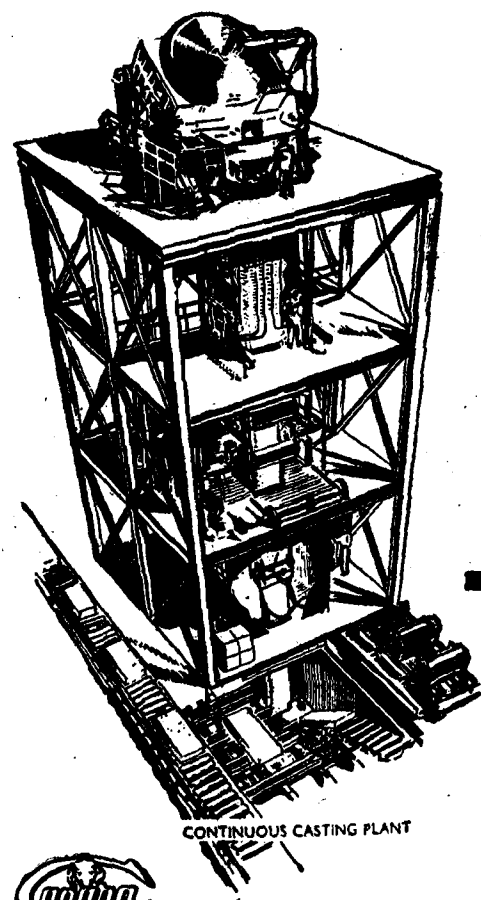
Head Office
24, NETAJI SUBHAS ROAD, CALCUTTA.
Phone: 22-5988, 22-5989.

BRANCHES: BUREABAZAR, SHYAMBAZAR, BHOWANIPUR, BASIRHAT & KHULNA.

LOAN GRANTED ON APPROVED

SECURITIES
All Sorts of Banking Business Transacted
S. N. BANERJEE, M.A.,
General Manager.

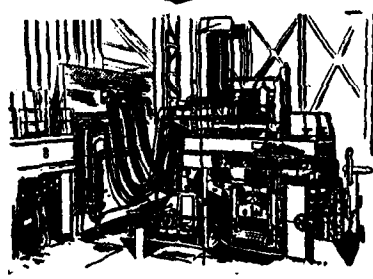
Canara will make its own steel for Springs



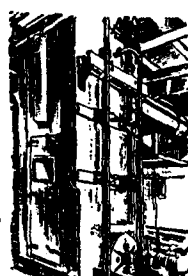
To keep up the renowned tradition of Canara, to build up the national economy and to assist the Country in saving and earning foreign exchange, Canara found it as the only way, to establish its own steel plant for making the best alloy steel for springs employing latest techniques and most modern equipment.



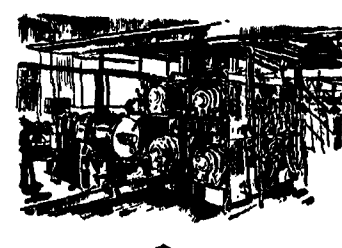
THE NEW PRECISION HOT ROLLING MILL



DIRECT ARC MELTING FURNACE



COOLING ZONE

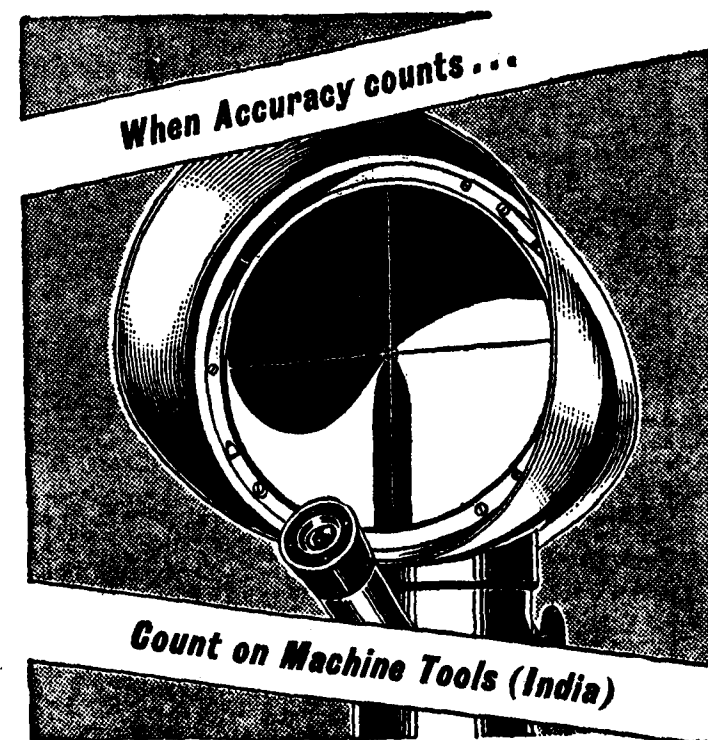


DISCHARGE END WHERE BILLETS EMERGE



PINCH ROLL

THE CANARA ALLOY STEELS
a division of
THE CANARA WORKSHOPS LIMITED



We offer British, American and continental Automatic Production Machinery, standard Machine Tools and Cutting Tools, also Wimet Indoloy Tungsten Carbide Tools and products made in India to ISO British and DIN specifications. Our offices listed below will welcome your enquiries.

MACHINE TOOLS (INDIA) PRIVATE LTD.

Calcutta Box 585 Bombay Box 522 Bangalore Box 692 MTI/129

THE BANK OF BARODA LIMITED

(Registered Office: Mandvi, Baroda)

Directors' Report

The Directors have pleasure in submitting this Fifty-Fourth Annual Report together with the Audited Statement of Accounts for the year ended 31st December, 1962.

	This year Rupees	Previous Rupees
The net profit for the year 1962, after providing for taxes, including Rs. 3,02,552.37 brought forward after taking Rs. 14,24,043.93 towards depreciation on buildings and furniture amounts to	66,21,722.36	68,72,552.37
An ad-interim dividend at the rate of 16% per annum, subject to deduction of income-tax at the appropriate rates was paid for the half-year ended 30th June, 1962 which absorbed	12,00,000.00	10,50,000.00
Amount transferred to Reserve Fund	12,75,000.00	20,00,000.00
Provision for Bonus to Staff	22,00,000.00	20,20,000.00
	46,75,000.00	50,70,000.00
The Directors now recommend :—		
(a) Payment of a final dividend at the rate of 16% per annum per equity share on the paid-up value on all those shares (issued prior to 30th June, 1962) subject to deduction of tax at the appropriate rates for the half-year ended 31st December, 1962 amounting to	12,00,000.00	15,00,000.00
(b) Payment of a final dividend at the rate of 16% per annum on the paid-up value on the new issue of one lac equity shares in proportion to the period commencing from the first day of the month following the date of receipt of application moneys, subject to deduction of tax at the appropriate rates for the portion of the year ended 31st December, 1962 amounting to	3,30,000.00	
(c) and carry forward to the next year's account of the balance amounting to	4,16,722.36	3,02,552.37
	66,21,722.36	68,72,552.37

2. The business of the Bank during the year under review continued to be satisfactory.

3. The Reserve Bank of India rate of interest continued to rule @ 4% per annum for the past 5 years, but was raised by 1% per annum to 4½% per annum effective from 3rd January, 1963.

4. The Deposit Insurance Corporation Act, 1961, came into force from 1st January, 1962 and premium amounts on our total deposits in India (excluding deposits permitted by the said Act) at the rate of 5 rP. per cent per annum were paid to the Corporation.

5. The Bank opened during the year 1962, 20 more branch offices in India namely :-

Navrangpura, Ahmedabad	Dhankam	Mangalore
Bareilly	Shaktinagar, Delhi	Asaf Ali Road, New Delhi
Ballard Estate, Bombay	Dhokla	Udhna
Khand Bazar, Bombay	Junagadh	Umrath
Khar, Bombay	Sitalnagar Bazar, Indore	Viramgam
Broach	Godhra	Mulund, Bombay
Lake Market, Calcutta	Ludhiana	

and closed 3 branch offices at Bruce street (Bombay), Pimpalgaon (Baswan), and Industrial Fair (Anasol). Consequently, the number of its branch offices in India increased to 12 as at the end of 1962. Since 1st January 1963 the bank has opened further branches at Asandol, Ahmedabad (Girdharnagar), Bombay (Khetwadi, Main Road) and at Borsad and will shortly be opening another branch at Bori Bunder (Bombay).

Three more branches were opened in foreign countries, first at Mbale (Uganda), second at Moshi (Tanganyika), both in East Africa and the third at Port Louis in Mauritius Island.

6. The Board of Directors decided to take over the banking business of the Surat Banking Corporation (Private) Limited, Surat. Accordingly, after due examination and valuation, the banking business of the Corporation has been taken over by the Bank with effect from 1st January, 1963 and the only office of that Bank at Vania Sheri, Surat, has commenced functioning as a branch of this Bank from that date.

1. The Bank had in all 114 branch offices after taking into account three branches closed down during the year ended 31st December 1962. 192 applications for exemption were granted exemption from audit under Section 228 of the Companies Act, 1956, in respect of 73 branches in India for the year 1962. Out of the remaining 101 branches, 87 branches in India have been either audited by the Bank's Statutory Auditors or by firms of Statutory Auditors in India, 14 branches in India have been audited by the Statutory Auditors. All the Bank's branches outside India number 141, have been audited by Chartered Accountants who have been competent to act as Company Auditors under the Acts of the respective countries and who have been approved by the Bank's Auditors.

8. The Directors report with great regret the death on the 7th July, 1962 of one of their senior colleagues, Shri Durgaprasad Shambhuprasad Laskari. They desire to place on record their appreciation of the valuable services rendered by him to the Bank for a period of 40 years.

9. In accordance with Article 145 of the Articles of Association of the Bank, four directors—Shri Kantilal Nahalchand, Shri Naval H. Tata, Shri Anandlal Hirajlal Sheth and Shri B. K. Daphtary—retire by rotation and being eligible, offer themselves for re-election.

10. Under the provisions of Article 149 of the Bank's Articles of Association, Shri A. M. M. Arunachalam and Shri Navnitlal S. Shodhan, who have been appointed as additional directors during the year will hold office upto the date of the Annual General Meeting i.e. upto 8th April 1963. They held office upto 31st March 1963.

11. The shareholders are requested to appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Bombay,
Dated 7th February, 1963.

BALANCE SHEET AS AT 31st DECEMBER, 1962

[illegible]

THE BANK OF BARODA LIMITED—Cont'd.

BALANCE SHEET AS AT 31ST DECEMBER, 1962—Cont'd.

31-12-1961		CAPITAL & LIABILITIES—Cont'd.		31-12-1961		PROPERTY AND ASSETS—Cont'd.	
Rs.	Rs.	Rs. n.p.	Rs. n.p.	Rs.	Rs.	Rs. n.p.	Rs. n.p.
115,04,47.003		Brought forward ...	133,62,44,707 40	103,46,41,115		Brought forward ...	121,66,19,708 94
7,60,90,497		8. Acceptances, Endorsements and Other Obligations per contra	10,04,56,337 40			Particulars of Advances :	
	15,83,552	9. Profit and Loss :		54,78,42,575		(i) Debts considered good in respect of which the banking company is fully secured	65,96,91,230 00
	14,74,194	Profit as per last Balance Sheet	18,02,553 37			(ii) Debts considered good for which the banking company holds no other security than the debtors personal security	11,06,52,132 89
	1,09,358	Less : Appropriations	15,00,000 00	8,69,60,068		This includes :—	
	67,63,195	Add : profit for the year brought from the Profit and Loss Account	3,02,553 37			Advances under joint and several promotes Rs. 6,80,94,604.94	
	68,72,553	Less : Ad-interim dividend paid @ 1% p.a. for the half-year ended 30th June, 1962 (subject to tax) Rs. Amount transferred to Reserve	63,19,168 99	6,88,79,514		Advances to individual parties Rs. 4,45,57,527.95	
		Bonus to Staff Rs. 22,00,000.00	66,21,722 36			(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	7,75,28,863 35
18,02,553	20,20,000	10. Contingent Liabilities :	46,75,000 00			(iv) Debts considered doubtful or bad, not provided for	Nil
		(i) On partly paid shares of Joint Stock Companies Rs. 21,64,300.00		Nil			Nil
	20,29,838	(ii) Claims against the banking company not acknowledged as debts Rs. 1,76,246.96		70,36,82,157		(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons	84,78,72,226 24
	2,56,144	(iii) Money for which the banking company is contingently liable (including Rs. 4,11,877.58 for guarantees given on behalf of the directors and the officers of the Bank) Rs. 18,89,76,582.87		3,16,228		(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	11,18,988 01
18,18,69,126		(iv) Liability on Bills of Exchange re-discounted Rs. (Out of which upto 31-1-63 Rs. 13,41,404.40 have run off.)	34,69,434.60	11,93,05,773		(vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons	17,63,89,567 36
	Nil	(v) Liability on account of outstanding Forward Exchange Contracts for purchases and sale ... Rs. P 6,98,38,540 66 S 11,72,83,900 27		3,16,335		(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	12,34,497 27
P 5,73,23,761 S 8,12,06,715 J		Note :—(1) Provision to the full extent for future gratuities to the staff has not been made—the liability for which has not been ascertained		12,53,05,363		(ix) Due from banking companies	17,63,89,567 36
		(2) The Balance Sheet and Profit & Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Companies Act, 1949 and are not required to be and are therefore not drawn up in accordance with Schedule VI of the Companies Act, 1956		16,71,529		6. Bills Receivable being Bills for Collection as per contra :	32,04,476 60
				7,60,14,341		(i) payable in India	7,31,69,886 61
				9,50,83,289		(ii) payable outside India	2,31,21,719 56
				1,90,68,348		7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra	9,62,91,666 17
				7,60,90,497		8. Premises Less Depreciation :	10,04,56,337 40
						Premises at cost to 31st December, 1961	1,16,73,299 55
						Additions during the year	1,29,70,827 89
						Less : Sales during the year	Nil
						Less : Total depreciation to date	1,29,70,827 89
				99,96,907			19,63,333 00
						9. Furniture and Fixtures Less Depreciation :	
						Furniture and Fixtures at cost to 31st December, 1961	81,42,686 07
						Additions during the year	23,63,943 41
						Less : Sales during the year	1,05,26,629 48
						Less : Total depreciation to date	35,943 18
				68,45,907			1,04,90,686 30
							32,38,767 59
						10. Other Assets :	
						(i) Advance Payments of Tax	22,138 00
						(ii) Interest accrued on investments	20,73,240 18
						(iii) Stamps and Stationery	19,28,314 51
						(iv) Advances recoverable in cash or in kind	28,87,188 36
				66,28,638		(v) Silver	Nil
						11. Non-Banking Assets Acquired in Satisfaction of Claims at or below cost	69,10,881 05
				54,000			1,09,760 00
						Total	
122,53,40,053		Total	143,86,47,767 16	122,83,40,053		Total	143,86,47,767 16

UNITED BANK OF INDIA LTD.

CHAIRMAN, DR. N. N. LAW'S REVIEW

Abstract from speech by Dr. N. N. Law, Chairman, United Bank of India Ltd. at the Annual General Meeting held on the 25th March, 1963.

Gentlemen,

I welcome you to this 13th Annual General Meeting of the United Bank. Since we met last year, we have lost our revered director Sri N. C. Datta, who died on April 16, 1962, at the age of 83 years. The death of Sri Datta has been a great loss to the Bank and the community. Way back in 1914, urged by the spirit of national service, when Sri Datta founded the Comilla Banking Corporation, banking was yet at a formative stage. His strength of conviction and urge for service is better appreciated when one remembers that he set forth on a pioneering enterprise, and in order to work whole time for it gave up a lucrative legal practice. With his progressive approach, fore-

sight and expert knowledge, he has made a marked contribution to the banking industry.

The closer I came to him the more I was charmed by his forthright behaviour, wealth of experience, and the warmth of his affection. Let us take consolation in the fact that he lived a glorious life, saw the fruition of his dream, assisted us in solving the difficult problems of amalgamation, and was able to see the United Bank well on the way to progress. May the departed soul rest in peace.

With a deep sense of sorrow I have also to refer to the rather untimely demise of Sri Dharendra Narayan Mukerji, the founder of the Hooghly Bank, another amalgamating unit of the United Bank. On the 19th of February 1963, Sri Mukerji passed away at the age of 62. Sri Mukerji, as you are aware, coming from a well-

known family, sacrificed a lot in the interest of the nation and built up the Hooghly Bank, the hard way. The story of the growth of the Hooghly Bank and its march from a small place on Dharamtala Street to 42, Chowringhee Road, is like the story "from log cabin to White House". His efforts, with winning manners, contributed not a little to solving the problems of the merger. Even when he was not on the Board of this Bank he did his best to support the cause of the institution. We condole his very untimely death.

On this occasion we cannot but remember with reverence the founders of the other two amalgamating units—the Comilla Union Bank and the Bengal Central Bank. The late Sri I. B. Dutt started the Comilla Union Bank in 1922. He had no need for personal earnings and was motivated entirely by selfless service to the community. Those who know the history, vividly

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recall even to-day, how he, for all his aristocratic heritage and foreign education, went from door to door, with a spirit of humility, for collecting a few rupees either by way of capital or deposit.

Late Sri J. C. Das, who founded the Bengal Central Bank, was wellknown in the country as a professional Accountant, having acquired his accountancy qualifications both in the U.S.A. and U.K. His firm of Accountants enjoyed a high reputation in the country. His advent in the field of banking was again a case of service to the cause of the community. The Bengal Central Loan Company was established by him at Calcutta in 1918, with a view to helping and co-ordinating the activities of various loan offices in Eastern India. A few years later it was converted into a regular commercial bank. Development of the Bengal Central Bank was entirely the result of his untiring efforts. The late Sri Das had often thought of a merger of the larger banks of Bengal to make it one of the foremost in the country. It is not generally known that in 1948 the merger of the Bengal Central Bank and the Comilla Banking Corporation was almost complete, but certain circumstances prevented it. It is an irony of fate that when the amalgamation really took place, with a larger purview, he was

CAPITAL, 28th March, 1963.

no longer with us to see the fruits of his efforts.

I take this opportunity to pay my homage to the deceased founders of the amalgamating units.

National Emergency

I must make a reference to the state of emergency that the country now faces. Our defence forces who gallantly resisted the massive aggression against heavy odds, deserve the highest tribute. The memory of the brave who laid down their lives in defending the motherland, will ever remain enshrined in every heart.

Confronted with the challenge, the immediate reaction of the nation has been to face up to it, with unity and determination. It is now the duty of all of us to see that the initial enthusiasm and the sense of oneness is maintained so that the period of emergency is seen through successfully.

Emergency Risk Insurance

Of the measures taken with the advent of the emergency, mention must be made of the Emergency Risk Insurance, which also covers the plantation industry. This has been a timely and appropriate step. However, by the nature of things, the schemes of Emergency Insurance cannot cover all the facets of the risks which are inherent in the situation. As in the case of the risks covered under the Emergency Risk Insurance, there are other risks also which had better be covered similarly, rather than left with the respective units to carry. I feel that a close study of the risks of every nature that the financial institutions, vis-a-vis industry and trade, have to bear, should be undertaken, in collaboration with all the sections concerned. Remedies suggested by such a study could be formulated well in advance and implemented whenever the situation so warrants.

I take this opportunity to mention that the services rendered by your Bank in the frontal areas during the relevant period, were highly appreciated by the Chief Minister of Assam, the business community in general and the tea industry in particular. I must also make a particular mention of the staff of all categories at our branches in the forward areas who conducted themselves admirably well during the crisis period.

Gold Control Measures

Another emergency measure that deserves mention is the steps taken to discourage hoarding of gold. The issue of gold bonds, has been a very well devised measure. It is most unfortunate that it did not meet with much success.

The follow-up measure imposing a complete control on dealings in and uses of gold, has raised an amount of controversy, which, however, could be expected. That the measure has had its initial impact on gold racketeering is noticeable from the reactions in the gold markets abroad as reported in the London Economist. However, the manner and the degree of success of the measure will depend on many factors. Varied and difficult problems of breaking down the age-old traditions and building up an adequate administrative set up, will have to be faced. All this will take time.

Super Profit Tax

As expected, the budget for 1963-64 has imposed substantial burden in the form of increased and new taxation. On the whole, in view of the emergency, such a step was inevitable. The increased outlay will largely be financed by tax resources and less by deficit financing. This approach is preferable to relying more on deficit financing, which would have further eroded the purchasing power. However, this positive quality of the budget would considerably be set off by the adverse impact of the Super Profit Tax now proposed. A few remarks on this

aspect of the budget will not be out of place here.

By further taxing the taxed profits of corporate bodies, their ability to build adequate reserves, through ploughing back, will be seriously curtailed. Particularly in the case of banks, the need for plough back, both in the form of published as well as internal reserves, is pressing and this has fully been recognised by the Monetary Authority; the Super Profit Tax will hit hard the already limited ability of the banks. If the recent attempts to strengthen the banking system are to succeed, some method of relief from the incidence of this tax will have to be devised.

I may suggest that in case of banks, their transfers to reserves—published and internal—to the extent of at least 30 per cent of after-tax profit be specially exempted from the chargeable profit to be calculated under any modifications to the Super Profit Tax that may be introduced as a result of reappraisal. Such a concession, while helping the banking system will not result in any great loss to the Exchequer in terms of revenue.

The imposition of Super Profit Tax, besides its impact on corporate finance, also has a bearing on the industrial development in the country. The importance of private sector investment for economic development is well recognised and has also been emphasised in the Economic Survey released along with the Budget. In the recent years the capital market was showing signs of healthy growth and a new section of investors was gradually developing. The imposition of Super Profit Tax as proposed has produced an impact on the market, which, if continued, may distort this healthy development to an undesirable degree.

Investment Trust

It is heartening to learn that the Government is considering the question of formation of Investment Trusts with a view to spreading the benefit of the industrial investment in the community at large. I have, in the past, emphasised the importance of and need for Investment and Unit Trust, as recommended by the Shroff Committee. It is wellknown that the growth of such trusts has so far been inhibited on account of the incidence of multiple taxation which, under the present tax laws, such trusts would be subject to. I am, therefore, particularly happy that the idea is now being considered in earnest at the appropriate level.

I would, however, submit that in order to achieve the desired results, it would be necessary for the Government to provide conditions and encouragement for such trusts to grow extensively throughout the country. Such a broad based development, with direct participation from the small investors, alone can provide for a healthy, balanced and natural growth of the capital market.

Compulsory Deposit Scheme

The other measure I would like to refer to is the Compulsory Deposit

Scheme, which is being introduced for the first time. As a step to curtail consumption, to mobilise resources and to ensure a general participation in the defence efforts the scheme has been well devised. However, the scheme in its present form can seriously affect the growth of deposits with the commercial banks by diversion of funds, and to that extent inhibit commercial banks' ability to serve the needs of industry and trade.

The scheme will affect the very section of the people who provide the prime deposit to the banks. The banking system, therefore, can legitimately expect that the Government will take other measures so as to mitigate their problem created by this imposition. We have, in the past, had occasion to refer to the need for utilising the commercial banks as depositories of Government funds, and I feel that the present measure is a further justification for giving a serious consideration to this idea.

Bank's Working

The Directors' report and the accounts for the year 1962 have been in your hands for some time and, I am sure, you have studied them with interest. You will, no doubt, have seen that despite the situation that developed towards the end of the year, the results have been satisfactory. Deposits have risen by Rs. 5.83 crores or by nearly 10% over the previous year.

This growth in deposits enabled us to increase our advances partially to meet the rising demand for bank credit, and to expand our investment portfolio in government securities. Our Foreign department continued to render services to the country's import and export trade, and over the years the volume of business transacted has registered a satisfactory growth, with a pronounced increasing trend. Our Pakistan branches continued to play their useful role in the development of the local economy and their business during the year was satisfactory.

Desal Award

In September last the Award of the National Industrial Tribunal (Bank Dispute) was announced, with its provisions taking effect from January 1962. You will have noticed that the establishment charges have risen by Rs. 24 lakhs, inclusive of normal increment etc., as against an increase of about Rs. 8 lakhs during the previous year. This is an increase of 16.7 per cent over the previous year and of 4.1 per cent on the quantum of increase in deposits in 1962. Most of this rise is due to the extra load imposed on the Bank by the Award, and its other implications are yet to be felt in the current year.

However, now that the Award has been implemented in the interest of the wellbeing of the staff, one may reasonably expect a higher degree of co-operation from the staff members. Only then can the incidence of the operating cost be somewhat lightened. I do hope that while the management will continue to make their efforts, the staff

will not be lacking in extending greater co-operation.

Interest Rates

You would have noticed that interest on deposits during the year under review has increased by Rs. 24 lakhs for a rise of only Rs. 5.83 crores in deposits. This works out to 4.1 per cent on the amount of increase in deposits and reflects the tendency towards increase in the rates of interest on deposits noticed during the last few years. If we are obliged to abandon our restraint with regard to interest on deposits, I am afraid, our operating cost ratio would further rise. I would once again like to repeat that higher interest rates on bank deposits, in a regulated and closed economy, does not, as it could not, by itself act as stimulant to deposit growth.

The recent growth in bank deposits is largely attributable to opening up of new branches, increase in the national income, expansion of currency and similar other factors. If all these are taken into account one would see how little, if any, has been the influence of increased rate of interest on the growth of deposits. At the same time banks' operating costs have been unnecessarily raised. As a result the rates of interest on advances have also increased.

If the lending rates were raised to broaden the differential with the deposit rates and thus substantially to strengthen bank reserves, a useful purpose would have been served. But instead, the trend has continued to be that the increase in interest rate on deposits has pushed up the lending rates without expanding the differential. The structure of interest rates, I feel, should be reorganised to suit the economy, at the same time to improve the profitability of the banks.

The convention evolved by the British banks in this regard, viz. that the maximum rate of interest on deposits be 2 per cent below the Bank Rate and that the prime rate of advances be 1 per cent above the Bank Rate with a minimum of 5 per cent, is more pragmatic in its approach than the agreement adopted in this country. I think the Indian Bank's Association should reorganise the inter-bank agreement on similar lines, but providing for a larger differential.

Service Charges

Here I would like to reiterate the need for standardising the charges for various services provided by banks. While deposit rates are regulated by agreement, absence of standardisation of service charges based on the costs of such services, militate against true implementation of the deposit rate agreement. I am at a loss to understand how in the face of the existing agreement on deposit rates, and even on lending rates, can there be any objection to an agreement on service charges; particularly when such an agreement becomes necessary in the interest of the existing ones.

Note:—This does not purport to be a record of the proceedings of the Annual General Meeting.

THE BANK OF BARODA LIMITED—Cont'd.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1962

31-12-1961 Rs.	EXPENDITURE	Rs.	nP.	31-12-1961 Rs.	INCOME (Less Provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs.	nP.
2,44,53,788	1. Interest paid on deposits, borrowings, etc. ...	2,96,81,326	45	4,22,18,537	1. Interest and Discount ...	5,07,39,654	62
1,36,85,333 (67,500)	2. Salaries and Allowances and Provident Fund (includes salary & allowances to Managing Director Rs. 67,500)	1,70,27,221	97	88,45,012	2. Commission, Exchange and Brokerage ...	1,10,24,611	31
62,271	3. Directors' and Local Committee members' fees and allowances ...	81,537	67	3,11,133	3. Rents ...	4,12,455	29
17,36,818	4. Rent, Taxes, Insurance, Lighting, etc. ...	26,64,246	92	Nil	4. Net profit on sale of investments, gold and silver, land, premises and other assets ...	Nil	
1,22,536	5. Law Charges ...	1,03,821	51	Nil	5. Net profit on revaluation of investments, gold and silver, land, premises and other assets ...	Nil	
7,85,222	6. Postages, Telegrams and Stamps ...	8,87,460	18	2,367	6. Income from non-banking assets and profit from sale of or dealing with such assets ...	12,311	33
80,422	7. Auditors' Fees ...	82,189	19	5,295	7. Other receipts ...	4,412	50
9,12,469	8. Depreciation on and repairs to the banking company's property ...	12,70,157	06				
12,83,960	9. Stationery, Printing, Advertisement, etc. ...	17,45,558	54				
1,007	10. Loss from sale of or dealing with non-banking assets ...	11,019	37				
15,15,603	11. Other Expenditure (including Contribution to National Defence Fund Rs. 3,50,000) ...	22,76,037	20				
9,700	12. Development Rebate ...	33,700	00				
67,63,195	13. Balance of Profit ...	63,19,168	99				
	Note: (1) The Managing Director is allowed the use of the Bank's motor car free of cost. (2) Some of the figures of the previous year have been regrouped to make them comparable with those of the current year.						
5,13,82,344	Total ...	6,21,93,445	05	5,13,82,344	Total ...	6,21,93,445	05

CERTIFICATE PURSUANT TO RULE 6(c) OF THE COMPANIES (BRANCH AUDIT EXPANSION) RULES, 1961.

We hereby certify that no material change has taken place in the arrangements made for the audit of accounts of the Branch Offices exempted from audit under Rule 4(1)(b) of the Companies (Branch Audit Exemption) Rules, 1961, enabling the Chartered Accountants employed by the Bank for the purpose of audit of the accounts of Branch Offices, to visit the Branch Offices and to have access at all times to the books, accounts and vouchers of the Bank maintained at such Branch Offices audited by them and for furnishing all such further information and explanations required by them and that such auditors have carried out the audit of the Branches assigned to them in accordance with the Internal Audit Programme drawn up by them and approved by the Bank's Statutory Auditors.

For THE BANK OF BARODA LIMITED

A. H. SHETH
Director.
N. M. CHOKSHI
Managing Director.

R. D. BIRLA
KANTILAL NAHALCHAND
ANANDLAL HIRALAL
CHINUBHAI CHIMANBHAI
B. K. DAPHTARY
K. P. GOENKA
N. D. BANGUR
RAJESH N. MAFATLAL

Directors.

N. M. CHOKSHI
Managing Director.

A. M. M. ARUNACHALAM
Director.

JANARDAN S. PARIKH
As Accountant.

Calcutta,
Dated 22nd February, 1963.

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We have audited the foregoing Balance Sheet of THE BANK OF BARODA LTD., as at 31st December, 1962, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated the returns from 41 Branches audited by us, 60 Branches audited by Branch Auditors and unaudited returns from 70 Branches for which Audit Exemption) Rules, 1961.

We report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
- the transactions of the Bank which have come to our notice have been within the powers of the Bank;
- in our opinion, proper books of account as required by law have been kept by the Bank, so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank not visited by us;
- the Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;
- the reports on the accounts of the Branches audited by Branch Auditors have been forwarded to us and the same have been considered by us in preparing our report;
- in our opinion and to the best of our information and according to the explanations given to us, the said accounts, together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1962, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

K. S. AIYAR & CO.

Chartered Accountants.

N. M. RAIJI & CO.

Chartered Accountants.

Bombay, Dated 23rd February, 1963.

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CHANNELS
ANGLES
ROUND &
FLAT BARS
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P. L. BHATT & CO.
(Est. 1949)
STEEL

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BOX STRAPPINGS**

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Government Controlled Stockist
5, Clive Row, Calcutta 1.

Cables: HEXAGONALS CALCUTTA

THE BANK OF TOKYO LIMITED

(INCORPORATED IN JAPAN—LIABILITY OF MEMBERS LIMITED.)

2, BRABOURNE ROAD, CALCUTTA-1.

CONSOLIDATED

BALANCE SHEET AS ON 31st DECEMBER, 1962.

Previous Year RUPEES	CAPITAL & LIABILITIES	Rs	nP	Previous Year RUPEES	PROPERTY & ASSETS	Rs	nP	Rs	nP
23,33,678	1. Capital : Investments Deposited with the Reserve Bank of India, Sec. 11(2) of the Banking Companies Act, 1949 ...	23,25,195	66	56,58,017	1. Cash : In hand and with Reserve Bank and State Bank (including foreign currency notes) ...	54,44,536	16		
Nil	2. Reserve Fund and other Reserves :			1,73,482	2. Balances with other Banks on Current Account : (i) In India ... (ii) Outside India ...	9,50,571	25	9,50,571	25
3,90,79,714	3. Deposit & other Accounts : Fixed Deposits ... Savings Bank Deposits ... Current Accounts & Contingency Account, etc. ...	3,73,98,623	88	35,00,000	3. Money at call & Short Notice :				
5,84,00,000	4. Borrowings from other Banking Companies Agents, etc. : (i) In India ... (ii) Outside India ... PARTICULARS : (i) Secured (Stating the nature of Security) (under Bill Market Scheme) ... (ii) Unsecured ...	4,74,00,000	00	1,16,61,141	4. Investments (at cost) : (i) Securities of the Central & State Governments and other Trustee Securities including Treasury Bills of the Central & State Governments ... * (ii) Shares (classifying into preference, ordinary, deferred and other classes of shares and showing separately shares fully paid up and partly paid up) ... (iii) Debentures or Bonds ... (iv) Other Investments (to be classified under proper heads) ... (v) Gold ... * 2500 Ord. Shares of Rs. 100/- each of Industrial Credit & Investment Corp. of India ...	1,32,96,595	84		
2,54,995	5. Bills Payable :	5,02,243	24	9,13,94,823	5. Advances—(other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors) : I. Loans Cash, Credits, Overdrafts, etc. (i) In India ... (ii) Outside India ... II. Bills Discounted & Purchased : (excluding Treasury Bills of the Central & State Governments) ... (i) Payable in India ... (ii) Payable outside India ... Particulars of Advances : (i) Debts considered good for which the banking company is fully secured ... (ii) Debts considered good for which the banking company holds no other security than the debtors' personal security ... (iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors ... (iv) Debts considered doubtful, or bad not provided for ... (v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons ... (vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in case of private companies, as members ... (vii) Maximum total amount of advances including temporary advances made at any time during the year to the directors, managers or officers of the banking company or any of them either severally or jointly with any other person ... (viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies, as members ... (ix) Due from banks ...	11,67,99,992	94		
53,20,708	6. Bills for Collection being Bills Receivable as per contra ... (i) Payable in India ... (ii) Payable outside India ...	25,92,358	57	53,20,708	6. Bills Receivable being Bills for collection as per contra ... (i) Payable in India ... (ii) Payable outside India ...	25,92,358	57		
1,67,32,583	7. Other Liabilities : Suspense Receipts ... Income-Tax payable on Staff salaries & others ... Inter-Office Balance ... Interest unpaid ... Reserve for Income Tax ... Rebate on Discount Prepaid, etc. ... Due to foreign Banks ... Interest Suspense ...	5,37,95,988	41	8,24,17,940	7. Constituents' Liabilities for acceptances, endorsements and other obligations per contra ...	10,64,96,528	84		
8,24,17,940	8. Acceptances Endorsements & other Obligations per contra ...	10,64,96,528	84	5,39,468	8. Premises Less Depreciation ...				
5,39,468	9. Profit & Loss Profit as per last Balance Sheet ... Less : Adjustment with Head Office A/c ... Add : Profit for the year ... Less : 20% Profit of Bombay branch transferred to Legal Earn Reserve (shown under Other Liabilities—Interest unpaid) ... Add : Adjustment with Head Office A/c ...	6,05,026	80	3,48,552	9. Furniture and Fixtures : Less Depreciation : At cost upto 31.12.61 ... Additions at cost during the year ... Less Sold during the year ... Less Depreciation written off to date ...	4,17,114	46		
1,35,41,263	10. Contingent Liabilities (i) Claims against the Banking Co not acknowledged as debt ... (ii) On Investments in shares of Jt. Stock Companies & Banks ... (iii) On letters of guarantee on behalf of Constituents ... (iv) Liability on account of outstanding forward exchange contract ...	2,16,85,399	19	22,70,846	10. Other Assets Including Silver ... Security Deposit with others ... Suspense Payments ... Accrued Interest and others to be reserved Re-discount & other not elapsed ...	27,93,071	68		
4,32,50,175		5,02,20,996	80	Nil	11. Non-Banking Assets Acquired In satisfaction of claims (stating mode of valuation) ...				
	Total Rupees ...	24,87,90,769	74		12. Profit & Loss ...				
					Total Rupees ...	24,87,90,769	74		

U.N. MOVE FOR CONFERENCE ON WORLD TRADE

(BY A SPECIAL CORRESPONDENT)

THE proposals of Mr. Khrushchev and Mr. Diefenbaker that a conference should be convened to plan expansion of international trade were treated rather sceptically in Britain, but before the end of 1962, the General Assembly of the United Nations had voted for such a conference, to take place in 1963 or early 1964. The Canadian Prime Minister visualised a meeting of the British Commonwealth, the European Common Market, the European Free Trade Association, the United States, Japan and other "like-minded nations". The U.N. conference will include, of course, Russia and her satellites, but not, as Mr. Khrushchev's proposal visualised, China and East Germany.

However such a conference is constituted, it must discuss, as the most important item on its agenda, trade between the developed and the under-developed countries. The recent annual statement of Mr. J. S. Crossley, as chairman of Barclays Bank D.C.O., develops the theme that "a situation in which the rich nations are rapidly becoming richer and the poor relatively poorer, presents the greatest challenge of our age". Mr. Crossley is concerned with the policy of the European Economic Community, and with the implications of Britain's application to join it, rather than with world-scale conferences on trade. He says frankly that to promote prosperity in the under-de-

veloped countries is a matter of self-interest on the part of the developed free-enterprise countries. "More than a century ago, when the rise of the new capitalist society produced by the industrial revolution caused violent strife from one end of Europe to the other, the question at issue concerned differences in wealth between individuals. Today, these differences emerge as between nations themselves. But communism can feed on the one as well as on the other."

Change in Relative Prices

The background to this relative impoverishment is the change in relative prices, to the disadvantage of the under-developed countries. Cost-inflation in the developed countries has tended to raise the prices of their manufactured exports, while over-production in the under-developed countries has tended to lower the prices of their primary exports. Demand for primary goods has not expanded as much as the producers anticipated. More liberal trading policies on the part of the developed countries, combined with policies to develop industry in the under-developed countries, could gradually rectify the position. Bankers whose interests are mainly in the under-developed countries are particularly qualified to discuss this problem. Most of the

countries of the British Commonwealth are in the category of the "have-nots", says Mr. Crossley; and from this point of view, he questions the advantages of Britain's participation in the E.E.C. He questions also the present policy towards the dollar. The dollar could withstand further severe strains while maintaining its parity with gold. "Whether it should be required to do so and whether the intensification of the new 'dollar protectionism' which might be involved would be worth the cost may be arguable, but it can scarcely be denied that such a policy would bear hardly upon the 'have-not' countries."

The Main Problem

The under-developed countries of the Commonwealth, and those that are in transition between primary-producing and manufacturing communities, are the main problem in the negotiations between the E.E.C. and Britain, but this is only a segment of the whole problem of relations between the more developed and the poorer countries. (The terms of trade have, in fact, moved further against Latin America than against the primary-producers of the Commonwealth.) British industry, in general, is well protected by tariffs, and (inside or outside of the Community) it should be prepared to relinquish much of this advantage. Schemes to stabilise and support commodity prices may be helpful, but they cannot provide an adequate income for under-developed countries whose export markets are restricted. And unlimited aid, even if it were available, would be an irrational evasion of the essential problem—"the greatest challenge of our age".

THE BANK OF TOKYO LIMITED—Cont'd.

CONSOLIDATED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31st DECEMBER, 1962.

Previous Year RUPEES	EXPENDITURE	Rs.	nP.	Previous Year RUPEES	INCOME (Less Provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs.	nP.
48,70,187	1. Interest paid on Deposits, Borrowings etc. ... (Including Rs. 6,57,538.00 to Inter-Office Advances)	46,63,156	76	63,18,033	1. Interest & Discount ...	77,73,485	64
9,99,034	2. Salaries & Allowances and Provident Funds (Including Salary & Allowances of Manager of Principal Office in India, Rs. 97,482.00) ... Directors' & Local Committee Members' Fees and Allowances ...	10,78,676	06	18,02,812	2. Commission, Exchange & Brokerage ...	16,09,795	48
Nil	3. Rent, Taxes, Insurances Lighting etc. ...	Nil		Nil	3. Rents ...	Nil	
9,72,880	4. Law Charges ...	23,50,261	32	Nil	4. Net Profit on Sale of Investments, Gold & Silver, Land, Premises and other Assets (not credited to Reserves or any particular Fund or Account) ...	Nil	
1,456	5. Postage, Telegrams, & Stamps ...	8,077	38	Nil	5. Net Profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account) ...	Nil	
78,225	6. Auditors' Fees ...	74,994	13	Nil	6. Income from non-banking assets and Profit from Sale of or dealing with such Assets ...	6,475	23
3,701	7. Depreciation on & Repairs to the Banking Company's Property ...	3,701	00	2,079	7. Other Receipts ...	6,131	19
64,943	8. Stationery, Printing, Advertisement etc. ...	1,08,924	45	Nil	8. Loss (if any) ...	Nil	
51,770	9. Loss from Sale of or Dealing with Non-Banking assets ...	70,005	89		Total Rupees ...	93,95,887	54
4,12,940	10. Other Expenditure ...	9,744	98				
6,67,788	11. Balance of Profit ...	4,24,068	06				
	Total Rupees ...	6,04,277	71				
	Note : In addition to Salary & Allowance, the Manager of Principal Office received the following perquisites : Free Quarters Rs. 4,785.00 Use of Car Rs. 1,500.00 Use of Bank's Servant Rs. 3,360.00	93,95,887	54				

Y. SHIMIZU
Accountant

AUDITORS' REPORT

E. OHARA
Manager

We have audited the above Balance Sheet of THE BANK OF TOKYO LTD., as at 31st December, 1962 and also the annexed Profit & Loss Account of the Bank for the year ended upon that date in which are incorporated the Returns from the Bombay Branch audited under Section 228 of the Companies Act, 1956 by other Auditors.

In accordance with the provisions of section 29 of the Banking Companies Act, 1949, read with the provisions to sub-sections (1) and (2) of section 211 and to sub-section (5) of section 211 and section 227 (5) of the Companies Act, 1956, the Balance Sheet and Profit & Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956. The accounts are therefore drawn up in conformity with Forms A & B of the Third Schedule to the Banking Companies Act, 1949.

We report that :

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory ;
- The transactions of the Bank which have come to our notice, have been within the powers of the Bank ;
- In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the Bank ;
- The Bank's Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account and the returns ;
- In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1962 and the Profit & Loss Account gives a true and fair view of the Profit for the year ended upon that date.

2, Church Lane, Calcutta-1.
Dated the 20th March, 1963.PAL & ROY,
Chartered Accountants.

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POLICY ON FOREIGN CAPITAL NEEDS TO BE CLARIFIED

(FROM OUR NEW DELHI CORRESPONDENT)

THE Government of India, it is felt, should issue an authoritative statement on its attitude towards private foreign capital. Such a statement has become necessary after the recent remarks made by Mr. K. D. Malaviya, Central Minister for Mines and Fuel, and Mr. C. Subramaniam, Central Minister for Steel and Heavy Industries, that private foreign capital leads to a perennial drain on India's foreign exchange resources. Does this mean, then, that the Government should not encourage the inflow of private foreign capital? Mr. Malaviya has succeeded in blocking the expansion of the private-sector oil refineries on the ground that this will lead to a drain on India's foreign exchange resources.

The policy statement which the Prime Minister, Mr. Nehru, made in Parliament a few years ago gave an unqualified assurance about non-discrimination and about the repatriation of profits and capital to private foreign investors. It was on the basis of this assurance that the inflow of private foreign investment into India could be increased.

The Indian commercial community welcomes private foreign investment. This is obvious from the two resolutions adopted by the Federation of Indian Chambers of Commerce and Industry earlier this month. In the resolution on the national emergency and planning, the Federation stated that a more flexible implementation of the industrial policy resolution would encourage the flow of foreign investment to India. In another resolution on the need for revision of the fiscal and monetary policy, the Federation stated that the proposed super profits tax would "make it difficult, perhaps even impossible, for the companies to repay borrowed moneys. This will be particularly unfortunate in the cases of foreign collaboration and foreign loans and affect the status of India in the international field."

In the Report on Third Five Year Plan, the Planning Commission says that "normal inflow of foreign capital may continue but reliance on special forms of external assistance has to be reduced progressively and has to be eliminated." Meanwhile, the World Bank, which has been sponsoring meetings of the Aid-India Club to mobilise foreign assistance for India says in its evaluation report on the third plan: "The Indian estimate of the foreign exchange gap is arrived at without making any allowance for the inflow of private long-term capital. In other words, private foreign investment is treated—along with foreign assistance—as a means of covering the foreign exchange deficit, but nothing is said in the plan about how much it might contribute. The estimates of private long-term investment are made periodically by the Reserve Bank. The latest study relates to 1957 and 1958. According to it, the net inflow in 1956 was Rs. 24.70 crores, in 1957 Rs. 16.80 crores and in 1958 Rs. 1.70 crores. The outflow of foreign capital from India in 1958, it may be explained, amounted to Rs. 24.40 crores. The report adds that independent evidence obtained by the World Bank mission also indicates an upward trend in private foreign investment in India, most of it being accounted for by the U.K. and the U.S.A. The report regrets that India is not sav-

ing foreign exchange by allowing the oil companies to expand their refineries or to undertake oil exploration.

In the last Report on Currency and Finance, the Reserve Bank said: "During the year under review, the Government of India, in accordance with its policy of promoting foreign investment in the country, signed double taxation avoidance agreements with two more countries, namely, Finland and France. The agreement with France, as also the one signed with the U.S.A. in 1959, await ratification. Similar agreements exist already with Pakistan, Ceylon, Sweden, Norway, Denmark, Japan and West Germany. The Indian Investment Centre, set up in June 1960 with a view to encouraging actively the flow of foreign capital into the country, has made an encouraging beginning. A branch of the centre was opened in New York in October 1961. The services of the centre are being increasingly made use of by both Indian and foreign entrepreneurs. A large number of specific proposals for investment is reflected in the large number of foreign collaboration agreements approved by the Government of India. Sanctions given to Indian entrepreneurs for collaboration, including financial participation with foreign firms totalled 402 in 1961, against 388 in 1960 and 162 in 1959. During the first quarter of 1962, the number of such approvals was reported at 123."

Western Institutional Aid

Institutional aid from western countries is intended to supplement and not supplant private foreign investment. This is evident from a policy statement which the U.N. Secretary-General issued towards the end of last year. It says:

"As the development decade progresses, it may be expected that the number of developing countries potentially able to attract private foreign capital will rise. Pre-investment work, governmental, international, bilateral, and private, is being undertaken to uncover new physical resources and activate latent human resources. The emphasis placed by many underdeveloped countries on industrialisation, as well as general success in the endeavours of the development decade, also are all likely to lead to new opportunities for private foreign capital in the manufacturing sector. If the targets set by the General Assembly for increased assistance are to be met, a substantial expansion of private capital flows will unquestionably be necessary.

"The contribution that foreign private investment can make to economic development has come to be recognised by an increasing number of developing countries, many of which indicate—in their development plans and investment laws, the rôle foreseen for foreign private capital. The scope given to private foreign investment varies between countries.

"Foreign business investment is, potentially, a major source of technical assistance and information—not only concerning particular manufacturing processes and techniques, but also for the development of managerial and marketing skills. Recognition of this fact has led to the development of various contractual arrangements for the transfer of knowledge, including licence agree-

ments, technical services agreements, engineering and construction contracts, management contracts and agreements for the exploitation of mineral resources. These arrangements may or may not be accompanied by capital investment from the foreign partner, either in the form of equity or of a loan to purchase equipment and materials.

"But there are also many difficulties in the way of effectively mobilising an increasing flow of foreign private capital for economic development. Among them are obstacles inherent in the state of under-development, such as the lack of necessary supporting infra-structure, skilled labour and developed markets. Historically, there are also political difficulties on both sides. Under-developed countries fear interference by foreign business interests, and investors fear the consequences of political instability, balance-of-payments difficulties, and the absence of an institutional structure and policies in which the rôle of business is clearly established.

Flow of Private Capital

"A wide range of measures to promote the international flow of private capital has been adopted by both the developing countries themselves and countries seeking to facilitate the foreign operations of their industries. These measures have been the subject of a number of U.N. resolutions and reports. Two such measures seem to offer special scope for intensified U.N. assistance during the development decade. They are the following:

"The provision of information on investment opportunities and conditions—Several underdeveloped countries have established investment information centres both at home and abroad. The chief functions of those centres are to inform interested investors and business enterprises in the developed countries concerning conditions, regulations and opportunities in the country in question, and to facilitate contacts with interested government agencies or potential domestic private partners. Some of the centres (namely, the Jamaica Industrial Development Corporation, with offices in London, New York and Toronto) go beyond these tasks of information and liaison, and will co-operate actively in the establishment of foreign financial enterprises by participating in preliminary planning and surveying, building factories, screening and training workers and even helping to finance the enterprise.

"A number of the development banks and corporations established in underdeveloped countries, are also playing an active rôle in attracting foreign private investment, by bringing promising new investment opportunities to the attention of private businessmen abroad and by helping domestic firms to make contact with potential foreign sources of finance. As already noted, some development banks and corporations are themselves financed, in part, with foreign private capital.

"In many underdeveloped countries, there may be scope for the establishment or expansion of similar facilities, designed primarily to provide domestic private investors with information on foreign sources of finance and technical assistance, and to assist them, as required, in pre-

investment and preliminary planning activities, including the preparation of project reports and feasibility studies in forms appropriate for use in negotiations with foreign firms.

"The main task envisaged for the U.N. system in connection with such institutions will be to provide—on governmental request—technical assistance in their establishment and the development of their pre-investment and planning services. Within the U.N. system, considerable experience in this field already exists, and the organisations concerned stand ready to continue and intensify their help.

"The protection of private foreign investments against non-business risks—A number of countries have taken measures to overcome the apprehensions of foreign investors concerning non-business risks, including nationalisation or confiscation, the non-convertibility of profits and of the principal of the investment, and violence, unrest and war. These measures may relate not only to direct investments and loan capital, but also to patents and technical knowledge made available to enterprises in foreign countries. Assurances to overcome these apprehensions may be provided through authoritative policy statements, through guarantees incorporated in investment laws, and through commitments incorporated in international treaties with capital-supplying countries or in concession agreements with individual firms.

"In all these cases, the value of the assurance, and in effect the weight of the apprehension itself, will depend to a considerable extent on the stability of the Government of the country offering the assurance and on the underlying political and institutional framework. A development plan clearly setting out, among other things, the rôle envisaged for the private investor may form an element of this framework. So will the development of a modern commercial, financial, administrative, legal and institutional structure, which can greatly reduce the area of uncertainty in carrying on foreign business operations. The value of unilateral assurances and guarantees also increases with time, if the commitments are strictly observed.

Guarantee to Investors

"In addition to these assurances proffered by underdeveloped countries, a few capital-supplying countries—the Federal Republic of Germany, Japan and the United States—offer guarantee or insurance to their investors establishing enterprises in developing countries, provided that, in principle, the latter have entered into supporting agreements with the insuring government (except under the Japanese scheme, which is unconditional in this matter). While the Japanese insurance scheme is limited to equity investments, the other two cover loan capital and, in the case of the U.S. scheme, also patents, technical information, and so on. A much larger number of capital-supplying countries offer credit insurance to their exporters, some of them for terms up to 20 years to facilitate exports of capital equipment.

"The limited scope and geographical coverage of the existing investment insurance schemes have led to the formulation of a number of private proposals for a multilateral investment guarantee scheme. The World Bank has recently published a study identifying and discussing the principal issues. The study takes no position for or against the desirability or feasibility of such a plan. It was undertaken in the belief that an analysis of the issues might be useful both to governments and to private interests in further consideration of the subject.

"Related proposals to establish an independent international forum for

the conciliation and arbitration of disputes involving foreign private investors and governments—possibly within the framework of the U.N. system—have also been widely discussed. There is no doubt that effective methods of settling disputes will help to improve the investment climate and thus promote the flow of private foreign capital. The proposals have been examined in detail in recent secretariat reports, and a secretariat enquiry among member-governments revealed widespread interest in the subject. On parallel lines, the World Bank has on several occasions been asked to assist in the settlement of disputes involving foreign private investors and governments, and is currently exploring with its member-countries what might be

done to promote the establishment of appropriate arrangements to this end. "Facilitating access to foreign sources of development capital—While the needs of developing countries for foreign assistance in the financing of their development programmes are expanding, resources available for meeting these needs are limited and are proffered by a complex variety of public and private, national and international institutions, through a multiplicity of channels and techniques and in different forms."

In addition to being a source of technical assistance, private foreign capital in India is making two other contributions. Firstly, foreign investors have scrupulously kept themselves aloof from the country's poli-

tics. Secondly, they are building up a cadre of Indian managerial personnel who are gradually replacing their foreign counterparts.

Latest Taxes

Even before the latest taxation proposals, corporate taxation in India was very high, compared with other capital-importing countries. Such foreign investment becomes worth while only when its net yield in a country is comparable with that obtainable elsewhere. High taxes in India are a deterrent to foreign investment. They are also a deterrent to the employment of foreign technical personnel here. The burden of taxation is felt all the more due to the absence in India of the same relief in personal income tax enjoyed

by a foreigner in his own country; the absence in India of several personal services provided by the State; the heavy taxes on amenities; and the constantly increasing attractions of higher salaries outside India. Besides, a foreigner employed in India is taxed on his foreign income even if he does not bring it into India. If he retires from India and continues to enjoy an income (say, a pension), he will be taxed not only on the pension but on any income which he may earn in the country of his retirement or pay a tax at the minimum rate of 49 percent.

Following the Chinese aggression an additional burden has been imposed on companies, namely, emergency risks insurance. Mr. Desai's

CAPITAL, 28th March, 1963.

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latest tax proposals will inevitably raise the cost of living, add to the cost of production of manufactured goods through additional Customs and excise duties, postal rates, and railway freights, etcetera. On the other hand, the Government has virtually fixed a ceiling on corporate profits by proposing to levy a super profits tax. In other words, Mr. Desai is indirectly conceding the demand of the communists to stop the inflow of private foreign capital into India.

The World Bank and the United Nations, as reported earlier, have emphasised the rôle of private foreign investment in the economic development of a country. The U.S.A. has, therefore, offered loans liberally to promote India's economic growth. Foreign investors are not queuing up to enter the Indian market. They will be only too willing to explore other places if India's policy is to keep them out. It is, therefore, high time that the Government clarified its policy towards private foreign capital.

BUDGET

Representations Made

The taxation proposals in the Central Budget are being discussed from various angles. The president of the Associated Chambers of Commerce, Mr. A. R. Foster, joined his colleagues in a discussion in New Delhi concerning the tax proposals and their impact on foreign capital in general and the servicing of loans in particular. A small committee of Assocham has been meeting Government officials to place its viewpoint before them.

A deputation of the Federation of Indian Chambers of Commerce and Industry presented the case of the Indian commercial community to the Central Finance Minister on Monday. Mr. J. R. D. Tata has already met the Prime Minister to explain industry's viewpoint to him. The Government's reactions to these representations will be known by 11th April, it is officially stated here.

It is said that on the evening of 28th February, it was the voice of Mr. Morarji Desai which people heard in the Lok Sabha, but it was the hand of Mr. Pitambar Pant which evolved a new system of taxation to hurt the poor and make them poorer and discontented. Meanwhile, stories of Chinese troop concentrations in Tibet are gaining ground. Why the reports should have started now is not disclosed. Were there no Chinese concentrations in Tibet all along? Everyone in this country is determined to meet the Chinese challenge. But people also expect the Government to reduce wastage and extravagance. The Government has demanded that every citizen should cut down his standard of living so that India can regain her military strength and self-respect. But it is not prepared to cut down the number of Deputy Ministers and their wasteful expenditure on tours, telephone bills, electric and water charges, etcetera. This cannot be called equality of sacrifice. Then again, why has the Government excluded Hindu temples from the scope of the compulsory saving scheme?

The Government has been unable to convince people that it will be able to spend all the money it is raising. There is an apprehension here that some of the money raised will eventually be squandered. The better course would have been to leave the gap uncovered and to come back to Parliament for additional funds in October if the Central Ministry of Defence had actually been able to use the funds it had asked for. Since the burden of taxation will affect economic expan-

sion and may even create discontent, a rational approach is needed more than ever before.

MOTOR-CARS

Meeting Defence Needs

A decision on the defence-oriented manufacturing programme for the motor-car industry was reached here last week. As already reported, the making of motor-cars has been given second priority, first place being allotted to lorries. Here again, defence requirements will enjoy top priority. Indications have been given to manufacturers about the demand over a pretty long period. The diversion of manufacturing capacity to meet defence needs is bound to create shortages for civilian requirements. By reducing the percentage of imported parts and components and by increasing Indian supplies, the volume of production, it is hoped, will increase.

FOREIGN AID

U.S. Expert to Report

Mr. John Ulinsky of the U.S. Agency for International Development discussed the requirements of the public and private-sector industries with the Union Ministries concerned last week. He will submit his report to the U.S. Government to enable it to determine the American aid for the remaining three years of the third plan.

FERTILISERS

Talks on New Project

A team of U.S. consultants consisting of Mr. Cope of California Chemicals and Mr. Dennison of the International Mineral Corporation and the representatives of E.I.D.-Parry of Madras recently discussed with the Government the details of their combined fertiliser project in Visakhapatnam. The discussions related to the capital structure and such other matters as costs which are bound to go up after the new taxation proposals come into force. In spite of these handicaps, the parties are believed to be eager to go ahead with the project.

BASIC CHEMICALS

Working Group Proposed

The Planning Commission has asked the Central Ministry of Industries for details of the constitution of the working group on basic chemicals in connection with the establishment of capacity in the fourth plan, it is learned here.

N. I. D. C.

Changing the Role

The Government of India has decided that the granting of loans and the lending of money now being exercised by the National Industrial Development Corporation should, in future, be entrusted to the Industrial Finance Corporation or similar institutions.

NEW ZEALAND

Import Licensing

The New Zealand Government's 1963-64 import licensing schedule, which was recently released by the Minister of Customs, Mr. N. L. Shelton, provides for the ready availability of a wide range of raw materials and a more flexible grouping of

licences for manufacturers and importers. A sum of £250 million is provided for import payments.

One hundred and six items now in Category A under which initial licence represents 75 percent of the 1962-63 licences, and additional licences may be issued to the licence holder against his actual need as shown by sales or the use of the materials in manufacture. Some of the more important raw material requirements of industry in this category include most cotton fabrics, most classes of unfabricated iron or steel other than certain rods and flats being produced in New Zealand, most basic metals in ingot, raw coffee, unground spices, crude rubber, gypsum, waxes and tanning materials, shellac and certain gums and resins, kapoc, petroleum jelly and some mineral oil products, many dry colours and pigments of the type used in paint manufacture and some other essential goods. Other goods include certain medicinal preparations and drugs, domestic and industrial sewing machines, infant-feeding bottles and teats, artificial eyes, sewing and gramophone needles, engineers' studs, aircraft parts, infants footwear, galvanised corrugated iron and wire netting.

The list of goods completely exempt from import licensing has now been extended to include all detonators and all printed books except magazines, newspapers or periodicals, including comics.

JOINT STEAMER COMPANIES

Loan Offered

The Government of India has decided to give a loan of Rs. 2 crores to the Joint Steamer Companies (Rs. 1 crore each to the India General Navigation and Railway Co. Ltd. and Rivers Steam Navigation Co. Ltd.) to enable them to rehabilitate their obsolete fleet for the maintenance of essential services on the Calcutta-Assam route. The Companies will repay the loan in seven equal annual instalments. The first of such instalments will be paid 12 months after the payment to the Companies of the last instalment of the loan. Every subsequent instalment will be paid on the same date of each and every succeeding year until the entire amount of the loan has been repaid in full.

The Companies shall pay interest at the rate of 8 percent a year, by quarterly payments payable on 30th March, 30th June, 30th September and 31st December each year, provided that if they duly perform and observe all the covenants of their agreement with the Government, the latter shall accept interest at the rate of 5 percent in lieu of the interest at the rate of 8 percent a year.

The loan is to be advanced in monthly instalments in arrears against completed vessels. In the first two or three years, the loan may be advanced by the Government on "works in progress".

CALCUTTA PORT

Dredger Ordered

The Government of India has decided to purchase a new dredger for Calcutta port. An order has been placed with Messrs I.H.C. of Holland. The dredger is estimated to cost about Rs. 2.5 crores.

U.S.A.

Funds for Farm Research

The U.S. Government has agreed to finance from the rupee funds generated through the sale of commodities under P.L. 480 a total of ten Indian agricultural research

schemes during January and February 1963.

SHIPPING CORPORATION

New Cargo Services

The Shipping Corporation of India proposes to inaugurate the India-U.S.A. cargo services some time in April or May this year.

ROURKELA STEEL PLANT

Equipment Ordered

Hindustan Steel has placed orders with Allegemeine Electricaets-Gesellschaft (A.E.G.), Frankfurt, West Germany, for the supply of electrical equipment for a five-stand cold rolling mill in tandem for the Rourkela steel expansion programme. The mechanical part of the mill will also be built by Siegner Maschinenbau G.m.b.H. (S.I.E.M.A.G.), of Dählbruch, West Germany. The mill is scheduled to commence operation in 1965. To a large extent, this will render the Indian economy independent of sheet steel imports from abroad.

Dema A.G. at West Germany has signed a contract with Hindustan Steel to supply and erect an electric sheet rolling mill in Rourkela. This will enable the plant to produce transformer and dynamo sheets for India's electro-industries.

The installation consists of three rolling stands and three skin-pass mill stands as well as auxiliary equipment. The annual rated capacity is 50,000 tons. The Rourkela steel plant's wide strip mill, built also by Demag, will supply the basic material for the manufacture of electric sheets in the form of 8 to 10 metre long strip. After cutting and further rolling, the strip will be processed through a heat treating plant where the sheets receive good conductivity and low tension loss, etcetera. The after-treatment of the dynamo sheets will be done package-wise and continuously in a tunnel-type furnace.

FOREIGN EXCHANGE

Use in Industry

In order to give industry greater flexibility in the use of foreign exchange released to it, some modifications have been made in the procedure for the import of raw materials, components and spare parts against actual user licences granted to industries in the scheduled and non-scheduled sectors, including the small-scale industries.

According to an Import Trade Control public notice issued here, holders of actual user licences for raw materials may—in their discretion—import more or less of any items of raw materials and components covered by their licences, subject to the condition that the excess in relation to any individual item will not exceed 25 percent of the quantitative limit, if any, indicated in the licence itself. Furthermore, within the face value of the licence, the licence-holder will be allowed to import permissible spare parts and small tools required for the purposes of his factory, provided the value of such imports does not exceed 25 percent of the face value of the licence. Banned items of spare parts and small tools should not be imported under the scheme.

This facility will be allowed by the Customs authorities on the strength of this public notice. It will not be necessary for licence-holders to get their licences specially endorsed for this purpose.

The procedure for the release of foreign exchange and the issue of import licences has been revised as follows with effect from 1st January, 1963:

(1) All proposals for the release of foreign exchange for the irrigation



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and power projects are to be received in the Central Water and Power Commission direct in duplicate from the project authorities and State Governments, etcetera. On receipt, the proposals will be examined by the Commission to see if these are complete in every aspect. If they are found complete, they will be given a number in the control register prescribed for this purpose and an acknowledgment will be issued to the applicant within 24 hours of its receipt indicating the control number allotted to the proposal. In all future correspondence, this control number will be quoted by the State Government or project authorities. If no acknowledgment is received within a reasonable time, the State Government or project authorities will write to the Central Water and Power Commission and ask for an acknowledgment and the allotment of control number.

(2) Hitherto the practice has been for State Governments to remind the Government of India about their pending foreign exchange cases. No system of giving monthly statement the State Governments or project authorities pending with the Government of India for over two months has been introduced. While most of the applications are sanctioned and import licences issued after going through all formalities within a period of two months, the statement

gives reasons for the delay in deciding cases which still remain undisposed of.

(3) All cases for foreign exchange sanction were, in the past, sent to the Department of Technical Development for clearance. It has now been decided that the clearance of the Department of Technical Development need not be obtained if quotations have an open tender for a period of 21 days and no indigenous offer is received. This is a major departure in procedure and is expected to save considerable time in issuing foreign exchange sanctions.

(4) Consultation with the internal Financial Adviser has been dispensed with except in cases where Central funds are involved.

(5) Before a foreign exchange application is sanctioned complete with an import licence, it has to be scrutinised by (a) the Technical Development Department from the point of view of non-existence of indigenous production; and (b) the Controller of Imports and Exports for the purpose of issuing an import licence.

In cases that will have to be referred to the Technical Development Department under the new procedure, either because of indigenous equipment that is available not being up to specifications or prolonged delivery, a time limit of 15 days has been fixed in consultation with the department. All cases that are not disposed of within 15 days, are discussed in periodical meetings between the officers of the Technical Development Department and the Central Ministry of Irrigation and Power and cleared.

As far as the Chief Controller of Imports and Exports is concerned, some cases of small value in the past were referred to the regions in Madras, Bombay and Calcutta for the issue of licences. The issue of licences for all irrigation and power projects has now been centralised in the Chief Controller of Imports and Exports office in Delhi. The Chief Controller of Imports and Exports has also agreed to fix a time limit of 15 days during which all the applications will be disposed of. Cases which cannot be disposed of within this period, are discussed between the officers of the Chief Controller of Imports and Exports and the Central Ministry of Irrigation and Power in periodical meetings.

(6) Emergent demands are dealt with on a top priority basis and given a separate set of control numbers. Liaison officers in the Central Water and Power Commission as well as officers of the Ministry will process such cases personally and such demands will be sanctioned within four to five days under the new procedure. The clearance required in the case of emergent demand will be obtained at a personal level from the authorities concerned.

FARM IMPLEMENTS

Expert Study

A team has been appointed by the Committee on Plan Projects for the study of agricultural implements used in India. For the purpose of the study, agricultural implements will be divided into the following categories: (a) bullock-drawn implements; (b) small power implements; (c) hand tools and garden implements; (d) irrigation appliances and machinery; (e) plant protection equipment; and (f) supplementary implements and equipment.

The team will study and report on all aspects of progress of various schemes—both of the Central and

State Governments—and their efficiency and effectiveness in relation to the manufacture, popularisation and distribution of agricultural implements.

TECHNICAL AID

Offer from India

It is proposed to offer technical collaboration to some Asian and African countries. As for medium-term export credits, a general scheme extending credits for a period of six months to five years against suitable guarantees is already being operated by the Refinance Corporation of India. This apart, a few arrangements involving deferred payments for Indian exports of capital goods to Ceylon and Indonesia are also being considered.

The Government is encouraging Indian business men to open business houses abroad. The foreign exchange required for this purpose is released in deserving cases. The Government is also considering giving greater assistance to export promotion councils, commodity boards and exporters to carry out market and commodity research and area surveys. These are to be financed from the new Marketing Development Fund.

MOSCOW

Cost of Exhibition

The estimated cost of the proposed Indian exhibition in Moscow is Rs. 71.25 lakhs, of which the foreign exchange component is Rs. 63.5 lakhs. Out of this, industrialists and commercial enterprises are expected to bear Rs. 30 lakhs.

N. C. A. E. R.

Survey of Rajasthan

The National Council of Applied Economic Research released to the Press its techno-economic survey of Rajasthan during last week. After making a detailed scrutiny of its resources and taking into consideration the all-India targets, guidelines of development have been suggested for Rajasthan for 1961-71. These development plans would require an investment of about Rs. 1,500 crores during the decade, averaging to Rs. 150 crores a year. This would roughly amount to 5.45 percent of the investment envisaged for the entire country. Investment of this magnitude for Rajasthan is justified by the availability of natural resources and the relative backwardness of its economy.

Agriculture will continue to play the predominant rôle in the economic development of the State because of the existence of a very large potential in this sector. The State offers excellent opportunities for evolving a more economic and efficient land use pattern based upon improved techniques of wet and dry cultivation, and above all in modernising agriculture. It is visualised that in the south-eastern part of the State where the annual rainfall is above 20 inches and considerable irrigation facilities exist, the increase in farm output and productivity will be possible through land development and land reclamation programmes, improvements in irrigation practices, introduction of superior cropping patterns and by the application of higher inputs and better techniques of cultivation.

Rajasthan has a wide range of mineral deposits of non-ferrous and non-metallic variety. For several of them, the State is either the sole or the leading producer in the country.

However, many mineral resources are small and several are not fully known. The lack of basic minerals also restricts the future development of the State in this field. The mining programme suggested for the current decade will need an investment of the order of Rs. 23 crores, chiefly for copper, lead, zinc and lignite mining. It is recommended that the State should undertake surveys to determine the extent and the quality of these mineral resources which have not been fully surveyed so far.

The industrial sector will get a strong push during this decade. The output of factory industries will rise from Rs. 12 crores in 1951-61 to Rs. 149 crores in 1970-71—an average annual increase of 119 percent. The bulk of the investment will be absorbed by the chemical and engineering industries. The more important units to be established in the former group will be for producing nitrogenous fertilisers, cement, viscose rayon, soda ash, caustic soda and calcium carbide, while the important units in the engineering group of industries will include copper, lead and zinc smelters, and a precision instrument factory. In addition, sugar and textile industries will witness considerable expansion. Locationally, the industrial activity will be concentrated in Kotah, Udaipur, Jaipur and Ganganagar districts. Transport is still the main problem of the State. Paradoxically, there is also the labour shortage.

The Council has published or is preparing to publish similar surveys for all the States. Its next task should be to co-relate these studies to prepare an all-India report.

CANADA

Invitation to Experts

Three Government officials and five leading business men from the private sector have been invited by the Canadian Government to tour industrial plants located in 56 industrial centres in Canada. These men will be the leading figures in a large delegation of 178 industrial and Government leaders participating in the "World Markets—Machinery" being held from 24th March to 31st March, 1963. They include engineers, planners and industrialists from Britain, Europe, Asia, Africa, Latin America and the Middle East; a total of 53 countries will be represented. The eight Indian visitors will be touring factories. This will provide the visitors with a comprehensive survey of Canadian industrial capacity in the field in which they are specifically interested. These fields include: agricultural, automotive parts, construction, hydro and thermal electric, oil and gas pipeline and plant, shipbuilding, steel mill, mining, aircraft, boiler plants, electronics, industrial and process plant, railway and special vehicles.

The following are the members of the Indian delegation: Dr. B. D. Kalelkar, Senior Industrial Adviser (Engineering), Development Wing, Central Ministry of Commerce and Industry, Mr. K. P. S. Nair, Member (Hydro-Electric), Central Water and Power Commission, Mr. L. K. Dhanwan, Joint Director (Railway Stores), Central Ministry of Railways, Railway Board, Mr. R. F. S. Talyarkhan, Managing Director, Voltas Limited, Bombay, Mr. N. M. Wagle, Managing Director, Greaves Cotton and Co. Ltd., Bombay, Mr. D. M. Sen, Secretary to the Board (Engineering), Martin Burn Ltd., Calcutta, Mr. K. C. Gupta, Chief Engineer, Hindustan Aluminium Corporation Ltd., New Delhi, and Mr. V. Podder, Works Manager, Rohtas Industries Ltd., Dalmianagar, Bihar.

London

BRITISH INDUSTRY LOOKS AT THE PROSPECTS

(FROM OUR LONDON CORRESPONDENT)

THE regular flow of complaints from industrial leaders that they are being held back by Government policy is becoming rather tedious. The Chancellor has allowed public spending estimates to go up by the highest percentage seen in peacetime. Contracts are now beginning to roll out from central and local government bodies in a rapidly swelling volume. Taxes have been cut. Incentives have been provided for industrial capital projects. The latest fiscal treatment of new plant and equipment is more favourable than in almost any other advanced country. All restraints on credit have been removed and although the banks are not at present overliquid, nobody can doubt that they will be put in funds by a deliberate expansion of the floating debt rather than be compelled to turn down any industrial requests for credit. How much clearer can official policy be?

Yet, the industrial spokesmen talk as if nothing had happened. They tell each other and the public that they can have no confidence in the economic situation. The latest cry of agony comes from the Institute of Directors. Having asked a number of the biggest member-firms whether they could expand production without extra labour, they received the obvious positive reply. Surely no "survey" was required to find out that large numbers of workers and staffs are at present under-employed. Similarly, some companies confirmed that higher output would bring down unit costs and that in some cases this might help exports. A majority of member-firms think they can expand production by up to 10 percent without a substantial rise in the purchases of imported raw materials.

Idle Capacity

From these meaningless generalisations, Sir Richard Powell, Director General of the Institute draws the conclusion that industry is "straining at the leash." The evidence, he adds, shows that if industry were given the chance to "go" now it could do so safely, without once again running into serious labour and balance of payments problems. The Guardian differs from this conclusion. Used to making regular industrial enquiries on a far more ambitious scale than the Institute of Directors' "Survey," the paper claims to have some experience in assessing the kind of replies one is apt to get from managements. In view of the question asked, it is surprised that the answers were anything less than unanimous. They are also worthless. With industrial production as a whole running roughly level for three years while new plant and equipment was being added to industrial capacity at a record rate, it is obvious that there must be a great deal of idle capacity.

This overall picture is, of course, distorted by the structural troubles of shipbuilding, coalmining, the railway and—as a consequence—the ways and means of the steel industry. But heavy end of the steel industry. But the high unemployment figure of February could not have been reached unless there was much slack in industries outside the main sufferers. The questions that need asking now are: what are managements waiting for? Do they expect ready-made demand for precisely the products they like to sell or emerge on their door-

steps? Are they going to sulk in their tents until the Government has pumped another £400 million of money into the economy? Have they given any thought to the possibility that the ghost of Lord Keynes may at last have gone to rest, and his prescription of expansion by Government deficit financing may no longer work?

The devout faith in the magic powers of the Chancellor may be touching, but it could lead to sad disillusionment. Surely, the time has come for industry to do its own share of the job. Instead, one finds that the respectable economic argument for injecting more purchasing power into the system receives further support from the sixteenth enquiry into industrial trends undertaken by the Federation of British Industries. The returns from 717 firms do not reveal a radically different pattern of business or business attitudes from the last enquiry four months ago. It is true that 30 percent of companies are less optimistic about the general business situation, compared with 22 percent last time, but so many subjective and irrational influences have probably been at work that too much should not be put on the rise in this percentage.

The series of measures taken by the Chancellor of the Exchequer since the autumn have not boosted business confidence. The reason is not hard to find. In the last four months, the main factor limiting output has been simply a shortage of orders. Of those replying to the questionnaire, 74 percent mentioned it and no less than 77 percent expect that a shortage of orders will restrict output in the next four months. Only 8 percent gave a shortage of skilled labour as a reason for low output. The other outstanding figure is that for under-capacity working. Of firms making returns, 68 percent reported that they were working below capacity, compared with 66 percent in October. This change of 2 percent understates the extent to which unused capacity has increased, for it gives no clue to the amount of plant now idle.

Business Expectation

There are one or two crumbs of comfort in the survey if one looks hard enough for them. For instance, more firms are looking for an improvement in business in the coming months than expect a deterioration. Unfortunately, similar expressions of optimism at this practical level in the last year have proved to be unfounded. Secondly, there is some indication that the decline in intentions to invest in plants and building, although continuing, has become less steep. More firms expect to spend less on capital projects in the next 12 months than expect to spend more, but the "unfavourable" margin has diminished.

All the questionnaires were completed after General de Gaulle's Press conference on 14th January when he virtually killed the U.K.'s application for membership of the European Economic Community. About half the respondents sent in their returns after the formal breakdown of the Brussels negotiations, but according to the F.B.I., there is no evidence that their replies to questions about general business

optimism were affected. Nor would the turn of events in Europe seem to have any bearing on replies to the export enquiry. Firms are, on balance, more optimistic about export prospects than they were four months ago. A higher proportion again reported a rise in the level of export deliveries, although the balance reporting a rise was only 10 percent, compared with 17 percent last June.

Among different markets, the European Free Trade Association area has replaced the European Economic Community as the market in which prospects are believed to be rising most rapidly. A balance of 9 percent of firms reported improving prospects in the "Six," while in October, a balance of 22 percent did so. A lowering of expectations about prospects in the Common Market has been apparent since last June: this movement has accorded with the trend of actual sales to the "Six." British business men, however, are still apparently looking for more Government aid in the matter of exports. A call to the Government to press for an immediate revision of the General Agreement on Tariffs and Trade (G.A.T.T.) is made by the National Association of British Manufacturers in an editorial in its monthly journal, *The British Manufacturer*. The N.E.D.C. growth target of 4 percent a year means a growth rate of approximately 5 percent in the U.K.'s exports, says the Association, and since, with the failure of the Common Market negotiations, there is likely to be difficulty in increasing our trade with "the Six," any deficiency will have to be made up elsewhere. "We have got to secure a greater share of world trade than we have at present if we are to succeed, and this involves an examination of our costs and of the incentives to export."

If Britain is to introduce export incentives based on the remission of taxes on profits made on export sales, as the Association advocates, they will have to be the subject of negotiations in G.A.T.T. The world has changed materially since G.A.T.T. was signed in 1947, says the editorial, and the time has come when the "no new preference" rule should be re-examined. "We should press for some freedom of manoeuvre which is at present denied us. We might then be in a stronger position to hold trade discussions with the Commonwealth, either collectively or individually, which would lead to the expansion of trade which is essential to us." At the same time, the Association suggests, a comprehensive convention should be drawn up dealing with export incentives. "The last thing we should wish to see is an incentives race..." but "provision should be made for export incentives to be introduced whenever the condition of the national economy demands this, as it does in this country at the present time." Britain cannot hope to succeed in her export drive if she deliberately handicaps herself as she has been doing in the past, says the Association.

Bank of England View

The Bank of England, judging from its latest quarterly Bulletin, takes a rather gloomy view of current prospects. Discussing the underlying balance of payments, the Bank finds

that there was probably no marked change in the fourth quarter although a small deficit on current account may have emerged. But the balance of monetary movements was adverse. As for the domestic economic outlook, the Bulletin stresses the link between domestic expansion and exports. In the immediate future, world demand for manufactures will continue to rise, although less quickly than of late. "In these circumstances, U.K. exports cannot be expected to grow more than modestly unless there is an improvement in the U.K. share of trade."

The Bank argues that it might have been easier to increase the U.K.'s share of world trade if she had joined the Common Market. As this advantage has now been lost, further change at home has become both more necessary and more difficult. The argument concludes: "The immediate needs are restraint of costs, which requires in its turn an effective incomes policy, and aggressive salesmanship. In the longer run, not only are changes needed in our own industrial organisation, education and training, and perhaps in fiscal arrangements, but it is important to promote a more rapid increase in world demand for manufactured goods."

New Approach

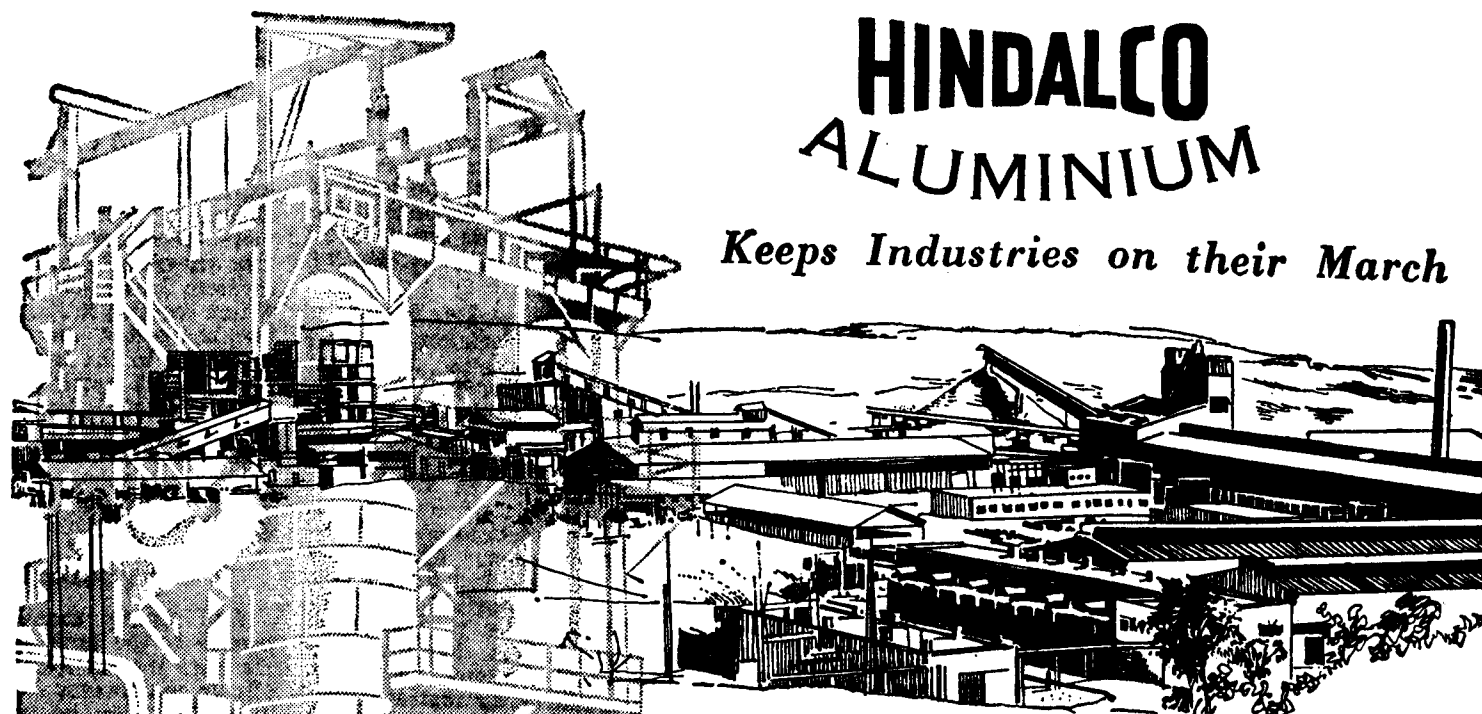
And finally, there is a new approach to the problem from Sir Roy Harrod, the economist, which will stir up controversy if it does no more. The other day he put forward the novel suggestion that imports of articles Britain can make should be restricted temporarily to help world trade. "The world might say it was a shocking thing to do," he said to a conference considering international trade and economic problems, "but we should only be hurting producers in other rich countries and not primary producers." From a world point of view, by damping down the British economy, the U.K. was restricting imports. "I would never say damp down. Allow imports of materials of all kinds needed by industry, and, if you must restrict, cut out kitchenware and that sort of thing we can make for ourselves." The U.K.'s "stop-go" policy which had restricted industrial growth was bad not only for Britain but for the world.

Private investment of United States capital in Europe and Canada was "nonsense." This unnecessary pouring out of capital should be adjusted from a world point of view. The mature countries of Europe should be thinking of importing most of their simple manufactures from the rest of the world and switching to the highly scientific industries, chemicals and electronics, where they would hold the lead for years. It would mean a major switch of labour in Europe. On a world economic conference, he thought "Neddy" and the French planning commission might be better bodies to look at international problems than civil servants with "fixed ideas and a traditional viewpoint."

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Jute

FIBRE PRICES EASE: DULL MARKET FOR GOODS

IN the jargon of the jute and jute goods markets in Calcutta, some words have been given a twist which is in conflict with their real meaning. The word "quiet", for instance, is accepted as meaning lower or declining prices. The result of a spell of quiet trading usually is that prices decline, but this is not always the case. There may be a period of quiet markets when prices remain quite steady, and there again we have a word which is much abused. "Steady", which really indicates absence of movement, is frequently interpreted as referring to rising prices; and we are often told that the market is "ruling" this or "ruling" that, whereas the market does not rule anything.

Stabilising Prices

These thoughts on the abuse of the language in commercial circles arise from the circumstance that it seems probable the word "stabilisation" is in process of being added to the list of words whose meaning is distorted. For some time, one has heard a lot about the stabilisation of prices in connection with schemes for regulating the price of raw jute, and more than one ordinance has fixed minimum prices in the name of stabilisation. However, experience so far has shown that measures to "stabilise" prices have been taken only when the natural tendency of the markets has been downward. The fixing of a maximum price by the L.J.M.A. for raw jute a few years ago was criticised by some as an attempt to deprive the poor cultivator of his legitimate profit. The rapid fall to more normal levels, however, was soon followed by an ordinance to "stabilise" prices.

The dictionary tells us that "stabilisation" means "to make stable or steady, to fix". The record in the jute industry shows, however, that all ordinances or measures taken in the name of stabilisation so far have been designed not to stabilise but to raise prices to higher levels. It may, of course, be argued that that is necessary in the interest of the growers in the circumstances which exist at this time. If that is true, it is a natural corollary that the measure should be adopted if raw jute prices are forced by artificial means to dangerously high levels, but Government circles are not always ready to accept this view.

Rapid Fluctuations

Another aspect of stabilisation concerns the futures market. It is increasingly clear that action is necessary if the jute trade and industry are not to remain the sport of the gamblers. Rapid fluctuations in the market usually deter business, and over the past week, overseas buyers have again shown a reluctance to place orders. Enquiries have been on a much smaller scale and this seems to have shaken the bazaar a little. Hitherto, the policy of bazaar dealers has been immediately to replace sales for early deliveries by purchases of forward deliveries, but the reduced volume of business has dampened their enthusiasm for buying forward. The price movements of the past week have certainly not been justified by any one factor, and the feeling in the market is one of nervousness.

The market for raw jute has again weakened. This is because the mills have bought very little fibre since

the market for manufactured goods has been dull. Raw jute sellers are keen to liquidate their holdings. But as these consist mainly of low qualities, they do not interest buyers who, in any case, are few. The mills have shown interest in a few cases in the higher grades of jute which are in short supply and are difficult to secure. With accommodation limited and stocks high, they prefer to wait for good quality fibre from the 1963-64 crop, instead of filling up any available space with lower quality jute, of which the supply is ample.

All the mills are well stocked with raw material, and the purchase of more stocks will be attractive only if there is a good margin of profit. Because of the increase in the proportion of specialities and high-grade cloth being made, and the lack of demand for heavy sacking, there has been a considerable change in the class of raw material required by mills. Their current needs are only for qualities which are scarce. Good quality jute is in short supply because there have been two crops which have been below average in quality: this is a position which cannot be remedied until the new crop arrives. Therefore, it is desirable that weather conditions should be favourable in order that a crop of good quality is grown and harvested to redress the unbalance created by a succession of bad crops. This is, unfortunately, a matter which cannot be regulated by ordinance.

THE JUTE MARKETS

Manufactured Goods: The continued lack of interest from overseas buyers was responsible for very dull conditions in the jute goods markets during the last week. New low levels were recorded in sacking, and price fluctuations were mainly the result of speculative activity. Previous rumours that a large American importer intended to close down were

now believed to be incorrect, but even this did not stem the downward trend. It was not until near the close, when some foreign enquiries were reported, that prices began to rise. Last Thursday, B Twills opened in the ready position at Rs. 110.40, and in the October-December position at Rs. 111.75. But 40in. 10oz. hessian opened at Rs. 46.90 in the near position, this being a premium of 40nP over the forward price. Sacking declined steadily over the next few days and on Saturday morning, B Twills were quoted at Rs. 109.50, during which time 11-porter hessians also fell back to Rs. 46. This tendency continued after the week-end. It was not until Tuesday morning that prices showed any tendency to rise, and then the losses were recovered. Reports of foreign business continued to stimulate the market and towards the close the tendency was firmer.

Opening quotations on Wednesday morning were as follows:

	March	Apr.-	June-	June-
			June	Sept.
40in. 71oz.	35.25	35.80	35.80	35.80
40in. 8oz.	38.15			
40in. 10oz.	47.50	47.40	47.40	47.50
B Twills	111.40	112.15	112.65	113.65
Cornsacks	115.50	115.50	115.50	118.25
Heavy Cees				
(Plain)	109.50	112.00	112.65	113.65
A Twills	135.50	136.00	136.00	136.50
Liverpools	127.50	127.00	127.00	127.00

Raw Jute: The fibre market was very quiet during the past week because of lack of interest from the mills. Only small business was reported, and this was mainly in Middles or better quality jute. Sellers were keen on doing business, and were prepared to discount prices considerably, but this met with little response. Towards the close, prices rose by about 50nP in sympathy with the goods market but in general the rates were still well below the minimum price. Imports on an all-India basis were reported to be about 35,000 maunds. Arrivals in Cossipore were

quite good for this time of year, and during the week 305 were reported.

There was slight rain in northern Bengal. In all other areas no rain has so far been reported. In Pakistan, good rain has been reported in all areas and in some lowland districts sowing has been completed.

Opening quotations on Wednesday morning were as follows:

	Landed at Mills (Basis Bottoms)		T.S.D.	
	Current Rs.	Minimum Rs.	Current Rs.	Minimum Rs.
A Qlt. A Md. A Qlt. A Md.				
Assam-Agartala	75.02	28.00	80.38	30.00
Jute	73.68	27.50	79.04	29.50
Northern Jute				
Western Desal				
Jute	69.66	26.00	72.68	27.50
Selected Daissee	67.07	32.50	65.74	32.00
Assam-Agartala				
Tossa	84.39	31.50	83.05	31.00
Mesta :				
Assam-Northern	66.98	25.00	72.34	27.00
Local Daissee	66.98	25.00	72.34	27.00
Bihar Dist.	61.62	23.00	66.98	25.00
Pakistani N. C.	88.00 a bale.		March-April	

THE U.K. JUTE MARKETS FIBRE WEAKER

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market was very quiet in Pakistan last week, and the tendency was for prices to fall. There were signs of weakness in the market possibly brought about by sellers of new crop who were willing to accept less than the present minimum export rates for the lower grades. Offers of old crop were being freely made, but very little buying interest was shown. Where business was taking place, the price paid was generally very low. There is still a considerable quantity of unsold jute in Dundee, and further unsold parcels are afloat at present. This is a "bear" factor on the Dundee market, and as things are at present, it will take some time before all these spot parcels are taken up by spinners. The occasional transaction is taking place, but the quality must be very good and the price low.

News concerning the new crop is satisfactory, in so far as there has been sufficient rain to allow sowings to proceed. There has been no announcement from the Pakistani authorities about jute policy for the

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Rs. 4,950 on the basis of a recommendation of their association. The Planters' Association has recommended to its constituents that contribution at the rate of Rs. 5 a planted acre may be made to the National Defence Fund.

Since 13th March, the Bonaccord Estate which employs about 1,100 workers is having a labour trouble, which has paralysed the tea plucking and manufacturing operations there. This low elevation tea estate is one of the well-managed British plantations in Kerala. It has 914 acres under tea. The general manager of the Poonmudi Tea and Rubber Company which owns and manages this estate told your correspondent that 13,000 kilograms of tea worth about Rs. 65,000 had been lost until 22nd March due to this trouble in

which about 400 pluckers and 86 factory workers are actively involved. Around 73.5 percent of this tea is normally exported. The loss of revenue to the Government in the form of excise duty and sales tax alone has been to the tune of Rs. 5,675.

A party of newsmen including this correspondent visited the estate on 23rd March to see for themselves what was going on there because many ugly things were said in the State Legislature by some P.S.P. leaders about this trouble and the management. The Pressmen found several thousand pounds of green leaves getting decayed in the three weighing sheds of the Bonaccord Estate. The management said that they were forced to close the factory and lay off its 86 workers due to non-

availability of the raw material—the tea leaf. This might appear paradoxical, but that is the real situation in the estate.

The trouble started for a very silly reason. The Superintendent of the estate, Mr. Carter, a 72-year old British planter of pretty long experience both in India and Ceylon, wanted to rectify the uneven shape of tea bushes in a particular field and made arrangements for plucking these bushes by placing on them thin and long bamboo canes, a practice followed not only in the other blocs of the very same estate, but also in almost all the major tea estates in south India. For some unconvincing reasons, some of the workers who were sent to this field refused to obey this order of the management. They insisted on having their

own way of plucking and the management refused to pay them for the leaves they collected. Workers in other fields came to the rescue of the 52 disobedient workers and refused to surrender their harvest unless the leaves gathered by the 52 were weighed and accounted first. The management refused. The result was that all the leaves plucked that day were thrown away by the workers.

The workers now go to the field every day, pluck leaves as they like, take them to the weighing sheds, engage themselves in a bit of argument with the supervisory staff and ultimately throw away their harvest and go home. This was repeated in the presence of the Press party also. The factory workers were offered alternate employment when it was found that no leaf was coming to the factory for manufacture. They refused to accept the offer and insisted upon getting work inside the factory. Ultimately, they were laid off by the management. There were some picketing and demonstrations for one or two days. The 72-year-old superintendent was not allowed to leave his office one day to answer the call of nature. Since the arrival of the police on the scene on the request of the management for protection, there has been no untoward incident.

Other operations in the estate like weeding, spraying, etcetera, are going unaffected now. The staff are not associated with the strike which they say is unjustified and unreasonable. They appeared to have very good relations with the management. There had been some conciliation efforts at the instance of the State Labour Department. Mr. Lawrence said that as a result of these efforts the differences between the union and the management have narrowed down to the question of absorbing the factory workers. The union has agreed to the use of cane in the disputed field also. The union wants full and immediate employment for all the 86 workers the day the direct action is called off by the union. The management's contention is that they would be given employment in the factory the moment the raw material becomes available. That might take a day. Until then, the factory workers should do field work or allow themselves to be treated as laid off. Both seemed to be unwilling for a concession on this score as it involves a question of prestige.

There are two labour unions in the Bonaccord Estate, and strangely enough, both are H.M.S. unions claiming loyalty to the Praja Socialist Party. The Bonaccord trouble has all the signs of irresponsible handling of labour by the leaders of the majority union which is presided over by a P.S.P. member of the Kerala Legislature. In fairness to the management, one should say that it is behaving with utmost restraint. It even makes no effort to take possession of the leaf gathered which is the property of the Company and it says that it does not want to give any provocation for the workers to become violent. They have intimidated their willingness to the State Labour Department to accept either adjudication or arbitration. The union has not agreed to either of the two so far. Even if the strike is called off immediately, at least a month more would be required to put back the estate into normalcy, the manager said, because the unattended bushes need three rounds of plucking to get their correct size and shape to yield the normal crop. The labour trouble as it happened at this time of year when the estate is entering the peak production season would affect the total output of the estate this year. The normal crop

of the Bonaccord Estate is over 1 million lbs of made tea a year.

Exporting Glassware and Chemicals

THE Government of India has recently increased the import entitlement of glass and glassware under the special export promotion scheme from 20 percent to 70 percent, out of which 50 percent can be used directly for the import of soda ash and the remaining 20 percent for other chemicals needed for the manufacture of glass. This increased import entitlement will be applicable for all exports of glass and glassware made on or after March 1963. The high cost of production of Indian glass and glassware has affected their exports adversely. They are outpriced in foreign markets by about Rs. 300 a tonne. The high price of soda ash—an important raw material for the industry—accounts for about 30 percent of the cost of production. Soda ash was being imported by the State Trading Corporation and distributed at a price more than double the imported price. This was done to compensate the losses sustained by the S.T.C. on other items.

In 1961, the Chemicals and Allied Products Export Promotion Council sponsored a trade delegation to west Pakistan, west Asia and east Africa to promote the exports of Indian glass and glassware. Besides being a fact-finding delegation, it was entrusted with the work of establishing business contacts with foreign importers. It also displayed Indian goods to promote on-the-spot sales. In its report, the delegation makes four observations: firstly, there is much goodwill in Iran for such Indian products as sheet glass, safety glass, mirrors and tumblers. Iranian glass merchants are prepared to give preference to Indian goods provided the prices are brought down a little lower than those quoted by Japan, Czechoslovakia and Belgium. Secondly, as Iranian importers prefer large packing, efforts should be made to packing Indian glass products in large ship Indian glass products in large packing as is presently done by the Japanese exporters. Thirdly, the commission agents in Teheran wish to become sole agents for Indian products. Only then are they prepared to sell Indian goods. The commission usually demanded is 3 percent to 5 percent. The delegation has urged that Indian manufacturers in order to introduce their goods in Teheran might be used by Indian exporters for exhibiting their products.

The Council also sent a trade delegation to different countries in the Far East with the primary object of studying market conditions there, making on-the-spot sales, whenever possible, and for assessing the export possibilities of chemicals, pharmaceuticals and other allied products.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
United Bank of India Ltd.	25-3-63	11 a.m.
Martin Burn Ltd.	27-3-63	12 noon
National Pipes & Tubes Co. Ltd.	29-3-63	3-30 p.m.
Bombay Dyeing and Manufacturing Co. Ltd.	18-4-63	4-30 p.m.
Indian Aluminium Co. Ltd.	26-4-63	11-30 a.m.
Jessop and Co. Ltd.	29-4-63	11 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Kil Kolagiri Tea & Coffee Estates Co. Ltd.—17 p.c. (f) (o), subject to tax; Indian Aluminium Co. Ltd.—10 p.c. (f) (o), subject to tax.

COMPANY AND PUBLIC NOTICES

THE BOMBAY DYEING AND MANUFACTURING COMPANY, LIMITED

NOTICE

THE Eightyfourth Annual General Meeting of The Bombay Dyeing and Manufacturing Company Limited will be held at the Registered Office of the Company, Neville House, Ballard Estate, Bombay 1, on Thursday, the 18th April 1963, at 4-30 P.M., to transact the following business:—

- To adopt the Directors' Report and the audited Balance Sheet and Profit and Loss Account for the year ended 31st December 1962.
- To sanction the declaration of a Dividend.
- To appoint a Director in the place of Mr. Pratapsinh Mathuradas who retires by rotation, and being eligible offers himself for re-appointment.
- To appoint a Director in the place of Mr. N. M. Wagle who retires by rotation, and being eligible offers himself for re-appointment.
- To appoint a Director in the place of Mr. J. D. Choksi who retires by rotation, and being eligible offers himself for re-appointment.
- To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting, and to fix their remuneration.

SPECIAL BUSINESS

- AND for the purpose of considering, and if thought fit, to pass (with or without amendment) as may be permissible, the Resolutions set out below as Special Resolutions:—

(a) SPECIAL RESOLUTION NO. I.

"RESOLVED that, subject to permission being accorded by the Central Government under Section 363 of the Companies Act, 1956, in respect of all or such of the amounts referred to hereafter for which permission is necessary, the Company hereby waives the recovery from Messrs. W. H. Brady & Co. Ltd. (who are or may be deemed to be 'associates' of the Managing Agents of the Company) of the sums of Rs. 43,158/52, Rs. 87,429/40, Rs. 67,363/69 and Rs. 34,464/48 paid by the Company to Messrs. W. H. Brady & Co. Ltd. during the years 1960, 1961, 1962 and 1963 (up to the 11th March 1963), respectively, in respect of goods purchased from them by the Company."

(b) SPECIAL RESOLUTION NO. II.

"RESOLVED that, subject to permission being accorded by the Central Government under Section 363 of the Companies Act, 1956, in respect of all or such of the amounts referred to hereafter for which permission is necessary, the Company hereby waives the recovery from Messrs. The Empire Dyeing & Manufacturing Co. Ltd. (who are or may be deemed to be 'associates' of the Managing Agents of the Company) of the sums of Rs. 1,14,504/27, Rs. 2,75,904/87, Rs. 63,579/44 and Rs. 1,30,923/38 paid by the Company to Messrs. The Empire Dyeing & Manufacturing Co. Ltd. during the years 1960, 1961, 1962 and 1963 (up to the 11th March 1963), respectively, in respect of the services by way of processing work rendered by them to the Company."

(c) SPECIAL RESOLUTION NO. III.

"RESOLVED that, pursuant to the provisions of Section 360 of the Companies Act, 1956, the approval of the Company be and it is hereby accorded to a contract being entered into in terms of the draft placed before the Meeting, and for the sake of identification initialled by the Chairman, purporting to be between the Company and Messrs. W. H. Brady & Co. Ltd., Bombay (who are or may be deemed to be 'associates' of the Managing Agents of the Company), to be operative as from the date of this Meeting until determined by three months notice given by either side to the other, in respect of purchases from Messrs. W. H. Brady & Co. Ltd. of machinery and spare parts of machinery, laboratory and testing equipment and mill stores such as emery fillets, spindle tapes, valves, pins, bobbins, beam flanges, steel strappings, greases and lubricating oils, belt-ings and such other goods in which they trade or do business or may trade or do business, as well as in respect of the sale or supply to them of any property or any article produced, dealt in or owned by the Company; subject to the conditions that the prices of such mill stores, machinery and spare parts and such other goods and equipment as aforesaid shall be such as are reasonable and/or approved of by the Directors of the Company, and that all payments to be made to the Company by Messrs. W. H. Brady & Co. Ltd. shall be made within one month from the date of the sale or supply of any property or any article by the Company to Messrs. W. H. Brady & Co. Ltd."

(d) SPECIAL RESOLUTION NO. IV.

"RESOLVED that, pursuant to the provisions of Section 360 of the Companies Act, 1956, and subject to the approval of the Central Government being obtained, the approval of the Company be and it is hereby accorded to a contract being entered into in terms of the draft placed before the Meeting and for the sake of identification initialled by the Chairman, purporting to be between the Company and Messrs. The Empire Dyeing & Mfg. Co. Ltd., Bombay, (who are or may be deemed to be 'associates' of the Managing Agents of the Company)—(subject to any amendments as may be suggested by the Central Government and accepted by the Board of Directors of the Company and by Messrs. The Empire Dyeing & Mfg. Co. Ltd.)—to be operative as from the date of this Meeting, until determined by three months notice given by either side to the other, in respect of Messrs. The Empire Dyeing & Manufacturing Co. Ltd. rendering services by way of any work of or in relation to processing of cloth and yarn such as bleaching, dyeing, printing, raising, mercerising and finishing, and in respect of purchases from them of such goods in which they trade or do business or may trade or do business, as well as in respect of sales to them by the Company of any property or any article produced, dealt in or owned by the Company, subject to the conditions that the prices or rates to be paid by the Company shall be reasonable and/or approved of by the Directors of the Company, and that all payments to be made to the Company by Messrs. The Empire Dyeing & Mfg. Co. Ltd. shall be made within one month from the date of the sale or supply of any property or any article

by the Company to Messrs. The Empire Dyeing & Mfg. Co. Ltd."

(e) SPECIAL RESOLUTION NO. V. "RESOLVED

(a) that, pursuant to the provisions of Section 360 of the Companies Act, 1956, the Company hereby approves of an agreement for sale in terms of the draft placed before the Meeting and for the sake of identification initialled by the Chairman, for the sale to Messrs. Bombay Ring Travellers Co. Ltd., (who are or may be deemed to be 'associates' of the Company's Managing Agents), of two plots of land of the Company's Dye Works at Cadell Road, Mahim, namely (i) an area admeasuring about 4,300 square yards (over which Blocks 'Q', 'O' and 'O1' are at present located), and (ii) an area admeasuring about 2,300 square yards (situate on the other side of a 20' wide road between these two plots, (subject, however, to increase or decrease in area as provided in the aforesaid draft Agreement), at the price of Rs. 130/- per square yard, and on payment, by way of reimbursement, of betterment charges under the Town Planning Scheme in respect of these plots at Rs. 5/- per square yard; subject to the condition that the stamp duty and registration charges in respect of the documents relating to the sale of the said two plots shall be borne and paid by the purchasers.

(b) that the Board of Directors of the Company be and they are hereby authorised to complete the aforesaid agreement for sale and thereafter to complete the conveyance of the said two plots of land in favour of Messrs. Bombay Ring Travellers Co. Ltd. and/or their nominee or nominees in accordance with the terms of the said agreement for sale."

The Explanatory Statement under Section 173 is annexed in respect of the above Resolutions.

The drafts of the contracts referred to in Special Resolutions Nos. III, IV and V are open for inspection by any Member at the Registered Office of the Company on all working days from 10-30 a.m. to 1-00 p.m.

By Order of the Board,

NOWROSJEE WADIA & SONS
(PRIVATE) LTD.,
NEVILLE N. WADIA,
Director,
Managing Agents.

Registered Office

Neville House,
Ballard Estate,
Bombay, 1.

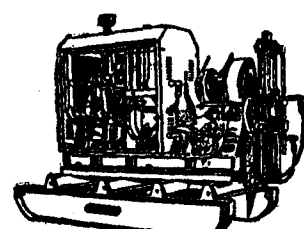
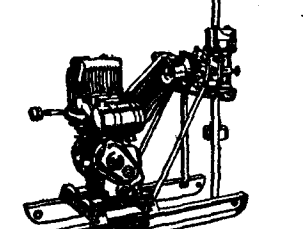
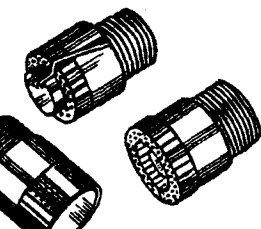
14th March, 1963.

Notes:—

- A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.
- The Share Transfer Books of the Company will remain closed from Saturday, the 9th March, 1963 to Friday, the 29th March, 1963, both days inclusive.
- The Dividend when declared will be made payable at the National and Grindlays Bank Ltd., Bombay, on or after the 26th April, 1963, to those Members whose names stand on the Register of the Company on the 29th March, 1963, and the Divi-

FOR GETTING DOWN TO EARTH
JOY-VOLTAS DRILLS
VOLTAS HIGH PRESSURE PUMPS
VOLTAS—J. K. SMIT DIAMOND BITS

Joy-Voltas Drills are rugged, versatile, heavy-duty machines built for efficient drilling at low cost. They are manufactured in India in collaboration with Joy Manufacturing Company, U.S.A.

		
Joy-Voltas Drill No. 12-B: Runs on diesel, electricity or petrol. Four speed transmission. Hydraulic Retraction, NW Swivel Head. Capacity 228 meters (750 ft.) NX 381 meters (1250 ft.) AX	Joy-Voltas Drill No. 7: With Diesel or Electric Power Units. Screwed Swivel Head. Capacity 122 meters (400 ft.) AX or 152 meters (500 ft.) EX	Voltas-J.K. Smit Diamond Bits are made in collaboration with J.K. Smit & Sons, London. Their mechanical precision ensures fast drilling rates and higher diamond recovery value

A range of Joy Drilling Accessories is made in India. It includes water swivels, hoisting plugs, drill rods, casings, core barrels, core lifters, etc.

VOLTAS VOLTAS LIMITED, Earth-moving, Mining and Agricultural Division
Chinchpokli Road, Bombay 33
Calcutta • Madras • New Delhi • Bangalore • Cochin • Ahmedabad • Secunderabad • Kanpur
Bombay • Patna • Nagpur • Jaipur • Vijayawada • Bhopal

JWT-VT, 4713 B

dend Warrants will be duly posted to them'

(d) The members are requested to notify immediately any change of address to the Company.

(e) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the Special Business set out above is annexed to the Notice of the Annual General Meeting posted to the Members.

JESSOP AND COMPANY, LIMITED

NOTICE is hereby given that the Thirtyfirst Annual General Meeting

HINDUSTHAN MERCANTILE BANK LIMITED,

Registered Office:
10, Clive Row, Calcutta-1.

Authorised Capital ... Rs. 2 Crores.
Subscribed Capital ... Rs. 1 Crore.
Paid-up Capital ... Rs. 50 Lakhs.

BOARD OF DIRECTORS:

Sri Mohan Lal Jalan (Chairman),
Sri Bhagrat Kanoria,
Sri Manmull Bhuwalka,
Sri Kamal Singh Rampuria,
Sri Promode Ranjan Sarkar,
Sri Hari Lal Mehta.

Branches and Agencies throughout India.

B. S. MAZUMDAR,
Manager, Head Office.

of the Members of Jessop & Co., Ltd. will be held in the Committee Room No. 2 of the Bengal Chamber of Commerce & Industry at 6, Netaji Subhas Road, Calcutta-1, on Monday the 29th April, 1963 at 11 A.M. for the transaction of the following business:—

- To receive and consider the Accounts, together with the Reports of the Board of Management and Auditors for the year ended 31st October, 1962.
- To declare a Dividend.
- To appoint Auditors and fix their remuneration.
- To transact any other business of an Ordinary General Meeting.

The Ordinary Share Transfer Registers of the Company will be closed from 17th April to 29th April, 1963, both days inclusive.

By Order of the Board,

K. S. BASU,
Secretary.

63, Netaji Subhas Road,
Calcutta, 25th March, 1963.

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

MARTIN BURN LIMITED

NOTICE is hereby given that the Register of Members and Share Transfer Books for Preference Shares in the Company will remain closed from the 10th April to 11th April, 1963, both days inclusive, for the purpose of payment of Preference Dividend for the half-year ending 31st March, 1963, on or after the 19th April, 1963, to those Preference Shareholders whose names appear on the Company's Register of Members on the 11th April, 1963, or to their mandatories.

By Order of the Board,

A. G. GIDLEY,
Secretary.

Registered Office:
12, Mission Row,
Calcutta-1.
27th March, 1963.

J. THOMAS & CO. PRIVATE LTD.

NOTICE is hereby given that MR. BASANT KUMAR DUBE is authorised to sign PER PROCURATION on behalf of the Company in all matters relating to the Tea Department of the Company with effect from the 1st April, 1963.

By Order of the Board,

J. M. WALLACE,
Director.

CAPITAL, 28th March, 1963.

INDIAN ALUMINIUM COMPANY, LIMITED

31 Chowringhee Road,
Calcutta-16

NOTICE is hereby given that the twenty-fifth Annual General Meeting of Indian Aluminium Company, Limited will be held at its registered office, 31 Chowringhee Road, Calcutta-16, on Friday, April 26th 1963 at 11-30 a.m. for the following purposes:

- To receive and adopt the Balance Sheet as at December 31st 1962 and the Profit and Loss Account for the year ended December 31st 1962, together with the Reports of the Auditors and Directors.
- To declare dividends.
- To appoint Directors in place of those retiring.
- To appoint Auditors and to fix their remuneration.
- As special business, to consider and if thought fit to pass with or without modification the following resolution of which special notice has been received:

"That Mr. J. A. Dullea, who retires at this meeting and who has attained the age of sixty-five years, be and is hereby re-appointed a Director of the Company, and that the age limit prescribed under Section 280 of the Companies Act 1956 shall not apply to him."

The register of members and the share transfer registers of the Company will be closed from April 5th to April 26th 1963, both days inclusive.

Payment of any dividend declared will be made only to those members whose names are registered in the books of the Company on April 26th 1963, or to their mandatories. No application for warrants will be necessary. Claims on behalf of holders of shares held on blank transfer will not be entertained.

Any member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.

By Order of the Board,

T. D. SINHA,
Secretary.

February 15th 1963.

The Explanatory Statement and Statement of Interest relating to Item No. 5 above in terms of Section 173(2) of the Companies Act 1956 has been forwarded to the members of the Company along with the Notice.

CALCUTTA DINNER 1963

the 48th CALCUTTA DINNER will be held at the Connaught Rooms, London, W.C.2, on Thursday, 23rd May, 1963. H. MACKAY TALLACK, Esq. will preside, and the Guest of the evening will be Sir Gilbert Laithwaite, G.C.M.G., K.C.B., K.C.I.E., C.S.I.

For tickets, price £2.12.6d each (including wines as per menu), apply to W. H. Randall, Honorary Secretary, Friars House, New Broad Street, London, E.C.2. Telephone No. London Wall 3523.

"CAPITAL" STOCK AND SHARE LIST THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta Bombay, Madras, London Stock

Exchange Associations and other sources.

Figures given after stroke (/) mean Naye Paise.

Wednesday, 27th March, 1963.

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GOVERNMENTS LOANS

Outstanding Amount Interest per cent Year of issue Repayable Market quotations Amount Interest per cent Year of issue Repayable Market quotations

GOVERNMENT OF INDIA

Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations	Amount	Interest per cent	Year of issue	Repayable	Market quotations
2,48,01,07,000	3	1946	1986 or later	62/90	90.24 300	4	1914	1974	98/25
			At the option of the Government of India after a months notice		78.90.100	4	1915	1975	98/25
8,93,33,000	3	1896-97		62/50	68.02.300	3	1921	2nd 1981	82/00
					1,50,00,000	6	1921	2nd 1981	144/00N
1,16,17,46,000	3	1938	1963-65	99/50	2892.600	5	1923	1953-83	£61
1,10,11,78,000	3	1943	1966-68	96/30	2901.000	5	1924	1954-84	£61
					1,24,00,000	4	1957	1987	99/30
30,33,10,000	3	1950	1984	98/90	50,00,000	4	1958	1988	99/00
14,77,48,000	22	1946	1976	83/50	50,00,000	4	1959	1989	99/00
1,15,05,83,000	3	1948	1970-75	85/65	50,00,000	4	1961	1971	98/75
1,58,17,94,000	3	1954	1984	98/95	50,00,000	3	1935	1965	98/00
1,53,67,92,000	3	1955	1965	98/90	50,00,000	3	1944	1976	83/50
58,05,92,000	3	1958	1963	96/00	50,00,000	3	1945	1-2-2005	72/00
86,63,53,000	3	1958	1974	96/00	50,00,000	3	1945	1-2-1975	83/75
56,99,30,000	3	1957	1967	99/10					
1,54,59,21,000	4	1957	1972	99/00	25,00,000	3	1938	1963-68	93/00
74,51,44,000	4	1958	1973	99/00	50,00,000	3	1946	2006	72/00
1,97,40,92,000	3	1956	1967	97/90	50,00,000	2	1947	1977	78/50
1,56,58,41,000	3	1958	1968	97/90	50,00,000	3	1948	1978	83/00
1,90,85,42,000	3	1959	1969	97/00					
81,06,39,000	4	1959	1979	98/20	50,00,000	3	1950	1980	81/00
82,65,41,000	3	1960	1966	98/95					
98,50,17,000	4	1960	1980	98/10	50,00,000	3	1951	1981	80/50
65,96,55,000	4	1961	1981	98/10	50,00,000	4	1953	1983	100/00

BOMBAY

3,40,34,300	4	1952	1964	99/75
5,10,79,800	4	1953	1963	99/75
6,57,22,800	4	1957	1969	98/00
6,58,20,700	4	1958	1970	98/00
4,35,25,000	4	1958	1971	98/00

MADHYA PRADESH

2,03,28,800	3	1948	1964	98/00
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MADRAS

5,24,81,200	4	1952	1964	99/75
10,33,70,600	4	1953	1963	99/75
5,55,57,300	4	1958	1970	96/50

UTTAR PRADESH

1,55,31,200	3	1936	1961 66	93/25
5,89,13,900	4	1952	1964	99/75
5,58,25,400	4	1953	1963	99/75
7,65,58,900	4	1958	1970	96/50

WEST BENGAL

2,00,00,000	4	1952	1964	99/75
3,60,23,300	4	1953	1967	97/50
7,58,72,200	4	1955	1968	97/50
7,11,46,100	4	1956	1970	98/50
5,10,49,700	4	1958	1971	97/50
7,69,69,400	4	1959	1969	97/50
7,00,00,000	4	1960	1972	98/00
73,07,21,000	4	1961		

MYSORE

2,95,85,200	4	1933	1953-63	100/50
3,83,47,200	4	1953	1963	99/75

These notes refer to the Debentures on the next page.

- Option to repay at par on 6 months' notice—
- Option to extend the redemption period for further 10 years.
 - at any time after.
 - on or after 1-1-61.
 - option to redeem at 21% Prem. after 14-5-64 and before 15-5-68.
- Option to repay on 6 months' notice—
- at any time after 30-6-61 at 101%.
 - at 101% between 1-1-60 & 31-12-64.
 - at 102 1/8% after 30-6-59 but before 30-6-64.
 - at any time after 30-6-65 at 101%.
- Option to repay on 3 months' notice—
- at any time at 3% Premium.
 - at 1% Prem. after 1-3-64 but before 1-3-67 and 1% Prem. on or after 1-3-67.
 - at any time at par.
 - at any time after 31-3-62 at the rate of 1% Premium.

- redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.
 - at any time on two months' notice—
 - to be redeemed at a premium of 10% Rs. 10,000 to be redeemed annually by drawing on 3 months' notice with option to redeem all after 8 years from date of issue on 6 months' notice. Option not exercised repayment to be made after full term.
- Option to repay
- at par after September 1960.
 - at par on or after 1-12-59.
 - with option to redeem at 101% after 10 years or at 100/8% after 12 years.
 - Rs. 1 lac Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100/8% between 1-6-57 to 1-6-60 and at 101% afterwards.
 - with option to redeem at 101% after 10 years or at 100/8% after 13 years.
 - with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100/8% at any time after 31-3-64.

- Rs. 80,000 are being redeemed annually repayment of Debentures commencing serially from No. 1 to No. 80 on 31-12-48.
- Redeemable at any time at 5 per cent premium (a) on 6 months' notice by the Company or (b) in the event of the security becoming enforceable or at par if the Corporation of Calcutta or Howrah purchase the undertaking on 1st January 1945 or every seventh year thereafter.
- At par all or any of the Debts on 31st December, 1960 or on any subsequent interest date.
- Redeemable (a) at 102% on 1st October 1974 or in the event of voluntary liquidation of the undertaking being purchased or in the event of the Security becoming enforceable or (b) at 105% at any time after 31st March 1953 on 6 months' notice from the Co. (c) also redeemable out of a sinking fund (commencing in 1959) by drawing at 102% or purchase at or under 102%.
- Also redeemable out of a cumulative sinking fund or 11% per annum commencing in 1943 by purchase at any price less than par or by annual drawing at par.

1863 1963

100 Years of Banking in India

NATIONAL AND GRINDLAYS BANK LIMITED

(Amalgamating National Bank of India Ltd., Grindlays Bank Ltd., and the Eastern Branches of Lloyds Bank Ltd.)

Registered in London under the Companies Act of 1862 on the 23rd March, 1866. The liability of Members is limited.

Bankers to the Government in
Aden, Kenya, Uganda and Zanzibar.

Authorised Capital ... £ 9,000,000

Issued and Paid-up Capital ... £ 5,703,000

Reserve Fund ... £ 5,250,000

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

London Branches :

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

BRANCHES throughout Aden, Ceylon,
India, Kenya, Northern and Southern Rhodesia,
Pakistan, Somalia, Tanganyika, Uganda, Zanzibar.

The Bank conducts all classes of Banking and
Exchange Business throughout the world.

Calcutta Branches :

19, Netaji Subhas Road ; 29, Netaji Subhas Road, (Lloyds Branch) ;
31, Chowringhee Road ; 41, Chowringhee Road, (Lloyds Branch) ;
6, Church Lane ; 17, Brabourne Road ; 18, Convent Road, Entally ;
17-5D, Block A, Nalini Ranjan Avenue, New Alipore ; 163, Rash
Behary Avenue.

NGB/44C

JOINT STOCK COMPANIES' DEBENTURES

Amount Authorized	Amount Outstanding	Rate of Interest per cent	NAME OF COMPANIES	Year of Issue	MARKET PRICE	A year ago	Interest payable	Principal Repayable	Remarks
Rs.	Rs.				27-3-63	20-3-63			
(CALCUTTA)									
COAL									
60,00,000	60,00,000	6 1/2	Bengal	1961	98/00	98/00	105/00	1st May 1st Nov.	(X)
30,00,000	30,00,000	6	Bharat Collieries	1944	90/00	90/00	90/00	30th April 31st Oct.	30-6-64
20,00,000	20,00,000	4 1/2	Burrakur	1947	85/00	85/00	85/00	30th June 31st Dec.	30-6-67
50,00,000	50,00,000	5 1/2	Equitable	1953	98/00	98/00N	100/00	1st July 1st Jan.	14 12-68
COTTON MILL									
4,00,000	4,00,000	8	Bengal Nagpur	1897	85/00	85/00	85/00	10th May 10th Nov.	15-11-66
JUTE MILLS									
15,00,000	12,00,000	5 1/2	Azarpura	1933	92/00	92/00	92/00	1st Oct 1st April	31-3-68
15,00,000	15,00,000	4	Auckland	1945	78/00	78/00	78/00	30th June 31st Dec.	31-12-64
9,00,000	8,00,000	4	Alexandra	1939	91/00	91/00	91/00	30th June 31st Dec.	30-6-65
10,00,000	10,00,000	5 1/2	Bengal (2nd Mortgage)	1940	95/50	95/50	95/50	30th June 31st Dec.	30-6-65
12,00,000	10,00,000	5 1/2	Chitavalah	1951	88/50	88/50	88/50	30th June 31st Dec.	30-6-66
25,00,000	20,48,000	5 1/2	Dalhousie	1954	90/00	90/00	90/00	31st March 30th Sept.	31-3-69
10,00,000	8,88,000	5 1/2	Emore	1951	90/00	90/00	90/00	15th Jan 15th July	15-7-68
25,00,000	25,00,000	5 1/2	Fort Gloster	1952	98/00	98/00	98/00	31st March 30th Sept.	30-9-68
30,00,000	30,00,000	5 1/2	Howrah	1935	92/50	92/50	92/50	31st March 30th Sept.	31-3-70
25,00,000	25,00,000	5	Kinnison	1949	90/00	90/00	90/00	30th June 31st Dec.	31-12-64
25,00,000	13,04,000	5 1/2	Kamarhatti	1953	89/00	89/00	89/00	30th June 31st Dec.	30-6-70
25,00,000	25,00,000	5 1/2	Naihati	1952	90/00	90/00	90/00	30th June 31st Dec.	31-3-67
5,00,000	5,00,000	6 1/2	Nellimarla	1939	92/00	92/00	92/00	14th Nov 14th May	14-3-74
20,00,000	20,00,000	4	Northbrook	1945	85/00	85/00	85/00	30th June 31st Dec.	31-12-64
25,00,000	25,00,000	5 1/2	Reliance	1950	81/00	81/00	81/00	31st March 30th Sept.	30-9-65
12,00,000	12,00,000	5 1/2	Union	1931	95/50	95/50	95/50	31st March 30th Sept.	31-3-67
10,00,000	10,00,000	6 1/2	Waverley	1925	80/00	80/00	80/00	31st Jan 31st July	31-7-72
MISCELLANEOUS									
80,00,000	19,80,000	4 1/2	Associated Hotels of India	1948	850/00	850/00	850/00	1st Jan 1st July	31 12 62
10,00,000	10,00,000	5	Aluminium Corporation of India Ltd	1943	92/00	92/00	92/00	1st Jan 1st July	31-12-65
5,00,000	5,00,000	4 1/2	Bareilly Electric Supply Co Ltd	1949	88/00	88/00	88/00	30th June 31st Dec.	31-12-64
12,00,000	12,00,000	4 1/2	Bengal Elec Ltd & Power Co Ltd	1949	90/00	90/00	90/00	30th June 31st Dec.	31-12-64
1,00,00,000	90,00,000	5	Buckingham & Carnatic Co Ltd.	1952	100/00	100/00	100/00	1st April 1st Oct.	1-3-72
5,00,000	5,00,000	5 1/2	Britannia Engineering	1945	94/00	94/00	94/00	30th June 31st Dec.	31-12-69
8,00,00,000	8,00,00,000	5 1/2	Burmah Shell Refineries Ltd	1954	91/50	91/50	91/50	1st March 1st Sept.	1-3-69
2,66,00,000	2,32,89,400	5	Calcutta Electric Supply Corporation	1950	92/50	92/50	92/50	1st Jan 1st July	1-1-70
2,350,000	2,325,280	4 1/2	Calcutta Tramways	1970	£66/00	£66/00	£66/00	1st Jan 1st July	1-1-70
2,250,000	2,157,788	5	Calcutta Tramways	1933	£74/00	£74/00	£74/00	1st April 1st Oct.	1-10-74
19,50,000	17,50,000	6	Carew & Co	1938	98/00	98/00	98/00	1st June 1st Oct.	1-6-63
5,50,000	4,00,000	6 1/2	Carew & Co (2nd Mortgage)	1941	85/00	85/00	85/00	1st March 1st Sept.	28-2-70
21,00,000	21,00,000	5 1/2	Chowringhee Properties	1915	85/00N	85/00N	85/00	1st Feb 1st August	1-2-64
28,00,000	28,00,000	5	Chowringhee Properties	1945	80/00	80/00	80/00	1st Feb 1st August	1-2-64
25,00,000	19,20,000	4 1/2	Clive Buildings	1936	82/00	82/00	82/00	1st July 1st Jan	1-7-80
1,00,00,000	1,00,00,000	6 1/2	Dalmia Cement	1946	86/00	86/00	86/00	31st March 30th Sept.	31-7-70
1,30,00,000	1,04,35,000	6 1/2	Dunlop Rubber Co (I) Ltd.	1950	100/50	100/50	100/50	1st Jan 1st July	1-1-73
1,00,00,000	1,00,00,000	6 1/2	Dunlop Rubber Co (II) Ltd	1952	100/50	100/50	100/50	1st Jan 1st July	1-1-73
25,00,000	25,00,000	4	Gouropore Electric Supply	1945	90/00	90/00	90/00	30th June 31st Dec.	31-12-60
1,00,00,000	97,30,000	5 1/2	Indian Cable Co Ltd	1954	98/00	98/00	98/00	1st Jan 1st July	30-6-69
20,00,000	20,00,000	5 1/2	Kumardhubi Fireclay & Silica Works	1954	92/00	92/00	92/00	31st Dec.	31-12-64
10,00,000	10,00,000	4	Kumardhubi Engineering Works Ltd	1946	84/00	84/00	84/00	31st May 30th Nov.	31-5-71
6,50,000	6,50,000	6	Katakhal Lala Bazar Railway	1945	85/00	85/00	85/00	30th June 31st Dec.	31-12-74
45,00,000	45,00,000	4	McLeod & Co Ltd (Con Notes)	1947	410/00 P note	410/00 P note	410/00 P note	30th June 31st Dec.	31-12-72
1,00,00,000	75,00,000	5	Macnelli & Barry Ltd	1951	85/00	85/00	85/00	1st April 1st Oct.	1-4-71
12,00,000	12,00,000	4	National Tobacco Co India Ltd.	1948	82/00	82/00	82/00	30th June 31st Dec.	30-6-68
20,00,000	20,00,000	5	Patna Electric Supply Co Ltd.	1949	90/00	90/00	90/00	31st May 30th Nov.	1-12-64
1,00,00,000	1,00,00,000	6	Rohas Industries Ltd	1946	96/00	96/00	96/00	30th June 31st Dec.	31-12-69
4,00,00,000	4,00,00,000	5 1/2	Esso Standard Ltd	1953	91/00	91/00	91/00	1st May 1st Nov.	1-5-68
10,00,000	10,00,000	5 1/2	Shree Gopal Paper Mills Ltd	1944	£64N	£64N	£64N	Jan & July	15-7-66
2,20,00,000	2,20,00,000	4 1/2	Shashidara (Delhi) Saharanpur Rly	1945	91/00	91/00	91/00	1st Jan 1st July	30-6-76
15,00,000	11,40,000	5	Silva Theriah	1951	90/00	90/00	90/00	1st Jan 1st July	31-12-64
30,00,000	30,00,000	4 1/2	United Provinces Elec Supply Co Ltd.	1949	90/00	90/00	90/00	31st March 30th Sept.	31-12-64
TEA									
2,50,000	2,50,000	6	Baltakhal	1943	95/00	95/00	95/00	30th June 31st Dec.	1-7-63
(BOMBAY)									
1,00,00,000	98,28,000	4	Andhra Valley Power Supply	1940	98/50	98/50	98/50	1st April 1st Oct.	1952
60,00,000	50,00,000	4	Tata Power	1941	86/00	86/00	86/00	..	1951-55

JOINT STOCK COMPANIES' PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations 27-3-63	A year ago	Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations 27-3-63	A year ago
Rs.		Rs.		Rs.	Rs.	Rs.			Rs.		Rs.	Rs.	Rs.
BANK													
1901	Allahabad Bank (May Nov.)	15 00	6	100	96/00	95/50	1895	Bengal Assam Steamship (Nov.)	3 00	7	80	47 00	43/87
COALS													
1898-97	Borrae (June Dec.)	4 00	6 1/2	100	84/00	66/55	1926	Bengal Chemical (Aug.)	6 25	7 1/2	10	11/62	11/09
1901-19	Burrakur (Jan July)	22 98	7	100	93/00	93/00	1889	Bengal Paper Mill (Mar Sept.)	2 00	7	50	46/50	46/50
1946	Burrakur (June Dec.)	4 50	6 1/2	10	79/00	79/00	1923	Bengal Paper Mill "A" (Mar Sept.)	4 00	7	100	98/00	98/00
1895	Equitable (May Nov.)	4 00	6	100	6/87	6/95	1920	Birds Investments (Dec.)	24 00	5 1/2	100	53/37	..
1931	Khas Kajora (March Sept.)	1 00	5	10	10/25	9/50	1936	Braithwaite & Co	40 00	9 1/2	100	104/50	..
1920	New Beerbhoom (Jan July)	2 00	7	10	64/10	64/10	1920	Britannia Biscuit (Feb Aug.)	15 00	8	10	11/00	11/00
1898-98	Ondal (June Dec.)	2 00	6 1/2	100	64/10	64/10	1935-49	British India Corporation (Feb.)	81 00	8	100	115/00	109/00
COTTONS													
1902	Ahmedabad Advance (Apr Oct.)	10 00	5	100	70/00	71/00	1903-11	Calcutta Electric Supply (Mar Sept.)	£1 900	5	£1	8/06	8/69
1884	Bangalore (Jan July)	6 00	6	100	106/90	106/63	1937	Calcutta Silk Manufacturing (July Jan.)	2 00	6	100	49/12	49/12
1938	Basanti (Oct.)	5 00	6 1/2	10	7/00	6/75	1906	Calcutta Tramways (Jan July)	£250	5 1/2	£1	8/25	7/69
1896	Bengal-Nagpur (Apr Oct.)	4 00	7	100	48/00	49/50	1938	Carew & Co (Jan.)	8 00	6 1/2	100	73/00	81/00
1930	Bowreah "A" (Apr Oct.)	6 00	8	100	114/00	110/00	1905-24	Cawnpore Sugar Works (Feb Aug.)	10 00	6	100	117/00	118/00
1900	Bowreah "B" (61 (1) (Apr Oct.)	6 00	7	100	53/00	49/50	1940	Chrestien Mira Industries Ltd	30 00	5 1/2	100	38/00	41/00
1900	Bowreah "B" (61 (1) (Apr Oct.)	6 00	7	100	53/00	49/50	1937	Dalima Cement (Bharat)	35 00	6	10	8/56	7/87
1919	Bradbury "B" (Jan Dec.)	14 85	7	50	114/39	118/00	1935	Delhi Flour Mills (Oct.)	90 00	7 1/2	100	101/00	101/00
1920	Buckingham & Carnatic (Jan July)	21 30	7 1/2	100	83/63	99/00	1940	Deshgarh Power Supply "A" (Jan.)	16 00	5	100	73/62	73/00
1928	Cambodia (July)	1 00	7	100	405/00	427/50	1926	Duncan Brothers & Co Ltd	45 00	4	100	56/00	54/50
1912	Central India (Apr Oct.)	50 00	5	500	16/63	16/63	1936	Dunlop Rubber "First" (Jan July)	30 00	6	100	103/50	106/50
..	Delhi Cloth & General (Oct.)	20 00	4 1/2	25	113/00	112/00	1897	Dunlop Rubber "Second" (Apr.)	40 00	6 1/2	100	76/50	80/00
1912	Elgin (May Nov.)	11 00	8	10	6/25	5/97	1908	East India Distilleries (Jan July)	£200	7	200	18/90	16/50
1943	Elgin "B"	10 00	8	100	74/00	72 00	1907	General Investment & Trust (Feb Aug.)	1 00	5	100	56/30	56/00
1919	Elphinstone (May Nov.)	25 00	7 1/2	100	107/00	106/00	1946	General Investment & Trust (Feb Aug.)	25 00	5 1/2	100	48/00	48/00
1929	Kesoram (June Dec.)	20 00	6	100	80/50	77/00	1946	Gillanders Arbuthnot & Co Ltd	15 00	6 1/2	100	55/00	58/75
1915	Khatrau Mahanji (Nov.)	12 00	6	10	8/76	8/60	1948	Godfrey Phillips India Ltd	30 00	5 1/2	100	60/00	60/00
1937	Kothari (Nov.)	30 00	4	100	128/00	107/00	1940	Gwalior Sugar (Redeemable) (Dec.)	6 75	7	100	56/07	57/00
1940	Muir (Feb Aug.)	8 00	5 1/2	200	107/00	107/00	1940	Gwalior Sugar (Dec.)	5 00	7	100	62/00	62/00
1913	New Great Eastern (Mar.)	16 06	6	5	2/96	3/16	1936	Hamayani Properties Ltd (Nov.)	12 00	6	10	8/62	8/75
1920	New Victoria (Apr Oct.)	2 00	7	50	13/64		1936	Indian Aluminium (Mar Sept.)	40 00	5 1/2	100	67/10	70/00
1935	Pollani Andavar (Mar.)	15 00	5	100	82/00	81/80	1927	Indo Burma Petroleum (Jan July)	50 00	7 1/2	100	74/50	83/00
1935	Swadeshi (Bombay) (May)	35 00	6	100	88/00	86/00	1899	India General Nave & Railways	£244	6	£10	79/00	78/25
1927	Swadeshi (Cawnpore) (Mar.)	3 00	6 1/2	100	92/04	95/00	1922	Indian Cable Co (Nov.)	12 88	6	10	31/75	31/75
1931	Vasanta (Apr Oct.)	16 00	7	500	385/00	385/00	1916	Indian Standard Wagon (Aug or Sept.)	19 66	7	100	113/50	112/00
1908	Vishnu (Apr.)	16 00	7	500	385/00	385/00	1938	Investment and Finance (Feb Aug.)	2 00	5	100	64/30	80/50
JUTES													
1921	Agarpara (Jan July)	10 00	7	100	90/50	87/00	1935	Investment and Finance (Feb Aug.)	2 00	6 1/2	100	60/00	60/00
1905	Alexandra (Feb Aug.)	9 00	7	100	85/50	86/00	1937	James Wright (Jan July)	1 30	6	50	14/00	19/75
1895	Alliance (March Sept.)	15 00	6	100	68/50	60/00	1937	Jardine Henderson Ltd.	50 00	5 1/2	100	55/00	54/00
1917	Anglo-India (May Nov.)	40 00	7	100	93/00	91/00	1941	Jessop & Co	10 00	5	100	75/50	78/00
1909	Auckland (July Jan.)	10 00	5 1/2	100	68/50	69/00	1915	Kumardhobi Engineering (June)	12 00	5	100	68/00	71/00
1945	Auckland (July Jan.)	20 00	7	100	97/00	93/50	1915	Martin Burn Ltd	30 00	5	100	84/00	83/50
1918	Bally (Jan July)	£200	5 1/2	£5	38/00	38/00	1946	McLeod & Co	10 00	5 1/2	100	45/00	47/00
1896	Barnagore (Oct Dec.)	10 00	6 1/2	100	68/50	69/00	1930	McLeod & Co	10 00	5 1/2	100	45/00	47/00
1940	Bengal (June Dec.)	23 64	7 1/2	100	77/00	88/50	1936	Methur Chemical & Industrial (Sept.)	40 00	5	100	61/00	61/00
1919	Birla (June Dec.)	9 00	7	100	90/50	90/00	..	Metal Box Co of India Ltd	20 00	6	10	9/25	9/70
1934	Budae Budae (May Nov.)	6 00	6 1/2	100	58/50	45/00	1938	Mysore Chemical Mfg (Sept.)	30 00	6 1/2	100	82/50	84/00
1924	Calcutta (Jan July)	10 00	7	100	91/50	90/00	1942	National Tobacco (June Dec.)	25 00	6	10	7/83	7/83
1915	Caledonian (June Dec.)	10 00	7	100	91/50	89/00	1944	National Tobacco (Jan Dec.)	20 00	5	100	68/00	68/00
1918	Cheviot (June Dec.)	10 00	7	100	91/50	89/00	1917	Poona Electric Supply Co Ltd (June Dec.)	4 00	7	100	57/10	60/50
1928	Chitavalah (Mar Dec.)	8 00	6	100	52/00	57/00	1937	Premier Construction "First" (Apr.)	10 00	6 1/2	100	73/50	72/50
1905	Clive (First) (May Dec.)	8 00	7	100	46/50	67/00	1922	Premier Construction "Second" (Apr.)	15 00	6 1/2	100	69/50	68/00
1905	Clive "A" (Second) (May Dec.)	11 76	7	100	88/00	86/00	1936	Purtabagar (Sugar) (Oct.)	6 00	10	10	10/36	10/75
1903-13	Dalhousie (July Jan.)	5 00	6	100	64/75	70/00	1933-36	Ramnagar Cane & Sugar (Aug.)	6 00	6	100	68/00	68/00
1897	Delta (June Dec.)	10 00	7	100	90/25	87/25	1935	Rohas Industries (April)	20 00	7	100	97/00	106/00
1912	Empire (Jan July)	14 00	7	100	97/00	90/00	1935	Rohas Industries "B" (April)	36 00	4	100	52/50	54/00
1890-93	Fort (Glasgow (Jan July)	7 00	5	100	65/50	63/00	1944-48	Shaw Wallace & Co Ltd.	75 00	6 1/2	100	55/00	58/75
1948	Fort (Glasgow (Jan July)	10 00	7	100	90/00	90/00	1936	Shree Gopal Paper	7 50	8	100	104/00	96/50
1911	Fort William (May Nov.)	6 00	6	100	102/00	104/00	1936-38	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6 00	6	100	82/00	83/30
1916	Ganges (June Dec.)	28 50	6	100	87/00	86/00	1937	Shree Krishna Gyanodaya Sugar "B"	12 00	5	100	70/00	68/00
1895-98	Gouropore (June Dec.)	25 00	7	100	83/50	83/00	1918	Smith Stanistreet (Chemists) (Nov.)	5 00	10	50	82/50	82/50
1935	Hastings (Aug Feb.)	11 76	10	10	10/25	11/12	1923	South Behar Sugar (Oct.)	5 00	9	100	20/50	22/00
1913	Honghly (July)	8 75	7	100	90/50	90/00	1927	Spencer & Co "A" (Provisions) (Jan July)	23 20	6 1/2	10	6/69	7/35
1890	Howrah (Jan July)	17 50	7	100	92/00	91/00	1936	Spencer & Co "B" (Provisions) (Jan July)	30 90	8 1/2	10	9/35	10/29
1903-06	Howrah "A" (Jan July)	40 00	7	100	92/50	91/00	1928	Sura Electricity (April)	10 00	5	100	65/90	65/90
1919	Hukumchand (Apr Oct.)	18 00	6	100	73/00	72/00	1939	Tata Chemicals (Nov.)	60 00	5	100	85/50	89/50
1898-94	Kamarkhaty (Apr Oct.)	10 00	6	100	128/00	75/50	1906	Tata Hydro Electric Power (Sept Mar.)	89 28	7	100	82/50	100/00
1930	Kankharah (Apr Oct.)	2 00	7	100	88/00	90/30	1918	Tata Iron & Steel (First) (Nov.)	75 00	6 1/2	100	132/50	135/50
1935	Kedarnath (Mar Sept.)	10 00	6	100	81/50	82/00	1919	Tata Iron & Steel (Second) (May)	6 93 82	7 1/2	100	100/00	105/50
1907	Kelvin (Mar Sept.)	9 00	7	100	77/00	77/00	1928	Tata Power (May Nov.)	86 57	7 1/2	100	100/00	102/00
1895-08	Khardah (May Nov.)	10 00	6	100	91/00	90/00	1936	Tatihar Paper Mills (Mar Sept.)	15 00	4 1/2	100	98/00	107/00
1900-13	Kinnelon (July Jan.)	15 00	7	100	91/50	90/00	1934	Vellore Electric (Sept Mar.)	1 25	6	10	5/81	5/81
1905	Lansdowne (July Jan.)	13 00	7	100	89/50	87/45	TEAS						
1912	Lawrence "A" (July Jan.)	7 50	7	100	64/50	66/97	1903	Amluckie (May Nov.)	75 00	7	10	21/98	21/98
1908-07	Lawrence "B" (July Jan.)	10 00	5 1/2	100	112/00	110/00	1901	Anarhat (Jan.)	4 00	6 1/2	100	15/08	75/08
1905-06	Naihati (July Jan.)	10 00	4 1/2	100	83/00	84/12	1900	Birpara (Jan.)	1 00	6	100	104/00	104/00
1945	Naihati (July Jan.)	5 00	7	100	87/00	88/50	1947	Brooke Bond Estate India Ltd.	35 00	6 1/2	100	55/00	59/25
1917	National (Apr Oct.)	5 00	6	100	76/00	76/00	1914	Choonabutti (Jan.)	20 00	6 1/2	100	82/00	82/00
1939	Neilmarda (Apr Oct.)	33 00	7	100	94/00	91/00	1901	Dmakusi (June Dec.)	70 00	6	10	9/50	9/30
1915	New Central (Jan July)	15 00	7	100	72/00	70/50	1894	Dhunsen	2 00	6	100	7/00	7/00
1908-08	Northbrook (July Jan.)	7 00	6	10	72/00	8/86	1901	Gielle (Sept.)	2 00	6	100	50/00	50/00
1935	Rameshwara (Jan July)	20 00	7	100	95/00	91/00	1901	Hantapara (Jan.)	50 00	8	100	89/84	89/84
1925	Reliance (Jan July)	11 70	7 1/2	100	82/55	83/00	1904	Hasimara (Mar.)	3 00	7	100	86/50	89/00
1906-12	Shree Ambica (Mar Sept.)	10 00	7	100	96/00	92/00	1897-99	Kingsley Golaghat (Dec.)	2 40	6	100	85/00	82/85
1920	Soorah (Feb Aug.)	10 00	7	100	91/00	90/00	1929	Moheema (May Nov.)	3 20	6	10	5/21	5/25
1901-02	Union (July Jan.)	6 00	7	100	91/00	90/00	1907	New Doonars (Jan.)	2 00	6 1/2	100	74/82	74/82
1918	Waverley (Mar Sept.)	7 50	5	50	40/50	37/00	1903	New Samanbah (Nov.)	1 00	8	100	90/50	90/00
MISCELLANEOUS													
1937	Alkali & Chemical (Mar Sept.)	31 00	5	100	86/00	87/00	1938	Okhla (Dec.)	50 00	7	100	84/50	79/00
1938	Aluminium Corp. (Oct.)	20 00	6	100	92/00	95/00	1914	Peermade (July)	1 50	6	100	82/77	82/77
1944	Aluminium Corp. (Oct.)	20 00	5	100	66/62	53/00	1916	Punsubbing (Jan.)	2 05	7	100	83/50	89/00
1949	Anderson Wright (Dec.)	40 00	7 1/2	1 000	97/50	99 1/25	1909	Sona River (May)	1 00	8	100	89/30	88/00

BANKS

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

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		27-3-63	20-3-63	A year ago		1959	1960	1961		27-3-63	20-3-63	A year ago
Allahabad Bank P.	18	18	18	100	396/00	396/00	329/00	Indian Overseas Bank	12	14	14	100	159/00	159/00	181/50
Bank of Baroda	14	17	17	50	88/00	91/50	120/50	Industrial Finance Corpn.	..	..	..	50	..	..	..
Bank of India	16	20	20-20*	50	109/00	114/00	124/00	National & Grindlays Bank	12½	13½	14	115	sh. 32/7½	sh. 32/7½	sh. 35/6
Central Bank of India	17-1/5	20-2/5	..	25	53/00	55/00	67/50	Punjab National Bank	20	20	20	10	18/19	17/50	21/75
Chartered Bank	15	15	15	£1	sh. 58/9	sh. 58/9	sh. 55/-	Union Bank of India	..	..	..	5	6/32	6/40	9/28
Hindustan Commercial	Nil	Nil	Nil	50	15/50	17/12	19/75	United Bank of India	4.3	4.3	6	10	7/19	7/19	7/00
Hindustan Mercantile	Nil	Nil	Nil	50	15/62	15/62	17/62	United Commercial Bank	11	12	12	50	72/50	73/25	97/50
Hong Kong & Shanghai	£3	£3½	£3½	HK\$25	£17½	£17½	£17½								
Indian Bank	15	15	..	100	174/50	174/50	180/00								

* Excluding taxation.

** Per share on increased capital.

† Guaranteed.

* 1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		27-3-63	20-3-63	A year ago		1959	1960	1961		27-3-63	20-3-63	A year ago
Agarpara P.	10	2½	2½	10	9/56	9/75	12/25	Hukumchand P.	28½	28½	26½	7½	18/00	17/00	27/94
Alexandra P.	4½	15	..	100	305/00	264/00	265/00	India	14	12	8	12½	17/75	17/75	16/75
Alliance P.	6	Nil	10	100	110/00	110/00	112/00	Kamrabbhaty P.	..	Nil	..	100	151/00	151/00	174/50
Anglo-India P.	20	12	10	100	200/50	199/00	225/00	Kankannar P.	Nil	Nil	..	100	127/00	127/00	124/00
Auciana P.	21	25	25	100	150/00	150/00	174/00	Kelvin P.	15	15	5	100	165/00	176/00	201/00
Baily P.	25	25	25	100	256/00	256/00	294/00	Khardan P.	20	15	12½	10	16/50	18/25	17/31
Barnagore P.	30	10	10	100	172/00	172/00	187/00	Kinnison P.	20	7	Nil	100	140/00	140/00	166/50
Bengal P.	5	..	..	10	10/25	10/25	9/44	Lansdowne P.	Nil	Nil	Nil	100	85/00	120/00	135/00
Birsa P.	15	15	15	10	25/00	25/25	37/75	Lawrence P.	7	15	10	100	101/00	102/00	172/00
Budae Budge P.	10	Nil	..	100	169/00	169/00	143/00	Magna P.	12½	12½	Nil	10	13/25	13/25	13/50
Calcutta P.	..	..	..	10	8/00	8/00	9/50	Nalhati P.	..	..	..	100	81/00	81/00	84/25
Caledonian P.	12	5	..	100	205/00	205/00	174/00	Naskarpura	..	..	..	10	9/06	25/37	24/00
Champdany P.	10	5	Nil	100	134/00	134/00	131/00	National P.	7½	Nil	..	10	25/37	11/25	12/75
Cheviot P.	Nil	5	..	10	23/62	23/62	23/00	Nellimar P.	3	6	15	10	11/25	12/25	17/94
Chitavalsah P.	..	Nil	5	10	11/00	11/00	12/56	New Central P.	15	15	Nil	10	12/00	12/00	35/25
Clive P.	5	..	..	10	7/75	8/37	9/85	Northbrook P.	30	30	20	10	29/00	29/00	70/50
Dalhousie P.	1	1	Nil	100	145/00	145/00	135/00	Nuddea	5	6	10	5	5/12	5/12	5/94
Delta P.	7½	Nil	..	100	140/00	173/00	183/00	Presidency	5	Nil	Nil	10	9/44	9/44	8/25
Empire P.	12½	7½	12½	100	15/31	15/31	19/62	Rameswara P.	Nil	Nil	Nil	10	6/25	6/44	6/62
Fort Gloster P.	25	10	12½	100	399/00	399/00	432/00	Reliance P.	Nil	Nil	..	£1	10/50	10/50	10/50
Fort William P.	22½	22½	10	10	26/00	26/00	26/00	Sammugger P.	5	6	Nil	10	25/00	25/00	40/12
Ganges P.	10	10	15	10	11/62	12/50	14/94	Shree Ambica P.	25	25	..	10	25/25	25/25	23/50
General Industrial	40	10	..	10	17/00	17/00	43/00	Soorah P.	6	Nil	..	£1	10/50	10/50	10/50
Gouropore P.	30	25	20	100	487/00	487/00	501/00	Taschur P.	25	6	Nil	100	146/00	146/00	187/00
Hastings P.	6	6	6	100	128/00	128/00	122/00	Union P.	6	Nil	..	£1	10/50	10/50	10/50
Houghly P.	10	..	..	100	20/00	20/00	31/00	Victoria P.	30	30	60	1	5/80	5/80	6/37
Howrah P.	12½	10	Nil	10	19/00	19/00	21/25	Waverley P.	..	..	..	..	..	..	..

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		27-3-63	20-3-63	A year ago		1959	1960	1961		27-3-63	20-3-63	A year ago
Amalgamated	10	12½	15	10	21/00	21/00	22/00	Mundulpur	..	..	..	10	2/60	2/69	2/62
Bengal P.	25	21	..	100	285/00	287/00	348/00	Nazira	..	..	..	10	5/12	5/13	6/87
Bengal Bhattee	..	..	..	10	3/48	3/48	3/48	New Beerbhoom P.	10	10	..	10	17/62	17/62	21/50
Bengal Nagpur	10	20	..	10	22/00	22/00	20/19	New Manbhoom	7½	9	12	10	13/00	13/75	13/62
Bhaigora	..	..	..	10	6/00	5/00	4/75								
Bharat Collieries P.	..	..	..	10	3/53	3/53	4/12								
Bhulanbarree	..	..	..	10	12/00	12/00	5/00								
Bokaro & Ramgur	..	..	..	10	11/19	11/19	14/06	North West	20	20	..	10	19/75	19/75	22/06
Borra P.	15	15	..	10	23/87	23/87	23/25								
Burrakur P.	13	13	13	10	14/87	15/06	17/69	Ondal P.	6	7½	..	10	12/00	12/00	14/40
Central India	6	10	10	10	8/75	9/62	11/44	Parasee P.	11	11	..	10	16/00	16/00	17/88
Central Kurkend P.	..	..	..	10	8/00	8/00	7/00	Pench Valley	10	10	10	10	19/12	19/12	15/94
Churulia	..	..	..	4	3/06	3/06	3/06	Pure Sitalpur	15	17	..	10	8/00	8/00	8/00
Dhemo Main	Nil	Nil	..	10	5/75	5/75	6/56	Raneegunge	20	20	..	10	15/00	15/00	14/87
East Indian	7½	15	20½	£1	29/00	37/00	37/00	Rewa	..	..	..	10	28/50	28/50	30/00
Equitable P.	15	10	..	10	25/62	25/62	28/84								
Ghushik & Muslia	Nil	Nil	..	10	13/50	13/75	14/00	Samia	10	..	..	10	10/03	10/03	8/87
Guzdar Kajora	..	..	..	10	2/03	2/03	2/50	Searsale	..	Nil	Nil	2½	1/94	1/94	0/78
Hurliadib	..	..	..	10	8/12	8/12	14/37	Seebore P.	42 6/7	42 6/7	..	10	45/00	45/00	47/00
								Sendra	6	8½	..	10	8/75	8/75	6/44
Karanpura Developer	5	5	..	100	10/50	10/50	16/00	South Karanpura	15	10	..	10	16/00	16/00	10/00
Karanpura Collieries P.	7½	10	10	10	16/00	16/00	19/04	Union	..	..	..	10	10/37	10/37	10/00
Katras Jheriah	95	40	25	10	48/75	48/75	49/00	Western Bengal	6	7½	9	10	7/50	8/19	9/00
Khas Kajora P.	..	..	..	10	18/70	18/70	18/70	West Jamuria	Nil	Nil	..	10	4/12	9/37	9/37

* 1962

COTTON MILLS

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

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		27-3-63	20-3-63	A year ago		1959	1960	1961		27-3-63	20-3-63	A year ago
Basanti P.	..	..	..	10	12/75	12/75	7/10	Elgin P.	11½	17½	17½	10	20/69	20/69	22/69
Banga Luxmi	..	..	..	40	28/00	28/00	3/25	J. K. Cotton (Rayon) P.	12½	10	..	10	12/75	12/75	23/19
Bengal Nagpur P.	Nil	..	..	10	3/00	3/00	3/25	Jay Shree	10	10	..	10	12/81	13/75	17/78
Bharat Commerce	5	15	..	10	19/87	21/75	28/31	Muir P.	..	..	..	100	135/00	135/00	146/00
Birla Cotton	10	20	20	10	22/75	22/75	28/00	New Victoria P.	Nil	Nil	..	10	1/62	1/62	1/56
Bowreah P.	10	20	..	10	23/81	23/81	42/56	Orissa Textiles P.	3	Nil	..	10	12/00	12/00	11/00
Cawnpore Textiles	7-1/5	10	..	5	6/94	6/94	9/06	Rampoor Cotton	Nil	Nil	Nil	1	2/00	2/00	2/00
Delhi Cloth & Genl. P.	12	13	13	25	45/87	46/12	61/75	Swadesh (Kanpur) P.	5.51	..	..	100	11/50	11/50	11/50
Dunbar	20	20	..	10	26/87	26/87	35/06								

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		25-3-63	19-3-63	A year ago		1959	1960	1961		25-3-63	19-3-63	A year ago
Ahmedabad Advance P.	7	16	..	100	170/00	170/00	216/50	Indian	..	..	..	250	760/00	760/00	..
Apollo	..	..	..	100	1/72	1/92	2/54	Indore Malwa United	7	8½	10	100	185/00	192/00	179/00
Beharilal Ramcharan	Nil	Nil	..	100	82/50	82/50	75/50	Khatana Makanji P.	16	32	..	100	376/75	376/75	490/00
Bombay Dyeing etc.	14	14	14	25	63/00	63/00	69/40	Kohinoor	9½	15	18	100	273/00	278/00	312/50
Bradbury P.	10	10	25	50	150/00	150/00	202/50	Lakshmi Vishnu P.	Nil	5.7	6	100	107/50	107/50	650/00
Century	..	Nil	Nil	100	490/00	490/00	615/50	Morarjee Goculdas P.	21½	21½	24-24*	100	450/00	450/00	425/00
Central Indis P.	..	..	..	100	105/00	105/00	147/00	Mysore Spg & Mfg P.	10	14	50	100	46/00	46/00	..
Coorla	20	30	30	100	150/00	150/00	157/50	New City of Bombay	..	..	..	100	142/50	142/50	181/00
Dawn	9	9	..	100	142/00	142/00	173/00	New Great Eastern P.	..	..	..	100	270/00	270/00	295/00
Edward Textiles	14	18	..	200	325/00	325/00	452/50	Phoenix	..	..	..	100	206/00	206/00	285/00
Elphinstone P.	..	..	..	50	91/00	98/00	132/00	Sassoon & Alliance	Nil	Nil	..	10	13/00	13/00	13/00
Finlay	..	..	..	100	325/00	325/00	355/00	Sassoon Spinning	25	17	20	10	50/00	50/00	67/50
Gokak	..	..	..	100	166/00	174/00	232/50	Simplex	10	15	Nil	50	143/50	143/50	176/00
Hindustan	..	..	..	250	965/00	965/00	..	Shree Niwas P.	15	18	20	100	220/00	220/00	295/00
India United	..	..	..	10	22/40	23/52	33/12	Svadeshi P.	14	17	..	100	248/00	258/00	..
	..	..	..	1Dd	2/40	2/70	3/96	Swan	..	..	..	100	360/00	300/00	390/00
	..	..	..					Tata	10	20	..	25	56/20	57/20	80/30
	..	..	..					Western Indis	835/00	..	..	250	835/00	835/00	802/50

TEA COMPANIES - Contd.

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

NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
1959	1960	1961	27-3-63	20-3-63	27-3-63	20-3-63	27-3-63
Grob	14	6	6	7/50	7/50	9/94	
Hoograjuli (Assam)	25	20	20	27/12	27/12	24/44	Singell
Hoolungoree	20	10	7	185/00	185/00	155/00	Singtom
Jutibari	10	30	80	32/00	32/00	32/00	Snom
Kingsley Golaghat P.	Nil	Nil	Nil	212/00	212/00	210/00	Sunama
Kotamullai P.	Nil	Nil	Nil	10/31	10/31	10/56	Teesta Valley
Krishnabehari	10	15	8	10/50	10/50	10/12	Tukvar
Kyang Tea	Nil	Nil	Nil	8/06	8/06	8/06	
Lead	Nil	Nil	Nil	17/25	17/25	17/00	
Maud Tea & Seed	7	10	7	14/81	14/81	15/25	
Methoni	15	6	14	18/50	18/50	19/62	
Moheema	10	Nil	..	11/50	11/50	11/50	
Mothola	25	30	30	507/00	507/00	507/00	
Murphulani (Assam)	25	10.63	20.63	28/75	28/75	28/25	
Naga Hills	6	10	10	22/69	22/69	20/37	
Namburadi	12	12	..	14/56	14/56	14/00	
New Cinnatollah	Nil	Nil	Nil	302/00	302/00	103/00	
Rajgarh	35	40	21/37	21/37	21/37	22/50	
Sapoi	20	22	20	19/87	19/87	18/87	
Seajuli	17	22	15	21/12	21/12	22/37	
Telotian	25	25	25	27/75	27/75	27/25	
Tengpani	17	30	30	35/00	35/00	35/00	
Tezpore P.	20	20	12	15/25	15/25	15/94	
Tongani	Nil	Nil	..	8/50	8/50	6/44	
Tyron	30	10	15	34/37	34/37	38/00	
CACHAR							
Arcuttipore	Nil	Nil	..	7/00	7/00	7/00	
Baitakhal	5	2	..	7/00	7/00	6/89	
Central Cachar	5	5	7	73/00	73/00	73/00	
Eastern Cachar	Nil	Nil	..	4/12	4/12	2/37	
Kalliniger Khoreel	6	6	..	87/00	87/00	86/00	
Katikhira	5	Nil	..	9/44	9/44	11/25	
Kunchanpore	Nil	Nil	..	6/00	6/00	3/94	
Loobab	Nil	Nil	..	4/37	4/37	3/81	
North Western	30	30	20	114/00	114/00	205/00	
Pathemara	Nil	Nil	..	7/50	7/50	7/50	
Roopacherra	Nil	Nil	..	13/62	13/62	12/00	
Rungamattie	7	6	6	50/00	50/00	58/50	
Sonal River	Nil	Nil	..	9/12	9/12	9/12	
DARJEELING							
Bloomfield	Nil	Nil	..	3/25	3/25	3/75	
Chamong	Nil	Nil	..	10/25	10/25	10/25	
Darjeeling Tea & Chin.	Nil	30	..	197/00	197/00	164/00	
Dilaram	5	8	..	102/50	102/50	102/50	
Gleile	Nil	Nil	8 4/7	11/89	11/89	11/44	
Lingia P.	12	15	10	14/56	14/56	14/56	
Longview	14	12	..	11/00	11/00	10/06	
Margaret's Hope	10	15	15	11/62	11/62	12/69	
Mim	20	20	20	191/50	191/50	191/50	
Nagri Farm	32	25	25	27/00	27/00	26/00	
Okayti	20	10	..	595/00	595/00	600/00	
Pashok	Nil	Nil	..	20/00	20/00	20/00	
Poobong	Nil	Nil	..	7/50	7/50	7/37	
Pusimbing P.	Nil	Nil	..	8/87	8/87	7/75	
Runglee Rungliot	10	35	20	386/00	386/00	386/00	
Seevok	15	15	..	8/50	8/50	8/56	

† Hectares.

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
1959	1960	1961	27-3-63	20-3-63	27-3-63	20-3-63	27-3-63
Burma Mines	241/42	23/5	Nil	31S	0/44	0/44	0/53
Christian Mies Industries P.	15	15	12	100	10/50	10/50	12/25
Indian Copper Corporation	25	25	20	5Dd	8/85	8/85	7/00
Metal Corporation P.	27	27	27	28	4/10	4/16	5/12
Orissa Mineral Development	Nil	Nil	..	100	7/25	8/06	12/50
CEMENT, LIME, SLATE ETC.							
Ashoka Cement	4	7	7-7*	10	7/00	7/00	8/75
Awam Bengal Cement	..	..	..	100	3/03	4/00	3/81
Bengal Potteries	14/29/00	15	..	1Dd	0/69	0/69	0/19
Black Stone Lime	18.7	30	30-10*	24	5/66	5/66	6/87
Dalmia Cement (Bharat) P.	12	12	12	100	13/00	13/00	13/75
Jaipur Udyog P.	Nil	8	8-8.36*	10	10/50	10/62	13/87
Kumardhubi Fireclay & Silica P.	18	18	18	100	18/45	18/45	18/45
Orissa Cement P.	11	15	15	10	14/50	14/50	10/75
Reliance Firebricks & Pottery	40	22	15-10*	10	22/75	22/75	18/25
Sone Valley Portland Cement	Nil	4	..	8	4/22	4/22	5/12
Sutna Stone & Lime	30	27	30	10	35/00	35/00	24/56
CHEMICAL INDUSTRIES							
Alkali & Chemical Corp. of (I)	9	12	15-15*	10	29/44	29/44	43/75
Bathnate & Co. Ltd P.	Nil	Nil	..	100	9/84	0/84	0/72
Bengali Chemical & Pharm P.	18	18	18-18*	10	98/00	98/00	105/00
Calcutta Chemical P.	..	..	..	10	18/00	18/00	17/50
Frank Ross P.	25	25	25-25*	8	3/25	3/25	3/25
Smith Stanstreet P.	174	224	324	100	99/00	99/00	112/00
ELECTRIC LIGHTING, POWERS							
Agra Electric Supply	10	11	11-11*	100	120/00	120/00	125/00
Bareilly Electric Supply	10	11	11-11*	10	14/37	14/37	11/75
Benares Electric Supply	10	11	11-11*	10	12/37	12/37	12/12
Bhagalpur Electric Supply	5	8	10-8*	8	6/00	6/00	6/03
Calcutta Electric Supply	7	7	7-7*	21	14/25	14/25	14/81
Cuttack Electric Supply	6	7	10-10*	10	12/62	12/62	12/82
Dishergarh Power Supply P.	7	10	10-10*	100	88/00	88/00	93/00
Jhansi Electric Supply	61/5	..	..	10	5/90	5/90	6/00
Jubbulpore Electric Supply	91/5	10	10-10*	10	11/25	11/25	11/00
Muzaffarpore Electric Supply	8	..	..	9	12/00	12/00	7/00
Muzaffarpore Electric Supply	10	12	12-12*	10	12/25	12/25	11/75
Muzaffarpore Electric Supply	7	10	11-11*	10	11/12	11/12	10/80
Patna Electric Supply	7	10	10-10*	10	10/48	10/48	10/87
Shahjahanpur Electric P.	8	9	9-9*	10	9/00	9/00	8/75
Silua (Jheriah) Electric	9	10	10-10*	10	8/25	8/25	8/75
United Provinces Electric	10	11	11-11*	100	108/00	108/00	124/80
Upper Jumna Valley Electric	124	134	134-134*	10	14/00	14/00	14/85

MISCELLANEOUS COMPANIES - Contd.

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

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		27-3-63	20-3-63	27-3-63		20-3-63	27-3-63	20-3-63		27-3-63	20-3-63	
ENGINEERING & METAL															
Arthur Butler (Muzaffarpore) P.	..	..	..	10	14/50	14/50	14/00	J K Synthetics	..	..	3	10	10/25	10/75	..
Bharati Electric Steel	13	10	10	10	14/00	14/00	10/62	James Wright P.	..	..	..	100	41/10	41/10	37/15
Brathwaite India	22	25	25	10	36/50	36/50	56/87	Jardine Henderson Ltd P.	6	7	7-6*	100	68/00	71/75	83/00
Bridge & Roof	30	30	30	10	52/25	52/25	52/25	Jay Shree Industries P.	14	14	12	10	13/25	15/75	20/02
Britannia Building & Iron P.	5	Nil	Nil-Nil*	10	3/65	3/65	3/50	Kesaram Industries P.	2	5	12-12*	10	19/31	19/31	33/44
Britannia Engineering P.	10	10	10	10	8/94	9/50	13/25	Macfarlane & Co.	..	..	..	80	7/00	7/00	7/25
British India Electric Cons.	25	45	20	10	33/12	33/12	41/00	Macneil & Barry Ltd P.	7	8	8	100	2/37	2/37	2/47
Burn P (Engineering)	28	28	28	100	495/00	495/00	690/00	Martin Burn Ltd P.	27	27	27	100	25/00	33/50	43/00
Calcutta Steel	5	15	15	10	13/69	13/69	11/69	McLeod & Co P.	15	15	15	100	215/00	215/00	215/00
Dalmia Iron	..	10	10-10*	10	10/00	11/00	11/69	Metals Box Co of India Ltd P.	17	10	10	100	42/00	50/75	62/25
Guest, Keen Williams	24	16	14	10	30/00	30/12	45/89	National Insulated Cable P.	20	25	25-25*	10	25/00	25/00	42/87
Hooghly Docking	12	Nil	Nil	50	102/00	102/00	111/00	National Pipe & Tube P.	15	20	20-20*	10	29/25	29/25	30/25
Indian Iron & Steel P.	10	15	16-16*	10	19/70	19/70	24/96	National Rubber & Steel Ropes	10	13	15-15*	10	19/56	19/56	20/81
Indian Malleable Casting	7	Nil	..	100	8/00	8/00	8/00	National Tobacco P.	8	Nil	6	10	11/62	11/62	12/50
Indian Standard Wagon P.	28	28	28	10	30/37	30/37	..	New India Investment Corp.	8.7	8.7	..	75	65/00	90/00	55/25
Indian Steel & Wire Products	16	23	24-23*	100	49/00	49/00	47/00	MISCELLANEOUS-(Contd.)							
Industrial Containers	12	17	17-15*	10	22/00	22/00	..	Octavius Steel P.	12	10	..	100	28/25	28/25	31/87
Jay Engineering	12	17	17-15*	10	15/75	15/75	20/12	Philips India	12	12	12	10	22/50	26/25	31/87
J K Steel P.	6.58	6.58	6.58	10	21/06	22/06	22/62	Publicity Society	37	10	75-75*	10	26/19	26/19	30/88
Jessop & Co P.	10	10	11	8	6/87	7/44	8/00	Rallis India P.	Nil	4	84-84*	100	130/00	130/00	159/30
Kumardhubi Engineering P.	10	Nil	Nil	2	3/22	3/22	3/81	Rohas Industries P.	15	20	10-8*	10	10/75	10/75	17/12
Marshall Sons (India)	10	Nil	Nil-Nil*	4	8/00	8/00	10/31	Sarab Engineering	..	Nil	..	10	8/06	8/06	10/25
National Iron and Steel	8	30	10-12*	10	19/75	19/75	22/95	Shaw Wallace P.	15	18	15	10	14/00	14/00	20/06
Sarab Engineering	74	30	20	10	20/30	20/70	22/95	Spencers Hotel	18	24	24	2	0/94	0/94	22/75
Steel Containers	20	10	10	10	10/62	10/62	15/50	Union Carbide	14	18	18	10	29/00	42/50	51/25
Textile Machinery	..	..	..	..	..	..	..	Walford Transport	15	30	30	100	2/25	2/25	2/67
SUGAR BREWERIES ETC.															
Balrampur Sugar	8	8	8-4*	2	2/00	2/00	2/50	INSURANCE COMPANIES							
Beldand Sugar	18	18	18	10	8/50	8/50	10/00	Concord of India	20	20	20	5	10/25	10/25	11/00
Bharati Sugar P.	..	..	..	10	13/00	13/00	12/75	Hercules	20	22	26	10	23/00	25/00	24/45
Carew (Sugar) P.	Nil	Nil	Nil-Nil*	10	10/75	10/75	12/50	Ruby General	10	10	13	8	9/69	9/69	9/08
Champaner Sugar P.	15	15	12-12*	10	15/81	15/81	18/00	Standard General	..	..	..	10	6/00	6/00	5/45
Champaner Sugar	20	4	Nil	10	28/50	28/50	47/37	Triton	45	45	50	25	132/00	132/00	133/00
Durbhanga	18	18	18	10	5/62	5/62	5/19	FLOUR MILLS							
Dyer Meekin (Breweries)	..	..	..	10	11/50	11/50	11/25	Bengal	45	40	25	10	34/25	34/25	36/62
New Javan Sugar and Jut	..	..	..	10	30/37	30/37	31/75	Delhi P.	..	..	..	10	14/..	14/..	14/..
Portabur Sugar P.	213/7	30	35-30*	10	9/37	9/37	10/37	Ganesh P.	12	15	Nil	12	15/75	15/75	19/75
Ramnagar Cane & Sugar P.	12	12	12	10	7/00	7/00	8/06	Hooghly	27	15	Nil	10	19/75	19/75	19/75
Raza Buland	..	..	..	10	9/62	9/62	10/06	United	52	53	10	10	30/00	30/00	38/00
Ryan Sugar P.	..	..	..	10	7/00	7/00	9/81	OIL COMPANIES							
Samsatpur Central Sugar	15	15	15	10	7/12	7/12	6/82	Attock Oil	13	13	13	21	31/9	31/9	25/1
Shree Krishna Gyanoday Sugar P.	..	..	..	10	6/12	6/12	6/82	Burmah Oil P.	..	2-2/3	..	21	49/6	49/6	31/6
Shree Sitaram Sugar	Nil	..	Nil-Nil*	10	10/62	10/62	15/50	Indo-Burmah Petroleum P.	25	30	25	10	23/12	23/12	29/06
Sitalpore Sugar	15	15	15	10	60/00	60/00	71/00	Tide Water Oil	22	30	35	10	26/00	26/00	24/25
United Provinces	72	72	72-72*	10	5/90	5/90	5/90	PAPER MILLS							
Upper Ganges Sugar P.	..	..	..	10	12/75	12/94	18/87	Bengal P.	32	32	27	10	31/25	31/25	33/25
MISCELLANEOUS															
A Firpo (Restaurant)	10	12	12-12*	10	11/56	11/56	11/50	India Paper Pulp	10	15	13-12*	10	16/12	18/81	21/00
Aluminium Corporation P.	10	11	11	10	21/75	21/75	21/87	Orient Paper P.	15	22	22	22	31/25	31/25	43/25
Anderson Wright Ltd P.	20	25	22-28*	10	28/75	28/75	25/25	Shree Gopal Paper P.	17	17	17-17*	10	22/75	22/75	27/31
Angelo Bros	18	18	18	10	2/50	2/50	2/50	Sirpur P.	8	8	8	10	10/81	11/00	15/75
Assam Mates	Nil	Nil	..	10	24/25	26/19	32/25	Star Paper P.	3	Nil	..	10	10/..	10/..	9/87
Assam Saw Mills & Timber	40	25	15-15*	10	10/31	10/31	10/31	..	10	15-13*	21/0	3/78	3/78	3/87	
Associated Battery	Nil	Nil	10-10*	10	43/87	43/87	45/37	..	25	25	20-10*	10/0	16/50	17/50	42/25
Associated Hotels of India P.	Nil	Nil	..	10	8/69	9/37	11/19	..	25	25	20-10*	10/0	16/50	17/50	42/25
Balmer Lawrie & Co.	25	25	25	100	257/00	257/00	278/00	West Coast P.	Nil	5	7	100	160/30	160/50	186/00
Barabar Coke	11	11	10-10*	10	20/30	20/30	25/94	PRESSING COMPANY							
Birds Investments P.	14	25	30-25*	10	7/15	7/15	7/15	Camperdown	11	11	11	100	104/00	104/00	101/00
Britannia Discuit P.	14	14	14	100	8/19	8/19	8/60	REAL PROPERTY STORAGE							
British India Corporation P.	10	12	15	10	135/00	159/00	152/00	Bengal Bonded Warehouse	8	11	8-8*	10	1050/00	1050/00	565/00
British Paints	10	14	14	100	32/00	32/00	43/12	..	..	..	..	100	135/00	135/00	..
Calcutta Silk Manufacturing P.	Nil	Nil	..	10	128/00	128/00	153/..	..	..	..	..	100	122/..	122/00	87/00
Clive How Investment	10	14	14	100	12/12	12/12	15/25	..	..	..	..	100	14/15	14/15	12/14
Duncan Brothers & Co Ltd P.	21	21	21	100	35/12	35/12	34/50	..	..	..	..	100	8/00	8/00	7/25
Dunlop Rubber Co (India) P.	14	14	14-12*	10	236/00	236/00	231/00	..	..	..	..	100	11/..	11/..	11/..
Eastern Investments Ltd P.	5	5	10-10*	20	43/00	43/00	14/08	..	..	..	..	100	135/00	135/00	..
Electric Construction	12	20	20	100	13/81	13/81	14/25	..	..	..	..	100	122/..	122/00	87/00
French Motor Car	17	17	17	100	33/25	33/25	31/00	..	..	..	..	100	14/15	14/15	12/14
Ganges Rope	3	5	5-5*	10	241/00	241/00	250/00	..	..	..	..	100	8/00	8/00	7/25
General Investments Trust P.	10	10	11-11*	10	11/87	13/00	..	..	..	..	..	100	11/..	11/..	11/..
Gillanders Arbuthnot & Co Ltd P.	14	25	30-25*	10	15/90	15/90	19/87	..	..	..	..	100	11/..	11/..	11/..
Gladstone Lyall & Co Ltd P.	Nil	4	2/3	10	17/87	17/87	16/37	..	..	..	..	100	135/00	135/00	..
Godfrey Phillips (India) Ltd P.	28	40	40	10	13/50	14/00	6/94	..	..	..	..	100	122/..	122/00	87/00
Great Eastern Hotel	8	9	9	250	4/75	8/19	12/25	..	..	..	..	100	14/15	14/15	12/14
Hindustan Aluminium P.	..	..	12-12*	10	10/12	10/25	39/25	..	..	..	..	100	8/00	8/00	7/25
Hindustan Motors P.	12	12	12	10	29/75	30/75	36/75	..	..	..	..	100	11/..	11/..	11/..
Hindustan Pilkington	..	..	..	10	32/00	32/00	39/00	..	..	..	..	100	10/00	10/00	10/00
Hindustan Portland Cement	12	12	12	10	31/25	31/25	33/25	..	..	..	..	100	66/50	66/50	70/75
Hoare Miller & Co Ltd	6	8	8-8*	10	15/75	15/75	17/94	..	..	..	..	100	5/84	5/84	7/00
Imperial Tobacco	12	15	15	10	36/75	36/75	39/00	..	..	..	..	100	12/00	12/00	11/12
Indian Aluminium Co Ltd P.	18	22	22-22*	10	21/06	21/06	20/25	..	..	..	..	100	10/00	10/00	10/00
Indian Cable P.	18	22	22-22*	10	31/25	31/25	33/25	..	..	..	..	100	66/50	66/50	70/75
Indian Oxygen	15	20	20-36*	10	15/75	15/75	17/94	..	..	..	..	100	5/84	5/84	7/00
Indian Rubber Manufacturers P.	..	..	..	10	55/00	55/00	55/00	..	..	..	..	100	12/00	12/00	11/12
Indian Wood Products	..	..	..	10	55/00	55/00	55/00	..	..	..	..	100	12/00	12/00	11/12

SOUTH INDIA PLANTATION COMPANIES

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

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		25-3-63	19-3-63	A year ago		1959	1960	1961		25-3-63	19-3-63	A year ago
Amalgamated P.	7 1/2	10	..	10	10/36	10/36	11/06	Malankara	16	15	..	10	15/92	15/92	16/90
Anandam P.	15	15	..	10	15/24	15/24	13/22	Midland Rubber & Prod. P.	10	12 1/2	12 1/2	10	10/50	10/37	10/80
Atimattam	Nil	Nil	..	2	0/80	0/80	0/75	Nilgiri P.	5	8	..	10	8/90	8/90	8/30
Balanor P.	15	15	12	10	12/91	12/91	13/75	Nonsuch	20	20	20	10	22/15	22/15	22/75
Balmadies P.	7 1/2	7 1/2	..	2	1/90	1/90	1/90	Jasoor	15	15	..	2	2/71	2/71	2/60
Be Be P.	5	Nil	..	5	2/15	2/15	2/35	Ouchterlony	15	13	12	2	4/35	4/35	3/84
Blue Mountain	12 1/2	12 1/2	10-10*	2	2/56	2/56	2/62	Aryan Planter Agency-P-12, Chowringhee Square Calcutta	27 1/2	27 1/2	22 1/2	10	24/00	24/00	23/00
Chembra Peak	15	20	20-20*	2	3/57	3/57	3/40	Peermade P.	22 1/2	22 1/2	25	10	22/50	22/50	19/75
Cochin Malabar P.	15	17 1/2	20-20*	2	6/00	6/00	7/00	Peninsular	20	20	..	10	20/70	20/70	22/10
Coffee Lands P.	25	25	..	10	12/75	12/75	14/60	Periakaramalai	12 1/2	13 1/2	20	10	3/05	3/05	3/35
Consolidated Coffee P.	25	20	..	10	16/25	16/25	17/80	Rajagiri Rubber & Prod. P.	20	20	20	10	18/70	18/70	19/25
Coonor P.	20	17 1/2	..	10	19/25	19/25	23/75	Rajendra P.	50	25	..	5	9/80	9/80	11/12
								Swinton	7 1/2	12 1/2	..	2	2/82	2/82	2/82
Coorg P.	20	20	..	2	3/98	3/98	5/20	Teekoy P.	6	Nil	..	10	5/03	5/03	5/35
Cottanad Plantation P.	15	10	..	10	9/31	9/31	10/10	Thirumbadi	7	7	12	1	1/54	1/54	1/71
Devasahlo (Nilgiri)	25	20	..	10	24/92	24/92	26/05	Travancore Rubber	10	13	..	10	10/95	10/95	13/12
Devon P.	15	15	12	10	12/66	12/66	13/50	Travancore Rubber & Tea P.	7 1/2	9	10	10	9/00	9/00	10/60
Emerald Valley	8	..	..	5	5/06	5/30	5/25	Tropical Plantations	8	8	..	25	19/75	19/75	19/25
Cokul	9	10	..	2	1/90	1/90	2/10	Iwytors	10	10	..	10	9/10	9/10	10/85
Haileybury P.	12 1/2	15	..	10	12/62	12/62	13/25	United Nilgiri	19 1/2	21	22	10	20/34	20/87	20/84
Kallas	20	22 1/2	..	2	5/30	5/30	5/10	Vaikundam	25	30	..	10	29/45	30/85	32/75
Kalasa Tea Produce	15	20	25	2	3/45	3/45	3/40	Rajendra Estates P.	12 1/2	12 1/2	..	2	2/25	2/25	2/35
Kil Kotagiri P.	35	25	25	2	5/15	5/15	5/13	Woodland P.	5	10	..	10	7/85	7/85	7/85
Lucky Valley	10	10	10	10	11/00	11/00	10/12								

SOUTH INDIA COTTON MILLS

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		25-3-63	19-3-63	A year ago		1959	1960	1961		25-3-63	19-3-63	A year ago
Bangalore W. C. Silk P.	10	10	18	100	230/00	230/00	245/00	Lakshmi	12	20	30	50	137/00	137/00	167/00
Buckingham & Carnatic P.	10	10	18	100	262/00	262/00	280/00								
Cambodia P.	Nil	9	..	10	13/00	13/00	13/50	Madura	12 1/2	15	15	15	30/43	32/00	39/75
Coimbatore Cotton	6	12	18	100	178/00	178/00	218/50	Mettur Industries	25	30	30-22 1/2*	100	324/00	324/00	398/00
Coimbatore Spg. & Wvg.	..	..	..	50	68/00	68/00	85/00	Palani Andavar P.	..	..	..	100	215/00	215/00	232/50
Kothari Textiles P.	10	10	8	10	10/55	10/55	13/15	Vasanta P.	18	20	..	100	276/00	290/00	309/50

SOUTH INDIA SUGAR MILLS

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		25-3-63	19-3-63	A year ago		1959	1960	1961		25-3-63	19-3-63	A year ago
Andhra P.	20	..	..	10	18/20	18/20	22/12	K. C. P.	15	..	..	10	25/07	25/07	22/95
Cauvery P.	Nil	6	..	100	99/00	99/00	106/00	Kothari	..	Nil	Nil	10	7/07	7/07	7/00
Deccan Sugar	25 1/2	25 1/2	12-18*	5	9/50	9/50	9/95	Mysore	30	30	30-30*	10	51/30	51/30	53/40
E.I.D.-Parry	28 4/7	21 3/7	21 3/7*	21	39/17	39/17	38/62	Travancore P.	10	10	..	10	6/85	6/85	7/12
Indian Sugar P.	12 1/2	14	10	10	10/25	10/25	10/30	United Breweries	60	60	60-25*	10	95/00	95/00	82/25
Jeyvora P.	10	8	..	10	15/00	15/00	14/50								

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		25-3-63	19-3-63	A year ago		1959	1960	1961		25-3-63	19-3-63	A year ago
Aluminium Industries	12 1/2	18	..	10	20/37	21/00	23/68	Mysore Chemical Mfgs P.	40	40	..	10	18/28	18/28	22/15
Andhra Cement P.	10	..	..	10	9/75	9/75	9/40	Mysore Lemp. P.	16	20	..	10	34/10	34/10	32/20
Ashok Leyland	8	8	..	5	7/85	7/85	8/82	Mysore Paper	12 1/2	15	15	10	13/50	13/50	14/25
Binnay	10	12 1/2	..	100	327/17	327/17	314/00	Mysore Tobacco	12 1/2	10	..	10	8/25	8/25	9/00
Brunton & Co.	Nil	..	..	10	5/30	5/30	5/15	Parrys Cont.	20	30	..	1	3/44	3/44	4/43
Enfield P.	5	5	..	10	9/25	9/25	12/05	Spencer (Provisions)	18	18	18-18*	10	22/50	22/50	24/35
India Cement P.	9	11	9-12*	5	6/20	6/20	5/83	Standard Motors P.	9	9	..	10	16/13	16/13	16/75
Indian Steel Rolling P.	7	..	..	10	10/50	10/50	11/90	I. Stanes P.	27 1/2	32 1/2	..	10	29/05	29/75	30/63
Mettur Chemical Industrial P.	8	12 1/2	12 1/2*	10	12/87	12/87	13/05	Textool	15	15	..	100	157/00	157/00	186/00
Mysore Chem. & Fert.	5	10	10	10	9/75	9/75	10/35	Tube Investments	10	10	10	100	235/00	235/00	290/30

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		27-3-63	20-3-63	A year ago		1959	1960	1961		27-3-63	20-3-63	A year ago
Ahmedpur Katwa	1.80	1.80	1.75	100	29/00	29/00	31/00	Darjeeling Ropeway	..	..	..	10	8/00	8/00	8/00
Arrab Sasaram	5	5	5	100	27/00	27/00	30/50	Jehru Kothas	17	20	15	10	13/75	13/75	19/12
Bankura Damodar	1.80	1.90	1.75	100	29/50	29/50	29/00	Putwab Islampur	1.80	1.90	1.80	100	28/70	28/70	28/70
Burdwan Katwa	1.80	1.90	1.75	100	29/50	29/50	29/00	Howrah Amta (P)	6	5	4 1/2	100	45/00	45/00	45/00
Chaparmukh-Siliguri	2.80	2.90	2.80	100	88/00	88/00	30/00	Howrah Sheekhale	6	5	4 1/2	100	45/00	45/00	45/00
Cherra Chhatrak Ropeway	9	12	12	100	8/75	8/75	5/81	Katakha Lala Bazar	3.50	3.10	1.80	100	41/00	41/00	41/00
								Shahdara (Delhi)	8	8	..	100	50/00	50/00	50/00

MANAGING AGENTS, DIRECTORS OR SECRETARIES WITH THEIR RESPECTIVE ADDRESSES.

1. Anderson Wright Ltd.-7, Wellesley Place Calcutta.	55. K. S. R. Iyer-Imperial Bank Buildings, Bank Street, Fort Bombay.	109. Holmes Wilson & Co. Ltd.-"Stephen House" Calcutta.	184. I. R. Anantaram Iyer & Bros. Ltd.-Pushpamir Trichur.
2. Andrew Yule & Co. Ltd.-8, Clive Row Calcutta.	56. Chinoy F. M. & Co. Ltd.-Radio House, Apollo Bunder Bombay.	110. R. G. Khanna-Solan Brewery Simla.	185. McLeon & Co. Ltd.-3, Netaji Subhas Road Calcutta.
3. S. N. Beri-6, Middle Road, Hastings, Calcutta.	57. Cumberbatch & Co.-Colombo.	111. Hotel (Control) Private Ltd.-4 & 4/1, Wellesley Place Calcutta.	186. Hindustan Investment Corporation Ltd.-15, India Exchange Place, Calcutta.
4. Hazareemull. Heeralall-148, Cotton Street Calcutta.	58. Cowasjee Jehangir & Co. Ltd.-Ready Money Mansion Churchgate Street, Fort Bombay.	112. Glass, I. O. R.-Blipao House, 36, New Broad Street London E.C.4.	187. B. Barker-"Barlow House" 50C, Chowringhee Road, Calcutta.
5. Amritlal Disha & Co. Ltd.-"Security House" Netaji Subhas Road Calcutta.	59. N. K. Jalan-Kamini Chamber, 32, Nicol Road, Ballard Estate, Bombay.	113. B. P. Khaitan-14, Netaji Subhas Road, Calcutta.	188. Moonla Lal & Sons-120/1 Civil Lines, Jhansi.
6. Alcock. N. C.-Hultsdorf Mills, Colombo.	60. Chandrie & Co. Ltd.-Madras.	114. Harrison & Crossfield Ltd.-Calcutta.	189. K. P. Goenka-31, Netaji Subhas Road, Calcutta.
7. Associated Industrial Development Co. (Private) Ltd.-"Nico House", Hare Street Calcutta-1.	61. Bagaria More Co. Ltd.-5, Clive Row, Calcutta.	115. I. V. Braddley-The Great Social Buildings, Sir Phirozshah Mehta Road Fort Bombay.	190. Marshalls (Direction) Private Ltd.-33/1 Netaji Subhas Road Calcutta.
8. Agarwala S. L.-Indian Insurance Building, Old Cantonment Road, Dehra Dun.	62. Dayaram & Sons-9, Old Court House Street, Calcutta.	116. K. G. Khanna-Solan Brewery (H.P.), Hari Sons-Aviur (Cochin State).	191. W. E. Maiden-P.O. Lohat, Dist. Darbhanga.
9. Aspinwall & Co. (Travancore) Ltd.-Alleppey.	63. Duncan Brothers & Co. Ltd.-31, Netaji Subhas Road, Calcutta.	117. Hormusjee Sons & Co.-405, Girgaum Road Dhoobi Talao Bombay-2.	192. East India Agencies Private Ltd.-Palai Kerala State.
10. Aryan Planter Agency-P-12, Chowringhee Square Calcutta.	64. Dun Thomas & Co.-2 and 3, Clive Row Calcutta.	118. Ramnarayan Sons Ltd.-Bombay.	193. Moulton G. S. & Co. (India) Ltd.-11 and 12, Esplanade Mansions Calcutta.
11. Allum Bnarucha & Co.-214, Hornby Road Bombay.	65. Dass Bros.-29 and 30, Strand Road, Calcutta.	119. Industrial Financing Co.-63, College Street, Calcutta.	194. N. M. Cole-8, Clive Row Calcutta.
12. Associated Planters Private Ltd.-25, General Patters Road Madras.	66. A. K. Das-15, Netaji Subhas Road, Calcutta.	120. Imperial Chemical Industries (India) Private Ltd.-34, Chowringhee, Calcutta.	195. Satya Narain Gupta-Subzimanil, Delhi.
13. Anthony M. K.-Alleppey.	67. Day, P. E.-Alderman's House, Bishopsgate, London E.C.2.	121. Indra Singh & Sons Private Ltd.-7, Wellesley Place, Calcutta.	196. Moton & Co.-Maung Pauley St., Rangoon.
14. Harrison and Crossfield Ltd.-Cochin.	68. Hari Brothers Private Ltd.-Scindia House New Delhi.	122. Hari Brothers Private Ltd.-Scindia House New Delhi-1.	197. B. B. Marshall-1, Humayan Place, Calcutta.
15. Agarwal & Co.-E. D. Sassoon Building, Douglas Road, Ballard Estate, Bombay.	69. Dadabhai, Sir M. B.-Kampte Road, Civil Lines Nagpur.	123. R. Raja Rao-Honnawal Road, Shimoga.	198. Madura & Co. Ltd.-Cochin.
16. Andhra Eng. Co. Ltd.-22, 222, Dana-vayipeta Rajahmundry.	70. N. D. Bangur-14, Netaji Subhas Road, Calcutta.	124. J. P. Hannay-2, Metcalfe St. Calcutta.	199. A. D. Shroff-New India Assurance Bldgs, Mahatma Gandhi Road, Fort, Bombay.
17. Amte & Co.-Hubli.	71. B. C. Roy-Hindustan Buildings & Chittaranjan Avenue Calcutta.	125. J. K. Industries (Private) Ltd.-1, Council House Street Calcutta.	200. Masfalah Gagalbhai & Sons-Rustam Bldgs 29, Churchgate Street Fort, Bombay.
18. B. M. Krishan-Sri Jayachamaraja wadiyar Road Bangalore-2.	72. Uutta, J. C. & Co. Ltd.-National Bank Buildings, Netaji Subhas Road, Calcutta.	126. J. P. Hannay-2, Metcalfe St. Calcutta.	201. Murphy C.-Rampart Row, Fort, Bombay.
19. Macneill and Barry Ltd.-2, Fairlie Place Calcutta.	73. C. C. Day-25, Netaji Subhas Road, Calcutta.	127. Jardine Henderson Ltd.-4, Clive Row, Calcutta.	202. Mehta, Chunilal V. & Co. Ltd.-Queen's Mansions, Prescott Road Bombay.
20. Ojha Brothers Ltd.-Security House, Netaji Subhas Road Calcutta.	74. Davenport & Co. Private Ltd.-6, Church Lane Calcutta.	128. S. S. Bhimwal-7, Chowringhee Road, Calcutta.	203. Jhaharia Bros. Ltd.-138, Harrison Road Calcutta.
21. Bira & Co. (Private) Ltd.-Chartered Bank Buildings Calcutta.	75. Desai, R. M.-14, Nicol Road, Ballard Estate, Fort Bombay.	129. Desai, R. M.-14, Nicol Road, Ballard Estate, Fort Bombay.	204. Jain, N. K. & Co. Ltd.-"Devashram", Arrah Shahabad.
22. Birla Bros Private Ltd.-8, India Exchange Place, Calcutta.	76. Dodwell & Co. Ltd.-Glennie Street, Slave Island Colombo.	130. J. K. Industries (Private) Ltd.-1, Council House Street Calcutta.	205. James & Co. Ltd.-25, Netaji Subhas Road, Calcutta.
23. Babulal & Co. Ltd.-13, Syed Sailey Lane, Calcutta.	77. Darragh Small & Co. Ltd.-Alleppey.	131. James & Co. Ltd.-25, Netaji Subhas Road, Calcutta.	206. Jute Industries Ltd.-4, Lyons Range, Calcutta.
24. Balmer Lawrie & Co. Ltd.-21, Netaji Subhas Road Calcutta.	78. Dadabhai, B. A. & Co.-Ilaquo House, Sir Phirozshah Mehta Road Bombay.	132. John V. C.-Kottayam, Travancore State.	207. Jones, H. Edwin-Oriental Building, Bombay Elec. House, Ahmedabad.
25. British India Corporation Ltd.-Sutherland House Kanpur.	79. B. N. Klias & Co. Private Ltd.-1 and 2, Old Court House Corner Calcutta.	133. John, Kurian-Kottayam, Travancore State.	208. Kettilewell Bullen & Co. Ltd.-21, Strand Road Calcutta.
26. R. L. Thompson, Agrabaram Road, Bangalore-2.	80. Eastern Corpn. Ltd.-7, Wellesley Place Calcutta.	134. Kilburn & Co. Private Ltd.-4, Fairlie Place, Calcutta.	209. Karamchand Chappet & Bros. Private Ltd.-Thapar House, 25, Brabourne Road Calcutta-1.
27. Bengal Textile Agency Ltd.-11, Clive Row, Calcutta.	81. Ebeeling A. F.-Rawalpindi.	210. Kothari & Sons Agency Private Ltd.-Armenian Street Madras.	211. Kothari & Sons Agency Private Ltd.-Armenian Street Madras.
28. Swadeshi Enterprise Ltd.-41, Chowringhee Road Calcutta.	82. Poddar, P. L.-135, Canning Street, Calcutta.	212. R. Suryanarayan Rao-Channaspatna, Mysore State.	213. S. L. Dhanuka-P-15, Bentinck Street, Calcutta.
29. Beardsell, W. A. & Co. Private Ltd.-Second Line Beach Madras.	83. Pratapsingh Mathuradas-9, Wallace Street, Fort Bombay.	214. S. L. Dhanuka-P-15, Bentinck Street, Calcutta.	215. Khaitan, D. & Sons-14, Netaji Subhas Road Calcutta.
30. Bhagyalakshmi & Co.-Dehali Road, Udayanpeter Dt. Coimbatore.	84. S. B. Industrial Development Co. Ltd.-12, Old Court House Street, Calcutta.	216. P. S. Ntkantan-1, Waterloo Street, Calcutta.	217. P. S. Ntkantan-1, Waterloo Street, Calcutta.
31. Rameshwar Lal Pantia-1 & 2, Old Court House Street, Calcutta.	85. A. Firpo, Jr.-18/2, Chowringhee, Calcutta.	218. Killick Industries Ltd.-Home Street, Fort Bombay.	219. Kanga, R. D.-Electric House, Post Fort Bombay.
32. K. M. Wilcox-Sutherland House, Kanpur.	86. Forbes, Forbes, Campbell Ltd.-Forbes Buildings, Bome Street, Fort Bombay.	220. Kurian John-Alleppey.	221. Khatas Mankanji & Co.-8, Ballard Road Fort Bombay.
33. Sir John Brown-9, Hare St. Calcutta.	87. S. V. S. Iyer-88C, Old Prabhadevi Road Bombay-28.	222. Hind Agents Ltd.-Indu House 15, Douglas Rd. Ballard Estate, Bombay.	223. Kothari Mehta & Co. Private Ltd.-Armenian Street Madras.
34. Ramdutt Ramkissandas-9, Brabourne Road Calcutta.	88. G. Henders Arbutnot & Co. Ltd.-Clive Buildings Netaji Subhas Road, Calcutta.	224. Low H. V. & Co. Private Ltd.-3, Synagogue Street, Calcutta.	225. Loma, J. E. W.-18, St. Swithin's Lane, London E.C.4.
35. Bajoria & Co.-27, Brabourne Road, Calcutta.	89. Gladstone Lyall & Co. Ltd.-4, Fairlie Place, Calcutta.	226. Bharat Ram Bhagat & Co.-45, Tangra Road Calcutta.	227. Hind Agents Ltd.-Indu House 15, Douglas Rd. Ballard Estate, Bombay.
36. Birla L. N.-8, Royal Exchange Place, Calcutta.	90. H. C. Bowker-"Victoria House", Calcutta.	228. Padampat Singhania-Kamla Tower, Kanpur.	229. Lala Gurusharan Lal-Guraru Dist. Gaya.
37. Birla & M.-"India Exchange", Calcutta-1.	91. P. L. Tandon-India House, Fort Street, Bombay.	230. Lovelock & Lewes-4, Lyons Range Calcutta.	231. Lohia D. D.-173, Harrison Road, Calcutta.
38. Sir John Brown-4, Clive Row, Calcutta.	92. Govan Bros (Kanpur) Private Ltd.-4, Scindia House New Delhi.	232. G. E. Solomon-Dare House, Parry's Corner Madras.	233. Mackenzie Mackenzie & Co. Private Ltd.-18, Strand Road, Calcutta.
39. Bhangava R. K.-Moballa Masjid Bagn Badshahpura	93. Govan Bros Ltd.-Mahnora Building, Queensway New Delhi.	234. O. G. Solomon-Dare House, Parry's Corner Madras.	235. Parikh, Q. & Co.-26, Apollo Street, Fort, Bombay.
40. Bihari Lalano-161-1, Harrison Road Calcutta.	94. R. K. Deva-93-A, Dharamtalla St., Calcutta.	236. O. G. Solomon-Dare House, Parry's Corner Madras.	
41. W. H. Brady & Co. Ltd.-Brady House, 12-14, Veer Nariman Road, Bombay-1.	95. Daga & Co. Ltd.-9, Royal Exchange Place Calcutta.	237. O. G. Solomon-Dare House, Parry's Corner Madras.	
42. Brijlal Bilasval & Co.-Age Khan Buildings Dalai Street Fort Bombay.	96. M. L. Bexon-51B, Free School Street, Calcutta-18.	238. O. G. Solomon-Dare House, Parry's Corner Madras.	
43. Punam Chand Bata-19, Circular Garden Reach Road Calcutta.	97. Govan R. G. & Co.-Scindia House, Connaught Circus New Delhi.	239. O. G. Solomon-Dare House, Parry's Corner Madras.	
44. Chakravarti Sons & Co.-22, Canning Street, Calcutta.	98. Turnbold R. W.-P-4, Mission Row Extension, Calcutta.	240. O. G. Solomon-Dare House, Parry's Corner Madras.	
45. G. L. Purusotham Naidu-24, Krishnaswamy Mudalar Road, Coimbatore.	99. Abinash Chandra Das-Jalpaiguri.	241. O. G. Solomon-Dare House, Parry's Corner Madras.	
46. Chetty R. K. S. & Bros.-Singanailur, Coimbatore-5.	100. Guha, Nalini Kumar-18/171-B Raja Raj Ballav Street Calcutta.	242. O. G. Solomon-Dare House, Parry's Corner Madras.	
47. S. R. Poddar-33, Netaji Subhas Road, Calcutta.	101. Purushottam Lal-11-A Clive Row, Calcutta.	243. O. G. Solomon-Dare House, Parry's Corner Madras.	
48. Calcutta Agency Ltd.-24, Netaji Subhas Road, Calcutta.	102. George, A. V. & Co. Ltd.-Ancheril Bank Bldgs Kottayam, Travancore.	244. O. G. Solomon-Dare House, Parry's Corner Madras.	
49. Chanda, A. P.-15, Taratole Road, Calcutta.	103. Kundlia, G. Sekaria-139, Meadow Street Fort Bombay.	245. O. G. Solomon-Dare House, Parry's Corner Madras.	
50. Shoorbridge, P. G.-234-3, Lower Circular Road, Calcutta.	104. Gopikrishn Piramal-Superibaug Road, Parel Bombay-12.	246. O. G. Solomon-Dare House, Parry's Corner Madras.	
51. R. A. B. Mackay-173, West George Street, Glasgow C.2.	105. P. & G. W. Paria-Gillander House, Netaji Subhas Road Calcutta.	247. O. G. Solomon-Dare House, Parry's Corner Madras.	
52. Cement Agetetec (Private) Ltd.-121, Queen's Road Fort Bombay.	106. F. W. Heitgers & Co. (Private) Ltd.-Chartered Bank Buildings Calcutta.	248. O. G. Solomon-Dare House, Parry's Corner Madras.	
53. Consolidated Med. Agencies-17-B, Fort, Bombay.	107. Bhowrah Trading Co. Ltd.-4, Dalhousie Square East Calcutta.	249. O. G. Solomon-Dare House, Parry's Corner Madras.	
	108. A. & P. Haryar Ltd.-Madurai.	250. O. G. Solomon-Dare House, Parry's Corner Madras.	

MANAGING AGENTS,

MANAGING DIRECTORS, DIRECTORS

OR SECRETARIES WITH THEIR RESPECTIVE ADDRESSES.

217. L. C. Kanol—P. & Mission Row Extension, Calcutta.
218. Parry & Co., Ltd.—Dare House, Parry's Corner, Madras.
219. India Sugar Agencies Ltd.—Mangalore, Madras.
220. Price, R. G. N.—National Bank Bldgs., Madras.
221. Z. R. Irani—1/153, Mount Road, Madras.
222. Chrestien Mica Industries Ltd.—A, Lyons Range, Calcutta.
223. R. N. Agarwala—4, Lyons Range, Calcutta.
224. Lohia Brothers Ltd.—138, Canning Street, Calcutta.
225. Roy, B. K.—1, 2 and 3, Old Court House Street, Calcutta.
226. M. D. Shivananjappa—Kampegowda Road, Bangalore 9.
227. W. Morrice—41, Chowringhee Road, Calcutta-16.
228. Ramnarain Sons Ltd.—Bank Street, Fort Bombay.
229. Rajputana Textile (Agencies) Ltd.—Delisle Road, Chenchpoka, Bombay.
230. Rajam, C.—Oriental Bldgs Armenian Street, Madras.
231. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist.
232. Ratnams Ltd.—Pugatur, Fritchunopoly, Mysore.
233. P. Shamanna—1129, Vani Vihara Road, Calcutta.
234. Bangur Bros. Ltd.—14, Netaji Subhas Road, Calcutta.
235. Soorajmull Nagarmull—8, Dalhousie Square East, Calcutta.
236. Shaw Wallace & Co., Ltd.—4/5, Bank-shall Street, Calcutta.
237. Srivastava, J. P. & Sons—Kannur.
238. Bharat Ram Charat Ram Private Ltd.—Bara Hindu Rao, Delhi.
239. A. R. Kalairaja Chettiar—Coimbatore.
240. A. K. I. K. M. Narayanan Nambodri-pad—Kallai Malabar.
241. Singh, Ranjit—Lucknow.
242. N. L. Roy & Co.—9, Royal Exchange Place, Calcutta.
243. Shyamal Agarwal—9, Dalhousie Sq. East, Calcutta.
244. Sovaram Keshavdeo—15, Netaji Subhas Road, Calcutta.
245. Dr. B. N. Ghose—6, Ganesh Avenue, Calcutta-13.
246. Sundares, S.—Indian Mercantile Chambers, Nicol Road, Bombay.
247. Singnania Padampat—Kamala Tower, Kannur.
248. E. K. Srinivasan—16, Hare Street, Calcutta.
249. Steel Bros. & Co., Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
250. T. Stanes & Co.—Coimbatore.
251. Southern India Plantations Agency Ltd.—Coonoor.
252. Sana, Babuballav—18/11/1B, Raja Raj Ballav Street, Calcutta.
253. R. B. Pradhan—Empire House, 214, Hornby Road, Bombay.
254. Sindia, M. Ramchandra Rao—3rd Road, Chamarajpet, Bangalore City.
255. Setaiyad, J. C.—73, Opp. Churchgate Station, Fort, Bombay.
256. Scindia Steam Navigation Co., Ltd.—Ballard Estate, Bombay.
257. Ramnath A. Podar—Podar Chambers, Parness Bazar St., Fort, Bombay.
258. Swedish Match Co.—Nicol Road, Ballard Estate, Bombay.
259. S. Ramashramony Aiyer—Trivandrum.
260. Purnamai Bubna Sons—Indu House, Douglall Road, Ballard Estate, Bombay.
261. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.
262. Ramnarayan Sons Ltd.—Bank Street, Fort, Bombay.
263. Seshasayee Bros. Private Ltd.—Met-tur Dam, R.S.
264. V. Venugopal Naidu—Sir Jayachama-raja Wadiyar Road, Bangalore-2.
265. Shree Hanuman Invt. Co. Ltd.—173, Harrison Road, Calcutta.
266. Talukdar, B. S. Amlasadarpur, Nadia (West Bengal).
267. Tata Hydro-Elec. Agency, Ltd.—34, Bruce Street, Bombay.
268. Turner Morrison & Co., Ltd.—6, Lyons Range, Calcutta.
269. Tata Industries Private Ltd.—Bombay House, Bruce Street, Fort, Bombay.
270. Thomas, A. V. & Co. Ltd.—Alleppey, drum.
271. Thomas, P. T.—Kottayam (Kerala State).
272. Thomas, M. K. & Co., Ltd.—Trivan-drum.
273. Tayabjee, O. S.—159, Gunfoundry Rd., Hyderabad (Deccan).
274. A. Hydari and S. Gothberg—Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay.
275. United Eastern Agencies—Bombay House, Bruce Street Fort Bombay.
276. United Agencies Ltd.—Punalur.
277. Villiers Private Ltd.—F-3, Clive Buildings, Calcutta.
278. S. M. Smith—A Bankshall St., Calcutta.
279. Williamson Magor & Co., Ltd.—4, Mangoe Lane Calcutta.
280. Whitman M. J. M. C.—Mayo Road, Rawalpindi.
281. N. K. Jhajarla—22, Chittaranjan Avenue, Calcutta.
282. C. Hockley—3, Netaji Subhas Road, Calcutta.
283. P. R. Jhunjhunwala—Sewrie, Bom-bay-15.
284. Walchand & Co., Ltd.—Ballard Estate, Fort, Bombay.
285. Wallace & Co.—9, Wallace Street, Bombay.
286. Wilkinson, A.—117/119, Esplanade Road, Bombay.
287. Young India Agencies Private Ltd.—175/1, Mount Road, Madras-2.
288. Dass Group Private Ltd.—29, Strand Road, Calcutta.
289. Y. S. Fayat—4, Clive Row, Calcutta-1.
290. K. S. Basu—63, Netaji Subhas Road, Calcutta-1.
291. Lioner Edwards (Private) Ltd.—21, Old Court House Street Calcutta.
292. R. N. Jhunjhunwala & Co., Ltd.—9, Ezra Street Calcutta.
293. J. F. Horwood—31, Chowringhee Road, Calcutta.
294. R. L. Rampuria—5, Fairlie Place, Calcutta.
295. Premnath & Sons, Ltd.—New Delhi.
296. S. N. Fanta—1 & 2, Old Court House Corner, Calcutta.
297. F. H. Mehta—Mehta House, Applo Street, Bombay.
298. L. S. Vaidyanathan—Oriental Build-ings, Bombay.
299. Kishore M. Premchand—61, Apollo Street, Fort, Bombay.
300. Madanlal Kakarania—P-23/24, Radha Bazar Road, Calcutta-1.
301. Jennie Roy Galloway—1 & 3, Bra-bourne Road Calcutta-1.
302. Mitra Mondal—Khatauli, Dt. Muzat-farnagar.
303. G. S. Shroff—2, Hardinge Avenue, New Delhi.
304. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta-1.
305. Thackersey Mooljee & Co.—16, Apollo Street, Fort, Bombay.
306. Jatla Brothers Ltd.—21, Rupchand Roy Street Calcutta.
307. Bhatler's Agency Ltd.—18, Netaji Subhas Road Calcutta.
308. The Hydershad Constructions Co., Ltd.—Kothagudum Collieries, Singa-rani P.O., Deccan.
309. T. Leslie Martin—12, Mission Row, Calcutta.
310. D. S. Barron—Chakala Andheri P.O., Bombay.
311. Pyne & Sons—23A, Netaji Subhas Road, Calcutta.
312. Ram Kumar Agarwala & Sons.—4, Lyons Range, Calcutta.
313. Bullion Co., Ltd.—Canning Street, Calcutta.
314. Brooke Bond India Ltd.—2, Metcalfe Street, Calcutta.
315. Anderson Wright (Ramgarh) Ltd.—7, Wellesley Place, Calcutta.
316. The Cotton Agents Private Ltd.—14, Radha Bazar Lane, Calcutta-1.
317. Bird & Co. (Pakistan) Ltd.—Narayan-ganj.
318. Shree Krishna Investment Co., Ltd.—1-B, Halwasiya Road, Calcutta.
319. H. V. R. Jengar—Dare House, Parry's Corner, Madras.
320. F. W. J. Penn—32, Grant Road, Ban-galore-1.
321. B. Ghosh—14, Old Court House Street, Calcutta.
322. Messrs. Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Road, Fort Bombay-1.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.
324. Indo Corporation Private Ltd.—5, Swinhoe Street, Calcutta-19.
325. Brian Granger Pearson—Virginia House, 37, Chowringhee, Calcutta.
326. R. L. Pyne—14, India Exchange Place, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Waudby Road, Fort, Bombay-1.
328. John Taylor & Sons (India) Ltd.—Mysore Chennarayana South India
329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.
330. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.
331. N. L. Roy & Sons—Canning Street, Calcutta.
332. M. P. A. Paspatti—16, Hare Street, Calcutta.
333. Mustangram Jalpuria—Swadeshi House, Civil Lines, Kannur.
334. H. Mackay Pallack—2, Fairlie Place, Calcutta.
335. Sanu Jain Ltd.—11, Clive Row, Calcutta.
336. Tulsidas Kilchand—Scindia House, Douglall Road, Bombay.
337. Beriwalla & Co.—63, Netaji Subhas Road, Calcutta.
338. D. R. Sons Ltd.—Hornby Road, Fort, Bombay.
339. M. G. Investment Corp., Ltd.—Mafatal House, Backbay Reclama-tion, Bombay-1.
340. K. O. Cherian—Travancore.
341. N. L. Kanoria—India Exchange, Calcutta-1.
342. O. N. Chatterjee—2, Royal Exchange Place, Calcutta.
343. Indra Singh—135, Canning Street, Calcutta-1.
344. V. J. Pilani—Victoria Bunder, Colaba.
345. The National Tea Corporation—130, Cotton Street, Calcutta.
346. Seshasayee Brothers (Travancore) Ltd.—Eloor Factory Alwaye.
347. Tanti Brothers Private Ltd.—1 & 2, Old Court House Corner, Calcutta.
348. M. D. Jalan—62, Ballygunge Circular Road, Calcutta-19.
349. Seth, Sohaniel Murarka—19 Circular Garden Reach, Calcutta-23.
350. K. Agarwal—Empire House, Dr. Dada-Bhoj Naooril Road, Fort, Bombay.
351. L. & P. (Management) Private Ltd.—L. C. House, Douglall Road, Ballard Estate, Bombay.
352. Chinal And Co. Private Ltd.—Sadha-na Rayon House, Dr. Dadabhai Nao-roji Road, Bombay-1.
353. N. K. Jhajarla—14, Netaji Subhas Road, Calcutta.
354. L. C. Kanol—P-8, Mission Row Exten-sion, Calcutta.
355. T. R. Jalan—16, Strand Road, Cal-cutta.
356. R. Bajoria—10, Clive Row, Calcutta.
357. A. K. Jain—11, Clive Row Calcutta.
358. I. P. Goenka—14, Old Court House Street, Calcutta-1.
359. G. D. Kothari—15, India Exchange Place, Calcutta.
360. S. K. Handoo—Volkart Building, 19, Graham Road, Bombay-1.
361. N. K. Bose—85, Netaji Subhas Road, Calcutta.
362. Dalmia Agencies Private Ltd.—Raj-gangpur (Orissa).
363. G. L. Nahata—14, Old Court House Street, Calcutta.
364. W. A. C. H. Boschaart—7 Justice Chandra Madhab Road, Calcutta-20.
365. S. L. Dhanuka & P. L. Dhanuka—5, Mission Row, Calcutta.
366. A. K. Sen—48/1, Diamond Harbour Road Calcutta-27.
367. Lakshimpal Singhania—7, Council House Street, Calcutta.
368. Kalyani Mavji & Company—14, Netaji Subhas Road, Calcutta.
369. P. L. Batta—7, Canning Street, Calcutta.
370. Pannalal Saraogi—8, Lyons Range, Calcutta-1.
371. P. L. Sarogi—80, Sir Hariram Goenka Street, Calcutta-1.
372. B. K. Newar—8, Brabourne Road, Calcutta.
373. C. L. Maheswari—Shreenivas House, Waudby Road, Fort, Bombay.
374. Talukdar Law & Co. Private Ltd.—4, Chittaranjan Avenue, Calcutta-13.
375. K. N. Mookerjee—Leale House, 19, Chowringhee Calcutta-13.
376. K. D. Ganguli—Mercantile Buildings, Lalbazar, Calcutta.
377. K. C. Dass & B. Maitra—35, Pandita Road, Calcutta-20.
378. R. N. Goenka—18-A, Brabourne Road, Calcutta.
379. S. R. Damani—30, Clerk Road, Bombay-11.
380. British India Corporation Ltd.—Sutherland House, Kannur.
381. S. P. Jain—Daimianagar Bihar.
382. B. P. Kedia—7, Wellesley Place, Calcutta-1.
383. W. H. G. Baird—9, Brabourne Road, Calcutta.
384. Punam Chand Batta—19, Circular Garden Reach Road, Calcutta-23.
385. G. P. Kanoria—5, Clive Row, Calcutta.
386. D. N. Jalan—McLeod House, 3, Netaji Subhas Road, Calcutta.
387. Shibendra Sankar Sarbadhyksha—Jalpaiguri.
388. A. V. Birla—9, Kaliprasanna Singhee Road Calcutta-2.
389. British India Corporation Ltd.—Kannur.
390. T. Ratan—16/3, Chowringhee Road, Calcutta-13.
391. H. M. Cox—59-C, Chowringhee Road, Calcutta-20.
392. A. V. Niblett—32, Chowringhee Road, Calcutta-16.
393. Khatau M. Shethia—14, Netaji Subhas Road, Calcutta-1.
394. B. M. Birla—India Exchange, Calcutta-1.
395. W. F. Malden—Lohat, Darbhanga.
396. G. D. Wilson—21, Netaji Subhas Road, Calcutta.
397. N. M. Bhuwalka—135, Canning Street, Calcutta.
398. Hoare Miller & Co., Ltd.—5, Fairlie Place, Calcutta.
399. B. Fatnala & Co. Private Ltd.—P.O. Chowdwar Cuttack.
400. R. K. Kanoria—9, Brabourne Road, Calcutta-1.
401. K. V. Venkatasubramoney Iyer—Seeta-gundy Estate Sitharkunda P.O., Pal-ghat, Dist. Kerala State.
402. A. V. George & Co., Ltd.—Ancheril Bank Buildings, Post Box 1, Kotta-vam Kerala State.
403. Mathew Sebastian—Thodupuzha, Kerala State.
404. Planting Agencies Private Ltd.—Ori-ental Buildings, Armenian Street, Madras-1.
405. The Consolidated Coffee Estates (1943) Ltd.—Pollibetta, Coorg.
406. C. L. Machia—Pollibetta S. Coorg.
407. Srinivas Agencies—Coimbatore-2.
408. K. N. Krishna Iyer—22, Royapettah High Road Madras-14.
409. Young India Agencies Pvt. Ltd.—Monorams Bldgs., K. K. Road, Kot-tayam (Kerala State).
410. Parkins Private Ltd.—Kottayam.
411. Johnsons Estates & Agencies (Private) Ltd.—Malankara Bldgs., Kodimatha, Kottayam, Kerala.
412. Associated Planters (Pvt.) Ltd.—25, General Patters Road, Madras-2.
413. J. R. Motishaw—Mercantile Bank Build-ing 16, First Line Beach, Madras-1.
414. K. V. Mathew—Kottayam, Kerala State.
415. K. Ramachandran—Patton Palace, P.O. Trivandrum-12.
416. N. Kunjkrishna Pillai—T. C. 6/730, Patton Palace, P.O. Trivandrum-4.
417. Rangoo Rao & Co.—Venkatarayapuram, Tanuku, West Godavari Dist., Andhra Pradesh.
418. The India Sugar Agencies Private Ltd.—139 Meadows Street, Fort, Bombay-1.
419. R. S. Industrial Corporation Private Ltd.—Rayagada, Koraput Dist., Orissa State.
420. V. Ramakrishna Sons (Private) Ltd.—38 Mount Road Madras-6.
421. Seshasayee Brothers (Travancore) Pvt. Ltd.—1, Ceramic Factory Road, Kun-dara (Kerala).
422. Sir A. Ramaswamy Mudalliar—Ennore, Madras.
423. P. J. M. Leigh—7, Armenian Street, Madras-1.
424. K. R. Sundaram Iyer—Tiruvottiyur, Madras-19.
425. Essen Private Ltd.—175/1, Mount Road, Madras-2.
426. J. L. D'sa—Old Tumkur Road Malles-waram, Bangalore-12.
427. The Standard Motor Co. (India) Pvt. Ltd.—29, Mount Road, Madras-2.
428. E. H. Stanes—6/33, Race Course Road, Coimbatore-1.
429. Balasundaram & Co.—Satyamangalam Road, Ganapathy P.O., Coimbatore-6, Madras.
430. A. M. M. Arunachalam—52/53, Phan-garji Street, Madras-1.
431. J. M. Parsons—2, Fairlie Place, Calcutta-1.
432. Mahabir, S. J. B. Rana—1, Humayan Place, Calcutta.
433. G. N. Sam & Co.—Senthottam Sow-riyayam P.O., Coimbatore-4.
434. G. Kejriwal—Rajmangpur, Dist. Sun-dargarh, Orissa State.
435. D. C. Ghosh & Co. (Agents) Private Ltd.—11, Government Place East, Calcutta.
436. N. D. Bangur—14, Netaji Subhas Road, Calcutta.
437. R. N. Shetika—4, Old Court House St., Calcutta.
438. Birla Gwalior Private Ltd.—Industry House, 159 Churchgate Reclamation, Bombay-1.
439. R. S. Bajpai—Kamala Tower, Kannur.
440. R. L. Jaitia—8, Brabourne Road Calcutta-1.
441. S. K. Agarwala—24, Netaji Subhas Road, Calcutta-1.
442. S. P. Shoumick—17, 18 & 19, Old Court House Street, Calcutta.
443. Madan Mohan Lall Shri Ram Ltd.—D.C.M. Premises, Bara Hindi Rao, Delhi-6.
444. T. R. Jalan—2, Brabourne Road, Calcutta-1.



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FIXING A NEW MINIMUM PRICE FOR JUTE

RECENT reports from New Delhi indicate that, within the next few days, the Government of India will be announcing the minimum price for raw jute for the 1963-64 season (July-June). The minimum price fixed officially since about the end of 1961 has been Rs. 30 a maund, basis Assam Bottoms, delivered in Calcutta. According to the reports, roughly the same basic price will be continued, although the differentials between the various grades of jute may be adjusted in order to encourage the cultivation of the superior varieties. If that is the case, the decision on the basic price is certain to prove extremely unrealistic; it will represent a surrender to the pressures from State Governments and from political busybodies who claim to represent jute-growers, while ignoring the requirements of what is at present far and away India's biggest export industry.

The broad principle of supporting the price of raw jute when it tends to fall too low is not in question; the mills, the growers and the country have a common interest in ensuring that enough jute is grown, and that the price incentives for the purpose are adequate. The criteria for a rational minimum-price policy, however, are three. The first is that it must take account of market realities, and try to ensure that there is neither a shortage nor a burdensome surplus of fibre. The second is that it should encourage the cultivation of the better varieties at the cost of the lower grades, especially since the former are required for the manufacture of the types of jute goods which are now in strong demand. The third criterion is that it should not ignore the fact of growing competition in the world jute and jute goods trade; if it does, the Indian mills will be seriously handicapped in their efforts to promote jute goods exports and earn more foreign exchange.

When the minimum price of Rs. 30 a maund, basis Assam Bottoms, delivered in Calcutta, was fixed one-and-a-half years ago, conditions in the raw jute trade were far different from what they are now. The jute and mesta crops had been poor for two seasons in succession—1959-60 and 1960-61. The shortage of the raw material became so acute that the industry had to cut back its production, and finally resort to two block closures of one week each, while jute (and jute goods) prices rose to exorbitant levels. But because prices at sowing time had been high and weather conditions favourable, the 1961-62 crop turned out to be a bumper one. As it started arriving in the markets from September 1961 onwards, jute and mesta prices began to decline sharply. As Mr. C. L. Bajoria recalled in his speech from the chair at the annual meeting of the Indian Jute Mills Association three weeks ago, it was in circumstances such as these that the industry itself suggested the minimum price of Rs. 30 a maund. The bumper crop of 1961-62, however, has now been followed by another large crop in 1962-63. This crop is not only large, but is also of unusually poor quality. The result is that, while the higher grades are scarce, there is a burdensome surplus of the lower grades. Even with the in-

dustry working at full capacity, it has not been possible to absorb the surplus, and the price of the inferior fibres, especially from Bihar, remains below the official minimum.

Against this background, if the Government decides to widen the differentials between the minimum prices in order to discourage the production of the lower grades, it would be taking a step in the right direction. The whole politically-inspired controversy about raw jute prices has in fact centred on these grades, since the superior varieties have been in good demand and have generally been purchased at rates well above the minima. Apart from being an embarrassment to the industry, the controversy has been an embarrassment to the Government itself. The embarrassment will not be avoided in the coming season merely by widening the differentials; the main trouble remains that the proposed basic price of Rs. 30 a maund, for Assam Bottoms—to which the other prices are linked—would be far too high in the circumstances of today. It is this basic price which needs to be reduced first, and market conditions suggest that it should be brought down to around Rs. 27 a maund. Only then will the minimum price policy begin to bear some relationship to the realities of demand and supply.

At the moment, there is nothing to indicate that fibre supplies for the coming season are going to be inadequate, except possibly in the case of the higher grades. The carryover into 1962-63 was 2.6 million bales, to which has been added a jute and mesta crop which is officially estimated at 7.1 million bales. In addition, arrivals from Pakistan, legal as well as illegal, have probably totalled 1 million bales, maybe more. Against this, India's domestic consumption is likely to amount to 7.3 million bales (7.2 million bales by the mills, and 100,000 bales by other consumers). The statistics thus indicate that, when the current season ends in June, the carryover may amount to as much as 3.25 million bales, or the equivalent of almost five months' consumption. Nobody can yet say for certain how big the 1963-64 crop will be. Dry weather has delayed sowing in Bihar and in the southern districts of West Bengal. But in Assam and the northern areas of West Bengal, where the weather has been more favourable, most people are confident that sowings so far have been no less than they were at this time last year. This indicates that cultivators are pleased with the prices they have got; indeed, some are so pleased that they are thinking of switching over more land from rice to jute, which can hardly be a welcome change at a time when the rice shortage in eastern India is growing.

Even in purely political terms, the point is one which the Government may seriously reconsider. An artificially high minimum price for raw jute can do something to calm the temper of the farm lobby. But if it leads to the diversion of land away from crops like rice, and thus to a rice shortage, it would be no less embarrassing politically than a lower jute price to begin with. Unlike in the case of wheat, a rice shortage cannot be disguised by pumping in large P.L. 480 supplies. Ir

fact, in spite of the Government's efforts, rice prices have already been rising rather dangerously in West Bengal. The political consequences of the trend, which accompanies a highly inflationary Budget from Mr. Desai, cannot be ignored. To have an unsaleable surplus of inferior jute, while commodities like rice and sugarcane are in short supply, makes sense neither in economic nor in political terms. The farm lobbies of Bihar and other jute-growing States have yet to realise that this is precisely the anomaly which the jute price policy they advocate will tend to create.

For growers as well as the industry, the past year has been an exceptionally fortunate one in that the demand for their products has been unusually large. But there are signs that the huge backlog of demand for jute goods accumulated during the desperate shortages of 1961 has by now been met. The time may not be far off when the industry, whether it likes it or not, will be compelled to reduce its production, and therefore its offtake of the raw material. The effects of surplus production will then be felt mainly on the sacking side, since this is the chief category which the rapidly expanding Pakistani mills are exporting with the help of the enormous competitive advantage they get out of their export bonus scheme. A decline in the demand for sacking will inevitably affect the lower grades of jute which go into

its manufacture. The difficulties created by these grades during the current season may, therefore, be accentuated during the coming one.

The Government has yet to ask itself seriously whether this country can afford to maintain the minimum price of jute at a level that is almost 50 percent higher than the price paid by its main competitor, Pakistan. The difference in prices has encouraged smuggling on a large scale, and thus led to the loss of foreign exchange. Both countries claim that they will be making renewed efforts to stop the illicit trade, but past experience does not encourage much optimism on this count. The Indian Government, meanwhile, is vaguely hoping that Pakistan is moving to a price-support policy similar to this country's and the two industries will then be on a par in relation to the price they pay for their main raw material. One wonders, however, if these are the sort of hopes on which a country should base the future of its major export industry at a time when it is desperately short of foreign exchange. The competition which Indian jute goods face from Pakistani products, from substitute packaging materials and from bulk handling is steadily increasing—as the Government well knows. That competition has to be fought by the same methods as India's toughest competitors use—by an export subsidy, and with a realistic raw jute policy which enables her mills to produce better goods more cheaply.

IDLE CAPACITY IN ENGINEERING

MACHINES standing idle on the one hand and demand piling up on the other is an anomaly which has existed in the engineering industry for some years. A fresh attempt to remedy this situation is especially necessary now, when the demand arising from defence needs superimposed on a record level of planned investment poses the most serious challenge the economy has yet faced. Fuller use of capacity raises a number of problems, the biggest being foreign exchange required in the first place for maintenance imports of basic metals either not produced in India or in short supply. In 1962-63, domestic steel production rose to 4 million tons—the industry's best year so far. But even with imports of 800,000 tons, total availability must be judged to have been well below demand, considering the 4 million tons of orders pending with the major steelworks. In non-ferrous metals, domestic capacity is still disappointingly small, and it looks as if the import bill on this account will keep rising for some years. Maintenance needs apart, engineering industries need substantial imports of capital goods to diversify and expand production. Even if some new schemes must wait until fresh credits have been negotiated, there is a strong case for giving quick clearance to the import of balancing equipment required for expanding or diversifying essential production.

In many cases, very substantial import savings can be achieved for a comparatively small capital outlay of foreign exchange. Cases have been cited where New Delhi has shown itself strangely reluctant to release the small amounts needed by units which can by enlarging production save the same amount in imports in a year or less. After all, the foreign exchange problem will continue for many years, and it makes nonsense of planning if the steps that should be taken now to reduce dependence upon imports in future are neglected on the plea of the emergency. In a recent instance, New Delhi took so long to decide whether steel wire or rods needed by the electrode makers should be allowed to be imported that a situation was reached where production nearly stopped altogether. This meant in turn that a large number of steel fabricating units would have had to shut down, including some executing top priority orders. Representations from these users having brought home the seriousness of the situation, some imports of finished electrodes are understood to have now been permitted. A decision taken earlier would, however, have been less costly in foreign exchange. This is by no means an isolated example, as will be evident from the case histories supplied to the Planning Commission by the Indian Engineering Association late last

year in support of its plea for a more rational allocation of exchange.

Admittedly, the task is not easy. An element of hasty improvisation is inevitable in a situation where exchange is so terribly short. But this is not to suggest that difficulties cannot be reduced by planning imports in closer consultation with the ultimate users. The point was made by Mr. Aloke Mitra, chairman, in his address to the Indian Engineering Association in Calcutta last Friday that large quantities of steel, imported and domestic, lie unused for months because of the lack of matching sections. He quoted the example of two wagon manufacturers who lost Rs. 4 crores of production in 1962 for precisely this reason. Surely such wastage of capacity can be avoided even with the present limited amount of exchange available for importing steel if more of it is used for importing the scarce sections.

The engineering industry, as Mr. Mitra conceded, can contribute to a solution of the problem by eliminating certain sections and sizes, of which only small quantities are required. One structural firm has, for instance, found that if it eliminates all those sections for which the total annual demand is less than 50 tons, it can cut down the total number of sections from 200 to 70. At the present time, other users are also undertaking a similar exercise to help the Indian Engineering Association formulate concrete proposals for rationalising production. Once these proposals have been agreed upon with the steel plants, important benefits should result in terms of increased output from the steel plants and the elimination of some of the present production bottlenecks. But the point to note is that rationalisation would mean in most cases using heavier sections in place of the lighter ones now

specified, which will mean an increase in the amount of steel consumed, and consequently in the production costs. The Government, as a major consumer of steel, will find itself having to pay more for public projects, but more than that, higher steel consumption will tend to aggravate the already serious shortage.

A balance has, therefore, to be struck between the advantages accruing from rationalisation and these disadvantages. The final decision may also have to take into account the impact of rationalisation on engineering exports. India's ability to compete with long-established producers elsewhere may be seriously jeopardised by the addition to production costs. Long-term interests require, therefore, that the number of sections and sizes available to consumers should be wide enough to permit the matching of supply precisely to demand. A reduction to overcome immediate difficulties should be considered as only a temporary expedient, although some of the present ideas about the design of light-weight sections may well have to be given up for good. While lightness is desirable for cost-saving and spreading the available steel more widely, the specification set for steel producers must be capable of being implemented in practice. There is ground for the apprehension that the new I.S.I. specifications are asking the steel-maker to attempt the impossible with the equipment presently available in some plants.

The problem of ensuring steel supplies to the consuming industries is not a matter of rationalising production alone but also of ensuring efficient and speedy distribution. Appropriately, Mr. Mitra devoted a large part of his speech to discussing the Raj Committee's preliminary proposals. There will be general agreement with his argument that requiring steel indentors to deposit 25 percent with their orders will aggravate speculation instead of curbing it. Steel-using industries, with their large working capital requirements, will often not be in a position to make a 25 percent down payment for supplies which may not materialise for months. The Raj Committee's idea that the buyer's deposit should be matched by the producer giving firm delivery dates is unlikely to be practical. Transport difficulties, raw material shortages and orders enjoying overriding priority might upset delivery dates given in good faith, even if producers are required to grant rebates for delayed despatches. If the 25 percent deposit is insisted upon, the using industries will have to rely for supplies on the speculative trader able to service his trading capital by charging a fancy resale price.

No relief will in practice be forthcoming from Government-run stockyards because they will never be able to act quickly enough to defeat speculation by pumping supplies into the market just at the moment needed. The very idea of a Government servant behaving as a free-market trader, taking gains and losses in his stride, is fantastic. It just cannot be done because Government regulations make no allowance for human mistakes. The moment a loss arises, there will be thousands of explanations to give and audit objections to answer. The Raj Committee's idea of Government-run stockyards being able to correct market unbalances cannot be taken seriously, quite apart from the issue of principle raised by Mr. Mitra when he said that the assumption of a monopoly of profitable trading by the State was ethically indefensible.

THE POWER SHORTAGE

INDIA has suffered from an acute shortage of power for several years now. In many major industrial areas, the supply has been shut off or reduced, seriously affecting production. The emergency has accentuated the shortage. Many industries, particularly those catering to defence requirements, need to work three shifts and some industries on all days of the week. Even during normal times, the supply of electricity has been inadequate because industrial expansion has greatly outpaced the increase in generating capacity. The third plan visualised a power target of 12.69 million kW, but so far the generating capacity is only around 6.85 million kW. The slow implementa-

tion of some major projects like Koyna, Sharavathy and the Neyveli thermal station, as also the delays in building thermal units in several States, explains the shortfall. Besides curtailing production in the existing industries, the power shortage has delayed the commissioning of several new enterprises.

The annual report of the Central Ministry of Irrigation and Power for 1962-63 says that the installed generating capacity, both hydro and thermal, has risen by 650,000 kW during the year. The actual output is estimated to be 21,200 million units, which represents a rise of 1,500 million

units over the previous year. Electricity boards have been set up in all the States, and work on the planning and formation of zonal power grids has been initiated. The Minister of State for Irrigation and Power, Mr. O. V. Alagesan, announced in the Lok Sabha last week, while the Budget demands of the Ministry were discussed, that the Central Government would enter the field of power development "in a big way". The allocation for this sector is sought to be increased by Rs. 160 crores. It is gratifying that the Government has awakened to the realities of the situation since the emergency. There have been grandiose plans for expanding power generation in the past. Schemes for giant zonal stations and inter-State grids have been in the air for several years now. In terms of concrete achievement, however, the results so far have been poor.

The scheme for zonal grids can offer definite advantages by facilitating the more economic distribution of power. The inter-connection of power stations will enable the pooling of energy and its better distribution according to needs. It will also help improve the working of electric supply undertakings by raising the load factor and reducing the requirements of stand-by machinery. According to estimates, in the southern region alone there would be a saving of Rs. 23 crores in capital outlay and Rs. 2.6 crores in annual recurring expenses. Similarly for the eastern region, the saving in capital outlay may be about Rs. 27 crores and in annual expenses about Rs. 5 crores. The adoption of the zonal approach in drawing up and executing power development plans will make for economy and better use of the power potential. In the absence of zonal planning, the energy resources in some States may go untapped, either because the State Governments may be unable to finance the projects by themselves. Although there has been inter-State co-operation in the construction of projects like Bhakra-Nangal and Tungbhadra, little has been done so far to implement the scheme of zonal grids. Four inter-State grids are proposed to be established during the third plan period. They are (1) the southern grid, linking Andhra Pradesh, Mysore, Madras and Kerala; (2) Gujarat, Maharashtra; (3) Punjab-Delhi-Uttar Pradesh; and (4) Uttar Pradesh-Madhya Pradesh.

The increase in generating capacity now visualised has far-reaching implications. It will not only call for generators and turbines but also for a wide range of transmission and functional equipment. The new imposts levied by the Central Budget will push up the cost of such equipment and make the new schemes far more expensive. The Irrigation and Power Ministry's annual report says that the programme for manufacturing generating plant and other electrical equipment like transformers and switchgears has already been started by Heavy Electricals, Bhopal. It is expected to meet the demand for power schemes to be commissioned towards the end of the third plan and onwards. Two more factories of this type, it is said, may be set up during the third plan. But considering the painfully slow progress of many public sector ventures, it is doubtful if they will be completed within the plan period.

Now that the official attitude has become more appreciative of the country's power needs, it is to be hoped that the expansion schemes will not be slowed down for want of finance. Besides rupee resources, they will call for larger allocations of foreign exchange for certain basic raw materials like copper and aluminium in the next import policy. It is a matter for satisfaction that steps have been taken to streamline the procedure for sanctioning foreign exchange for power projects, and that the Ministries of Finance and Commerce and Industry have agreed to do away with several routine procedures. Particularly welcome is the proposal to clear all foreign exchange applications pending for over 15 days with the Technical Development Wing and the Chief Controller of Imports and Exports. The pace at which fresh generating capacity will be installed in the next two years will be of crucial importance not only to the defence effort but also to the success of plan projects.

Since most of the power schemes will necessarily be implemented over a period of years, the outlook for the near future is far from encouraging. The Estimates Committee, in its report to the Lok Sabha on the Ministry of Irrigation and Power, has emphasised this point. It has expressed the fear that the power shortage will be more acute next year, particularly in the Bengal-Bihar region. The additional requirements of industries supplying defence needs, a number of which are located in this area, will aggravate the situation. The Committee says that there will be a shortage of power at the end of the third plan in all States, except Jammu and

Kashmir, Rajasthan, Delhi and Kerala. The overall shortage may increase from 353.1 MW in 1961 to 455.3 MW in 1966. The Estimates Committee has recommended that prompt action should be taken to obtain "stand-by" power plants and that the "package units", for which orders have already been placed, should be imported immediately. These units are to be installed in areas where the power scarcity is hampering industrial and defence production. It is to be hoped that these suggestions will get the attention they deserve. Power development has to be a continuous process and work has to be undertaken on several projects now in order to avoid crippling shortages in later years.

BANKS UNDER THE S.P.T.

THE super profits tax, as it stands, recognises only the correlation between profits and owned capital; it does not recognise the amount of capital employed. The point acquires special significance in the case of banks, whose stock-in-trade is money—other people's money. The super profits tax is based on the view that the return on capital in the private sector is often "excessive". But its basic weakness lies in the assumption that capital—and that, too, capital rigidly defined as paid-up share capital and free reserves—is the only factor that should be considered in determining the ratio of profitability.

A bank's "capital" consists, firstly, of its name and the goodwill it commands; and, secondly, of the deposits it is able to attract. Its profitability depends on its ability to provide efficient service, and on its judgment concerning the soundness of its advances and investments. The gathering of deposits is a slow and arduous process spread over years; and the more successful a bank becomes, the greater the difference between its capital and the amount of deposits. In India, the rapid growth of bank deposits, from Rs. 918 crores at the end of 1951 to over Rs. 2,000 crores by the end of 1962, has reduced the ratio of paid-up capital and reserves to deposits from 9 percent to about 5 percent. In the case of several well-known banks, the percentage of capital to deposits is much lower.

The Reserve Bank has been worried about the low ratio of own funds to deposits. It has declared that "although a bank's soundness is by no means to be measured solely by the proportion which its capital funds form to its deposit liabilities, this proportion is an important factor for assessing a bank's strength." The Governor of the Reserve Bank, in a letter dated 27th December 1961, suggested to all scheduled banks that a minimum ratio of 6 percent between capital funds and deposits should be aimed at; for this purpose, he recommended the convention of transferring at least 20 percent of declared profits to published reserves each year. Subsequently, legislative amendments to the Banking Companies Act were passed in September 1962, making it compulsory for Indian banks to transfer to reserves created under Section 17 of the Act not less than 20 percent of the balance of profit each year. The super profits tax will now retard the Reserve Bank's long-range plans to promote the strength and stability of the banking system, since it will reduce the sums available for transfer by banks to their reserves.

Own funds in the case of the "Big Three" (excluding the State Bank) in Indian banking

comprise only about 3 percent of total deposits. The return of published profits on own funds after taxation amounts to about 21 percent. Their statutory contributions from published profits to reserves will be slashed to less than half the present figures, and as the Government will be absorbing nearly 70 percent of their profits, precious little will be left for distribution as dividends to shareholders. The super profits tax on banks will, therefore, lead to cuts in dividends; it will also prevent the strengthening of the capital base of banks. In the case of foreign banks, it seems that the super profits tax will be based on notional capital and reserve figures; the capital-reserve base for Indian income will be assumed to bear the same proportion to the company's total capital-reserve base that its Indian income bears to its world income. While it is difficult at this stage to arrive at any precise figures, the liability under super profits tax for certain major foreign banks in India is said to be so heavy as to make the total tax impost about 75 percent of profits. This is clearly an extraordinary burden. Foreign banks having access to foreign exchange resources will now have even less incentive to bring in funds from abroad in view of the very poor returns that may be expected.

While the corporate sector as a whole has strong reasons for opposing the super profits tax, banks are in a specially vulnerable position. A bank, by the very nature of its functions, uses the funds of its depositors and any evaluation of the rate of profit should take into account the extent of working funds also. With the doubling of deposits during the last ten years, the earnings of banks have increased from Rs. 47.7 crores in 1952 to Rs. 126.6 crores in 1961, and profits before taxation from Rs. 11.4 crores to Rs. 28.6 crores during the same period. However the ratio of profits to total income in 1961 was 22.6 percent, against 23.9 percent in 1952. These figures certainly do not indicate any windfall profits. On the contrary, they reflect the proportionate growth of expenditure along with the growth of deposits and profits. Incidentally, shareholders' cut of profits by way of dividends and bonus comes to 15.2 percent of pre-tax profits. Banks have been assigned a significant rôle in the mobilisation of savings. If the present rate of increase in deposits is maintained, the capital base of the banking system will undoubtedly be weakened by the super profits tax. A strong case, therefore, exists for the exemption of banks from the purview of the super profits tax.

Current News and Comment

Progress of Refinance Corporation

Established in June 1958, the Refinance Corporation for Industry has made satisfactory progress during the short span of its existence. Refinance facilities have been extended to an increasing number of financial institutions and the field of operations has also been gradually expanded. As many as 58 commercial banks, 15 State financial corporations and four State co-

operative banks are now eligible for refinance facilities. The Corporation has already come to be looked upon as the pivot for the expansion of facilities for term finance for industry, and even such industries as are not specifically listed for development in the plans are eligible for the Corporation's funds. Now, the Corporation has undertaken to provide refinance facilities against medium-term export credits. The latest report of the Refinance Corporation for 1962 clearly shows

that the tempo of progress recorded in its business in 1961 has been well-maintained during the past year.

The Corporation received 68 applications for refinance from 20 financial institutions for a total sum of Rs. 13.72 crores, compared with 69 applications for a total amount of Rs. 11.26 crores in the previous year. Of the applications received in 1962 and the 13 applications for Rs. 1.80 crores then pending, 73 applications for Rs. 10.62 crores were sanctioned, against 59 applications for Rs. 10.71 crores in 1961. Of the 24 applications for Rs. 4.65 crores pending at the end of 1962, 15 applications for Rs. 3.16 crores have since been sanctioned. But it is in the field of disbursements that the Corporation's record is really creditable: the amount disbursed in 1962, at Rs. 7.96 crores, compared with Rs. 4.70 crores in the previous year and is greater than the total amount disbursed up to the end of 1961. The 1962 figure takes the total disbursements at the end of 1962 to Rs. 14.92 crores. The outstandings at the end of the year stood at Rs. 13.56 crores, against Rs. 6.46 crores a year ago. The total refinance sanctioned by the Corporation since its inception amounts to Rs. 27.12 crores, covering 165 applications received from 22 financial institutions. Five institutions which had not hitherto availed themselves of the facilities provided by the Corporation took advantage of these for the first time in 1962.

The large number of applications, the amount involved and record disbursements indicate the increasing interest shown by financial institutions in the refinance facilities provided by the Corporation. The directors have expressed the hope that this trend will persist, leading to early utilisation of Rs. 26 crores of the P.L. 480 funds earmarked for the Corporation. The increase in the demand for funds from the Refinance Corporation in 1962 necessitated further borrowings from the Government of India to the tune of Rs. 6 crores, raising the total borrowings to Rs. 11 crores. In view of the increase in the volume of business and income, the rate of interest payable by the Corporation on the loan secured from the Government in 1962 has been raised from 2.5 percent to Rs. 3 percent. In view of the growing demand for the refinancing facilities provided by the Corporation, it might not be long before the Corporation exhausts its present quota of P.L. 480 funds. The Corporation will, therefore, need to make arrangements for augmenting the resources at its disposal but it might not be difficult to secure additional amounts from the accumulated P.L. 480 funds.

The demand for the Corporation's funds is likely to increase further now that it has decided to entertain applications for refinancing loans given jointly by two or more banks or by a bank and a term-lending institution as long as such loans satisfy other criteria for refinance. Refinancing facilities have also been extended to the medium-term portion of loans which are themselves for a longer period. This should encourage co-operation between various institutions engaged in term-lending. Even more welcome is the Corporation's decision to extend refinancing facilities to the sphere of export credit. The scheme for the financing of medium-term export credit for periods exceeding six months but not exceeding five years has come into effect from the beginning of this year. The Corporation is offering refinance facilities for export credit at a concessional rate of 5 percent, as against 5½ percent charged on industrial loans with effect from 14th March. This facility should induce banks to grant medium-term credit to the export trade; at present, most

India's Resources

are Precious
WASTE NOT,
WANT NOT

banks are interested mainly in providing short-term credit which restricts the scope for obtaining refinance from the Corporation.

The Corporation's earnings from interest on loans to financial institutions recorded an impressive rise from Rs. 19.72 lakhs in 1961 to Rs. 46.91 lakhs in 1962 as a result of record disbursements during the year. After meeting all expenses, the Corporation made a profit of Rs. 25.57 lakhs, as against Rs. 20.19 lakhs in 1961. Including transfers from reserves and other adjustments, the total amount available for appropriation is Rs. 26.93 lakhs. The dividend at the rate of 4 percent absorbs Rs. 10 lakhs. Taxes take away Rs. 14.28 lakhs and a sum of Rs. 2.68 lakhs has been set aside for reserves, leaving a balance of Rs. 2,083 to be carried forward, against Rs. 22,741 brought in. It is hardly necessary to add that the Refinance Corporation is basically a non-profit making body and its results are to be judged by the assistance it gives to banks and other financial institutions in order to promote term lending to industry and the export trade.

Clay Report on U.S. Aid

The Clay Committee's report concerning U.S. economic and military aid, which has been accepted in principle by the Kennedy Administration, has a special significance for India. The Committee has recommended that the current year's programme of U.S. foreign aid should be cut by \$500 million from the previous level of \$3,900 million; also, some definite principles should be followed in giving such aid in future. In granting foreign aid, it has been suggested, the U.S. Government should observe greater selectivity, stricter self-help standards, greater participation by other developed countries in aid effort and continued improvement in the administration of aid-receiving countries, as criteria for deciding the nature and volume of aid.

Although the Committee has suggested a reduction in the U.S. aid to a large number of countries in Asia, Africa and Latin America, India has been spared a cut on the ground that she has proved her determination to maintain her independence from communist domination. It has been pointed out that India is "the only area of south Asia able to offset the Red Chinese colossus", and unless India's economic growth and freedom continue, there can never be a balance of power in Asia. In the absence of such a balance American involvement in the area could be indefinite and infinitely more costly. There is much satisfaction in India that the Clay Committee has recognised the special problems which this country is facing not only for her own defence, but also for the preservation of peace and freedom in Asia. There is, however, some disappointment that the Committee has bracketed India with Pakistan and has not appreciated the fact that the need of the former is much more urgent and far more significant at the present moment than that of any other country in Asia. Moreover, the Committee has not appreciated the fact that American aid to India is justified not only because of the Chinese aggression. Even otherwise, such aid would be warranted because peace in the world is indivisible, and only a strong and well-developed India can prevent the spread of communism in Asia.

However, the fact that the Clay Committee has clearly recognised the need for increased aid to India, and that the U.S. Government has accepted this suggestion, should be gratifying. In the past, most of the foreign aid to countries in Asia, including India, has come from the U.S.A. The Clay Committee has, therefore, emphasised that other developed countries in the West should give more aid to the under-developed countries in Asia and elsewhere, and that U.S. aid should not continue to be the main prop. In the past, the U.S. Administration laid down that India should get "matching" grants from other countries. It is expected that at the meeting of the Aid-India Club this month, the point will be emphasised again by U.S. delegates. But it should not be forgotten that both by reason of its economic development and of its leadership of the free world, the U.S.A. has a special rôle in aiding the growth of the under-developed countries. Undue insistence on the

principle of "matching" grants may delay the development of the poorer countries.

The Clay Committee's suggestion that aid should be a judicious combination of sales, loans and outright gifts is to be welcomed. In the past, the main emphasis in the case of aid to India has been on "tied" loans. This has delayed the use of foreign aid and, has also reduced its effectiveness. It is to be hoped that the Clay Committee's report will impress on the Aid-India consortium that a major part of foreign aid to India in future should be in the form of untied loans and grants. The Committee has also laid down the principle that the U.S.A. should not aid a foreign Government for establishing State-owned industrial and commercial enterprises, which "compete with existing private endeavours". Under normal conditions, this principle could have stopped the U.S. aid for the Bokaro steel project. But since India is now faced with an emergency and the steel produced in Bokaro will not compete with the steel output in the private sector, it may be expected as the American Ambassador to India recently pointed out, that U.S. aid will be available for the Bokaro project.

Trends in Balance of Payments

A Reserve Bank monograph on India's balance of payments for the period 1948-49 to 1961-62, published recently, shows some interesting trends in this country's foreign exchange earnings. The disquieting conclusion of the monograph is that the net deficit in the balance of payments in the third plan period is likely to be substantially larger than was originally estimated. In the first plan period, the draft on India's foreign exchange resources was Rs. 127 crores, against the plan estimate of Rs. 290 crores, while in the second plan period, the draft on the external reserves was of the order of Rs. 599 crores, against the plan target of Rs. 400 crores. In the third plan, there is not much scope for drawing down the reserves further, so the net result would be an increase in India's foreign indebtedness. A rise in the balance of payments deficit in the third plan would be due primarily to the fact that the net payments on invisible account would be higher because of the interest payment on large foreign loans and also because India's imports for maintenance purposes as well as for development would go up considerably.

The monograph has highlighted the fact that the basic weakness in India's balance of payments stems, not from cyclical swings in the country's trade fortune as is the case with most Western countries, but from the country's pre-occupation with the objective of maintaining a reasonably high rate of economic growth. This implies that the balance of payments deficit is not temporary, but may continue for a considerable time to come. It is also not capable of correction by the usual methods adopted for this purpose in the western countries. In the second plan period, the annual average imports into India amounted to Rs. 1,080 crores (against an estimated Rs. 868 crores) and the average annual exports amounted to Rs. 613 crores and the invisibles, excluding official donations, to Rs. 75 crores, which were higher than the plan estimates by Rs. 20 crores and Rs. 24 crores, respectively. There are many causes for the slow increase in India's exports. The Reserve Bank has drawn attention to the important fact which is frequently overlooked, that there is a marked seasonal variation in the country's export earnings; they are higher in the last two quarters—October to December and January to March—of the financial year than in the first two quarters, primarily because India's main exports, jute manufactures and tea are seasonal. In spite of the fact that some new commodities like engineering goods are now being exported, the basic structure of India's export trade has remained unchanged.

Licensing Policy Hits Importers

The presidential speech of Mr. R. C. Shah at the annual general meeting of the All India Importers Association recently in Bombay naturally referred

to the shrinking share of established importers in the country's import trade. The acute shortage of foreign exchange and complaints of scarcity of supplies have prompted the Government progressively to reduce established importers' licences and at the same time enlarge the volume of imports handled by actual users and the State Trading Corporation. By virtue of their long experience, contact with overseas suppliers and intimate knowledge of world market conditions, established importers have been performing a valuable function in buying goods on the most advantageous terms and thus helping to conserve foreign exchange. The Import and Export Policy Committee recognised their usefulness. It pointed out that in certain industries, where a large number of units were working, it would be advantageous to canalise imports through established importers. This could obviate the "needless stocking of components, etcetera, over a large number of consumers and prevent undue locking up of foreign exchange".

Criticising the system of licensing, Mr. Shah pointed out that even for actual users, there were frequent changes in the terms and value of annual licences; this had created uncertainty and dislocated production. It is doubtful whether imports by newcomers under rupee-payment, barter or link arrangements have led to any saving of foreign exchange. Imports by the State Trading Corporation too have not always been timely or made on the best terms. Its entry into the import trade has distorted the prices of essential raw materials, many of which have found their way into the market and are sold at high prices. Many small industrial units have found imports by the S.T.C. costly and wasteful. They would prefer to obtain their requirements through established importers, since the latter alone provide easy terms, finance and other facilities.

Exports and Official Inefficiency

The administrative shortcomings of the Government came in for sharp criticism from Mr. B. B. Dodd, chairman, at the annual general meeting of the Madras Chamber of Commerce last week. He said that the Government had taken the military emergency well in hand, but the economic emergency was being treated with many rigid reservations; it still remained to be realised that there was a great need for an all-out attack on the foreign exchange situation. The country is pre-occupied to make the sacrifices involved in a major export promotion drive, but the sustained follow-up action, which the third plan Report emphasises so strongly, is not being taken. The processes of so strongly, is not being taken. The processes of the Government are too slow and the sluggish re- actions of a bureaucratically-controlled economy have been operating as a drag on the energy and enthusiasm of the people. Mr. Dodd pointed out that although adequate machinery had been set up for close and continuous consultation between the Government and the representatives of commerce and industry, it was difficult to suppress the feeling that non-official views were not often heeded.

Referring to the study by the National Council of Applied Economic Research of India's economy as it might evolve between 1961 and 1981, he said that the authors had visualised the balance of trade eventually turning in India's favour, with exports rising to an annual rate of Rs. 1,800 crores a year, against imports of Rs. 1,500 crores a year. This will be impossible unless the administration is suitably redesigned and toned up. The "vandalism of some of the latest Budget proposals" might also do serious damage to the economy of the country, and their implications for the export trade are very discouraging. Dealing with occasional references in the Press to a proposal for the formation of an export secretariat, Mr. Dodd said that the export trade had known nothing so far about the move from official sources. All the same, he suggested a five-point plan of his own to boost India's exports. Firstly, the proposed export sector should be sufficiently broad-based to include all interests concerned; secondly, export houses should be formed in association with each of the export promotion councils to serve as outlets for the smaller exporters; thirdly, all units of the export sector should be given the highest priority in the supply of power,

transport, raw materials and components so that they could work continuously at full capacity and reduce the unit costs of their products; fourthly, the whole tax system should be so reorganised that neither the manufacturer nor the merchant could afford to stay out of the export trade; and lastly, the meagre benefits which are available to exporters from the Finance Act should not be nullified by the super profits tax.

Manufacturers Criticise Taxes

Addressing the annual conference of the All-India Manufacturers Organisation in New Delhi last week, the Prime Minister, Mr. Nehru, said that the latest Central Budget proposals were a courageous attempt to meet the Chinese threat both to the freedom and economic progress of India. The chairman of the Organisation, Mr. Prabhu V. Mehta, agreed with the broad objectives of the Budget, but pointed out that the requisite resources, in the ultimate analysis, would have to come from the economy in a manner which it could sustain. Considering that the Chinese danger is likely to continue for a long time, the steady and rapid growth of the economy has to be ensured. The authors of the Budget have been habitually under-estimating Central revenues, while the tax effort by State Governments has been half-hearted. The Central Government should have asked the States to levy additional taxation in their respective spheres, rather than taxing its own net so far and wide. The tax on agriculture, for example, can be increased much further and the proceeds used for raising farm production. This would have spared the Central Finance Minister the unpleasant duty of imposing fresh taxes on the same small section of the people which is already being taxed heavily.

Mr. Mehta said there was considerable scope for rationalisation in the tax structure. For example, excise and sales tax levies could be combined on as many commodities as possible, and its proceeds shared in some agreed manner. If this is done, it would yield considerable extra revenue since sales tax does not fetch the optimum amount at present because of serious leakages at various points. Referring to the proposed super profits tax, Mr. Mehta said that it was not consistent with the idea of a self-generating economy which the country was aiming at. The corporate sector still accounts for the major share of industrial production, and must, therefore, be allowed to accumulate a surplus if it is to expand its activities continuously. It should be the objective of the Government's tax policy to encourage ploughing back of profits of corporate enterprises to accelerate industrial and commercial growth. This also applies to the proposed surcharge on registered firms.

Economic Activity in West Bengal

In his address from the chair at the annual general meeting of the Bharat Chamber of Commerce in Calcutta last Friday, Mr. H. S. Singhanian, quoted comparative data concerning business expansion in West Bengal and several other States to prove that enough enterprise had not been forthcoming in the former. Therefore occupations in the non-agricultural sector here had expanded by only 20 percent during the first decade of planning, compared with 35 percent in India as a whole, 52 percent in Kerala and 30 percent in Punjab. According to him the rate of increase of West Bengal's per capita income has been among the lowest in the country. The number of foreign collaborations, industrial licences issued, share in new company formations, etcetera, have also been lower. In a recent techno-economic survey of the State, the authors have projected over the next ten years an investment of Rs. 238 crores in 86 large industries and an amount Rs. 83 crores for a large number of small-scale industries. Mr. Singhanian, however, suggested that first of all, there ought to be a review of the work of the existing boards, committees, corporations, and other bodies which are connected with the development of industries and trade. The functioning and organisation of the Directorate of Industries also needed to be examined in order

to assess whether it could be an "effective instrument" in the development of industries in the State. If necessary, special machinery should be created in association with the chambers of commerce to help promote industrial development in West Bengal.

Discussing the common anxiety about the price line, Mr. Singhanian feared that some rise would be inevitable because of defence mobilisation, and the increase in Customs and excise duties. The formation of price intelligence units at the Central and State levels for the collection and dissemination of relevant information and data to the public and business men is welcome, but it is no substitute for a proper price policy. For a developing economy, a price policy should be formulated from the point of view of maximum production and investment.

Wheat Supply for Flour Mills

Flour mills in West Bengal have had a good year in 1962, during which they have milled approximately 286,000 tonnes of wheat, or 84,000 tonnes more than in 1961. The prospects for the current year should be good, considering that rice production in West Bengal is lower, and the bigger gap in food requirements will have to be filled partly by wheat products. But higher wages and lower ceiling prices for wheat products fixed under the Roller Mills Wheat Products (Price Control) Order, 1962, may continue to affect the profit margin. Speaking at the annual general meeting of Calcutta Flour Mills Association in Calcutta, last week, Mr. N. N. Atal, president, said that the uniform ceiling prices for wheat products throughout the country were welcome, but the flour milling industry in West Bengal had been adversely affected as extraction controls continued to operate here. The local industry was directed to increase the extraction of resultant atta to 35 percent in March 1962. Since October 1962, it has been compelled to extract at the rate of 40 percent, but it is not permitted to produce wholemeal atta.

Referring to the revised terms and conditions governing the sale of imported wheat from Central Government stores, Mr. Atal said that this would have "the greatest bearing on the operation of the industry" not only in West Bengal, but throughout the country. Since the inception of the procedure in March 1962, every roller mill in Calcutta has experienced some difficulty in obtaining wheat. The industry does not object to the system of monthly allocations now in force, but it is worried by the financial difficulties involved in obtaining wheat from far away places like Visakhapatnam. Deliveries from there have been uncertain because of irregular wagon supplies, and this has been the cause of wheat shortages and the consequent disruption of production. The trouble could have been avoided by arranging despatches to Calcutta from outstation depots on Government account, and by issuing the allotments to local mills here. Supplies from Visakhapatnam and Changanallur depots being irregular, part of the outstation allotments often have to be cancelled, and wheat reallocated from local depots. The mills are, therefore, often compelled to mill without adequately conditioning the wheat. Sometimes it has not been possible to maintain a suitable grist because of the limitation of stocks.

New U.K. Journal for Industry

Sir Kenneth Bradley, Director of the Commonwealth Institute, announced recently plans for the publication of a new magazine to be known as the *Commonwealth Institute Journal*. The first issue is to include book reviews, reading lists, and reports, a profile of the Indian Defence Minister, Mr. Chavan, and other special articles. The Pergamon Press in Oxford has agreed to publish the magazine on a non-profit basis. The first press run will come to 20,000 copies and will be distributed without charge to Government departments and educational institutions in Britain and abroad. Mr. Don Taylor, editor of *New Commonwealth* magazine and a Governor of the Institute, has agreed to edit the new journal. Besides being of practical value to industry, its aim is to provide a central source of information for educationalists and public servants throughout the Commonwealth.

to keep them abreast of developments in political, economic and social fields.

Raising Biscuit Output

In his address from the chair at the annual general meeting of the Federation of Biscuit Manufacturers of India in Delhi recently, Mr. A. C. Khanna said that due to their rising standard of living, the people have been consuming more and more biscuits. This fact is reflected in the steadily rising output of the manufacturers. In 1955, their output totalled about 12,000 tons a year, but the figure has gone up to 28,824 metric tons in 1962. Out of the 39 factories registered with the Development Wing, 29 units, on average, were in regular production during the year. In 1961, output totalled 26,220 tons. The figure for 1962 thus shows a rise of 10 percent.

Under the third plan, the Development Council for Food Processing Industries has fixed for the biscuit industry a target of 40,000 tons a year at the end of the quinquennial period. Mr. Khanna says that the industry will achieve this target provided the Government allows it to modernise the plants. For the past several years, there has been a severe restriction on biscuit machinery imports with the result that the manufacturers have had to manage with obsolete plants, which are most uneconomic to operate. If import licences of the value of about Rs. 20 lakhs can be annually issued in the next two or three years, the requirements of the entire industry can be met, according to Mr. Khanna. This will enable the manufacturers to improve the standard of their production further and lower the price of their products. It will also help them to strengthen their footing in overseas markets, where competition is severe.

Levy of Sales Tax

In the case of the Kanpur Development Board versus the Commissioner of Sales Tax, U.P., a division bench of the Allahabad High Court consisting of the Chief Justice, Mr. M. C. Desai, and Mr. Justice K. B. Asthana has held that the former is not liable to pay sales tax. This shows that too technical an interpretation of the rules by sales tax officers could prove very damaging. The Kanpur Development Board was constituted for the purpose of providing water supply, public drains, roads, town planning services, transport, markets and other such facilities. In the course of its activities, the Board supplied materials to its contractors from its own stores at specified prices and the contract provided for their repurchase by the Board under certain conditions. On this basis, the sales tax officer assessed the Board as a "dealer" under the U.P. Sales Tax Act on its sales to the contractors. On an appeal by the Board, the Judge (Appeals) Sales Tax set aside the assessment order on the ground that the Board did not carry on any business of selling materials and was, therefore, not a "dealer". But on a revision application by the Sales Tax Department, the Judge (Revisions) Sales Tax restored the assessment order on the ground that the supply of materials by the Board to the contractors amounted to "sale" as the latter paid for the goods which became their property. The Judge further held that the prices of the materials supplied by the Board were worked out on the basis of cost price, freight, cartage, octroi, producers' tax, etcetera, and the Board could repurchase the goods at the prevailing market price thereby making a "profit" on the transaction, which made the Board a dealer under the Sales Tax Act. At the request of the Board, the Judge referred the matter to the High Court for its opinion.

Since sales tax is levied by all the States in India and since not only improvement trusts and development boards but a number of other bodies also are supplying materials to their contractors for public constructions at specified prices, the ruling of the Allahabad High Court has a broader public interest. The award of the High Court helps to define a "dealer", "sale" and "profits" more clearly which will be useful in interpreting the sales tax rules in other States as well. The first important point which arises from the High Court's ruling is that carrying on business for profit was not one of the duties of the Kanpur Development Board,

since it was expected to raise the money it needed through taxation. If the intention of the Board was to make a profit it would have opened a regular shop or would have sold goods to anybody who wanted to purchase them and would have displayed them to encourage prospective buyers. Although it is true that the goods became the property of the contractors, a number of restrictions were imposed on them since they could not remove the goods from the site without permission, had to allow inspection by the Board's engineers and had to resell them to the Board, if necessary, at the prevailing market price not exceeding that at which they were purchased. These onerous conditions were inconsistent with the idea of making a profit. The purpose behind the Board's supplying these materials to the contractors was to avoid delay in the performance of the contracts and to ensure that proper materials were used in construction. A stipulation concerning repurchase of goods by the Board did not mean that the sale was effected with the idea of making a profit. An interesting point which the High Court has made is that the repurchase may be with the idea of making a profit, but under the Sales Tax Act, the authority was concerned with the question of sale and not of purchase.

The important points which emerge from the ruling of the Allahabad High Court are that "sale", to become liable to sales tax, must be with a view to making a profit. The mere fact that a profit results from any transaction does not make it a sale under the Sales Tax Act, if the intention of making profit is not there. Sale and purchase are two separate transactions and if profit arises from repurchasing a commodity, it does not mean that its "sale" should be subject to sales tax.

CORRESPONDENCE

SUPER PROFITS TAX

(TO THE EDITOR OF "CAPITAL")

Sir,

There are a large number of private limited companies (which are neither managing agents of big public limited companies, nor subsidiaries or allied ones of public limited companies), having a low capital base; achievements of a substantial number of such private limited companies depend mainly on personal exertions. If the proposed super profits tax will apply *pari passu* to medium and small-sized private limited companies as well, undoubtedly it will be an inequitable heavy burden to them.

It has been the clear declared policy of the Government to encourage the development of small-scale industries in the country; there are many private limited companies as well as public limited companies, having a small capital base, engaged in small-scale industries. Such public limited companies have all along to face considerable difficulties in raising the necessary share capital. Nobody is likely to invest his money in shares of such public limited companies if the yield ratio is the same as that of shares of the big public limited companies. Shares of medium and small-sized companies are generally purchased when there is a possibility of higher yield; a feeling of lesser security naturally arises while investing in them. Also, such companies often have to plough back the profits in their businesses rather than raising a fresh capital. The proposed super profits tax will hit hard such companies and consequently it will retard the progress of small-scale industries in the country.

The proposed super profits tax is not to apply to those companies who have no share capital. A company limited by guarantee may have a share capital to comply with the provisions of the Indian Companies Act. But actually speaking, a company limited by guarantee has no paid-up share capital; its members only undertake to contribute to the assets of the company in the event of its winding up such amount, as may be required, not exceeding a specified amount (i.e., up to the amount of shares held by them). To impose the super profits tax on a company limited by guarantee would be highly improper in the context of the prevailing rates of taxes on others, if such a company also comes within its purview.

The inequitable heavy burden of the super profits tax, when imposed on medium and small-sized companies, is likely to create a tendency on the part of the medium and small-sized section of the corporate sector to divert its business activities and/or income by other lawful methods. This consequently may result in lesser revenue receipts to the exchequer; all companies pay income tax at the maximum prescribed rate and in case of others, the rates apply according to the slabs of income.

In the present national emergency, the medium and small-sized section of the corporate sector hardly have any ground in not gladly bearing a more reasonable burden of taxation, if necessitated due to circumstances; the burden of the proposed super profits tax, however, is evidently quite inequitable and very heavy for it. The great inequity will be evident from the following data showing the pre-Budget and post-Budget tax liabilities (including the super profits tax):

Income	Companies			Individuals		
	Capital	Approx. Pre-Budget Tax	Approx. Post-Budget Tax	Pre-Budget Tax	Approx. Post-Budget Tax	
25,000	50,000	11,250	17,700	4,150	5,400	
40,000	100,000	18,000	27,600	11,400	13,300	
100,000	300,000	45,000	67,000	54,400	57,800	

Under the circumstances, it may be suggested that the super profits tax, if imposed on medium and small-sized private and public limited companies also, should be based on a slab system according to their share capital, and there should also be an exemption limit in their case for computing the super profits tax. Further, the super profits tax should not be made applicable to those companies who have no paid-up share capital and/or have only a nominal paid-up share capital. In view of the prevailing high rate of taxes, some concession as such to the medium and small-sized private as well as public limited companies is not at all unwarranted and will hardly create a wide gap in the revenue receipts from direct taxes.

Yours etcetera,
S. K. BANKA.

Calcutta, 16th March, 1963.

IMPROVING CALCUTTA

NEITHER the Lieutenant-Governor nor his Secretary were to be drawn on Saturday last into any expression of opinion upon the Calcutta Improvement Scheme. They declined to commit themselves to any statement whatever until the scheme had been considered by the Chamber of Commerce, the Trades Association and other local bodies, and their opinions upon it recorded. We must defer any detailed criticism also until we have seen the details of the scheme. So far as we can gather, apart from a contribution from the Government of India of fifty lakhs and a tax upon petroleum, estimated to bring in one and a half lakhs of rupees of revenue per year, the whole brunt of the improvements will fall upon the Calcutta Municipal funds, and taxation will be increased to a maximum to meet the cost. We must enter an emphatic protest against this proposal. The present scheme is, we take it, intended to bring Calcutta up to date, that is to say, abreast of modern requirements. The expenditure may, therefore, be described as extraordinary and should be met by extraordinary measures. The whole of the Municipal revenues of Calcutta, when the scheme has been carried out, will be required to keep Calcutta up to date, that is to say, to carry on the necessary additions and improvements, which each succeeding year will call for; it seems to us, therefore, an unsound idea to burden the current revenues with the work of bringing up the arrears. Let us start fair. A small tax on lute and coal would bring in all the revenue required to provide for the payment of interest on the loans to be raised and a sinking fund to wipe them out. We have consistently for many years past advocated a duty on lute; it would not be felt by the trade, and even if it did fall upon the grower, the rise in the price of that commodity has been such as to make him perfectly able to pay. And as regards coal, if the Port Commissioners are so wealthy that they do not wish to tax it, that is no reason why it should not bear its fair share of the burden of taxation and be earmarked for the Municipality instead of for the Port Trust.

FROM
CAPITAL
17th April, 1963

A Ditcher's Diary

IGNAZIO SILONE RECALLS IN HIS ESSAY *The God That Failed* that in 1922, when he was visiting Moscow, Alexandra Kollontaj one day suddenly turned to him and said: "If you happen to read in the papers that Lenin has had me arrested for stealing the silver spoons in the Kremlin, that simply means that I'm not entirely in agreement with him about some little problem of agricultural or industrial policy". Silone adds, "Kollontaj had acquired her sense of irony in the West and so only used it with people from the West". I really know very little about the various laws governing extradition; and I take the view that V.S. Tarasov is no great loss to the Soviet Union and, equally, no great acquisition for the United States. If I had anything to do with policy in the Kremlin I might have made a minor fuss about Nureyev, who is a considerable ballet dancer; Tarasov I simply would have taken no notice of. Mr. Dean Rusk is on record with the view that it is not the policy of the United States to grant political asylum generally to citizens of other countries; he said this when Cardinal Mindszenty was sitting right there in the U.S. Embassy in Budapest. It can in fact be a dangerous thing to invite desertions, for you never know what you will get next. What was significant in the recent legal battle between the Russian and U.S. Embassies in New Delhi was the flimsy charge of theft, which seems routine procedure for the Russians whenever a comrade of theirs bolts—like Alexandra Kollontaj's silver spoons. Is Tarasov bad advertisement for the Soviet Union? Efforts will doubtless be made to make Tarasov something of a hero, as another specimen of Homo Sovieticus choosing freedom from the oppression of communist society. I think this sort of thing has been a bit overdone; and the law of diminishing returns has already started operating. One can hate one's environment for a hundred different reasons; and it is absolutely puerile to regard one man's judgment as the final verdict on a society which may or may not have all the freedoms some others are used to but may have several compensations. There is no substitute for freedom. I know; but so stark a choice confronts only a very few of any country's citizens. The rest is Madison Avenue.

DR. VERRIER ELWIN MAY WELL BE CURSING himself that he ever thought of the phrase "A Philosophy for N.E.F.A." and then chose it as the title for his excellent book on the region and its people. In recent years, and especially

since the Indian reverses in face of the Chinese attack last October, the phrase has been hurled back at him on all sorts of occasions, usually in the middle of a string of non sequiturs. Some people in Assam can hardly wait to grab the region for exploitation; and they will not so much as mention that Dr. Elwin or anyone else did not think up a philosophy out of his head, that the Government's policy was shaped by objective circumstances, that the success of the Chinese invasion had nothing whatever to do with the behaviour of the tribals, that the risks inherent in any sudden change of policy may be nothing short of creating a second Nagaland in a particularly vulnerable part of the country. "Integration" has come in as a handy instrument for some whose love for unity is no more obvious than their regard for the tribals. The usual run of administrators from the plains, mostly from the Hindu middle classes, simply will not remember that many of the tribals in N.E.F.A. are Christians, that some others are Buddhists whose Buddhism is more Tibetan than Indian, that tribals have different ways of life which are not to be despised just because they are different. What is called a legacy of British rule—keeping tribals apart and away as museum pieces—is not a legacy at all. I am not even sure that the British had any firm policy on tribals; they went about their business as they usually do, pragmatically and without any subtle and theoretical enunciation of a philosophy. The passion for a defined policy came after independence, after some of the ablest officials, with a genuine love for the tribal people, had left. Mr. Nehru, and he alone among higher policymakers, well knows the difficulties involved in bringing tribals into the stream of life in India without disrupting their traditions, without which many are simply lost. I am glad the Prime Minister stoutly defended his Government's N.E.F.A. policy in Parliament on Friday. A little more sustained interest in tribals from him may yet solve many problems now shrouded in confusion.

THE QUOTATION FROM SHAKESPEARE ("If it were done when 'tis done, then 'twere well it were done quickly") with which Dr. Beeching, head of Britain's Transport Executive, unveiled his proposed hatchet plan for British Railways, may yet prove to be more appropriate than he expected. The worthy doctor has certainly condescended to cast himself as the ambitious, ruthless villain of British transport policy in the eyes of

more people than have probably ever heard of Macbeth. But that is a pity, because it seems to me that the plan he proposes is a good one, and it is, after all, what he was put there to devise. I only hope that his Lady Macbeth, the hitherto determined Transport Minister, Mr. Marples, will not regret his political initiative in the matter and leave Dr. Beeching to defend himself alone when the Great Birnam Wood of reaction attacks the Dunsinane hill of railway reform. Because opposition there will be, as is only to be expected of a plan which seeks to close more than one-half of Britain's stations, withdraw passenger facilities from almost one-third of the country's total track mileage, leave large areas of Wales and northern Scotland without any railway facilities at all, and deprive 70,000 men of their jobs in the next three years. Not all such opposition will come from the unfortunately large body of opinion which often appears to reject any change in the national life at all, however desirable on economic grounds. But as long as the majority of Britons continue to think that any man who can save the country most of the annual £150 million in subsidies which British Railways are at present absorbing, has earned his paltry £24,000 a year, Dr. Beeching and his plan should be home and dry. I have been wondering whether there are any lessons in all this for India's railways. Probably not; this country is too short of transport of any sort for there to be much danger of road haulage taking the lead to the extent it has done in Britain. But it is as well to remember that what has brought Britain's railway system to this pass is the complacency and neglect of years. Instead of adjusting itself gradually to times which were all too obviously changing, it has been allowed to settle into a rut of old-fashioned and inefficient operation simply because the taxpayer has been willing to foot the bill. In other words, there is no substitute in any industry for keeping up with the times, and this applies whether it is located in Britain, or India, or anywhere else either.

I AM SURE THE CHINESE HAVE THEIR OWN REASONS for yet another of their abrupt, dramatic decisions, this time to release the 3,000-odd Indian prisoners they have been holding since October or November last year. (I hope all New Delhi's actions are similarly motivated, selfishly if you like.) That seems to me very insufficient reason for India's chilly welcome to the Chinese decision. New Delhi's reaction, as reported, seems almost churlish, harping as it does on the delay in their release and the propaganda capital the Chinese totally unsurprisingly expect to make out of the "one-sided" action. If I am not totally wrong, New Delhi has always been chary of making any representation to Peking on the prisoners, perhaps because it thinks that the

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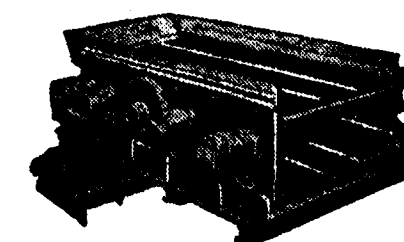
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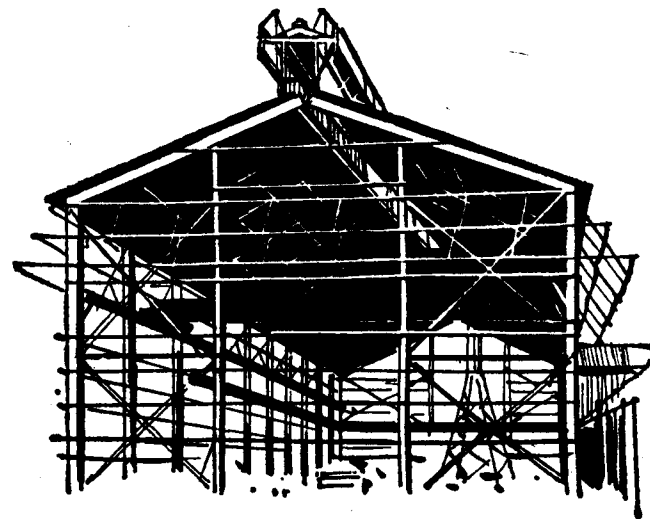
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status of the men held may not be very clear. The question was once asked that since India and China were not, officially, in a state of war, could these men, strictly speaking, be called prisoners of war, entitled to whatever was laid down in the Geneva Convention? I see no motiveless benignity in the Chinese decision; but the net result will be that some 3,213 Indians may soon be reunited with their families. This consummation is cause for rejoicing on humanitarian grounds; and that's why it pains me that New Delhi's reaction should be so destitute of grace. I notice some references to "brainwashing" too, as though this was something the Chinese invented. They may have added a refinement or two: but "education" for prisoners of war was known long before the Korean war—when, incidentally, Chinese prisoners too were interrogated for "intelligence" and told how bad their Government was. Just as at one time New Delhi could see nothing wrong in Peking, today, it seems, there is an inverted romanticism: the Chinese can't do anything that will not hurt, almost outrage, New Delhi. The Chinese, let us face it, are not a sentimental people; and it's time New Delhi stopped being sentimental. Equally irritating is the hangover of British officers' mess talk: the other day in Washington Mr Biju Patnaik said that if the Chinese attacked again India must be prepared to give them a "bloody nose". "Bloody cheek", the Chinese might say.

THE DESTRUCTION OF THE ABU SIMBEL TEMPLES is, to my mind, far and away the greatest setback to President Nasser's Russian-sponsored scheme for harnessing the Nile. Being something of a sentimentalist in matters archaeological, and not having any vested interest in retaining Egypt's present dictator in power, I could cheerfully see the whole grandiose Aswan project abandoned if the temples could thereby be preserved for posterity. Although I would not expect the Egyptian people to agree with me, the temples are, after all, the world's heritage and not exclusively that of a single nation. Which is why I was so cheered the other day to read of yet another idea for their preservation that does not this time call for the massive expenditure which has so successfully ruled out all its predecessors. It involves surrounding the temples with purified water insulated from the rest of the Aswan reservoir by a thin "membrane". Viewing would then be possible from under-water observation chambers with the help of submerged flood lighting. All very ingenious; but now I gather that it is unlikely to prove practicable because the stone from which the temples are carved will dissolve quite rapidly when placed in permanent contact with any kind of water, purified or otherwise. I should hate to see such a brilliant project abandoned for this one reason, so here is a variation on it which I have dreamed up all by myself, and U.N.E.S.C.O. may have it with my compliments. Why not impound the temples in a bubble of compressed air instead of purified water? The "skin", which would replace the "membrane", could be of some tough, though fairly light, metal, and would not need to be built to withstand the pressure of the surrounding water because this would be exactly compensated by that of the air inside. All it would be required to do would be to withstand the buoyancy of the imprisoned air, and possibly because I am no expert in hydro-statics I cannot think that this would be too difficult. Then the compressed air could be kept dry so as to preserve the stone, the whole inside of the "bubble" could be flood-lit, and viewing could still take place from special observation chambers as in the original scheme.

A PRESS RELEASE ON BEHALF OF THE KENSINGTON Palace Hotel in London describes its remarkable pastry cook who says that his "own special method of knowing when a cake is baked is to open the oven door, tap it gently and listen. You see, it talks to me—when it gives a soft whistle sound that says, 'I'm ready to come out, please!'"

THE DITCHER

Guide for Investors

GLOOMY OUTLOOK FOR COTTON MILL SHARES

By D. P. Sharma

AT the moment, everything depends on the likely modifications in the ill-conceived super profits tax proposal which has shaken the private sector, deepened the crisis of confidence and virtually wrecked the investment market. According to the joint memorandum submitted by the stock exchanges to the Central Finance Minister, the 80 textile companies—cotton textiles and others—listed on the Bombay Stock Exchange will have to pay nearly Rs. 6 crores by way of super profits tax. The Indian Cotton Mills Federation has made some rough calculations, according to which the cotton mill industry will have to pay something like Rs. 9 crores as super profits tax.

Unless suitably modified, this tax alone can bring about a significant change in the outlook for cotton mill shares even if the industry continues to enjoy reasonable prosperity. But unfortunately, the profit outlook for the cotton mill industry is far from encouraging. It is almost certain that the industry's working results for 1962, which have still to be announced, will show a sizable setback from the 1961 performance. The wage bill will be higher because of the further increase of Rs. 2 a worker a month from 1st January, 1962. The industry has also had to shoulder the burden of bonus payments. Cotton prices in 1962 were generally higher than in 1961. Exports suffered a heavy fall. The industry had to bear the financial burden of carrying huge stocks which created a critical position towards the close of the year. As against an increase in manufacturing costs, cloth prices continued to be controlled on a voluntary basis and in the last two months of the year, many mills were obliged to dispose of their goods at below the stamped prices.

The cotton mill industry thus had a difficult time in 1962, and the prospects for 1963 seem even worse. The super profits tax is by no means the industry's only worry. The emergency risks insurance may also place a considerable burden on the industry whose profits are likely to be further squeezed as a result of the various new levies imposed by the Central and State Governments and local authorities. Manu-facturing costs of the industry will increase as a result of enhanced excise duties on dyes, petroleum, staple fibre and other items. The general surcharge of 10 percent on import duties, the increase in the import duty on machinery and cotton and the rise in inter-State sales tax will impose additional burdens. The industry will also have to put up with the increase in railway freight rates and the rise in the cost of transport on account of the taxes on motor and motor-vehicle spares, tyres, spirit, motor-vehicle spares, tyres, etcetera. The wage bill, too, is likely to go up because of the increase in the dearness allowance as a result of the rise in the cost of living index.

All these factors make it difficult to take an optimistic view of the outlook for cotton mill shares. It is hardly necessary to add that the prospects for the industry will depend a great deal on the Government's decision on the Tariff Commission's report on fair prices for cloth. The Government's decision on cloth prices is overdue, because

it is now many months since the Commission submitted its report.

Disappointing Results from Kasturbhai Mills

THE preliminary reports about the working of the Kasturbhai group of textile mills for 1962, which have been released along with the announcement of dividends, confirm the general apprehension that the textile industry did not have a good time last year, the profit margin having been squeezed by cost inflation. Although known for efficient management, none of the mills in the group—Arvind, Ashoka, Aruna, Nutan, New Cotton, Raipur and Saraspur—has been able to repeat its previous year's performance. The gross profit is down in all cases although sales were either maintained or showed only a modest decline. Arvind has fared better than others, but here also, the gross profit is lower in spite of an increase of about 15 percent in sales. All the companies have reduced their dividends, although the total amount distributed among the shareholders is, in most cases, larger because of the increased capital as a result of the issue of rights or bonus shares in 1961.

Arvind Mills: The Company's sales increased from Rs. 3.82 crores to Rs. 4.39 crores, but the gross profit fell from Rs. 1.08 crores to Rs. 1.01 crores. The directors have announced a gross dividend of Rs. 30 a share, including an interim of Rs. 10, against Rs. 45 a share paid in 1961. The reduced dividend, however, is on 100,000 ordinary shares, including 40,000 bonus shares, and it absorbs Rs. 30 lakhs, against Rs. 27 lakhs in the previous year. Allocations of the year's gross profit include depreciation Rs. 32.29 lakhs (against Rs. 24.82 lakhs), statutory development rebate Rs. 12 lakhs (against Rs. 22.50 lakhs), taxation Rs. 24.77 lakhs (against Rs. 30 lakhs), donations Rs. 1.54 lakhs (against Rs. 2.03 lakhs) and dividend Rs. 30 lakhs (against Rs. 27 lakhs). The Company has transferred a sum of Rs. 14.25 lakhs (against Rs. 12.07 lakhs) from general reserve, and an additional sum of Rs. 6.78 lakhs has been provided for taxation for the previous year. The Company spent Rs. 47 lakhs on renovation programme and a similar amount is likely to be spent in the current year.

Ashoka Mills: The sales of the Company fell from Rs. 2.66 crores to Rs. 2.53 crores, and the gross profit dropped by nearly 43 percent from Rs. 45.41 lakhs to Rs. 25.82 lakhs. The directors have recommended a dividend of Rs. 24, less tax, on 30,000 equity shares, including the rights issue of 10,000 shares, compared with Rs. 35 a share paid on 20,000 shares in 1961. Appropriations include depreciation Rs. 20.28 lakhs (against Rs. 14.68 lakhs), and development rebate Rs. 5.83 lakhs (against Rs. 5.50 lakhs). No provision has been made for taxation. The Company is withdrawing Rs. 7.75 lakhs from the reserves to provide for the proposed dividends which absorb Rs. 7.77 lakhs, against Rs. 7.87 lakhs in 1961. The Company spent over Rs. 50.79 lakhs on extension of buildings, installation of machinery and equipment.

Aruna Mills: The directors of the Aruna Mills have recommended a gross dividend of Rs. 24 a share on

29,902 shares, against Rs. 35 a share on 20,000 shares paid in 1961. Total sales fell from Rs. 2.82 crores to Rs. 2.46 crores, and the gross profit fell by about 20 percent from Rs. 51.23 lakhs to Rs. 41.28 lakhs. Allocations include Rs. 8.77 lakhs (against Rs. 7.83 lakhs) for depreciation, Rs. 2.50 lakhs (against Rs. 1.50 lakhs) for development rebate, Rs. 14.76 lakhs (against Rs. 16.70 lakhs) for taxation and Rs. 4 lakhs (against Rs. 11.98 lakhs) for general reserve. The proposed ordinary dividend will absorb Rs. 7.16 lakhs (against Rs. 7 lakhs). Preference dividend accounts for Rs. 50,000.

Nutan Mills: The Company has announced a taxable dividend of Rs. 22 a share on 25,000 ordinary shares, against Rs. 35 a share paid on 15,000 shares in 1961. This will absorb Rs. 5.46 lakhs, against Rs. 5.25 lakhs in the previous year. The Company's sales are down by about 10 percent from Rs. 1.84 crores to Rs. 1.65 crores and the gross profit has fallen by as much as 31 percent from Rs. 32.52 lakhs to Rs. 22.31 lakhs. Appropriations include Rs. 7.62 lakhs (against Rs. 7.18 lakhs) for depreciation, Rs. 1.36 lakhs (against Rs. 2.20 lakhs) for development and rehabilitation reserve, and Rs. 6.99 lakhs (against Rs. 10.30 lakhs) for taxation. The proposed dividends, ordinary and preference, absorb Rs. 5.69 lakhs, against Rs. 5.47 lakhs.

New Cotton: Although the sales of the Ahmedabad New Cotton Mills are virtually unchanged at Rs. 2.10 crores, against Rs. 2.09 crores, the gross profit has fallen sharply by nearly 37 percent from Rs. 31.70 lakhs to Rs. 19.85 lakhs. The directors have recommended a gross dividend of Rs. 20 a share on 19,972 shares, against Rs. 35 a share paid on 10,000 shares. Allocations include Rs. 10.96 lakhs (against Rs. 8.40 lakhs) for depreciation, Rs. 5 lakhs (against Rs. 1.80 lakhs) for development rebate, and Rs. 2.10 lakhs (against Rs. 9.71 lakhs) for taxation. The proposed dividend absorbs Rs. 3.98 lakhs, against Rs. 3.50 lakhs in 1961.

Raipur Mills: The directors of the Raipur Manufacturing Company have announced a total gross dividend of Rs. 24 a share, including an interim of Rs. 8 on 50,000 shares compared with Rs. 40 a share on 30,000 shares paid in 1961. While sales are more or less unchanged at Rs. 2.06 crores, against Rs. 2.05 crores, the gross profit has come down from Rs. 45.53 lakhs to Rs. 39.95 lakhs. Appropriations include Rs. 8.77 lakhs (against Rs. 7.42 lakhs) for depreciation, Rs. 3.10 lakhs (against Rs. 3 lakhs) for development rebate and Rs. 12.85 lakhs (against Rs. 16.70 lakhs) for taxation. The proposed dividend absorbs Rs. 12 lakhs (the same). The Company spent a sum of Rs. 24 lakhs on renovations.

Saraspur Mills: The working of the Saraspur Mills shows a substantial setback, with its sales down by about 11 percent from Rs. 2.50 crores to Rs. 2.22 crores, and the gross profit down by nearly 30 percent from Rs. 37.43 lakhs to Rs. 26.04 lakhs. The directors have proposed a dividend of Rs. 24 a share, less tax, on 30,000 shares, against Rs. 35 a share paid on 20,000 shares in 1961. Allocations include Rs. 9.28 lakhs (against Rs. 8.80 lakhs) for depreciation, Rs. 3 lakhs (against Rs. 25,000) for development rebate, Rs. 7.35 lakhs (against Rs. 11.33 lakhs) for taxation and Rs. 61,000 (Rs. 62,000) for donations. The direc-

tors have transferred Rs. 3.15 lakhs from general reserve to provide for the proposed dividends, which absorb Rs. 7.47 lakhs, against Rs. 7.27 lakhs in the previous year.

Processing Machines from Pioneer Plastic

IT is reliably understood that the Government of India has approved the proposal submitted by Pioneer Plastic Works (P) Ltd, Calcutta, for the establishment of an industrial undertaking in the State of Punjab for the manufacture of plastic processing machines. A new Company called Stubbe India Ltd, it is proposed, will be formed for implementing the project. The scheme is to manufacture annually 100 plastic injection moulding machines of four different sizes and 25 extrusion machines of two sizes. The average price of each machine is placed around Rs. 60,000.

Pioneer Plastic is seeking the technical and financial collaboration of Stubbe of Switzerland. The capital equipment of the project is estimated to cost Rs. 15 lakhs, of which Rs. 5 lakhs will be spent on imported machinery. In addition, the firm will have to depend on imports of hydraulic and electric control equipment, constituting nearly 40 percent of the value of the machines, until such time as these items of equipment become available from indigenous sources. Separate schemes have already been sanctioned by the Government of India for the manufacture of hydraulic equipment. The requirements of various types of plastic working machines are quite large, while actual production is limited.

Out of the schemes already licensed, only those of Windor India Ltd and Nebel India Ltd are expected to materialise. The capacity of these two schemes is limited, and it would hardly account for an output of Rs. 80 lakhs a year and that, too, after a period of two or three years. According to the phased manufacturing programme submitted by Pioneer Plastic of Calcutta, the indigenous content of the machines which it is proposed to be manufactured will go up from 50 percent to 80 percent over a period of three years. The annual turnover of Stubbe India Ltd, when in full production, is estimated at Rs. 75 lakhs, which will help save about Rs. 40 lakhs to Rs. 45 lakhs a year now being spent on importing plastic processing machines.

Sewing Machine Parts from T. V. Sundaram

T. V. SUNDARAM and Sons Private Ltd, Madras, has sought the Government of India's permission to set up an undertaking for the manufacture of 150,000 sets of some 11 items of sewing machine components, domestic and industrial types. The well-known American firm of Singer Manufacturing Company, New York, is collaborating in the venture. Singer Sundaram Ltd is mentioned as the likely name of the new Company which is being formed to implement the project. The new concern will have an authorised capital of Rs. 50 lakhs, of which Rs. 30 lakhs is likely to be issued in the beginning. The capital equipment for the project is estimated to cost Rs. 27 lakhs, of which Rs. 22 lakhs will be spent on imported machinery.

The foreign collaboration proposal visualises equity participation to the extent of 33 1/3 percent to cover the cost of machinery up to Rs. 10 lakhs and the balance of the capital equipment requirements, it is proposed, will be secured through a long-term

loan of Rs. 12 lakhs from the foreign collaborator, repayable in easy instalments. The collaboration agreement does not provide for the payment of any royalty or technical fees. In addition to imported machinery worth Rs. 22 lakhs, the Company will also need to import nearly 200 tons of special alloy steel a year valued at around Rs. 2.50 lakhs, which will be a recurring expenditure until such time as special alloy steel becomes available from indigenous sources.

The sewing machine components are required for both original fitment and replacement purposes. Under the existing pattern of production, more than 80 percent of the total production of sewing machines in the country belongs to Jay Engineering Works which manufactures all the components in its own factory. Components manufactured by Jay Engineering, it is said, can fit in with the machines manufactured by them. The remaining 20 percent machines require parts for original fitment and replacement purposes. Only one scheme of Messrs Sewing Spares (India) Private Ltd, Delhi, has so far been sanctioned for the manufacture of six domestic sewing machine components, namely, shuttles, bobbin cases, pressure foot, oscillating rockshaft, thread take-up and lever and square roller, with a capacity of 240,000 sets a year.

Reliable reports indicate that the Central Ministry of Commerce and Industry has approved the scheme of T. V. Sundaram on the ground that the components needed are of a precision type and the manufacture of these components in collaboration with a firm like Singers having international reputation will bring in to the country first rate quality. Besides, the capital equipment from abroad is to be obtained without any strain on the country's foreign exchange resources. It is also felt that Sewing Spares India Ltd would take some time before it goes into full production and that, meanwhile, demand for sewing machines and their components is likely to go up appreciably. The requisite industrial licence is awaited.

Bombay Dyeing Profit Down

ALTHOUGH the dividend has been maintained at Rs. 3.50 a share (Rs. 25-paid), less tax, the working results of the Bombay Dyeing and Manufacturing Co. Ltd for 1962, show that the Company has not fared as well as it did in the previous year. In spite of an increase of some 9 percent in gross sales from Rs. 13.59 crores to Rs. 14.82 crores, the gross profit is down by nearly 6.7 percent from Rs. 1.58 crores to Rs. 1.48 crores. The ratio of gross profit to sales works out at 10 percent, against 11.6 percent in 1961. The setback in Bombay Dyeing's results reflects the difficulties of the textile industry which has had its profit margin squeezed in 1962 as a result of the all-round increase in manufacturing costs.

The directors state in their report that the home and export markets were very dull during the year. Towards the end of 1962, the national emergency due to the Chinese aggression created a sense of uncertainty causing heavy accumulation of stocks in the local markets. The rigid fixation of cloth prices in spite of rising costs of manufacture, diminished the margin of profits. Severe competition was experienced in overseas markets from Japan, China and Hongkong, resulting in an overall decrease of exports of cotton textiles from India.

The Company's accounts for 1962 show an increase of 13.7 percent in

costs of raw materials, stores, fuel oil, electricity, water, etcetera, from Rs. 7.55 crores to Rs. 8.59 crores. Payments to employees are up by about 15.4 percent from Rs. 3.25 crores to Rs. 3.75 crores. With the increase in production and turnover, the rise in major items of expenditure was to be expected, but the increase in expenses has been relatively higher. As stated by the directors in their report, the Company had to pay Rs. 79.27 lakhs more for the cotton consumed in 1962 than what it paid in the previous year—the average price paid being higher by Rs. 61 a candy. Bombay Dyeing paid Rs. 88.96 lakhs by way of excise duty, against Rs. 68.04 lakhs in 1961. Closing stocks were substantially higher at Rs. 2.79 crores, against Rs. 2.29 crores at the end of 1961.

After providing Rs. 80.42 lakhs, including Rs. 34,694 for 1961, (against Rs. 80.52 lakhs) for depreciation, Rs. 9.75 lakhs (against Rs. 24.83 lakhs) for development rebate reserve and Rs. 23.80 lakhs including Rs. 2.80 lakhs for 1961 (against Rs. 14.20 lakhs) for taxation, the net profit for 1962 amounts to Rs. 29.02 lakhs, against Rs. 33.17 lakhs in the previous year. With Rs. 69,669 brought in, the disposable surplus is Rs. 29.71 lakhs. The interim dividend absorbed Rs. 10.04 lakhs, leaving a balance of Rs. 19.67 lakhs, of which Rs. 19 lakhs has been transferred to the dividend equalisation fund, leaving a balance of Rs. 67,586 to be carried forward. The proposed final dividend of Rs. 2.50 a share will absorb Rs. 25,09,800, which is being paid out of dividend equalisation reserve. This means that a sum of about Rs. 6 lakhs (net) is being used from the previous dividend equalisation reserve in order to pay the dividend for 1962. In the previous year, the Company transferred only Rs. 2 lakhs for the purpose of dividend payment.

The directors have explained that in the balance-sheet for 1962, a sum of Rs. 56.70 lakhs was standing to the credit of development and rehabilitation account. This amount represents development rebate reserve set apart during the past years—1958 to 1960—estimated at 80 percent of the liability as a safe provision. The exact provision, however, required to be made under the Income Tax Act, namely, 75 percent of the development rebate actually allowed to the Company, can only be determined after completion of the income tax assessments of the respective years. This has been done up to the assessment year 1961-62, thereby showing an excess provision of Rs. 3.75 lakhs which has now been transferred to general reserve. No. 2, thus reducing the figure to 52.95 lakhs. To this amount, a further sum of Rs. 24.83 lakhs standing to the credit of development rebate reserve, which has been used by the Company for the purchase of new machinery during the year 1962, has been added making a total of Rs. 77.78 lakhs. The amount of Rs. 9.75 lakhs representing development rebate reserve compulsorily set aside under the Act for 1962, has been credited to this account.

The Company's exports in 1962 amounted to 4.7 million yards valued at Rs. 4.92 crores, a drop of about 11 percent, compared with the previous year. Bombay Dyeing's efforts have been concentrated on larger exports of bleached, dyed, printed and finished goods which resulted in a better realisation a yard of cloth. In the context of the all-India performance of cotton textile exports, the Company has maintained its share of 12 percent in value of the total exports of cloth from India. New machinery of the value of Rs. 61.45 lakhs was installed in both the mills. The entire blow room machinery has now been renovated

at the Spring Mills and the blow room at the Textile Mills is being replaced. The screen printing plant is now in full production and the printed material from it is commanding good sales. A yarn mercerising machine has recently been installed at the new dye works. The new Schriener Calendar has begun working. The new engraving and pentograph machines have also been installed.

The plant ordered for imparting the "Hecowa" finish to the Company's goods is under installation at present, and is expected to go into production in a couple of months. Orders have been placed for new drawing and high speed frames and ring spinning frames for the Spring Mills to replace the old machinery. The deliveries of these machines are spread over a year. A further set of combers has also been ordered for the Spring Mills to increase the production of fine count fabrics. The number of installed spindles at the Company's Spring and Textile Mills is at present 208,184, and of the 3,551 looms, 1,974 are automatic. A further 240 automatic looms are still to be received for the Spring Mills.

In his statement to the shareholders which has been introduced for the first time as part of the annual report, the chairman, Mr. Neville N. Wadia, has answered the criticism of the Company's policy of selling in export markets at prices somewhat lower than the internal market. He says that it is the Company's exports which earned it the machinery import licences. Over the years, Bombay Dyeing has been able to install a large quantity of new machinery, much of it of the best quality and design from abroad, at prices which are well below those prevailing now. The installation of Rs. 8.5 crores worth of new machinery in the past ten years has resulted in a substantial increase in production from 26 million lbs in 1952 to 41 million lbs in 1962, in terms of yarn. At the same time, rationalisation has not meant less employment. On the contrary, the Company now has 12,500 workers, compared with 8,000 ten years ago, and there has been a big increase in their individual earnings.

Answering the question "what has the Company gained by all this?", Mr. Wadia says that by the middle of next year, Spring Mills, with the exception of only carding engines, will have been completely re-equipped from start to finish. It will be one of the largest units anywhere with only automatic looms—2,160 under one roof—a mill prepared to face the uncertainties of the future and to give quarter to none. Apart from renovating some important departments at the Textile Mills, the Company has built one of the largest and finest finishing plants. It has installed automatic looms for the manufacture of towels, damask table linens and furnishing fabrics. The Company, says Mr. Wadia, intends to go on expanding the range of its products not only to keep pace with popular demand, but to take a lead in fashion. Approximately 50 percent of the Company's looms are engaged on export orders and the Company is doing everything possible to maintain the high reputation which it has earned during almost quarter of a century. With the change in the range of production, a new distribution system has become necessary and the Company is implementing a plan of regional distribution by stages.

British Paints Pays Less

BRITISH Paints (India) Ltd has cut the taxable ordinary dividend from 12.5 percent for 1961 to

10 percent, including a final dividend of 3.75 percent, for the year ended December 1962. It is covered more than four times and offers a yield of 4.9 percent at the present price of Rs. 20.50 a share of Rs. 10 each. The profit has risen from Rs. 13.49 lakhs in 1961 to Rs. 24.33 lakhs in 1962, after providing for depreciation. Taxation absorbs Rs. 14.38 lakhs (against Rs. 6.25 lakhs). The estimated liability for the super profits tax is Rs. 4.7 lakhs. Development rebate reserve is allocated Rs. 20,000.

Indian Aluminium to Expand Further

IN their report for the year ended December 1962, the directors of Indian Aluminium and Co. Ltd point out that the integrated expansion programme undertaken in 1959 has been duly completed. The doubling of the Hirakud smelter and the installation of the extrusion press at Alupuram were completed in 1961, ahead of schedule. The expansion of the alumina plant in Muri was completed in March 1962, raising its rated capacity from 18,300 tons to 55,000 tons a year. As a result of research and development, the expanded plant should be able to operate at more than its rated capacity. The expansion of sheet rolling facilities in Belur, near Calcutta, was completed in 1962 and its capacity is now 16,800 tons of rolled products a year.

The Company has in hand two more projects. It will set up a second smelter near the existing one in Alupuram, with a capacity of 10,850 tons a year. An aluminium foil rolling and finishing mill will be set up in Kalwa, with an annual capacity of 2,500 tons of aluminium foils. The Company had already issued 801,276 rights ordinary shares at a premium of Rs. 15.50 a share for every five held to raise funds. A debenture stock for Rs. 1 crore was also oversubscribed. The cost of these projects has been estimated at Rs. 6 crores, of which the foreign exchange component will be Rs. 2.46 crores. The subscription to the rights issue by Aluminium Ltd of Canada will provide the necessary foreign exchange. The new smelter in Alupuram should be ready by the middle of 1964 and the foil mill in the middle of 1965. The directors hope that this diversification of activity will help meet the increasing market demand for aluminium products.

The profit for the year ended December 1962 has improved to Rs. 1.79 crores from Rs. 1.64 crores in 1961, after transferring Rs. 61.50 lakhs (against Rs. 45.50 lakhs) to development rebate reserve and Rs. 1.05 crores (against Rs. 58.87 lakhs) to depreciation. The taxable ordinary dividend has been increased from 15 percent to 17.5 percent, including a final of 10 percent. It is covered more than twice and offers a yield of 5.9 percent at the present price of Rs. 29.75 a share of Rs. 10 each. Taxation absorbs Rs. 52.50 lakhs (against Rs. 53 lakhs) and general reserve Rs. 80 lakhs (against Rs. 50 lakhs). A sum of Rs. 30 lakhs has been transferred from fixed assets replacement reserve, leaving a carry-forward of Rs. 56.98 lakhs, against Rs. 62.32 lakhs brought in.

In Hirakud, the output rose from 9,837 tons to 17,072 tons. The technical difficulty which interrupted output has now been overcome. The decline from 6,072 tons to 5,840 tons in the production of the Alupuram smelter was due to factors beyond the control of the Company. The alumina production in Muri rose from 22,085 tons to 44,600 tons following the completion of the expansion project. The decline in the output of the Belur factory was due to the interruption of work caused by the expansion project. The operational

efficiency of this factory has now improved. The directors also mention that the Company may have to pay an annual premium of about Rs. 20 lakhs towards the emergency risks insurance scheme, if it were to remain in force with the present rate of premium.

Dunlop Rubber Cuts Dividend

IN spite of the bigger sales and profits during the year ended December 1962, the Dunlop Rubber Co. (India) Ltd has had to cut the taxable ordinary dividend from 20 percent for 1961 to 15 percent for 1962 due to a larger provision for taxation. Sales improved from Rs. 32.86 crores to Rs. 37.13 crores. The profit has risen from Rs. 3.06 crores to Rs. 3.31 crores, after transferring Rs. 60.80 lakhs (against Rs. 61.39 lakhs) to depreciation. The dividend is more than four-and-a-half times covered and works out to half times covered at the present price of Rs. 32 a share of Rs. 10 each. Taxation is allocated Rs. 2.35 crores (against Rs. 1.41 crores) and general reserve Rs. 20 lakhs (against Rs. 62.50 lakhs). Development rebate reserve absorbs Rs. 3 lakhs, against Rs. 7.50 lakhs. The carry-forward amounts to Rs. 25.88 lakhs, against Rs. 25.39 lakhs brought in. The directors say that the proposed super profits tax will absorb about Rs. 63 lakhs. So the Company's results show clearly how the proposed levy will adversely affect the dividends and retained profits.

Guest, Keen, Williams Repeats

GUEST, Keen, Williams Ltd has maintained a taxable ordinary dividend of 14 percent for the year ended December 1962, of which an interim of 6 percent was paid earlier. At the present price of Rs. 30 a share, the yield is 4.7 percent and the dividend is covered more than twice. The profit has risen from Rs. 1.04 crores in 1961 to Rs. 1.30 crores in 1962, after providing for depreciation. Taxation is allocated Rs. 55.6 lakhs (against Rs. 30.5 lakhs), general reserve Rs. 6.15 lakhs (against Rs. 10.69 lakhs), dividend equalisation reserve Rs. 9.12 lakhs (against rebate reserve Rs. 5.55 lakhs) (against Rs. 12.21 lakhs). A sum of Rs. 5 lakhs has been transferred to the debenture sinking fund.

Progress of Asiatic Oxygen

SPEAKING to shareholders at the annual general meeting of the Asiatic Oxygen Ltd held in Calcutta last Saturday, Mr. B. L. Jalan, chairman, said that the Company would soon set up industrial gas factories in Calcutta, Bhilai, Barauni, Durgapur, Bombay, Madras, Rourkela, Hyderabad and Patna. (The full text of the speech is printed on a later page in this issue of Capital.) It would also build three more units for the production of oxy-acetylene, gas, welding and cutting equipment, electrodes and arc welding formers. The necessary equipment from it is expected, will be shipped from the U.S.A. shortly, and the factories may start producing before the end of this year. He thinks that the demand for oxygen and dissolved acetylene will improve steadily. The demand for oxygen was estimated at 1,000 million cubic feet and that for dissolved acetylene at 150 million cubic feet in 1960-61. The third plan

production targets for these two have been raised to 1,650 million cubic feet and 200 million cubic feet. The emergency should also raise the demand for these products because of the defence effort.

Pointing to the adverse effects of the proposed super profits tax, Mr. Jalan said that the tax would penalise efficiency. Investments, especially from foreign countries, will be discouraged. It is feared that the good effects of the development rebate and the five-year tax holiday for new companies will be destroyed by the new impost. It will also discourage the middle and low-income groups from participating in capital issues. He pointed out how foreign investors have been deterred by the cumbersome licensing procedures and the dilatory methods of the Government. It will be difficult to hold down the prices of commodities in future in view of the increasing Government expenses, rising prices of plant and machinery and increased production costs, he said.

Amar Dye-Chem Disappoints

THE working results of Amar Dye-Chem Ltd for 1962 show that the Company has fared badly during the year. Compared with 1961, sales are down by about 16.5 percent from Rs. 1.70 crores to Rs. 1.42 crores, and the gross profit has declined by as much as 42 percent from Rs. 64.08 lakhs to Rs. 36.59 lakhs. The directors have, however, maintained the ordinary dividend at Rs. 9 a share, subject to tax. This will cost the Company additional Rs. 75,000 as the 10,000 new shares are eligible to the full dividend in 1962, compared with a proportionate dividend of Rs. 1.50 a share paid in 1961. The Company's poor performance is attributed to the change in Government policy concerning the assessment of Customs duty on naphthols and fast bases, namely, abolition of tariff values and assessment on a c.i.f. basis from September 1961. The directors say that more than 250 tons of naphthols and fast bases consents of items manufactured by the Company were imported in 1962, which resulted in more than normal supply, and created a strong pressure on prices.

The outlook for the current year, however, is considered to be encouraging. The first stage of its T.P.M. project has been completed and the plant has been commissioned. The production, it is expected, will increase gradually, reaching the target capacity in the next four or five months. The Company has also taken in hand the manufacture of reactive dyes and has already placed on the market one item. Three more items will be introduced shortly. Sales and profit, it is expected, will show a considerable improvement with the production and sale of T.P.M. and reactive dyes. The Company has negotiated a rupee loan of Rs. 45 lakhs with the Industrial Credit and Investment Corporation of India to finance its expansion programme.

Allocations of the 1962 profit include depreciation Rs. 14.69 lakhs (against Rs. 8.67), taxation Rs. 9.63 lakhs (against Rs. 22.40 lakhs), development rebate reserve Rs. 2.30 lakhs (against Rs. 1.80 lakhs) and development reserve Rs. 76,000 (against Rs. 60,000). No provision has been made for depreciation reserve, capital redemption reserve and general reserve, which received Rs. 51,000, Rs. 5 lakhs and Rs. 12.50 lakhs, respectively, in 1961. The proposed ordinary dividend absorbs Rs. 8.10 lakhs (against Rs. 7.35 lakhs) and preference dividend accounts for Rs. 1.71 lakhs (the same). After making all these appropriations, there

Sen-Raleigh Makes Progress

IN his statement at the annual general meeting of Sen-Raleigh Ltd in Calcutta last Thursday, Mr. Abhijit Sen, chairman, takes a cautious view of the Company's prospects. (A fuller version of the speech has been printed on a later page in this week's issue of Capital.) Because of the present emergency, a substantial quantity of indigenous steel has been diverted to defence production. So it is feared that the production of bicycles will decline following the shortage of raw materials. Raw material supplies from the U.S.A. have been interrupted by a dock strike in that country. After the emergency, import licences for the industry have also been cut. Although the immediate outlook is not encouraging, Sen-Raleigh has been going ahead with its expansion plans which may cost about Rs. 2 crores during the next couple of years. The foreign exchange required will be obtained by the subscription of Raleigh Industries Ltd of the U.K. to the new shares issued in November 1962. But the directors think that they may have to approach the Industrial Finance Corporation for a loan in order to obtain more foreign exchange, especially to implement the house service meter project. The entire bicycle expansion scheme will be financed by the resources which have already been made available. A technical agreement has been signed with the Associated Electrical Industries Ltd of the U.K. for the house service meter project. If the required foreign equipment is obtained in time, the project will start trial production in 1964. In view of the emergency risks insurance scheme and the increased transport and power costs, a further rise in production costs is foreseen. But the Company has been making efforts to raise its operational efficiency in order to check the rising costs.

During 1961-62, the production of Sen-Raleigh made satisfactory progress. The Company has started the 1963-64 year with a full order-book. The demand for bicycle and components produced by the Company has increased steadily. But the profit has not moved up in proportion to the increased turnover due to the rising production costs. The Company has started exporting bicycles under the trade name of "Balaka". The chairman said that the move would help to sell Indian bicycles in foreign markets.

Calcutta Landing and Shipping Pays More

THE Calcutta Landing and Shipping Co. Ltd has produced excellent results for the year ended October 1962, due to the reorganisation scheme carried out earlier. The profit has improved from Rs. 1.28 lakhs in 1960-61 to Rs. 5.19 lakhs in 1961-62, after providing Rs. 54,055 (against Rs. 53,558) for depreciation. The taxable ordinary dividend has been increased from 7.5 percent to 22 percent, which is covered more than three-and-a-half times and offers a yield of 6.3 percent at the present price of Rs. 35.06 a share of Rs. 10 each. Taxation absorbs Rs. 3.10 lakhs

(against Rs. 70,000), reserve Rs. 50,000 (the same) and capital reserve Rs. 17,650 (against Rs. 22,168). The carry-forward is Rs. 5,967, against Rs. 3,299 brought in. Although the directors were thinking of extending their interest to some small industries in addition to boating, the idea has now been postponed in view of the uncertain conditions. They mention that a provision of Rs. 84,000 has been made to meet the requirements of the super profits tax.

Expansion of Standard Pharmaceutical

STANDARD Pharmaceutical Works Ltd, Calcutta, has sought the Government of India's permission to expand the capacity for the manufacture of penicillin from 6 tonnes (10 m.m.u.) to 12 tonnes (20 m.m.u.) a year in order to make its plant economic. The firm has stated that the capacity can be doubled by installing certain equipment of which the imported component will cost Rs. 5.5 lakhs. In addition, the Company will need to import raw materials to the tune of Rs. 2.90 lakhs. The foreign exchange needed for the expansion scheme is sought to be procured through an arrangement with the foreign collaborators either by way of a long-term loan repayable after ten years in equal instalments and carrying tax-free interest at 6 percent or by a short-term loan, at the same rate of interest, payable by the export of penicillin at international prices. The firm hopes to implement its expansion scheme within a period of six months.

Reliable reports indicate that the Government is likely to approve the Company's scheme, although penicillin is included in the list of items for which applications for licences are to be ordinarily rejected, since a large capacity to cover the requirements is provided under the I.D.P.L. project. At present, there exists a gap of 40 to 45 tonnes between the demand and actual production. This, no doubt, will be bridged when the I.D.P.L. project commences operation, but this is likely to take three to four years' time. In the present emergency conditions, more penicillin will be needed to meet the increasing civilian and defence demands. Since Standard Pharmaceutical Works expects to be able to complete its expansion programme within six months, it will result in the saving of foreign exchange to the extent the firm can reduce the gap between demand and production.

It might be noted here that against the third plan target of 120 m.m.u. a year, the capacity already licensed is 215 m.m.u., comprising Hindustan Antibiotics Ltd 45 m.m.u., Alembic Chemicals 20 m.m.u., Standard Pharmaceutical Works 10 m.m.u. and the Rishikesh plant (with Russian collaboration) 140 m.m.u. The installed capacity at present is only 65 m.m.u. The current demand for penicillin is of the order of 85 to 90 m.m.u. a year, against the current production of 60 m.m.u. The gap of 25 to 30 m.m.u. a year between demand and actual production is expected to be bridged partly during the current year and partly next year. The production of penicillin by Hindustan Antibiotics will go up from 45 m.m.u. to 60 m.m.u. after the installation of two additional fermentors. This work is now in hand, and the results, it is expected, will be achieved partly during the current year. Alembic Chemicals is obtaining the machinery for doubling the production of penicillin from 10 m.m.u. to 20 m.m.u. a year against the I.C.I.C.I. loan. It is expected that the additional production would be established during the latter part of 1963-64. Every effort is being made to

establish the capacity in Rishikesh before the target date, but the manufacture of penicillin is likely to start only in 1965. It is said that the additional capacity of the penicillin that would become available after the I.D.P.L. project commences operation would be partly absorbed in the country, and partly exported.

Anil Starch Fares Well

ANIL Starch Products Ltd reports encouraging results for the year 1962, with both sales and profit recording appreciable increases. The directors have maintained the gross dividend at Rs. 20 a share, but the bonus has been reduced from Rs. 10 to Rs. 5 a share. Although the distribution on a share is Rs. 5 less than in 1961, the total amount distributed by way of dividend and bonus is only slightly lower at Rs. 9.92 lakhs, against Rs. 9.95 lakhs, new shares being entitled to a full year's dividend. Preference dividend absorbs Rs. 35,000 (the same). The preliminary report on the Company's working in 1962 shows an increase of 16.7 percent in sales from Rs. 2.82 crores to Rs. 3.29 crores. The gross profit is up by about 15.2 percent from Rs. 44.22 lakhs to Rs. 50.96 lakhs.

After providing Rs. 13.15 lakhs (against Rs. 10.67 lakhs) for depreciation and Rs. 16.59 lakhs (against Rs. 13.33 lakhs) for taxation, the net profit amounts to Rs. 17.50 lakhs, compared with Rs. 16.93 lakhs in 1961. The directors have provided Rs. 3.11 lakhs (against Rs. 5.95 lakhs) for development rebate reserve and Rs. 4 lakhs (against nil) for general reserve. The proposed dividends—ordinary and preference—absorb Rs. 10.27 lakhs (against Rs. 10.30 lakhs), leaving a surplus of Rs. 5.491 to be carried forward, against Rs. 50,543 brought in. Reliable reports indicate that the higher sales in 1962 were due to increased production of starch, glucose, dextrose and superphosphate. The Company is said to be planning to shift the heavy chemical section from Ahmedabad to Bhavnagar. The Rs. 100-paid share of Anil Starch is currently quoted around Rs. 670 offering a gross return of about Rs. 3.9 percent.

Outlook for Walchandnagar Industries

PRESIDING over the annual general meeting of the Walchandnagar Industries Ltd in Bombay last week, the chairman, Mr. Gulabchand Hirachand, struck a note of cautious optimism about the Company's working results during the current year. He said that the plantation sector was expected to yield better results because of the increase in the sugarcane yield. The Company's industrial machinery division was also likely to fare better in view of large orders worth Rs. 3 crores, including one for a sugar plant worth Rs. 1 crore. The turnover in this division is expected to rise from Rs. 2.12 crores to Rs. 2.75 crores. But in spite of the likely improvement in the Company's performance during the current year, the chairman was unable to assure the shareholders that the dividend would be maintained as much would depend on the actual impact of the proposed new tax measures.

Mr. Hirachand told shareholders that Von Kohorn-Universal Corporation of the U.S.A. had shown willingness to collaborate with the Company in the fabrication of chemical machinery and that the management was examining the issue in all its aspects. The Company has completed negotiations with Messrs Sahu-Jain for the manufacture of

cement-making machinery and the Government's sanction for the import of machinery is awaited. Replying to shareholders' queries, Mr. Gulabchand Hirachand stated that the Company hoped to receive Rs. 1 crore in cash and an equal amount in bonds as compensation against the acquisition of sugar farms taken over by the State Government under the Maharashtra Land Ceiling Act. The actual details are yet to be finalised but this is not likely to take more than a few weeks.

United Motors Cuts Dividend

THE United Motors (India) Ltd reports disappointing results for the year 1962. While sales are down by 12.5 percent from Rs. 19.23 lakhs to Rs. 17.08 lakhs, the gross profit has fallen by about 42.5 percent from Rs. 1,06,710 to Rs. 74,857. The sharp setback in the profit has obliged the directors to reduce the dividend from 1.40 a share to 70np a share (Rs. 10-paid). After providing Rs. 8,673 (against Rs. 5,901) for depreciation and Rs. 33,000 (against Rs. 41,000) for taxation, the net profit amounts to Rs. 33,183, compared with Rs. 59,809 in 1961. The proposed dividend absorbs Rs. 35,743, against Rs. 71,484, leaving a sum of Rs. 1,813 to be carried forward, against Rs. 4,371 brought in. The directors have attributed the setback in the Company's profit to the fall in the sale of Ford parts, reduction in the number of Ford vehicles on the road and increase in dearness allowance and increments payable to staff under the Industrial Court award.

Central Bank Puts off Rights Issue

THE continued depression in the investment market has obliged even some of the reputed companies to revise their decisions on the issue of fresh capital for which necessary Government sanction had already been obtained. The Central Bank of India, too, had secured official permission to issue 634,625 shares in the proportion of one new share for every two held, but the bank has decided to postpone this issue. The directors state in their report for 1962 that the terms laid down by the Controller of Capital Issues are considered unfavourable in the light of the adverse developments in the capital market in the wake of the national emergency. Conditions have further deteriorated after the presentation of Mr. Morarji Desai's Budget, mainly as a result of the ill-conceived super profits tax.

The directors' report for 1962, however, shows all-round progress, although the profit margin has been squeezed by the increase in expenses. The total deposits of the bank recorded a rise of about 7.2 percent from Rs. 220.19 crores to Rs. 236.06 crores, with fixed deposits up by Rs. 7.50 crores at Rs. 122 crores, savings deposits by Rs. 5.66 crores at Rs. 43.78 crores and current accounts higher by Rs. 2.71 crores at Rs. 70.25 crores. The bank's advances increased by 8.98 percent from Rs. 160.99 crores to Rs. 175.44 crores. Investments are placed at Rs. 65.86 crores, against Rs. 58.79 crores at the end of 1961. Income by way of interest and discount rose by about 11.63 percent from Rs. 10.16 crores to Rs. 11.34 crores. Commission, exchange and brokerage fetched Rs. 2.30 crores, against Rs. 1.25 crores—an increase of about 17.4 percent.

But expenses recorded a relatively bigger increase, thereby more than offsetting the benefit of the larger income.

Interest paid went up by Rs. 73 lakhs to Rs. 5.99 crores. Wage bill

and overheads absorbed Rs. 56 lakhs more at Rs. 4.59 crores. Apart from the increase in expenditure consequent on the expansion of business, contribution to the National Defence Fund took away Rs. 9 lakhs and deposit insurance premium Rs. 10.87 lakhs. Because of the additional burdens, the net profit of the bank is slightly lower at Rs. 1.80 crores, against Rs. 1.83 crores, after meeting all expenses and providing for taxation but subject to provision for bonus to employees.

During the year, the bank opened one branch, 12 sub-branches and five pay offices at various centres and one sub-branch and two pay offices were closed down as they were found to be unremunerative. With the nationalisation of banks in Burma, the business of the bank's Rangoon office has been taken away by the Government of Burma from 23rd February. The manner in which the take-over is to be effected is not yet settled. A sizeable portion of the assets of this branch is said to be held in India.

The capital structure of the Central Bank changed during the year as a result of the amalgamation of the Jodhpur Commercial Bank; the authorised capital increased by Rs. 72,700 to Rs. 6,30,72,700 and the subscribed capital by Rs. 36,350 to Rs. 3,15,36,350. The reserves and surplus have risen from Rs. 4.13 crores to Rs. 5.10 crores. The total working funds of the bank have increased considerably further from Rs. 237.02 crores to Rs. 256.67 crores, mainly because of the sharp increase in deposits and other accounts from Rs. 220.63 crores to Rs. 236.52 crores. The ratio of capital funds to deposits works out to 3.36 percent. The ratio of advances to deposits at the end of 1962 was 74.32 percent, against 73.11 percent at the end of 1961. The Rs. 25-paid share of the Central Bank is currently quoted around Rs. 52, offering a gross return of over 10 percent on fresh investment.

Vasanta Mills Reduces Dividend

THE directors of the Vasanta Mills Ltd have recommended a lower dividend of 20 percent for the year ended December 1962, against 25 percent for the previous year. The net profit amounts to Rs. 4.84 lakhs, after providing Rs. 6.63 lakhs for depreciation, Rs. 1 lakh for development rebate reserve and Rs. 6.60 lakhs for taxation. The net profit for the previous year was Rs. 5.31 lakhs, after providing Rs. 6.56,186 for depreciation, Rs. 1.50 lakhs for development rebate reserve and Rs. 5.20 lakhs for taxation. With Rs. 60,469 brought forward from the previous year, the total available for appropriation is Rs. 5.45 lakhs. Out of this, the directors have transferred Rs. 87,742 (against Rs. 50,000) to general reserve. The preference dividend accounts for Rs. 37,050. The proposed ordinary dividend at 20 percent, subject to tax, will absorb Rs. 4.20 lakhs. The above appropriations have absorbed the entire amount of Rs. 5.45 lakhs, so no amount is carried forward. In spite of the substantial increase in the production costs, the directors feel that the profit earned by the Company has been satisfactory.

Atul Products Repeats

ATUL Products Ltd has maintained the dividend for the year 1962 at 12 percent, less tax, but the total distribution is Rs. 6 lakhs higher at Rs. 32.99 lakhs, compared with Rs. 26.99 lakhs in 1961 as the new shares receive Rs. 9 a share,

against Rs. 3 a share in the previous year. The Company's performance is not unencouraging, although both sales and profit are down. According to the preliminary figures which have been released along with the announcement of the dividend, sales are lower by about 12.6 percent from Rs. 4.75 crores to Rs. 4.15 crores, while the gross profit at Rs. 1.24 crores is about 5.7 percent less than the previous year's figure of Rs. 1.32 crores.

After providing Rs. 26.24 lakhs (against Rs. 22.18 lakhs) for depreciation and Rs. 34 lakhs (against Rs. 38.50 lakhs) for taxation, the net profit amounts to Rs. 57.49 lakhs, against Rs. 64.20 lakhs in 1961. The directors have set aside Rs. 1.60 lakhs (against Rs. 6 lakhs) for development rebate reserve, Rs. 30 lakhs (against Rs. 40 lakhs) for general reserve and Rs. 1.06 lakhs (against Rs. 30,000) for donation. Credit has been taken for a sum of Rs. 6.41 lakhs, being excess provision for income tax in the earlier year. After providing for the proposed dividend which absorbs Rs. 32.99 lakhs (against Rs. 26.99 lakhs), there remains a balance of Rs. 61,183 to be carried forward, against Rs. 2.38 lakhs brought in. The Rs. 100-paid share of Atul Products is quoted around Rs. 400, offering a gross return of barely 3.1 percent on fresh investment.

New Capital Issues

SEVEN companies, of which two are new, have been authorised to raise capital totalling over Rs. 4 crores. Two companies are Central Government undertakings. One company will issue bonus shares, three equities and three equity plus preference shares. The consent in all cases is valid for 12 months. The following are the details:

New India Assurance Company Ltd will raise further capital of Rs. 28,48,425 in equity shares of Rs. 15 each as bonus shares on capitalisation of reserves to a like extent.

Fibre Glass Pilkington Ltd, Bombay, a new company, is to issue capital of the value of Rs. 1,19,99,930 in equity shares of Rs. 10 each at par. Out of this, shares of the value of Rs. 60 lakhs would be offered for subscription to Fibreglass Ltd of St. Helens, Lancashire, England.

Heavy Electricals (India) Ltd, Bhopal, a Central Government undertaking, is raising further capital of Rs. 50 lakhs divided into 5,000 equity shares of Rs. 1,000 each for cash at par.

Indian Oil Company Ltd, another Central Government undertaking, is issuing further capital of Rs. 25,00,000 divided into 2,500 equity shares of Rs. 1,000 each to be issued privately for cash at par.

The Mettur Chemical and Industrial Corporation Ltd, Madras, is to issue capital of Rs. 90 lakhs consisting of 6,00,000 equity shares of Rs. 10 each and 300,000 9 percent preference shares of Rs. 10 each, all for cash at par.

Nimar Textiles Ltd, Maharashtra, will issue capital of Rs. 60 lakhs divided into 50,000 equity shares and 10,000 cumulative redeemable preference shares of Rs. 100 each carrying dividend at 9.5 percent for cash at par.

The Bilaspur Spinning Mills and Industries Ltd, a new company incorporated in West Bengal, is to issue capital of Rs. 27.39 lakhs divided into 198,900 equity shares of Rs. 10 each and 7,500 cumulative redeemable preference shares of Rs. 100 each carrying dividend at 9.3 percent.

The Stock Markets

CALCUTTA RESUMES TRADING BUT TURNOVER SMALL

Wednesday Evening.

THE Calcutta stock market resumed trading last Monday after an interval of a week. The operators had earlier stopped transacting any business as a mark of protest against the super profits tax. They had thought that their action would impress the Central Finance Minister, when the stock exchange representatives met him in New Delhi last week. But the move fizzled out. Although the stock exchange delegation was given a patient hearing, the Finance Minister, as was expected, did not give any indication about modifying the levy. Meantime, the interruption of business has probably embarrassed small investors who urgently wanted to obtain cash by selling shares.

This apart, trading during the past couple of days indicates that the panic in Lyons Range has been exaggerated. Although turnover has been thin, prices have not fallen as sharply as was feared earlier. The decline in turnover is not difficult to understand considering that the super profits tax is not expected to be modified substantially. Therefore, until the Super Profits Tax Bill is finally passed, nobody is willing to extend his commitments.

All sections of trade and industry have made strong representations to the Government about the adverse impact of the levy. In fact, the latest reports of some leading companies confirm the impression that the proposed impost, unless modified, will seriously affect retained profits and dividends. In any case, the outlook for dividend and growth has deteriorated considerably during recent months. Corporate profits have been squeezed by heavier taxation and rising production costs. Investors have, therefore, been right in expecting that share prices would move down in order to adjust themselves to lower dividends. Since it is not possible to take a correct view until the final form of the super profits tax is known, buyers have decided to hold back. Even bargain hunters have been sitting out in the hope that share prices may fall further. In a market which has been devoid of support, any small selling has tended to depress prices out of all proportion.

Wednesday's clearing passed uneventfully. Compulsory carry-over at fixed badlas was enforced in the case of only ten clearing shares. The minimum prices of nine clearing shares have been cut. The carry-forward charges were slightly higher than in the previous settlement. Lyons Range is also getting worried whether pressure from banks would increase in view of the sharp decline in prices. Since the recent fall has wiped out the margin in the case of overdrafts against shares, bank pressure may do more harm than good. In the circumstances, it is necessary that the Reserve Bank should ask the banks to be more generous in advancing against shares. It is time the margin against share advances was raised.

A disturbing development is that the new issues market has been badly affected by the super profits tax. Not only have the prices of new shares fallen sharply; many proposals for new issues have been either abandoned or deferred. Even

Hindustan Lever and Goodyear India have decided to postpone their rights issues which were meant to raise funds for their expansion.

Although prices of Government securities have been slightly steadier, mainly because of official support, turnover has been negligible. Institutional buying has been conspicuous by its absence. The Reserve Bank has increased its buying prices for some selected short-dated loans. State Government loans have been difficult to deal in in the absence of buyers. The 3 percent conversion loan has closed at Rs. 63.

The Calcutta stock exchange has changed the minimum rates for the following clearing shares:

Guest, Keen, Williams ...	Rs. 29.50
Hindustan Motor ...	Rs. 15.50
Indian Aluminium ...	Rs. 29
Indian Iron ...	Rs. 19.25
J. K. Rayon ...	Rs. 12.25
Kesoram Industries ...	Rs. 19
Orient Paper ...	Rs. 30.50
Rohtas Industries ...	Rs. 10.50
Dunlop Rubber ...	Rs. 31

Bombay

BUSINESS COMES TO A STANDSTILL

BAD CORPORATE NEWS AFFECTS SENTIMENT

Wednesday Evening.

BUSINESS has almost come to a standstill in the Bombay stock market. Earlier during the week, there was an improvement on hopes that the super profits tax would be substantially modified. After the presidents of the various stock exchanges met the Central Finance Minister in New Delhi last week, it became clear that no idea about the modification could be had until the Super Profits Tax Bill was passed. Hence operators have been disinclined to extend their commitments in any way. Whenever share prices have improved, selling has been attracted. Thus fluctuations have been narrow in a limited turnover.

Corporate news, has meanwhile been unfavourable. The latest results of cotton mills in Bombay show how profits have been squeezed by increased taxation and production costs. The fact that a leading company like Bombay Dyeing has earned less profits in 1962 than in 1961 has acted as a damper. Brady and Company has cut the taxable ordinary dividend. Shivrajpur Syndicate has again passed the dividend, but the report has not yet been published. Since electric and mining companies are not permitted to publish their reports and accounts, the Company has been ascertaining

from the authorities whether they should publish their annual reports as before.

Bombay Burmah has been permitted by the Controller of Capital Issues to issue bonus shares by capitalising reserves, provided the Company subdivides all its shares into scrip of Rs. 25 each. The only good news is that New India Assurance has been permitted by the Controller of Capital Issues to issue bonus shares by capitalising reserves. Hence this scrip has improved somewhat. Sugar shares have been subdued as the companies are believed to be preparing to challenge the Maharashtra Land Ceilings Act in the court. It is believed that the Central Bank of India has decided not to proceed with the proposed rights share issue for the time being. It was originally intended to issue rights shares in the proportion of one new share for every two held. Tata Steel closed at Rs. 118.50, Bombay Dyeing at Rs. 62, Bombay Burmah at Rs. 622, New India Assurance at Rs. 55 and Tata Locomotive at Rs. 281.

Madras

TURNOVER STILL RESTRICTED

MINIMUM PRICES SCRAPPED

Tuesday Evening.

THERE has been very little business in the Madras stock market during the past week. Aluminium Industries rights have been transacted at Rs. 2.40 and F.A.C.T. have been done at Rs. 7. Investors and operators have been chary of doing business on fears that share prices will decline further since minimum prices of all shares have been scrapped. The decision of some banks to cut the dividends already announced has dampened sentiment. The Indian Overseas Bank will pay a taxable dividend of 12 percent, instead of 14 percent, and the Indian Bank a taxable dividend of 6.5 percent, instead of 7.5 percent. Rajalakshmi, in the cotton mill section, has decided to pay a taxable ordinary dividend of 15 percent.

Investors are particularly disturbed by the fact that plantation companies will be badly affected by the super profits tax. Since the capital-reserve base of these companies is usually small in proportion to the total turnover, the impact of the levy will be severe. Hence there has been a predominance of sellers in these shares despite the fact that the crop reports of tea companies, in particular, have been generally more satisfactory than in 1961-62. Blue Mountain, Consolidated Coffee, Ouchterlony and Periakaramalai have been freely offered without attracting any support. There has been no interest in cotton mill shares. Miscellaneous shares have been neglected.

Whatever buying has taken place has been confined to high-yielding

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THE BETTER THE ROAD—

THE MORE EFFICIENT THE TRANSPORT SYSTEM

CEAT TYRES OF INDIA LIMITED, 198 JAMSHEDJI TATA ROAD, BOMBAY-1.

preference shares. Turnover in Government securities has been poor.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations. Highest for the week. Lowest for the week. Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Hindustan Motors—Rs 15/50—15/50—15/50—15/50—(20/37).
Indian Aluminium (New)—Rs. 11/75—11/75—11/75—11/75—(11/75).
Indian Copper—Rs. 4/10—4/12—4/10—4/12—(5/10).
Indian Iron—Rs. 19/70—19/70—19/25—19/25—(19/70).
Jaipur Udyog—Rs. 10/50—10/50—10/50—10/50—(13/81).
Rohtas Industries—Rs. 10/50—10/50—10/50—10/50—(17/19).
Textile Machinery—Rs. 19/60—20/10—19/60—20/10—(22/30).

GILT-EDGED

3 % Loan (1986)—Rs. 63/00—63/00—63/00—63/00—(63/00).
3 % " (1963-65)—Rs. 99/70—99/70—99/70—99/70—(99/70).
3 % " (1970-75)—Rs. 85/65—85/65—85/65—85/65—(85/65).
3½ % " (1964)—Rs. 99/30—99/30—99/30—99/30—(99/30).
4 % " (1972)—Rs. 98/95—98/95—98/95—98/95—(98/95).
4 % West Bengal (1963)—Rs. 99/70—99/70—99/70—99/70—(99/70).
4 % U.P. (1964)—Rs. 99/40—99/40—99/40—99/40—(99/40).
4½ % U.P. (1974)—Rs. 96/25—96/25—96/25—96/25—(96/25).
4½ % Madras (1972)—Rs. 95/10—95/10—95/10—95/10—(95/10).

BANKS

Hindustan Commercial—Rs. 14/00—14/00—14/00—14/00—(19/37).
Punjab National—Rs. 18/25—18/25—18/25—18/25—(21/87).
United Bank of India (Rs 10 Paid)—Rs. 6/69 a.t.—6/75—6/62 x.d.—6/62 x.d.—(6/75).

TEXTILES

Birla—Rs. 27/00—27/00—27/00—27/00—(27/00).
Century Spg.—Rs. 490/00—490/00—490/00—490/00—(490/00).
Jay Shree—Rs. 13/19—13/50—13/19—13/50—(17/69).
Jiyajeerao—Rs. 8/00—8/06—8/87—8/06.

CEMENTS

Dalmia (Bharat) (Pref.)—Rs. 8/56—8/56—8/56—8/56—(7/87).
Sone Valley—Rs. 4/20—4/20—4/20—4/20—(5/75).

MINING

Karanpura Development—Rs. 11/00—11/00—11/00—11/00—(16/00).

PUBLIC UTILITIES

Calcutta—Rs. 14/19—14/19—14/12—14/12—(14/97).
Do. (Pref.)—Rs. 8/08—8/08—8/06—8/06—(8/69).

COALS

Bengal—Rs. 265/00—265/00—265/00—265/00—(342/00).
Burrakur (1st Pref.)—Rs. 93/00—93/00—93/00—93/00—(92/50).

ENGINEERING

Britannia Eng.—Rs. 8/90—8/90—8/90—8/90—(8/94).
Indian Iron (Pref.)—Rs. 84/50—84/50—84/50—84/50—(87/00).
Jessop & Co.—Rs. 20/31—20/31—20/31—20/31—(24/75).
Kumardh.—Rs. 6/94—6/94—6/87—6/87—(7/84).
Textile Machinery (64% Pref.)—Rs. 100/00—100/00—100/00—100/00—(100/00).

MISCELLANEOUS

Asiatic Oxygen—Rs. 9/00—9/06—8/69—8/75.
Aluminium Corp.—Rs. 12/75—12/81—12/75—12/81—(18/68).
B. I. Corp.—Rs. 8/81—8/87—8/75—8/87—(11/00).
Calcutta Trams—Rs. 11/00—11/00—11/00—11/00—(11/12).
Dr. Paul Lohmann—Rs. 15/00—15/00—15/00—15/00—(15/00).
Electric Construction—Rs. 12/12—12/19—12/12—12/19—(15/25).
Gwalior Rayon—Rs. 40/00—40/00—39/50—39/50—(39/50).
General Tyres—Rs. 7/87—7/87—7/87—7/87—(7/87).

Hindustan Aluminium—Rs. 11/87 a.t.—11/87—11/81—11/81.
Hindustan National Glass—Rs. 5/25—5/37 x.r.—5/25—5/37 x.r.
Jardine Henderson—Rs. 68/00—68/00—67/00—67/00—(81/50).
Martin Burn—Rs. 23/00 x.d.—23/00—23/00—23/00—(29/94).
Do (Pref.)—Rs. 84/50—84/50—84/00—84/00—(83/50).
McLeod (2nd Pref.)—Rs. 59/25—59/50—59/00—59/50—(61/50).
Metal Distributors—Rs. 4/56—4/56—4/53—4/53.
National Tobacco—Rs. 10/75—10/75—10/75—10/75—(16/19).
Union Carbide—Rs. 34/75—34/75—34/75—34/75—(51/25).
Universal Cable—Rs. 7/94—7/94—7/94—7/94—(7/94).
Usha Martin—Rs. 13/00—13/00—13/00—13/00—(13/00).

OIL

Indo-Burma Petroleum (P. ref.)—Rs. 73/50—74/50—73/50—74/50—(30/75).

PAKES

Ballarpur—Rs. 14/50—14/50—14/50—14/50—(15/87).
Sirpur—Rs. 10/56—10/75—10/56—10/75—(15/87).

SHIPPINGS

India Steamship—Rs. 5/31—5/69—5/31—5/44—(7/41).
Port Shipping—Rs. 11/25—11/37—11/25—11/37—(11/12).

REAL PROPERTY

Clive Building—Rs. 150/00—150/00—150/00—150/00—(150/00).

SUGARS

Bairampur—Rs. 2/31—2/31—2/31—2/31—(2/44).
Darbhanga—Rs. 7/25—7/31 x.d.—7/25—7/31 x.d.—(10/50).
Raza Buland—Rs. 9/40—9/40—9/35—9/35—(10/37).
Ryam—Rs. 5/25—5/75—5/25—5/75—(8/06).

TEAS

Bishnauth—Rs. 15/00—15/00—15/00—15/00—(23/00).
Gungaram—Rs. 117/00—117/00—117/00—117/00—(154/00).
Hasimara—Rs. 12/12—12/12—12/12—12/12—(31/62).
Teesta Valley—Rs. 11/00—11/00—11/00—11/00—(13/19).

DEBENTURES

5½ % Caltex Refinery—Rs. 90/00—90/00—90/00—90/00—(90/00).
6½ % East Indian Coal—Rs. 95/75—95/75—95/75—95/75—(95/75).

London

TRADING CONDITIONS CHEERFUL EXPECTATIONS OF TAX RELIEF

London, 3rd April.

CHEERFUL conditions prevailed in the stock market during the past week. Confident expectations of tax concessions in Mr. Maudling's first Budget brought in a steady stream of buyers of industrial equity shares, and with few sellers about, prices forged ahead to record widespread, and in many cases, appreciable gains. Demand embraced almost all industrial groups. Prices eased slightly on the eve of the Budget on profit-taking, but the major part of the earlier gains was maintained. While the approaching Budget dominated the market, Dr. Beeching's plan to slash railway services stimulated buying of road transport shares which moved up sharply. Banking, H.P. insurance and property shares were in demand. With equities in favour, gilt-edged attracted little attention, but prices generally held steady. Dollar stocks moved within narrow limits. Greek bonds reacted in the foreign market. Gold shares generally fluctuated narrowly, but Johnnies were a strong feature on the share deal with Rand Selection and the dividend forecast. Teas moved uncertainly under the influence of the Sino-Indian frontier situation. Rubbers were neglected but steady.

U.K. INVESTMENT IN COMMON MARKET

SINCE the break-down of negotiations in Brussels, the British Treasury has been watching closely the trend of British firms' direct investment in the Common Market. Many firms were waiting for the outcome of the negotiations, undecided whether to organise manufacture in the Common Market or to concentrate their efforts at home with a view to exporting to the Common Market. Some of them established small units in the Common Market, with the intention to expand them if Britain remained outside the Community or to use them for such purposes as servicing their exports if the Community's tariff wall were extended round Britain. The Treasury feared a rapid increase in British investment in Europe after the negotiations failed.

Such information as is available from companies indicates that they are not hurrying to increase their investment in Europe, and the narrowing of the premium on "investment dollars" points in the same direction. But some companies are extending their interests there, and the movement, necessarily slow at the start, will probably gain impetus. There is a feeling in the City of London that if a considerable expansion of foreign investment coincides with a temporary deterioration in Britain's current account, the authorities may tighten restrictions on foreign investment.

However, it should be appreciated that most British firms have some unused capacity in their factories at home and that they will be reluctant to establish or to expand manufacturing units abroad if they can fully utilise their existing resources by increasing their exports. In some markets, the inhibiting factor is direct restriction of imports; to circumvent this restriction it is necessary to manufacture locally. But where the obstacle is an import duty it may be more economical to reduce the basic price of goods to surmount the tariff, thereby increasing sales and expanding output so that capacity at home is fully employed; for by that means unit-costs can be reduced.

U.S. Capital in U.K.

Another factor in the international capital account is the flow of U.S. investment. Britain can finance more investment in Europe and elsewhere if she receives more capital from the U.S.A. But American companies are now planning their foreign investment in a changed situation. Last year they could reasonably assume that Britain would soon be in the Common Market; this year they must accept the fact that in the foreseeable future, they will not be able to get their goods into that market, on favourable terms, by manufacturing in Britain. On the other hand, they have been made aware that they are unwelcome in France; and through Britain they can still gain preferential entry into the Free Trade Association and the Commonwealth.

It has been, perhaps, too readily assumed that U.S. companies were waiting to decide between Britain and continental Europe. Some of them, recognising that the Common Market will not soon be enlarged

by the inclusion of Britain, may curtail their plans for foreign investment, preferring to use their capital at home. Such a policy would please the Administration, not only because it would relieve pressure on the balance of payments, but also because it would promote employment at home. Conversely, Britain—particularly Scotland, which has hitherto attracted a large proportion of U.S. capital but is still a depressed area—would welcome more U.S. capital for the sake of the balance of payment and employment; though recent drastic cuts in the labour force of U.S. firms in Scotland, and the possibility that U.S. firms (Ford is often mentioned) will transfer some of their production from a British to a continental subsidiary, warn Britain that U.S. capital is an unstable factor in the economy.

Relative Costs

This year's political and economic developments in Europe will probably deter medium-size U.S. firms: the huge corporations plan long-term and on a vast scale, and they will probably continue to invest in Europe (including the U.K.), not only to get behind tariff walls, but also to produce in a geographical area where incomes are rising fast and the market for goods is not stated, as it may appear to be in some trades in the U.S.A. Despite the impediment of remaining tariffs, these corporations tend to specialise in each European plant. The broad policy of International Business Machines, for instance, is to make any particular product in only one of its six main plants in Europe. In spite of the tariffs, goods made by U.S. firms in Britain are exported to the Common Market and goods made by U.S. firms in the Common Market are exported to Britain. Factors determining the choice of sites are not only relative costs but also proximity to the market where the biggest sales are envisaged. Du Pont, for instance, has located an Orion plant in Holland to serve primarily the Common Market and secondarily the U.K., and a synthetic-rubber plant in Northern Ireland to serve primarily the U.K. and secondarily, the Common Market.

Partly, no doubt, because of the common language, American firms have hitherto invested rather more in the U.K. than in the Common Market. The latest authoritative estimate, covering 1961, shows an aggregate of rather more than \$3,500 million in the U.K. and rather more than \$3,000 million in the Common Market. In the last two years, however, the U.K.'s share of this direct investment has diminished, and this trend will probably continue.

It is arguable that this direct investment, however distributed, is excessive, for development capital is needed in the under-developed countries rather than in Europe. It is, anyway, anomalous that countries that receive this investment are required to refrain from converting dollars and to provide short- or medium-term loans to support the U.S. currency. The funds needed for the U.S.A.'s direct and portfolio investment in Europe are not really available, and in recent years Europe has in effect lent to the U.S.A., by devious means, most of the American capital that it has received.

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		29-3-63	22-3-63	30-3-62
Liabilities—				
Notes in Banking Dept.	...	8,56.44	19,45.03	25,37.09
Notes in Circulation	...	22,41,95.75	22,30,43.64	20,70,30.22
Total Notes Issued	...	22,50,52.19	22,49,88.67	20,95,67.31
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.03
Foreign Securities	...	1,05,08.43	1,05,08.43	1,13,86.07
Total of A	...	2,22,84.53	2,22,84.53	2,31,62.10
B. Rupee Coin	...	1,16,25.51	1,15,61.99	1,16,61.49
Rupee Securities	...	19,11,42.15	19,11,42.15	17,47,13.72
Total	...	22,50,52.19	22,49,88.67	20,95,67.31

BANKING DEPARTMENT		Week Ended		
(In 000's of Rupees)		29-3-63	22-3-63	30-3-62
Liabilities—				
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	61,00.00	61,00.00	50,00.00
National Agricultural Credit (Stabilisation) Fund	...	7,00.00	7,00.00	6,00.00
Deposits—				
(a) 1. Central Govt.	...	55,82.85	61,56.14	71,29.58
2. State Govts.	...	31,42.45	27,61.89	15,88.75
(b) Banks—				
(i) Scheduled Banks	...	74,91.14	71,68.54	72,73.02
(ii) State Co-operative Banks	...	2,48.58	2,51.29	...
(iii) Other Banks	...	4.38	5.49	...
(c) Others	...	1,72,39.18	1,69,22.93	1,52,35.92
Bills Payable	...	44,52.11	42,58.39	33,05.95
Other Liabilities	...	65,66.14	63,34.66	57,78.37
Total	...	6,00,26.83	5,91,69.33	5,44,11.59
Assets—				
Notes	...	8,56.44	19,45.03	25,37.09
Rupee Coin	...	3.13	1.80	2.11
Small Coin	...	2.34	2.26	3.14
National Agricultural Credit (Long Term Operations) Fund	...	...	...	...
(a) Loans and Advances to—				
(i) State Govts.	...	25,87.47	23,96.41	...
(ii) State Co-operative Banks	...	9,36.16	9,60.71	...
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	2,64.88	2,64.88	...
National Agricultural Credit (Stabilisation) Fund	...	...	...	...
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. Treasury Bills	...	66,00.18	60,76.19	46,60.45
Balances Held abroad	...	11,30.05	12,46.07	15,84.06
Loans and Advances to Govt.	...	28,88.75	30,34.90	80,88.75
Loans and Advances to—				
(i) Scheduled Banks	...	71,28.37	69,37.67	...
(ii) State Co-operative Banks	...	1,24,96.82	1,26,56.85	...
(iii) Others	...	1,67,30.90	1,65.37	...
Investments	...	2,14,02.39	1,99,71.86	1,63,43.19
Other Assets	...	35,40.15	34,86.83	34,23.66
Total	...	6,00,26.83	5,91,69.33	5,44,11.59

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		22-3-63	15-3-63	23-3-62
Liabilities—				
(a) Demand Deposits	...	...	...	...
(i) From Banks	...	51,13.14	51,81.12	49,15.30
(ii) From others	...	8,48,41.74	8,25,16.69	7,62,84.32
(b) Borrowing from Banks	...	22,29.55	21,56.99	16,40.40
(c) Others	...	59,60.68	61,00.72	52,87.62
(d) Time Liabilities—				
(i) Time Deposits	...	...	...	...
(ii) From Banks	...	19,82.38	20,40.84	15,77.63
(iii) From others	...	11,81,84.75	11,91,88.48	11,24,76.98
(b) Borrowing from Banks	...	14,30.41	18,74.93	15,84.68
(c) Others	...	10,66.38	12,43.51	13,26.37
(d) Borrowing from State Bank—				
(i) Demand Liabilities	...	11,72.51	14,98.66	9,55.26
(ii) Time Liabilities	...	4,70.00	7,61.00	...
(b) Borrowing from Reserve Bank	...	69,51.52	78,27.02	59,32.40
(c) Cash	...	51,67.68	52,94.07	51,33.29
(d) Balances with the Reserve Bank	...	99,82.01	72,15.12	72,03.16
(e) Balances with other Banks to current account	...	30,05.97	18,90.60	16,85.25
(f) Money at call and short notice	...	36,06.42	36,68.72	36,04.61
(g) Investments in Central and State Govt. Securities	...	5,97,10.95	5,87,55.31	5,91,17.50
(h) Loans, Cash credits and Overdrafts	...	13,05,30.66	13,03,41.60	11,66,75.39
(i) Due from Banks	...	15,55.04	15,13.04	6,71.80
(j) Inland Bills purchased and discounted	...	2,17,57.80	2,21,46.75	1,82,01.58
(k) Foreign Bills purchased and discounted	...	56,08.68	53,68.20	47,83.84
(l) Total of X XI and XII	...	15,94,52.06	15,93,67.59	14,05,02.61

THE BRITISH INDIA CORPORATION LTD., KANPUR

BRANCHES DIVISION:

Cawnpore Woollen Mills Branch Cooper Allen Branch
New Egerton Woollen Mills Branch North West Fannery Branch

London Office:

BEGG SUTHERLAND DIVISION:

Secretaries & Treasurers:

The Elgin Mills Co. Limited Cawnpore Sugar Works Ltd.
Cawnpore Textiles Ltd. Champaran Sugar Co. Ltd.
Brushware Limited Saran Engineering Co. Ltd.

Secretaries for: Beta Pickers Co., Ltd.

Agents for: The Oriental Fire & General Insurance Co., Ltd.

Money

THE CALCUTTA MONEY MARKET

SLIGHT INCREASE IN ADVANCES

Wednesday, 3rd April.

THERE has been a slight increase in the general level of advances in the Calcutta money market during the past week. The requirements of the jute mills are higher. But the credit given to the cotton textile and sugar industries, and to the foodgrains and seeds trade, is unchanged. There has been a slight decline in the advances given to the iron, steel and engineering industries. In the interbank market, conditions are slightly easier and the call rate quotes 64 percent.

The exchange market has been quiet. The supply of gunny bills has been spasmodic, but tea bills are scarce. The demand for remittance has increased. Sterling has weakened in relation to all the major currencies except the Canadian dollar.

DUE TO THE RAMNAVAMI FESTIVAL, the price of silver fell from the previous week's level of Rs. 280 to Rs. 278.75 in the Calcutta bullion market. The London and New York prices were 109-7/8d and 127.3 cents. There was no trading in gold.

DURING THE WEEK ENDED 29TH MARCH, Government of India Treasury bills for Rs. 156,46,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 1st April. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.405 percent and above were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2,370 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 8th April.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 2nd April to 6th April at Rs. 99.426 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills, sold from 26th March to 30th March, amounted to Rs. 10 lakhs.

A RISE OF RS. 11.52 CRORES TO RS. 2,241.96 crores in active notes was a notable feature of the return of the Reserve Bank of India for the week ended 29th March, 1963. The total note issue was Rs. 63 lakhs larger at Rs. 2,250.52 crores. Notes held in the Banking Department consequently fell by Rs. 10.89 crores to Rs. 8.56 crores. Deposits of the Government of India fell by Rs. 5.83 crores to Rs. 55.83 crores, while those of other Governments rose by Rs. 3.80 crores to Rs. 31.42 crores. Balances of scheduled banks at Rs. 74.91 crores showed a rise of Rs. 3.22 crores. Balances held abroad fell by Rs. 1.19 crores to Rs. 11.30 crores. Loans given to scheduled banks increased from Rs. 60.38 crores to Rs. 71.28 crores, of which advances against usance bills were Rs. 53.30 crores (Rs. 54.31 crores). Ways and means advances stood at Rs. 28.89 crores, against Rs. 30.35 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 22nd March, 1963, shows a rise of Rs. 5.15 crores to Rs. 553.12 crores in total deposits.

Investments in Government securities are up by Rs. 9.96 crores to Rs. 214.71 crores, while other authorised investments remain unchanged at Rs. 7.83 crores. Advances, including loans, cash credits overdrafts, and bills discounted and purchased have increased by Rs. 59 lakhs to Rs. 320.14 crores. Cash and balances are, in consequence, shown at Rs. 19.79 crores or Rs. 1.90 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 22nd March, shows Demand and Time Liabilities at Rs. 981.45 crores (Rs. 22.30 crores on account of borrowings from banks) and Rs. 1,228.84 crores (Rs. 16.50 crores), compared with Rs. 959.56 crores (Rs. 21.57 crores) and Rs. 1,243.46 crores (Rs. 18.75 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have declined by Rs. 1.26 crores and Rs. 2.33 crores to Rs. 51.68 crores and Rs. 69.82 crores, respectively. There is a rise of Rs. 9.56 crores to Rs. 597.11 crores in investments. Advances and bills discounted at Rs. 1,594.52 crores show a rise of Rs. 84 lakhs. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.5 percent and 72.1 percent, against 5.7 percent and 72.3 percent.

THE FOLLOWING IS A STATEMENT OF the cash balances of the Central Government on the last day of December 1962:

(1) At the Reserve Bank of India	Rs. 52,23,45,000
(2) At Treasuries in India	(-) 43,76,000
(3) In England (Sterling converted at 18d the rupee)	1,38,76,000
Total	53,18,45,000

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 5-4-63

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
5-4-63	6-7-63	2,00.00	Rs. 2.370%
29-3-63	2-7-63	2,00.00	Rs. 2.370%
22-3-63	25-6-63	2,00.00	Rs. 2.370%
15-3-63	18-6-63	2,00.00	Rs. 2.370%
8-3-63	11-6-63	2,00.00	Rs. 2.365%
1-3-63	4-6-63	2,00.00	Rs. 2.365%
22-2-63	25-5-63	2,00.00	Rs. 2.365%
15-2-63	18-5-63	2,00.00	Rs. 2.365%
8-2-63	11-5-63	2,00.00	Rs. 2.360%
1-2-63	4-5-63	2,00.00	Rs. 2.355%
25-1-63	28-4-63	2,00.00	Rs. 2.355%
18-1-63	21-4-63	2,00.00	Rs. 2.355%
4-1-63	7-4-63	2,00.00	Rs. 2.355%
11-1-63	14-4-63	2,00.00	Rs. 2.365%
(Monthly Maturities 000's omitted)			
April 1963		4,00.00	
May 1963		8,00.00	
June 1963		8,00.00	
July 1963		4,00.00	
Total		28,00.00	

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
29-3-63	1,19.02	.....
22-3-63	1,06.11	1,04.41
15-3-63	97.80	1,16.82

SEN-RALEIGH LIMITED

CHAIRMAN'S REVIEW

The 13th Annual General Meeting of Sen-Raleigh Limited was held in Calcutta on the 28th March, 1963. Below is the statement of Mr. Abhijit Sen, Chairman of the Company.

In the year under review the growing popularity of the Company's products was reflected in the satisfactory increase in its sales. The demand for its bicycles continued to rise steadily and even with a considerable rise in production, the year closed with a full order book in this line. Except for one of our products where off-take did not match output, the demand for bicycle components was also steady.

In the face of ever-rising costs of raw materials and their erratic supply making operating conditions difficult and leading to unduly high costs of production, the profits of the Company have failed to rise in proportion to its expanding sales. This is a situation which your Directors view with concern and to which they are endeavouring to find a remedy.

The changes brought into the organizational structure of the Company over the recent past have effectively helped in improving production, but it has to be noted with regret that they have not yet achieved the much desired targets of improved efficiency and tighter controls referred to in my last report to you. To bring future profits of the Company more in line with the scale of its operations, it is necessary to streamline its activities in all aspects, and, though this is bound to be a formidable uphill task, it is one that must be handled boldly—with all the resources of the Company mobilised in the attempt. If there is a realisation of the fact that with a sincere effort on the part of each and every person within the organization the targets of efficiency and improved operation can be reached, it should be possible in the coming years to attain this goal—and maintain the Company's pre-eminent position amongst leading bicycle manufacturers in the country.

Industrial Production

In the context of the present emergency the accent in industrial production is on co-operative effort better to utilise materials, avoid waste, and increase productivity. These important features kept in the forefront at all times—and not only during the emergency—will inevitably lead to improved operations for any industrial unit, and it is only to be hoped that the present heavy emphasis on these aspects of operation remain with us for ever.

If the months following the emergency are any index of the shape of things to come, the outlook for the coming year is not very bright. Further cuts in import licences demonstrate the bicycle industry has fallen considerably from grace where import policy is concerned. Moreover the exigencies of the situation have called for diversion of supply of the limited quantity of indigenous steel to defence production, and a considerable drop in the bicycle production as a whole in the country is visualised unless the better in time changes rapidly for the better in the near future. The dock strikes in the U.S.A., a country from which much of our raw materials now come, have been a further retarding factor affecting supply lines, and as a result of all these features, both bicycle and of other component production has suffered a considerable set-back. In the interests of India's economic development, it is only to be hoped that these conditions will pass off soon.

Early in the emergency, your Company along with many others offered its services for assisting in defence production. Your Company is emi-

nently equipped to undertake production of defence stores and any orders for defence production would doubly benefit the country in its hour of need, as, in addition to resulting in out-turn of much needed stores, these would also assist towards fuller employment, and utilisation of idle capacities.

Future Projects

Though the immediate outlook is not very encouraging, your Directors do not consider that the Company should delay implementation of any of its future projects on which it has been working for the past two years. As you are aware, negotiations have been successfully concluded with Raleigh Industries Limited for financing the foreign exchange requirements of schemes for expansion of bicycle production and diversification into the manufacture of House Service Meters. These negotiations culminated in the subscription by the latter to a substantial part of the new capital issued by the Company in November last, and, in their executing a series of fresh agreements with the Company to replace the Agreement dated 3rd November, 1948 and the Sales Agreement. In November too, the Company in General Meeting accepted the new continuing Technical Aid Agreement with Raleigh Industries Ltd., under which royalty will be payable at half the previous rate until 1968, and no royalty shall be payable thereafter for technical aid and use of their marks.

At the same time, the Trade Mark Agreements with Raleigh Industries Limited and its Associates were recast to fall in line with the requirements of the Trade & Merchandise Marks Act 1958. Amended Agreements with Union Sils van de Loo & Co., and Wittkop & Company consequent to the revision of the Trade Marks Act have also been submitted to Government for approval. An Indian Trade Mark belonging solely to the Company has now been introduced, and it gives me pleasure to announce that the first consignment of bicycles bearing the brand 'Balaka' will soon be on its way to Africa. It has been found that in markets where the popular English brands of our Associates hold sway, an Indian brand of bicycle with our

standards of quality finds easier acceptance than the English brand of an Indian manufacture. In such markets an Indian Raleigh would fight an unequal contest with its English counterpart and result only in creating an embarrassing situation for both. Although we have started the Balaka exports in a small way at present, one can hope for the time when this flight of Indian birds will spread its wings over the major cycle importing countries of that day.

Expansion Programmes

The expansions we have undertaken would cost the company over Rs. 2 crores in the next 2/3 years, and the Capital we have now raised will be financing just one part of this expansion. For the rest, we shall be dependent mainly on finances generated within the Company, but we may need to consider an approach to the Industrial Finance Corporation for foreign fund loans for the reason that though the Raleigh subscription covers the exchange requirements of the entire bicycle expansion scheme and most of the House Service Meter scheme, a small part of the exchange requirements of the latter scheme still remains to be found.

For the scheme of manufacture of House Service Meters, a Technical Agreement has been entered into between your Company and Associated Electrical Industries Limited, of U.K. This Agreement has a tenure of ten years, and is based on the payment of royalty for use of the AEI 'knowhow'. It also allows the Indian Company to export. The planning work on this project is well advanced, and subject to import licences for plant and equipment being received on time, it is expected to commence trial production in 1964.

In planning our expansions, we have the expectation that the steel output in the country having reached its take-off stage, much of our expanded requirements could be met in the near future from indigenous supply; that if exports of our products develop on planned lines, export incentive licences should help us substantially in regard to meeting our essential import requirements; and that most of the plant required for our expansions would in general be suitable for manufacture of defence stores, should this

aspect of production assume greater priority. At the moment, the range of steel manufactured in the country is relatively wide, and with better co-ordination on the part of the various Ministries concerned leading to a fuller utilisation of re-rolling and cold-drawing capacities in the country, the major requirements of Light Engineering Industries could be met from indigenous steel. Today, though skelp, black bar and wire-rod are all manufactured in fair quantity by the primary steel producers, much of the cold strip, bright bar and wire drawing capacities in the country still remain idle and imports have to continue in these latter items. With a bit of planning, and co-ordination the imports could be scaled down considerably with hot-rolled material replacing the cold-rolled and allowing the cold-rolling capacity in the country to work to capacity. It is hoped that with the creation of the new Ministry for Economic and Defence Co-ordination, this problem could be looked into on a wider perspective than at present.

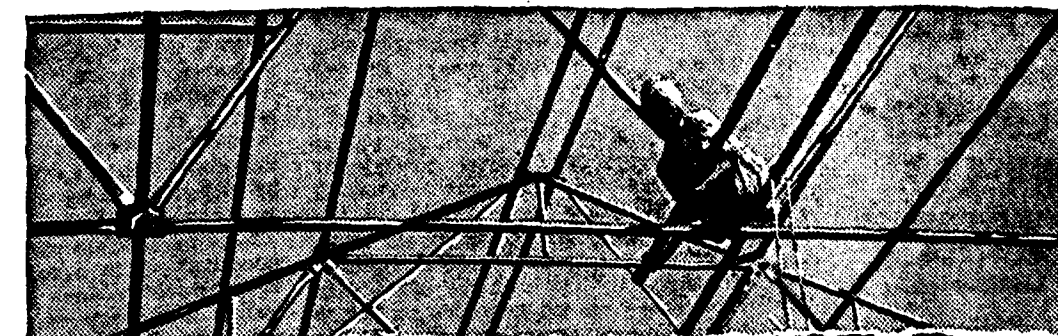
Rise in Costs

The impact of the recent increases in excise have already been reflected in our past year's performance. With the threat of further taxation looming ahead of us, the extremely onerous burden of Emergency War Risks Insurance premia, and increasing costs of transport and power a rise in costs will inevitably result of an order which cannot be countered by any economy effected by efficiency of operation or increased output alone. Something extra is called for now and we must be prepared to trim the many little luxuries we have allowed ourselves in the past, and to effect the many small economies which we have tended to ignore as inessential so far, in our bid to meet the challenge of the times.

Staff and Worker relations continued to be quite happy though recent layoffs due to lack of materials has been a disturbing factor for both management and workers. Towards the end of last year, the Agreement with the Employees' Union at Kanyapur was to have come up for review, but in the face of the emergency, both the Union and the Company agreed that the existing one be extended and negotiations for a new agreement be held in abeyance till more settled times.

I cannot close without a word of thanks to all staff and workers of the Company for their efforts during the year.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.



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NAJ/SL-249

ASIATIC OXYGEN LIMITED

REPLACE S.P.T. BY VOLUNTARY CONTRIBUTIONS, MR. JALAN PLEADS

Extracts from the Chairman's speech of Mr. B. L. Jalan at the Annual General Meeting of Asiatic Oxygen Limited held at Calcutta on Saturday, the 30th March, 1963.

Gentlemen,

As you are aware, our proposed production facilities together with those of our subsidiary company will represent an extensive network of in-

dustrial gas factories around the country, at Calcutta, Bhilai, Barauni, Durgapur, Bombay, Madras, Rourkela, Hyderabad and Patna. We will also have additional three units for the manufacture of oxy-acetylene gas, welding and cutting equipment, electrodes, and arc welding transformers, which will enable us to provide complete service to our customers, large or small, in the industrial welding and cutting field. Our gas plants are expected to be shipped from the U.S.A. very shortly and we hope that all our gas plants will be on stream before the year is out.

It is not necessary for me to dilate at length on the prospects of this industry. The demand for oxygen and dissolved acetylene was estimated at 1000 million cubic feet and 150 million feet respectively in 1960-61. The Third Plan production targets of 1650 million cubic feet for oxygen and 200 million cubic feet for dissolved acetylene were based on a projected capacity of 2300 million cubic feet for oxygen and 250 million cubic feet for dissolved acetylene. This growth represents a 66 per cent rise in 5 years for oxygen and 33 per cent for dissolved acetylene. All indications and projections show that the demand would be higher. Utmost vigilance, however, is warranted in our licensing policy which may lead to mushroom growth of industrial units leading in its wake to uneconomic and wasteful capacity.

Need for Defence

The industrial gas industry has assumed a special importance owing to the national emergency proclaimed in the aftermath of the massive and wanton Chinese invasion. The requirements of oxygen and allied gases for purposes of defence have considerably gone up in consequence of increased defence efforts. Your industry, I am proud to say, has joined the whole country in offering its services and unstinted support in the national cause. It is a matter of great satisfaction to us that practically the whole world has supported our righteous stand and that Communist China has been completely isolated. Friendly countries like the United States and the United Kingdom, besides several others, have come out with large scale and immediate help.

As the Prime Minister has rightly said, the war has to be fought not only on our frontiers but equally in our fields and factories. No time would be more propitious than now that the 150 million of our working village people should be geared to provide more food and more raw materials. Voluntary extra effort would be the answer. Members of Parliament, State legislatures and other social workers supported by Government officials in rural areas can do yeoman's service to the nation by organising the villages to dig canals, wells and the like. Targets should be determined for each State, each district, each village. Simultaneously, industry should be asked to operate additional shifts and to work on all Sundays. Workers should contribute to the National Defence Fund their extra wages and the industrialists their extra profits. It is estimated that in one year alone workers would earn about Rs. 75 crores of additional wages, the industry would produce additional goods and services of the gross value of Rs. 480 crores and of the net value of about Rs. 180 crores.

New Taxes

It is in this perspective and context that we should view the various

measures taken by the Government including the new taxes. The yield, you know, of the new super profits tax has been estimated at Rs. 25 crores which pales into insignificance before the estimates of additional wealth which would be created by making the industry work on additional shifts and on Sundays. Moreover, the suggestions I have made a little while ago would increase the national wealth, and therefore, the intrinsic strength of the nation. The taxation will only bring about a mere transfer of the existing flow of incomes even if it does not actually, as apprehended by many, retard production seriously. It may also be recalled in this connection that even the voluntary contributions to the National Defence Fund during the last six months, have been twice as large as the total yield estimated to accrue from the new super profits tax for the whole year. I have absolutely no doubt in my mind that if instead of imposing this fresh tax, the Government asked the industry and the people of India to make additional voluntary contributions to the tune of Rs. 25 crores, they would welcome this as an additional responsibility to be carried out willingly and with a sense of gratification.

In the midst of the flare up of border warfare and some initial reverses, our Prime Minister so boldly and so rightly laid the task before the nation: while we should double our efforts and be prepared for a prolonged war with our treacherous neighbour, we should not relent our efforts to achieve a faster rate of industrial and economic growth. Any other approach would only achieve one of the basic objectives of our communist adversary. Confronted with a complete debacle of "leap forward" at home, the successful "leap forward" in India by democratic methods, techniques and institutions, became an eye-sore to China. By giving up our plans of economic development we would only be playing into the hands of the aggressor.

Our distinguished Finance Minister in his budget speech so candidly and so lucidly described the objectives of our fiscal and economic policies. At the cost of repetition I will reproduce here what he said: "First and foremost, there is the need to increase production and accelerate the pace of development. The growing claims of defence and development cannot be met except on the basis of an expanding volume of production. By far the greater part of the responsibility for increasing production rests with the private sector and when I refer to the private sector, I am referring not only to organised industry and labour, but also to the millions of our peasants and artisans." "The second thing which may be evident from what I have said earlier is the seriousness of our foreign exchange position." One wonders, however, if the tax proposals are calculated to help achievement of the basic objectives of our policy.

Take the super profits tax. It is a tax on taxed income. It is a tax on economy and efficiency and higher productivity. It is a deterrent tax on investments. It is a deterrent tax on inflow of foreign capital. Does it not, therefore, go against those basic principles of taxation which have been evolved through many centuries?

The super profits tax also negatives the attractive features of our tax system, namely, development rebate and five year tax holiday.

Industrial Policy Resolution

I do not have many doubts about the situation which emerges. Our objec-

CAPITAL, 4th April, 1963.

tives have been wisely devised; but the ways and means adopted to achieve them are calculated to defeat the very objectives. It is not a question, as is sometimes posed, of public and private sectors. It is a basic question of mobilising, in the most efficient manner, our limited national resources. It is in this context that I sincerely believe that our Industrial Policy enunciated in 1956 has become outdated and obsolete. There cannot be a dichotomy of productive effort, reserved here for the private sector and there for the public sector. There is only one sector and one goal. The only sector is the national sector. The only goal is the national growth and prosperity.

It is only in recent years that people in the middle and lower income brackets have shown considerable interest in industrial investments. This is doubtlessly a very healthy and profound development. It has a far reaching impact on our economic and social framework. I wish the Government realised the deterrent impact the new budget would produce on these large number of investors and disturb healthy trend of more widespread interest in capital issues.

There is yet another area into which I am afraid the dynamic sense of national urgency has yet not penetrated. The functioning of the licensing procedures and of the autonomous public institutions continues to be as, if not more, dilatory than before. The impression has gained currency that the national emergency has not brought any perceptible change in the red-tape-ridden methods and procedures of Government.

Dilatory Methods

I am aware of quite a few cases of leading foreign companies which otherwise willing to make large investments, were repelled by bureaucratic behaviour and dilatory methods of licensing and regulatory procedures. It is, perhaps, seldom a more precious asset, that is, highly advanced technical know-how. The United States of America spends every year on research alone some 15 billion dollars. That is, about Rs. 7,500 crores equivalent to our total public spending under the entire Third Five Year Plan in all the sectors of the economy. It is, indeed, this national urge for more efficient techniques, tools and processes which have made possible the high productivity of American industry and the phenomenal prosperity of the American people.

I had referred earlier to another objective of our current economic policy, namely, to hold the price line. It is a 'must' for our rapid and accelerated rate of industrial and economic growth and for mobilising our resources for defence at minimum cost. I am afraid, however, that powerful forces have been released in the economic system which would make it impossible to hold the price line. Government spending, both on civil and defence accounts, has been raised phenomenally. Similar spending on capital account has been likewise rising. Monetary incomes have been touching new high levels. Liquidity within the country is expanding owing to foreign aid and investments. Industrial costs have been allowed to increase unabated. Taxes have been imposed which tend to further increase the costs. The cost of capital equipment and construction has considerably gone up. The cost of capital goods has witnessed an unprecedented rise in recent years while bank credit to industry is becoming more and more difficult to obtain. Disposable profits have been reduced by all forms of taxation.

This does not purport to be the record of proceedings of the meeting.

CAPITAL, 4th April, 1963.

New Delhi

THIRD PLAN MAKES POOR PROGRESS IN TWO YEARS

(FROM OUR NEW DELHI CORRESPONDENT)

IN the 1963-64 annual plan, adequate provision has been made for agricultural production programmes, consumer co-operatives and irrigation schemes which are expected to yield benefits early. A larger provision has also been made for power schemes, and such industries as steel, fertiliser, electrical, engineering and coal mining. The line capacity of the railways is being extended, and road works are being taken up to meet the needs of the emergency. The training of engineers, medical and other technical personnel is also being expedited.

In the first year, the third plan outlay was around Rs. 1,140 crores. On the whole, this did not cause any serious strain on the economy. The Budget deficits at the Centre and States were moderate, and they were met by drawing down cash balances and through the issue of Treasury bills. Some States, however, had no cash reserves to fall back upon. The deficits, therefore, had to be met by unauthorised overdrafts from the Reserve Bank. To enable these States to clear off their overdraft liabilities, the Centre had to offer them ad hoc loans. The aggregate Budget deficit of the Centre and the States amounted to Rs. 96 crores. Rupee resources corresponding to external assistance amounted to a little over Rs. 300 crores. The remaining amount of Rs. 743 crores was found from current revenues, additional taxation, surpluses of railways and other enterprises as well as borrowings, small savings and miscellaneous capital receipts.

The Outlay Target

For 1962-63, the outlay target for the third plan was initially taken as Rs. 1,476 crores. The revised estimates show a small increase over the earlier figure. The actual outlay may well turn out to be somewhat lower. Nevertheless, the increase in the outlay this year over that of the previous year will be of a sizable order. On the basis of the revised estimates, the Budget deficit is likely to be around Rs. 215 crores, although the actual position might turn out to be somewhat better.

For 1963-64, the outlay target for the third plan has been fixed at a little over Rs. 1,650 crores. But it appears unlikely that this target will be reached.

As for the surplus from public enterprises, the actual contribution in the first two years has been below the initial expectations. For 1963-64, the target of surpluses from these enterprises has been fixed at Rs. 69 crores, which shows a big increase over the likely realisation in 1962-63.

The performance in the sphere of small savings in the first two years of the third plan has not come up to expectations. To supplement small savings a compulsory savings scheme has been included in the Central Budget.

The expenditure in the first two years, 1961-63, on agricultural programmes, co-operation and community development is estimated at Rs. 335 crores. Including an outlay of Rs. 216 crores for 1963-64, the outlay in the first three years (Rs. 551 crores) is less than 52 per cent of the five-year outlay. The budget for

the community development programme has been re-orientated in order to concentrate on agricultural production.

As for large and medium industries as well as minerals, against the third plan outlay of Rs. 1,882 crores (including Rs. 80 crores on State plans), the actual expenditure in 1961-62 is Rs. 193 crores, the anticipated outlay in 1963-64 Rs. 298 crores and the budgeted outlay Rs. 365 crores (including the expenditure to be met from internal resources of public enterprises). There has been a substantial increase in the outlay from year to year.

The foreign exchange component of public-sector industrial projects in 1963-64 is more than Rs. 100 crores. It is expected to be met almost wholly from foreign aid. The implementation of these projects will result in a rapid use of foreign aid and credit.

The following table indicates the outlays on important industrial and mineral projects:

	(In Rs. crores)			
	Five-year outlay 1961-66	1961-62 actuals	1962-63 anticipated	1963-64 Budget
(i) Steel	622	41	71	104
(ii) Heavy Industries				
(a) Heavy engineering	130	15	36	32
(b) Heavy electricals	104	11	15	18
(c) Fertiliser factory, Trombay, Namrup, Gorakhpur and F.A.C.T. (Kerala) and Madhya Pradesh	63	5	25	18
(iii) Coal				
(a) N.C.D.C. and Singareni collieries	121	13	21	22
(b) Neyveli lignite	64	27	22	16
(c) O.N.G.C.	149	14	22	30
(d) Refineries	69	18	18	16

The belated review of the first year of the third plan was published last week. The review is a record of achievements on each and every front. If there have been shortcomings, they are attributed to acts of God.

Actual Performance

The review says: "Considering the standard of actual performance which the third plan has been able to achieve in its first year, it appears that, while in the aggregate, it has met with some degree of success in certain directions, the pace of progress has not been fast enough, at least in view of the ground to be covered in the entire five-year period."

"In the agricultural sector, the output of foodgrains was at 78.6 million tons, being lower by about 1 million tons, compared with 1960-61. There was also a decline in the production of certain important cash crops like cotton. The additional utilisation of major irrigation was less than 1 million acres and additional potential from minor irrigation less than 2 million acres. The area benefited from soil conservation increased only by about 1 million acres. The performance of other agricultural production programmes was of like order. The overall performance in agriculture was thus far from satisfactory. In the industrial sector, while there was a significant addition to capacity and out-

put in certain categories, the rate of growth of industrial production, as a whole, had slackened."

As for agriculture, apart from adverse weather conditions, expansion of the production potential had not been realised to the extent planned. There has been a tendency in some States to divert outlays for irrigation. But maximum benefits have not been secured from irrigation potential already created due to the failure to construct field channels in many areas. The progress of minor irrigation schemes has not been satisfactory either.

Seed multiplication and distribution programmes suffered because of the inadequate financial provision in the State plans. While the availability of nitrogenous fertilisers has improved, it continues to be below requirements as imports cannot be increased due to the foreign exchange shortage. The problem of raising agricultural production is, however, one of increasing the yield and acreage and in conserva-

construction and maintenance of field channels has been fixed on panchayats. Meantime, the taxpayer is being asked to pay more money for the Ministry which is now engaged in creating a village defence force. The agriculture targets still remain targets—yet to be achieved.

Industrial Progress Retarded

As for industries, the principal factors which adversely affected the rate of growth were the shortages of transport, power, fuel, essential raw materials and foreign exchange. The position in relation to power and transport has eased lately to some extent but the supply of essential raw materials and components continues to be difficult due to the shortage of foreign exchange. Meanwhile, some public-sector projects have not operated to full capacity because of technical and other difficulties. The tendency to satisfy regional and individual claims by licensing too many units within an allotted capacity has led to the development of high cost units.

Some projects have already been crowded out of the third plan. They include the Bokaro steel plant and the heavy plate and vessels project which is to be located in Wardha. The expansion of the Rourkela and Durgapur steel plants is expected to be completed within the third plan but it is doubtful whether both of them will be able to realise expanded production by 1966. The commissioning of several projects, such as the Barauni oil refinery is behind schedule.

In the private sector, as already reported, many industrial licences had to be cancelled due to the delay in implementing the schemes. This may lead to shortages of particular industrial products. The Government is anxious to reach the target capacity for fertilisers and aluminium. The Central Minister for Steel and Heavy Industries, Mr. C. Subramaniam, warned recently that the Government might take over a particular fertiliser project if its implementation was not speeded up by the private party which received the licence earlier.

The case of aluminium projects is even more depressing. It was almost two years ago that two licences were issued for setting up a plant each in Koyna and Mangalore, with a capacity of 20,000 tons and 30,000 tons respectively. Although the difficulties concerning the Koyna project have been ironed out, those relating to the 30,000-ton Mangalore project still remain unsolved. Mr. Murarji Vaidya, it will be recalled, got a licence for the project. He made collaboration arrangements with the U.S. firm of Reynolds. It is no longer a secret that Mr. Vaidya and Reynolds had some differences of opinion. So Mr. Vaidya eventually fixed up another foreign collaborator. Apart from other difficulties, it is not yet known whether the new collaborator will be able to arrange all the dollar loans and credit facilities which Reynolds had succeeded in arranging.

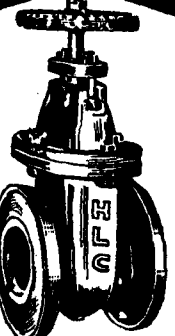
It will thus be seen that the picture painted by the Planning Commission on the achievements in the first year of the third plan is not very promising.

FRENCH PLANNING

Indian System Compared

The Counsellor of Economic Affairs to the French Embassy in New Delhi, Mr. Jean Bernard, read a paper on French planning last week. The Indian planners, it may be added,

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were conspicuous by their absence. Claiming singular success for the French system of planning, Mr. Bernard, compared it with planning in India in the following terms:

"Being admitted that the French have gathered a large amount of experience in a method which is as far from the Russian totalitarian planning system as from the American totally unplanned economy, Indians may well raise a somewhat similar claim to an original compromise between the one and the other.

"Whatever may be the similarities, there is a striking and fundamental difference between the Indian and French experience, in so far as they represent answers to entirely different problems. Indian planners try to initiate a process of growth in a largely under-developed economy extending over an immense area, whereas the French endeavour to bring about the harmonious and sustained progress of an already developed economy, closely interconnected with highly sophisticated and capitalistic countries. Consequently, a success of the indicative type of planning has a significance which is largely irrelevant to Indian conditions. On the other hand, the successful fulfilment of French planning may well have a definite bearing on the future of Europe, and on the fate of the western civilisation itself."

IMPORTS

Policy to be Announced

The import policy for the next financial year April 1963-March 1964 is expected to be announced during the third week of April, after taking into account the overall needs of the country including the defence requirements.

I. D. A.

Credit for Railways

The International Development Association—an affiliate of the World

Bank—made available to India a development credit equivalent to \$87.5 million last week. The credit will help the Indian railways to finance imports of materials and equipment needed during the current year for the railway development programme. The foreign exchange cost of the programme has been substantial. Considerable help in meeting it has been provided by the World Bank, which through six loans over the past 13½ years has provided the Indian railways with nearly \$378 million—by far the largest amount it has lent for any single enterprise. By developing the manufacture of railway equipment in India, the dependence on imports has been greatly reduced. Electric locomotives, for instance, are now built at the Chittaranjan works. By 1966, it is hoped, most of such locomotives needed by India will be met from domestic production. Nevertheless, the foreign exchange cost of the 1961-66 programme is expected to reach the equivalent of Rs. 249 crores.

The present I.D.A. credit will help to cover the cost of imports for the railways over the coming year when expenditure abroad is expected to reach its peak. It will be used for the purchase of components and materials needed to build locomotives and rolling stock in India, and also to finance imports needed for the electrification programme, for track and other materials and equipment. Orders for imported equipment are placed through international competitive bidding.

The I.D.A. credit of \$67.5 million is for a term of 50 years, with repayment of the principal beginning on 1st May, 1973. Thereafter, 1 per cent of the principal will be repayable annually for ten years, and 3 per cent will be repayable annually for the final 30 years. The credit is free of interest, but a service charge of ½ of 1 per cent a year on the amount withdrawn and outstanding will be made to meet the I.D.A.'s administrative costs.

Two more agreements for another \$34 million are nearing completion. These two are specifically meant for diesel locomotives. The U.S. Export-Import Bank is expected to provide \$19 million to finance the foreign exchange cost of setting up a diesel locomotive manufacturing plant in Banaras. The I.D.A. will give another \$15 million to enable India to purchase 54 diesel locomotives from abroad. These will be supplied within a year and will be required to fill the gap until indigenous manufacture begins.

RAW MATERIALS

Supply for Industry

Although it is too early to assess the impact of import cuts during the current licensing period, important industries, such as cement, steel, aluminium, paper, sugar, nitrogenous fertilisers and jute manufactures required little or no imported raw materials. For other industries, such as cotton and woollen textiles, tyres and tubes, drugs and medicines, tyre cord yarn, staple fibre and art silk yarn, provisions for raw material had been made at the same or increased levels. While there may be some decline in production of industries with low priority, the overall picture will be one of steadily rising industrial production, it is claimed.

FOREIGN COLLABORATION

Number Declines

There has been a fall in foreign collaboration arrangements in recent months. The number of technical and financial collaboration proposals approved by the Government of

India in 1961, 1962 and from 1st January to 15th March, 1963, was 402, 299 and 60, respectively. The recent fall in the number of proposals approved has been mainly because the Government is not encouraging foreign technical collaboration in fields where technical know-how is generally available within the country and also in industries which are not of sufficient importance under the present emergency. Furthermore, in view of the present foreign exchange shortage, the policy is to approve foreign collaboration proposals only after a firm had been able to make definite arrangements to import plant and machinery required for the project and its application for capital goods had been considered and approved by the Government of India.

CZECHOSLOVAKIA

Revising Credit Pact

The Government of India has asked the Czech Government to revise the Rs. 231-crore credit agreement on the four major public-sector projects of heavy engineering and heavy machinery in Ranchi and the heavy boiler plant in the south to be established in India with the latter's collaboration. The scrutiny of the detailed project reports of the third stage of the foundry-forge, high-pressure boiler, heavy power equipment and heavy machine tool plants, submitted by Messrs Technoexport, Prague, showed that there was an increase in the capital cost estimates of these plants, compared with those contained in the preliminary project reports. The foreign exchange requirements of these plants for importing machinery and equipment, etcetera, from Czechoslovakia substantially exceeded the credit of Rs. 231 crores.

As already reported, a delegation headed by the Additional Secretary to the Department of Heavy Industries, Mr. T. Swaminathan, held discussions on these matters with the Czech Government in Prague early last month. The Czech Government has agreed to consider India's suggestions on this matter.

U. S. A.

Loan for Power-station

The U.S. Ambassador to India, Professor John Kenneth Galbraith, announced here last week that his Government has approved a loan of \$16 million (Rs. 7.6 crores) for the Chandrapura thermal power-station. This will help make the plant the largest of its kind in India. The loan will pay the foreign exchange costs of adding one more 125,000-kilowatt or 140,000-kilowatt generator to the two units each of the same capacity which are now being installed through U.S. financing of the power plant. The loan will be made available to India through the U.S. Agency for International Development.

NEVELI LIGNITE

More Tenders Invited

The Neyveli Lignite Corporation has invited global tenders for additional machinery required to increase the production of lignite to 4.88 million metric tons. The present annual production is envisaged at 3.56 million metric tons. It has already been decided to increase the capacity of the power station from 250,000 kilowatts to 400,000 kilowatts.

STATIONERY

Cost Estimated

The total cost of stationery supplied by the Stationery Office to the

CAPITAL, 4th April, 1963.

Government of India offices last year and the estimated cost of supplies this year are of the order of Rs. 3 crores and Rs. 5.38 crores, respectively.

S. T. C.

Iron Ore Contracts

New contracts have been concluded by the State Trading Corporation with Yugoslavia and East Germany for 250,000 tons and 6,200 tons of iron ore, respectively. Bulgaria has also agreed to buy about 50,000 tons.

SHIPPING COMPANIES

Foreign Participation

The Indian shipping companies in whose capital foreigners hold shares and the percentage of shares held by them are as follows:

Name of company	Percentage of foreign participation
Scindia Steam Navigation Co. Ltd	0.69
India Steamship Co. Ltd	3.17
Bharat Line Ltd	6.67
Jayanti Shipping Co. (Pvt.) Ltd	24.8
Mogul Line Ltd	19.39
Malabar Steamship Co. Ltd	0.009
Gill Amin and Company	13.577
South East Asia Shipping Co.	25

The maximum foreign participation permitted in Indian shipping is at present restricted to 25 per cent under Section 21 of the Merchant Shipping Act, 1958.

FREIGHT RATES

Increase Announced

The India, Pakistan, Ceylon and Burma Outward Freight Conference, governing the trade from the United States, north Atlantic and the Gulf ports to India, has recently announced an increase of 10 per cent on the base rates. The Conference at present comprises one Indian and seven foreign shipping lines.

N. I. D. C.

Loans Offered

During the past three years, the National Industrial Development Corporation has disbursed the following loans to the cotton and jute industries for their rehabilitation:

Cotton textile industry	
Gujarat	Rs. 25,05,400
Maharashtra	Rs. 1,00,27,502
Madhya Pradesh	Rs. 28,87,000
Madras	Rs. 62,07,282
Pondicherry	Rs. 12,93,652
Uttar Pradesh	Rs. 19,14,000
West Bengal	Rs. 40,40,000
Jute industry:	
Uttar Pradesh	Rs. 38,75,000
West Bengal	Rs. 2,27,98,640

STEEL

Productivity Team Report

The productivity team's report on the steel industry in Russia and Czechoslovakia, sponsored by the National Productivity Council, says:

"The main problem before Indian industry in the sphere of productivity, the team says, is that of maximising production at optimum capital outlays, since here capital is

CAPITAL, 4th April, 1963.

more scarce than labour. To do this, it is necessary that labour organisation and discipline are considerably improved and the management task of forward planning for raw materials, transport, maintenance and introduction of new techniques be more effective. While the first objective can be attained through the help of trade unions and by assuring the worker a fair share of the gains, the second requires meticulous pre-planning of all details at the managerial level. Unlike the Indian steelworks' manager, his Russian counterpart is delegated full powers, and then held fully accountable for results."

The team has been greatly impressed by the rapid growth of the industry in both Russia and Czechoslovakia. Judging from the results achieved so far, and the discipline and drive it observed, the team thinks that Russia will become the world's largest steel producer within a decade, and also reach its enormous target of 250 million tons by 1980. Much of the credit for this goes to the "socialist form of Government" in that country which has "enabled the allocation of funds and priorities to facilitate rapid steel development, and has inculcated the discipline necessary for the determined pursuit of productivity". This system, the team says, "also permits a new technique, once proved and its economics established, to be unfalteringly applied on a countrywide basis. In India, on the other hand, technical issues—such as the desirability of beneficiating iron ores and agglomerating the fines—tend to be debated endlessly and often at non-technical levels."

In both Russia and Czechoslovakia, technical men with specific steel plant experience are in top positions, not only at the steel works but also in the planning bodies and ministries connected with steel. This, however, is not the only lesson held out by the Russian and Czech steel industry. Regional dispersal of the industry is a cardinal principle in both countries. In India, the "centre of gravity" of steel production was till recently in the eastern region; now the team suggests that a "second metallurgical base" should be developed in the Bhilai-Bailadilla-Chanda area in the central region, and a "third base" established in the south. Furthermore, the team says, "sea-based plants in Goa, Visakhapatnam and other coastal regions are viable propositions which need to be investigated."

As for the size of a steel plant, the team suggests that a "good initial size for a new flat-products steel works would be about 3 million to 4 million tons, to be achieved in phases over a five-year construction period. Furthermore, such a plant should be capable of expanding by at least four times to a possible future capacity of up to 15 million tons in the next two decades." Russia today has one plant approaching 10-million-ton capacity, that is, India's third plan target. Even a small country like Czechoslovakia, with serious raw material difficulties, is planning a new steel works in Kosice for an initial output of 4 million tons, and a provision to expand it to 8 million tons. According to the team, India too, must depend on large steel complexes or the bulk of its requirements, and simultaneously build small plants to meet regional demands.

Basing itself on a close study of various other facets of the industry in the two countries, the team reports:

"Labour productivity: Labour productivity at the Russian and Czech steel works is currently only 55 per cent to 60 per cent of the U.S.A., but is rising rapidly at 5 per cent and

8 percent a year, respectively. Even so, Russian productivity today is about twice that of India. The problem is not that Indian labour productivity is low but that its rate of improvement is slow in spite of massive infusion of capital. The climate for productivity can only be created if the steel worker is fully trained and properly motivated, by financial and other incentives.

"Blast furnace size: Consideration should be given to evolving a standard Indian furnace design of about 1,700 tons which could produce up to 300 tons of iron a day.

"Steelmaking: The present Indian average output from openhearth is 6.5 tons a square metre a day, against 10.46 tons in Zaporozhstal, Russia, and 7.2 tons in Czechoslovakia. This indicates the large scope that exists for increasing production from the same furnace through modern technological advances, such as oxygen injection and flame enrichment, and basic roofs.

"Rolling mills: The Russian rolling mill practice is characterised by high equipment availabilities of over 7,000 years a year, as a result of meticulously-planned maintenance and repair. There is a growing trend towards automation and computer control of all processes.

"Design organisation: The success of Russian and Czech industry is due largely to the existence of large

specialised design organisations. The design organisations in the two countries visited are able to function effectively because they are completely independent of equipment manufacturers, production units or State planning bodies."

BELGIUM

Another Loan Expected

Belgium is expected to announce another loan of \$10 million to India at the next meeting of the Aid-India Club which is scheduled to take place in Washington on 30th April. The use of the current \$10-million aid from Belgium has been slow. With the exception of a fraction of the aid used in a cast iron spun pipe project, it has remained unused so far. Various projects are, however, now under discussion. The expert team of the National Coal Development Corporation, headed by the Joint Secretary to the Central Ministry of Mines and Fuel, Mr. Cheddi Lal, will leave for Belgium on 7th April to buy mining equipment.

Electric locomotives as well as their parts and engines are being purchased from the German, French, Italian and Belgian consortium to use a part of the loan. The Central Ministry of Transport proposes to buy two ships, while talks are in progress for financing the Gujarat State fertiliser plant

from either the yen credit or the Belgian loan. The loan is an extension of the export risk credit repayable in five to ten years.

The Central Minister for Economic and Defence Co-ordination, Mr. T. T. Krishnamachari, it is expected, will visit Australia to explain India's policy with particular reference to the Chinese aggression. Australia has agreed to supply arms and ammunition and woollen garments worth over £(A)2 million as an outright gift.

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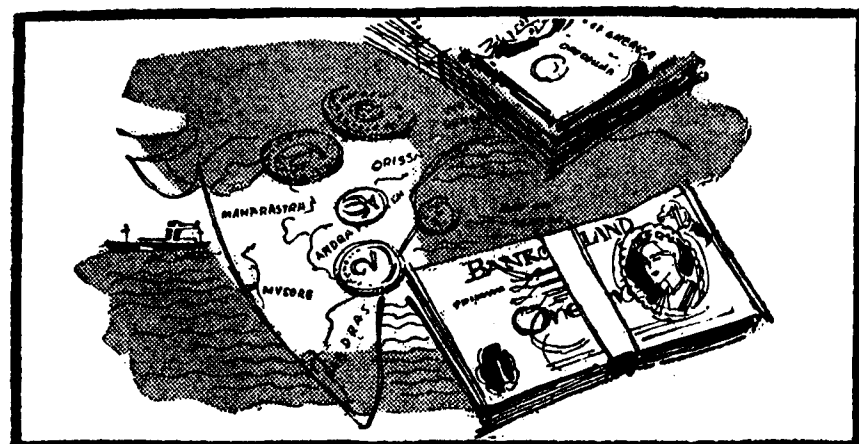
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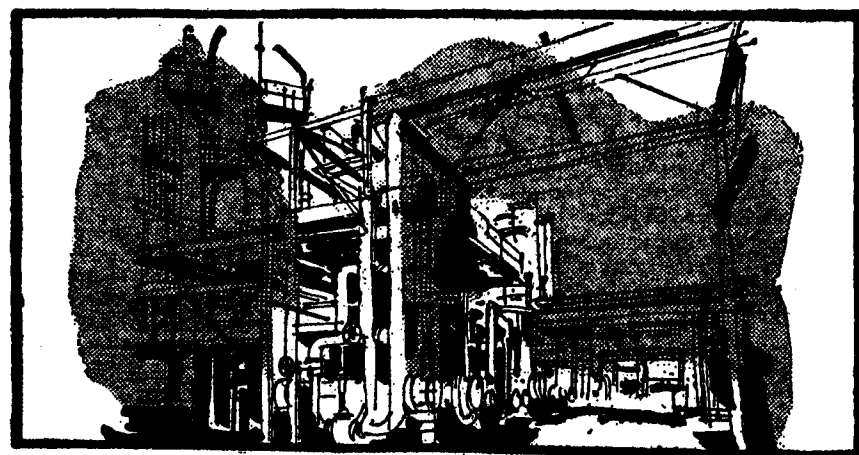
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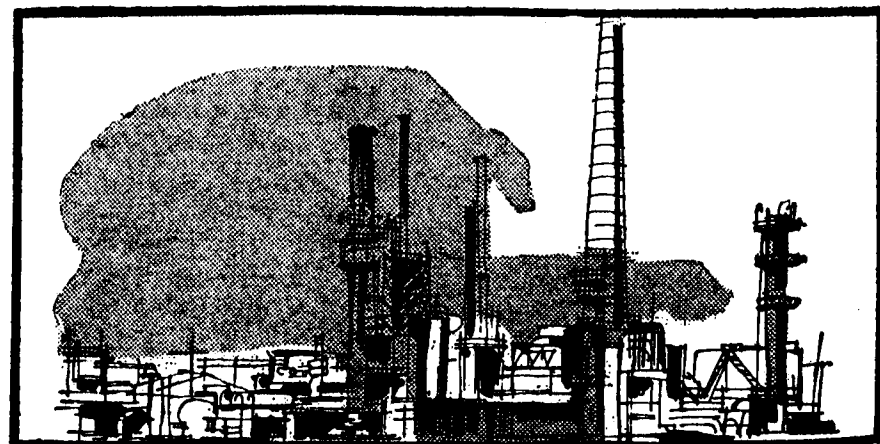
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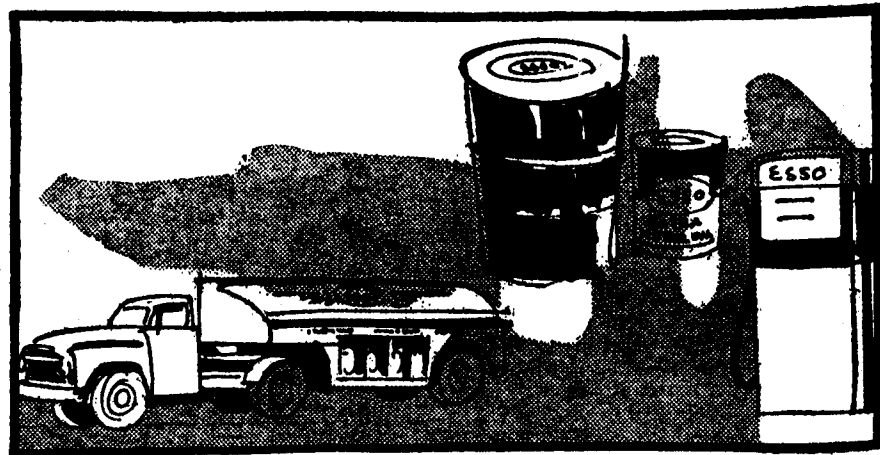


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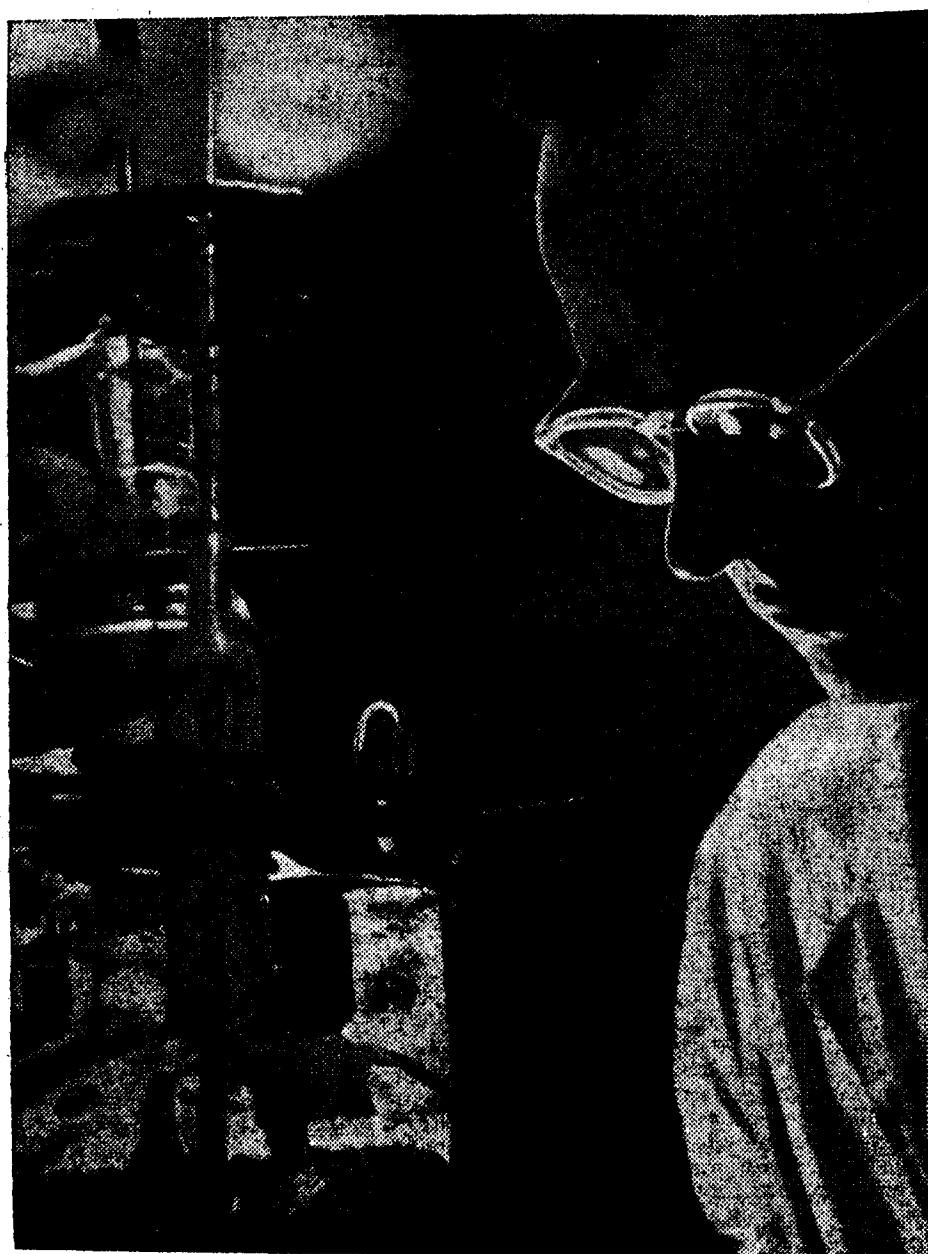
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LINKING LAND REFORMS WITH ECONOMIC GROWTH

By Dr. Ayodhya Singh,
Banaras Hindu University

THE latest annual report of the Colombo Plan Consultative Committee shows that the eight developed countries of the world, with less than 20 percent of its population, get 65 percent of the total world income, while 18 Asian and African countries with 55 percent of the world population get less than 12 percent. The remedy to this wide disparity lies in rapid economic growth in less developed countries, primarily through intensified industrialisation. But these economies are predominantly agricultural in character, and to plan for a quick rate of industrialisation within a short period is simply not practicable. Therefore, ways and means should be devised to take the most out of the agricultural sector, even for promoting industrialisation.

In India, the experiments in planning and land reforms were introduced almost simultaneously in 1951-52. While planning appears to have generated the hope of attaining self-sustained growth in the near future, the impact of land reforms—the core of agricultural development—on economic growth has been much less than desired. Several factors are responsible for this phenomenon. Firstly, there has been too little recognition of land reform as a positive programme of development, and it has primarily been regarded as external to the community development schemes and to the effort to increase agricultural production. Secondly, adequate attention has not been paid to the administrative aspects of land reform, not only at the lower levels where collusion and evasion have gone unchecked, coupled with the apathy of the village community towards the enforcement of the legal provisions. Lastly, it has not been fully realised that land tenure reforms and early enforcement of land ceilings are essential foundations for quick economic growth. In view of the present emergency conditions, the land reform programme should be completed in all its aspects throughout the country without further delay, and all the bottlenecks in the legislation from the stage of formulation to its ultimate enforcement should be expeditiously removed.

Helping Economic Growth

Land reforms can promote economic growth either through a marked increase in agricultural production (even unaccompanied by a simultaneous increase in industrial production) or through the release of agricultural surpluses and their mobilisation or both. An analysis of these two determinants—agricultural production and surplus—becomes imperative for understanding the significance of land reforms in the realm of economic growth.

Taking the first determinant, it needs to be said that agricultural production and its efficiency depend mainly on three factors: (1) the extent of capital formation and productive investment; (2) the extent of the use of improved technology or proper utilisation of traditional skills; and (3) the size of farms. Agricultural output can be significantly increased by creating a favourable climate for productive investment, encouraging proper use of indigenous skills, coupled with the adoption of modern techniques and determining the size of farms capable of optimum production.

To promote capital formation and productive investment in agriculture,

incomes of participants must be related to the functions they perform in agricultural production and not to the legal and social status they enjoy. This means elimination of all functionless participants like intermediaries. Their abolition has paved the way for greater agricultural production because not only does it tend to provide the incentives, but is also likely to increase the resources of the actual producers. Tenancy reforms, in spite of their half-hearted, unenthusiastic and partial implementation, have led to some remarkably effective action here and there, and certain unforeseen and fortuitous gains. Further, imposition of ceiling on land holdings may be more significant. Apart from conferring permanent ownership rights on tenants in non-resumable lands, the real implication of the ceiling is that subsequent to its enforcement, non-agricultural classes will be prevented from acquiring lands and earning income by leasing them. Thus if land ceilings and tenancy reforms reduce the possibility of undesirable transfer expenditure and promote productive investment, they will have beneficial effects both on agricultural and industrial investment.

Outside Capital

Again, the extent of investment in agriculture depends partly on its capacity to absorb external capital efficiently. Outside capital in the past was largely used for the purchase of land and money-lending, usually at an extraordinarily high rate of interest. These methods contributed little to agricultural production and efficiency. On the contrary they led to exploitation and neglect of agriculture. However, in spite of the dilution of the spirit of land reform at various stages between the original conception of the law and its final implementation, the flow of such unproductive capital into agriculture has been diminishing and may even stop in the near future. But the gap can be easily filled in by rural-minded providers of credit, such as co-operative agencies financially backed by the Government, at least in the initial stages. If the situation is tackled seriously and carefully, there is no reason to fear that agriculture will suffer from a shortage of capital.

As for agricultural skills they are of two types—the traditional skills based upon experience and modern skills based upon scientific knowledge. It would be unwise to believe that traditional skills have nothing to commend themselves or to assume that modern skills can be applied to Indian agriculture without suitable modifications necessitated by local conditions. Agricultural inefficiency in India is not so much due to the inefficiency of traditional skills as to lack of proper opportunities to use them. One comes across a paradox of the Indian agricultural economy, namely, the majority of those who possess skills like landless labourers, share-croppers and tenants do not have land and those who have land like big landowners do not possess the skills. When tenancy reforms as a whole are fully implemented in all the States and land ceilings enforced everywhere, those tenants who become owners will get a real opportunity for practising their skills and it is getting the most out of them. It is only then that they will be receptive to suggestions for improvements in

their techniques and prepared to adopt modern techniques whenever and wherever they feel these superior to the traditional ones. Thus, with the completion of the land reforms programme in the country, the farmer will make innovations, take risks and substantially increase productivity.

Economic Size of Holdings

The third factor affecting agricultural efficiency is the size of the holdings, which in essence is a question of optimum combination of factors of production. The factors may combine in various proportions. There may be not one unique combination giving optimum results, but several combinations giving more or less equally satisfactory results. This is due to some degree of substitutability of factors of production. For instance, what would be lacking due to the small size of the farm may be compensated to a considerable extent by intensity of labour and capital. Small farms tend to become less efficient not solely because of their size, but mainly because of the owner's lacking capital resources and incentive for intensive application of labour. Adequate capital resources and suitable incentives—economic as well as psychological—are equally important.

Further, agriculture requires primarily three types of services, namely, supply of credit, production aids and proper marketing. Agricultural inefficiency has been partly due to the small size of the operational unit, but mainly because of highly defective arrangements for the servicing of agriculture. By and large, farmers have been generally thrown into the clutches of the village 'shylock' for obtaining their requirements.

This arrangement has proved to be a very unsatisfactory feature of agriculture. The moneyholder makes a regrettably imperfect integration of the required services. At the same time, he uses his strong position not to help the farmer but to exploit him. In this context, the current policy of organising service co-operatives is commendable. Apart from seeking to establish a perfect integration of various services required by agriculture, it is institutional and non-exploitative in character. If service co-operatives can be organised successfully and worked efficiently, there is no doubt that they will prove to be an excellent substitute for the village money-lender.

Agricultural Surplus

Having discussed the bearing of efficient agricultural production upon economic growth, it is necessary to proceed with the problem of release of surplus from agricultural sector. A marked increase in agricultural output, implicit in the proper co-ordination and implementation of varied measures of land reforms, will naturally result in a new surplus, provided the propensity to consume of the rural community does not rise proportionately in the meantime. Land reforms, in essence, mean transfer of incomes from former intermediaries and big landowners to tenants and small owners. One may think that such transfers from upper income slabs to lower income slabs will increase rural consumption almost to the degree of increased agri-

cultural output and thus liquidate the surplus at its very source.

But a closer examination of the working of the agricultural economy in India will show that tenants and small owners, in general, are comparatively more investment-minded than former intermediaries and big landowners, who use their incomes primarily for unproductive purposes, also occasionally spending a significant proportion of their incomes outside the agricultural sector, mostly on luxury goods. The propensity to save and invest of cultivators in the lower and lower-middle income brackets is to be strengthened considerably with the completion of the land reforms programme, mainly security of tenure, as has been well brought out by the studies on farm management. Even if it is assumed that the small cultivators start spending a little more on consumption in view of their increased incomes, such a tendency will provide the incentives for additional effort in increasing agricultural production.

Mobilising Created Surplus

Some increase in the consumption of agricultural sector, instead of being discouraged, should be preferred, for such an increase, apart from providing incentives to farmers for further stepping up agricultural effort, will be beneficial to the industrial sector as well. A's expenditure is B's income and hence surplus traded directly by the agriculturists for consumption of industrial goods would correspondingly increase the incomes and profits of the industrial sector. Then the Government could justifiably mop up a significant portion of these marginal increments through taxation and borrowing for planned industrialisation in the public sector. Such a device of mobilising a part of the surplus would be quite practicable. Moreover, it would be welcomed by the State Governments. In their own political interest, they would avoid injuring the feelings of the farmers. The remaining part of the surplus can be left with the industrialists, who should be persuaded through measures like tax incentives to invest in capital formation.

Again, service co-operatives which are being given due encouragement should be used for indirect mobilisation of the surplus. With the passage of time, they alone will remain the channels through which the supply of credit and other materials will move into the agricultural sector and come out of it. By adopting suitable price policy, keeping in view the peculiarities of cost-price relationship of agricultural goods vis-à-vis non-agricultural goods, a surplus can be created and properly mobilised. After the service co-operatives have firmly established themselves in the agricultural community, measures should be devised to tax their profits gradually.

Further, with the steadily rising productivity of agriculture resulting from land reforms and other allied measures, the farmers can be convinced through propaganda, publicity and education, about the necessity for a bigger contribution to the additional tax effort. By maintaining for long the high tempo of alertness, patriotism and co-operation in the country, created by the Chinese aggression, the agricultural sector can be confidently approached with a demand for more and more resources—through increased land revenue, slightly higher irrigation charges, inclusion of all agricultural property in determining estate duty, establishing parity of State's agricultural income taxes with the Union income tax, and last but not least, through the imposition of the betterment levy, notably in the irrigated regions.

*Taxation of agricultural incomes in any form falls within the jurisdiction of State Governments alone.

ments to ports where only one ship operates a month. One of the causes for the congestion is the large number of foodgrain ships coming to Chittagong all at once.

In Chalna, the quantity of bales awaiting shipment is no worse than it was in the past. More attention, has, however, been focussed on it on this occasion, partly because there is very little business in the market and mainly because in spite of a reduction in movement from baling centres to ports, there has been little or no improvement in Chalna. One of the reasons once again is the import of foodgrains beyond the capacity of the port, but this is by no means the only reason.

Apart from the late arrivals of vessels to lift cargo for ports other

than the U.K. and the Continent, there is also the fact that Inland Water Transport barges with cargo do not reach the vessels in time and frequently when they do, the cargo required for that particular vessel is overstowed. Presumably, the position will improve in future. Meanwhile, this is a very slack period of the season. But it is strange that at such a slack period Chalna should be congested with over 90,000 bales of raw jute and gunnies.

Because of a few days of dry weather, a section of dealers suggests that the coming crop will suffer from lack of rains. To the unbiased this seems improbable since there is still plenty of time. With the exception of Pabna, Faridpur and Jessore, most of the areas have had some rain.

Faridpur, at least for its low-lying jute, does not need rains since its crop depends on the rivers and natural moisture in the soil for its growth.

MORE JUTE BEING BALED

In his speech from the chair at the annual general meeting of the Calcutta Hydraulic Press Association in Calcutta last Thursday, Mr. J. R. Modi said that the baling of jute so far this season had recorded an increase over the past season. A total of 243,667 bales was packed up to the end of February, against 111,158 bales for the corresponding period of 1961-62. But the amount is still substantially lower than the 356,848 bales exported during the same period of the 1959-60 season. The chairman last year sug-

gested allowing raw jute exports for earning more foreign exchange and for supporting fibre prices. An export quota of 100,000 bales, which was subsequently increased to 200,000 bales, was sanctioned last year. But the somewhat onerous and restrictive conditions laid down in the jute export policy "have been found discouraging and frustrating to the trade and the quota of exports has not been filled". Only about 120,000 bales, it is reported, have been sold, mainly to countries with which rupee payment arrangements exist. But little business has been done with other important markets from which direct foreign exchange could have been earned.

As a new jute crop was being sown, Mr. Modi said, it would be wise to announce the continuation of the policy of raw jute exports for the next season. The quantities available as well as the carryover of the last two crops would make the total supply large. So it would be necessary to allow raw jute exports freely, subject to the quality restrictions necessary to protect the Indian manufacturing industry, and to encourage the trade by removing the onerous conditions now being imposed on fibre exports. Apart from the baling of jute, such commodities as hemp, cotton, cotton silk and hosiery waste provide a small but regular business for some units. The slump in the foreign demand for hemp of the qualities being baled in Calcutta is reflected in the poor figures of some of the presses handling the commodity. "This is a pity because the export of hemp is a useful source of foreign exchange earnings and provides a very welcome second line of activity for our industry".

DULL PROSPECT FOR GOLD

One of the incalculable elements in the British Government's economic equation is the sensitivity of the foreign exchange markets. On the whole both the currency and bullion markets were fairly quiet in 1962. This in part is a tribute to the network of sophisticated international co-operation fostered among, or foisted upon, the leading European countries by the United States. The gold "pool" for stabilising the London gold price has worked well. Looking into the future, Samuel Montagu and Company in its annual bullion review, expects the market to remain "rather dull," moving only within narrow limits.

This dullness is brought about basically by the European central banks, which continue to refrain from converting their large dollar holdings into American gold. Samuel Montagu observes that this year will be "a testing time" for the dollar, with much depending on the success or failure of the U.S. Government's efforts to restore the balance of payments to approximate equilibrium. There is then this Delphic utterance: "The measures which have been propounded as being necessary to achieve success are likely, if put into effective operation, to alter the picture completely and may well transfer the pressure, at least in part, to other currencies."

Samuel Montagu is as certain as anyone can be that 1104d an ounce is about the highest price silver is likely to reach. This is equivalent to \$1.2929, a magic figure, for at this level the silver contained in the United States silver coinage is equivalent to its monetary value. At this point, the U.S. Treasury is authorised to sell silver, which it has in vast amounts as backing for silver certificates. The U.S. Treasury has in fact stated its willingness to supply refined silver bullion at \$1.2929 and, as they could continue doing this for many years, this price seems to be the effective ceiling for silver in the foreseeable future.

SCOPE FOR PETROCHEMICALS MANUFACTURE IN INDIA

(BY A CORRESPONDENT)

THE term "petrochemicals" has now become current coin in industrial circles in India, but the real import of the term is understood only by a handful of people. One of the newest of industries, the real growth of petrochemicals began during and after the second World War. In fact, the term "petrochemicals" had not come into use before 1942. The vastness of the range is indicated by the fact that from petrochemicals come plastics, synthetic fibre, rubber, detergents, insecticides, fertilisers, cosmetics and a thousand other products, none of which resembles, even remotely, the primary raw material, crude oil.

Basically, petrochemicals are not different from synthetic organic chemicals derived from the other primary sources, coal and vegetable products. The organic chemist can virtually supply the entire needs of industry by using any one of these as source material. The advantages in using petroleum feed-stocks lie in the fact that these ensure regular availability in large quantities, low costs, stability of prices and uniformity of quality. It is true that coal shares, to some extent, the advantages of petroleum feed-stocks, but the latter are easier to handle and much easier to convert into a wide range of intermediate chemicals.

Petrochemicals are mainly aliphatic, aromatic and naphthemic organic compounds and their derivatives. They could also be inorganic materials, such as sulphur, ammonia and carbon black. Thus, petrochemicals are a host of chemical compounds widely varying in their physical and chemical properties. While some are simple, others are complex chemicals which supplant and supplement the traditional sources of supplies. Before the advent of the petrochemical industry, chemicals were derived from the farm (alcohol and acetone from molasses), from the forest (natural resins, acetone, etcetera, from wood distillation) and from the mine (aromatics from coal tar distillation). The steady rise in the demand for chemicals coupled with the need for cheaper products gave rise to the petrochemical industry.

Applications

What are the applications of petrochemicals? Petrochemicals are used to meet the countless needs of the individual as also of industry. Nearly 80 percent of the chemicals derived from petroleum and natural gas go into seven major channels of consumption. Plastics and resins lead the field with polyethylene, polyvinyl chloride, polystyrene and polypropylene. Polyethylene bags, wrapping and buckets are among the most common articles, as are polystyrene combs, containers and toothbrush handles. P.V.C. goes into the making of toys, shower curtains, table cloth and linoleum carpets.

Synthetic rubbers take the second place with poly-butadiene and S.B.R. rubbers which are partial substitutes for natural rubber. Although natural rubber is produced in Kerala, there is hardly enough production to meet the growing demands. Therefore, in the coming years both these are likely to play a vital rôle as also the latest entrants in this field, namely, polyisoprene and E.P.R.

Another variety of rubber known as butyl rubber is an important member of the synthetic rubber group. Butyl rubber is not only considered to be suited for the manufacture of inner tubes for tyres, but is ideal where resistance to ozone and oxidation are important (that is, cables, weather strips for motor-cars, conveyor belts, etcetera.)

Synthetic fibres provide the third important outlet for petrochemicals so that a major buyer of petrochemicals could be the nascent, but growing synthetic fibre industry. Considerable use of petrochemicals are made in the manufacture of paint, varnish and lacquer, petroleum additives and soap substitute, otherwise known as detergents. Besides these, petrochemicals find their applications in a host of chemicals, for example, petroleum coke (aluminium refining), hexane (vegetable oil extraction), alcohol (drugs and pharmaceuticals), ammonia (fertilisers), chlorinated hydrocarbons (dry cleaning), chloroethylene (metal work).

Building Blocks

The "building blocks" from which major chemicals are produced, are simple, but highly reactive organic molecules. They can be suitably combined, that is to say, polymerised into molecular aggregates technical referred to as polymers. Various temperatures, pressures and catalysts are developed to ensure that the molecular complex synthesised under each predetermined condition will meet the specific needs of the technologists and will have almost predictable physical and chemical characteristics. Acetylene, ethylene, propylene, butadiene and benzene are perhaps the five most important building blocks used in the petrochemical industry. The first two are gases at ambient conditions while the next two are liquids under pressure. Benzene is a liquid at room temperature.

Perhaps it would be worth while to understand how these building blocks are made. When crude oil, or a fraction derived from crude oil, is subjected to severe molecular cracking at high temperatures, one or more of the above mentioned building blocks is obtained. The raw material most commonly employed in the United States is natural gas, since it is available in plentiful supplies. In Europe and Britain, naphtha is used despite higher costs, also because of ready availability. In India, natural gas supplies are limited and already earmarked for the manufacture of fertilisers in Assam. Because the total number of motor-cars in the country is low, some quantity of naphtha will be left after meeting the indigenous gasoline requirements, and, therefore, this material could be used for manufacturing building blocks.

History of Industry

With industrial development in the country progressing apace, the scope for the petrochemical industry in the country should be wide. It would country should be wide. It would be safe to say that plastics and synthetic rubbers will provide the biggest outlet in the next five years. The current consumption of chemicals that could be derived from petroleum today is of the order of 15,000

tons. This is expected to jump by at least 500 percent before the third plan is over.

The development of the petrochemical industry in the West might well serve as a pointer to the potentialities of the industry in India. This industry had its roots in the U.S.A., where large-scale developments have subsequently taken place in this field. A remarkable feature was the phenomenal growth of the market

for synthetic polymers. During the last decade, the investment in the petrochemical industry in the United States increased from Rs. 1,000 crores to about Rs. 3,800 crores. This is expected to double in the next seven years. In the U.K., the investment has reached during the last five years from about Rs. 61 crores to about Rs. 200 crores; in Europe the investment has almost doubled from Rs. 390 crores to Rs. 800 crores over a period of only three years (1959-61). The figures go to show how quickly the petrochemical industry can grow, once it is established.

With the growth of the oil refining industry and development of indigenous oil resources in India, the scope for developing the petrochemical industry has considerably widened in the country.

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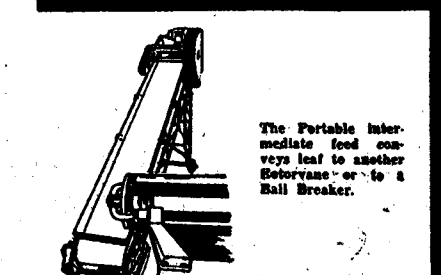
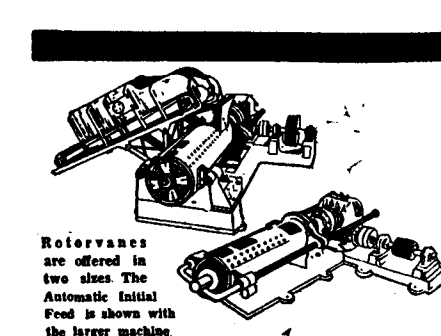
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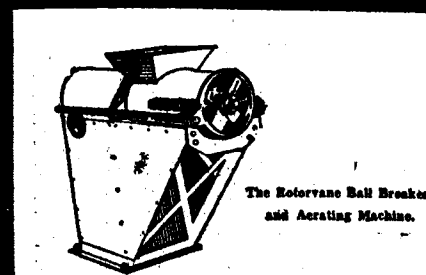
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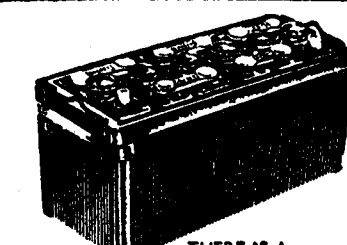
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CO-OPERATIVE MARKETING SCHEME FOR RUBBER

(FROM OUR SOUTH INDIAN CORRESPONDENT)

IT is reported that the Rubber Board is formulating a voluntary co-operative marketing scheme for the small growers, apparently with the idea of ensuring the controlled price for the small growers' rubber. Last year, there was some difficulty for the producers to sell their rubber at the statutorily fixed price, although the indigenous production was only 50 percent of the manufacturers' requirements of natural rubber. There was a plea for help and the proposed scheme of the Rubber Board appears to have been formulated to meet this situation. A section of rubber growers in the country have serious misgivings about the Rubber Board's move. The dealers have already raised their objection. It is said that the manufacturers are also opposed to the idea of the Rubber Board taking up marketing responsibilities.

The Board has been constituted to protect the interests of the rubber planting industry and that of the country. The interests of the country can be protected only by producing more rubber, and if possible, by making the country self-sufficient in this commodity. The interest of the rubber planting industry can be protected only by enabling it to produce rubber of good quality at a level of prices that could stand the competition with natural rubber imported from outside and synthetic rubber produced locally or imported. Although the Rubber Board has been in existence for more than a decade with crores of rupees at its command, it has not been able to achieve its twin objectives mentioned above.

Instead of trying to find out the reasons for its failure and to reshape its policies to suit the genuine requirements of the interests it is expected to serve, the Board is engaged in a wild goose chase. It is trying to take up additional responsibilities forgetting the fact that it has not been able to discharge those limited responsibilities it is already having. There are complaints from various quarters that the Rubber Board office has become worse than a Government office in the matter of red-tapism. Letters to the editor in some Malayalam papers have complained about the Rubber Board. Delays in correspondence and distribution of replanting subsidy, defective estimates of production and wrong advice to the Government in the matter of import are some of the charges against the Board. Unless and until the Board is able to create a good impression among the interests it is serving, the Board's proposals to take up additional responsibilities like marketing will certainly be opposed by the people whose interests are at stake. The co-operative system of marketing now being proposed for small growers is bound to face more opposition because the record of the co-operative movement in Kerala where this system is to work is very bad. Assembly debates, court findings and newspaper reports all go to show that the co-operative movement is greatly abused in Kerala. The movement is looked upon with suspicion by the people. Therefore, it is only natural that a section of rubber growers should have misgivings about the "voluntary co-operative system of marketing" being formulated by the Rubber Board for the small growers.

Rubber manufacturers and the planting industry cannot have for-

gotten the experience of the monopoly purchase of rubber by the Government during the last war, nor are the rubber growers unaware of the fate of their counterparts in the coffee-growing industry. The coffee growers are not completely happy with the pool system of marketing administered by the Coffee Board, although the Coffee Board is comparatively a more efficient body and coffee is a commodity having to face competition in the world market. At least a section of the growers have a feeling that the Coffee Board's marketing policy has been defective during the past few years, and if left to themselves they could handle the marketing problems more easily and efficiently.

It is a paradox that natural rubber which is in short supply in this country has occasionally to be sold at less than the statutorily fixed price. It is said that this is due to the defective import policy of the Government of India. The import policy is normally framed on the basis of the advice received from the Rubber Board. The Board recommends import to cover the gap between local production and consumption. It is said that production estimates by the Board is defective and the Board has been under-estimating indigenous production. The country might be either importing more rubber than what is actually required to bridge the gap between indigenous production and the manufacturers' offtake or the bulk release of import quota as was done last year might be enhancing the buyer's bargaining power to the detriment of the seller. There can be no other explanation for the difficulty experienced by the Indian producers to sell their rubber at the controlled price. The surest remedy to this anomalous situation is to correct the import policy and not controlled marketing, it is pointed out. The old system of quarterly release of import licences might be restored as a first step towards removing the producers' difficulties.

Raw Cashewnut Rises

Prices of raw cashewnut have registered a handsome increase recently in the light of the reports that the local crop has been damaged due to unfavourable weather. African nuts of average quality were quoted at Rs. 720 a ton, compared with Rs. 660 a ton a week ago. Similar improvements were reported in the prices of Indian nuts also. Certain market circles place the extent of damage to the crop in Kerala, the principal source of local supplies at as high a figure as 50 percent of the normal size of the crop, but the factory owners in Quilon who are the principal buyers, are not in a mood to give complete credence to these estimates. India imports over 100,000 tons of raw nuts from Africa, while the indigenous production is around 60,000 tons. The firmness in raw nut price is reflected in the price of processed kernels, too. While the overseas buyers are showing interest around the previous price of 44 cents (U.S.) a lb. c. and f. for 320 counts quality, exporters are asking 46 cents.

Pepper Dull

The pepper market has been inactive for the past few days. American buyers are practically out of the market now. U.S. price ideas are

around 30 to 30½ cents a lb. while the Indian parity is 31½ cents. Singapore quotation is also around this figure. Indian shippers hope that American buyers would however, prefer Indian pepper to Singapore pepper in view of the early delivery facilities. In the meanwhile, there are reports that the Sarawak crop has been damaged heavily by the recent floods and due to the wide incidence of root disease. If these reports are correct, there is the possibility of Britain also taking more pepper from India during the current season. India's crop, too, would be smaller this year, according to the present trade estimates. Last season's crop was a record one at well over 32,000 tons.

Labour Trouble

All the pending issue connected with the Bonaccord labour trouble were referred to the voluntary arbitration of Mr. Purushothaman Nair, Industrial Tribunal of Trivandrum. The accord was reached at a conciliation conference convened by Kerala Labour Minister, Mr. K. T. Achuthan on 30th March.

The labour trouble in this 1,000-acre British tea plantation near Trivandrum which began on 13th March, had completely paralysed the plucking and manufacturing operations there. The daily loss was to the tune of Rs. 10,000. Almost 75 percent of this estate's production is normally exported, so much so that the nation might have lost about Rs. 2 lakhs in foreign exchange due to this undeclared strike under the P.S.P. labour union. The dispute arose from the unwillingness of 52 workers to obey the orders of the management to pluck a certain field in a particular way.

Tax Burden on Tea Estates

(BY A SPECIAL CORRESPONDENT)

AT the Assam Tea Planters Association's annual general meeting in Sibisagar on Sunday, Mr. M. A. Rahman, chairman, assured the Government that the industry was prepared to make any sacrifice. But the new tax proposals, Mr. Ramman said, will "cripple the tea industry, especially the Indian-owned tea gardens". Any benefit gained from the abolition of export duty is likely to be neutralised by the 20-percent surcharge on the excise duty on tea. The chairman feared that additional taxes would "naturally thwart the future growth of the industry and ruin many a garden, especially in Assam, where outside investors have become exceedingly shy since the Chinese invasion." Taxation, the chairman said, has brought the industry to the point of no return.

Mr. A. S. Bam, chairman of the Indian Tea Board, said at the meeting that "apart from participating in the activities of the Tea Councils in the U.S.A., Canada, West Germany and Ireland, we have also appointed our own officers in London, New York, Sydney and Cairo. The tea centre in Cairo and the 'Tea Nook' at the Indian Trade Centre in Beirut have also become very popular." An Indian tea centre has been opened in Dublin on 28th March. Furthermore, a tea centre is likely to be opened in Edinburgh in May this year. There will also be a tea centre in London before long. It is also proposed to have shortly a tea centre in Sydney and tea bars in different cities of Australia and New Zealand. A tea council in Australia has also been recently set up in collaboration with Ceylon, and the Australian trade will shortly be introducing sampling service for the tea trade in Australia and New Zealand. All these promotional measures, in so far as Australia

and New Zealand are concerned, have been decided upon on the basis of the recommendations of the Indian tea delegation which visited Australia and New Zealand in October-November 1962.

For promoting the sale of Indian tea in the Continent, it has been decided to set up four tea centres at strategic places. These tea centres will be connected by tea kiosks on the highways in Europe in order that intra-Continental tourists and travellers could enjoy a good cup of Indian tea at these kiosks. A cinema-cum-tea van has recently been sent to the U.A.R. for "propagating the image of Indian tea." Similar vans will be sent out in the near future to Saudi Arabia, Afghanistan, Iraq, Sudan, etcetera, Mr. Bam said.

The Tea Board and the Government of India are extremely keen on seeing that exports of tea go up as envisaged in the third plan. Various steps and measures have already been taken towards this end and all other action that may be necessary to remove genuine hindrances to exports will certainly be taken. "I would also like to tell you categorically that we firmly believe that the targets of production and exports laid down in the third five year plan are not at all impracticable or overambitious. The consumption of tea in the whole world is increasing rapidly and the pace of growth is going to be accelerated in the years to come as a result of the intensive promotional campaigns which we are going to launch in different countries of the world. We are convinced, therefore, that there will be no excess of world supply of tea over world demand in the foreseeable future. The feasibility of attaining the export target set for the tea industry in the third five year plan is, therefore, beyond any shade of doubt. What is required is zealous and aggressive salesmanship on the part of the industry so that foreign buyers can be induced to buy more and more of Indian teas," Mr. Bam said.

Now that export tea sales for the 1962-63 season have ended, one can look forward to a stream of reports and accounts from rupee tea companies. A number of tea companies are under-capitalised, and the new tax proposals will, moreover, hit producers. The surcharge on excise duty will probably check consumption.

In many tea companies, the net block is shown at 100 to 200 percent higher than ordinary capital. It, therefore, confirms the statement that development has been financed by ploughing back profits. In order to levy taxes to help defray the cost of defence, the first essential to aim at is the maintenance of a healthy economy. This vital point seems to have been overlooked in some quarters. Although the export duty has been abolished, tea growers will have to pay more in taxes than before.

The cost of planting in Sylhet 60 years ago was estimated at around Rs. 300 an acre. By 1910, good estates changed hands at Rs. 750 while land values today are around Rs. 1,500 an acre. Assam properties, however, command nearly double that price.

BOOKS RECEIVED

The Company Law Journal, January 1963. (Edited by K. Venkoba Rao and published by N. Ramaratnam, M.L.J. Press Private Ltd, 55-56 Mundakanni Amman Koil Street, Mylapore, Madras 4. Annual subscription Rs 25, pages 64.)

Income-tax Journal, January 1963. (Edited by V. Balasubrahmanyam and published by N. Ramaratnam, M.L.J. Press Private Ltd, 55-56 Mundakanni Amman Koil Street, Mylapore, Madras 4. Annual subscription Rs. 40, pages 92.)

COMPANY AND PUBLIC NOTICES

THE DUNLOP RUBBER CO. (INDIA) LTD.

NOTICE

NOTICE is hereby given that the 37th Annual General Meeting of the Company will be held at the Registered Office, "Dunlop House", 57B, Free School Street, Calcutta, on Wednesday, the 24th day of April, 1963 at 11 a.m. for the following purposes:

1. To consider the Profit and Loss Account for the year ended the 31st December, 1962, the Balance Sheet as at that date and the Reports of the Directors and Auditors of the Company.
2. To declare dividends.
3. To appoint Directors in the place of those who retire by rotation.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

To consider and if thought fit to pass, with or without modification, the following resolutions of which number 5 will be proposed as an ordinary resolution and numbers 6 and 7 as special resolutions:

5. (As an ordinary resolution): "That Sardar Hardit Singh Malik, a Director of the Company, who retires by rotation and who attained the age of sixty-eight years on 23rd November, 1962, be and is hereby reappointed a Director of the Company and it be and is hereby specifically declared that the age limit for directors prescribed in Section 280 of the Companies Act, 1956, shall not apply to him".

Special Notice of intention to propose this resolution in conformity with Section 281 of the Companies Act, 1956, has been received by the Company.

6. (As a special resolution): "That subject to the approval of the Central Government, the terms and conditions of service of Mr. Prakash Narain Haksar, a Director and Deputy Managing Director (Purchasing) of the Company, as approved by a special resolution at the Annual General Meeting held on 27th April, 1961, be and are hereby varied in the manner following, that is to say:—

(a) a pension be provided to him in accordance with the Rules and Regulations of The Dunlop Rubber Company (India) Limited Executive Staff Pension Fund established by the Company under the Trust Deed dated 22nd September, 1962 and

(b) the payment of bonus to him be discontinued, and the said terms and conditions varied as aforesaid be and are hereby approved."

7. (As a special resolution): "That subject to the approval of the Central Government, the terms and conditions of service of Mr. Phani Bhusan Sen Gupta, a Director and Deputy Managing Director

(Administration) of the Company, as approved by a special resolution at the Annual General Meeting held on 19th April, 1960, be and are hereby varied in the manner following, that is to say:—

(a) a pension be provided to him in accordance with the Rules and Regulations of The Dunlop Rubber Company (India) Limited Executive Staff Pension Fund established by the Company under the Trust Deed dated 22nd September, 1962, and

(b) the payment of bonus to him be discontinued, and the said terms and conditions varied as aforesaid be and are hereby approved."

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

The Registers of Members in respect of the Ordinary and Second Preference Shares of the Company will be closed from 17th April to 1st May, 1963, both days inclusive. Any dividends that may be declared will be paid only to those members whose names appear on the above Registers on 16th April, 1963.

By Order of the Board,

P. B. SEN GUPTA,
Director & Secretary.

Dunlop House,
57-B, Free School Street,
Calcutta.
29th March, 1963.

NOTE:

An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 has been annexed to the notice issued to the members of the Company.

RAZA BULAND SUGAR COMPANY LIMITED

(Regd. Office: Rampur, U.P.)

THE Twenty eighth Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at Raza Buland Office, Rampur, U.P. on Tuesday, the 30th April, 1963, at 10-30 a.m. Notices of the meeting setting out the Agenda and Explanatory Statement on the Special Business to be transacted thereat are being sent by post.

Notice is hereby given that the Share Transfer and Members' Registers will remain closed from 11th April, 1963, to 30th April, 1963, both days inclusive, for purposes of dividend.

Persons holding shares under blank transfer should send such shares for transfer before closure of transfer books to be entitled to dividend. Unless Exemption Certificate is received by 10th April, 1963, statutory Income Tax will be deducted from dividends.

By Order of the Board,
For RAZA BULAND SUGAR CO.

LTD.,
S. K. KAUL,
Secretary.

Rampur, U.P.
Dated 1st April, 1963.

THE BOMBAY BURMAH TRADING CORPORATION, LIMITED

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held at the Tata Auditorium, Bombay House, 24, Bruce Street, Fort, Bombay 1, on Friday the twenty-sixth day of April 1963, at 4-15 p.m. (S.T.), or as soon thereafter as the preceding Extraordinary General Meeting to be held on the same day at 4 p.m. shall have been concluded, for the purpose of considering and if thought fit passing, with or without modifications, the following resolution as a Special Resolution, namely:—

RESOLVED upon the recommendation of the Directors.

(1) that it is desirable to capitalise a sum of Rs. 1,33,75,000 being as to (a) Rs. 92,28,873, the whole amount at credit of the Capital Rehabilitation Reserve, (b) Rs. 41,46,127, part of the amount at credit of the Fixed Property Reserve;

(2) that the sum of Rs. 1,33,75,000 accordingly be capitalised and distributed among the members in pursuance of Article 106A of the Articles of Association of the Company and that the said capital sum be applied on behalf of the persons whose names stand on the Register of Members of the Company on such date as may be fixed by the Directors, as follows:—

(a) as to an aggregate amount of Rs. 91,75,000 in paying up 3,67,000 unissued shares of Rs. 25 each to be issued as fully paid bonus shares to those members holding fully paid up shares of Rs. 25 each in the Company on such date as may be fixed by the Directors in the proportion of one bonus share of Rs. 25 each for each fully paid share of Rs. 25 held by them respectively and that the said 3,67,000 bonus shares credited as fully paid up be allotted accordingly, subject to the Memorandum and Articles of Association;

(b) in applying the balance, namely Rs. 42,00,000 out of the said sum of Rs. 1,33,75,000 in crediting the 4,20,000 partly paid shares of a nominal value of Rs. 25 each upon which Rs. 10 has been paid up with the sum of Rs. 10 per share being part of the sum of Rupees 15 per share at present unpaid thereon and upon the sum of Rs. 42,00,000 being so credited the said 4,20,000 shares in the Company will become partly paid up to the extent of Rs. 20 per share;

(3) that the amount and the so distributed shall be for all purposes as an increase of the nominal amount of capital of the Company by each such shareholder not as income;

(4) that the 3,67,000 shares consequent upon such capitalisation do rank pari passu with the existing fully paid shares of the Company and that dividends declared after 26th day of April 1963;

(5) that the 4,20,000 partly paid shares of the nominal value of Rs. 25 each (and on Rs. 20 will have been paid up) rank for all dividends declared after the 26th day of April 1963 in proportion to amount of capital paid credited as paid up there;

(6) that the crediting of Rs. 10 partly paid share of nominal value of Rs. 25 the allotment and issue fully paid Bonus shares, to the extent that they relate to resident Members of the Company, be subject to the approval of the Reserve Bank of India under the Foreign Exchange Regulation Act,

(7) that the Company shall complete and have ready for issue the Share Certificate in respect of the existing bonus shares within months from the last allotment thereof, and

(8) that for the purpose of effect to this Resolution Directors are authorised to take all necessary steps to give such directions as may be necessary and to settle any question or difficulty that may arise in regard to the issue of the bonus shares as they fit.

The transfer books of the Company will be closed from the day of May 1963 to the eleventh day of May 1963, both days inclusive.

By Order of the Board

WALLACE AND COMPANY
Secretaries and Treasurers

Registered Office:

9, Wallace Street,
Fort, Bombay.

Dated 25th March 1963.

Notes: (1) Any member entitled to attend and vote at the meeting should forward a proxy to attend and vote in his stead of himself and proxy need not be a member of the Company.

(2) The Explanatory Statement as required by Section 173 of the Companies Act, 1956, is being forwarded to the members of the Company.

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BANKS

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

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		3-4-63.	29-3-63	A year ago		1959	1960	1961		3-4-63.	29-3-63	A year ago
Allahabad Bank P.	18	18	18	100	396/00	396/00	329/00	Indian Overseas Bank	12	14	14	100	159/00	159/00	179/00
Bank of Baroda	14	17	17	50	88/00	88/00	115/50	Industrial Finance Corpn.	..	..	..	50	..	..	..
Bank of India	16	20	20-20*	50	105/00	109/00	123/00	National & Grindlays Bank	12½	13½	14	15	sh. 31/14	sh. 32/7½	sh. 35/-
Central Bank of India	17-1/5	20 2/5	..	25	52/50	53/00	67/00	Punjab National Bank	20	20	20	10	18/25	18/19	21/87
Chartered Bank	15	15	15	21	sh. 60/6	sh. 58/9	sh. 54/6	Union Bank of India	..	..	..	5	6/32	6/32	9/28
Hindustan Commercial	Nil	Nil	Nil	50	14/00	15/50	19/37	United Bank of India	4.3	4.3	6	10	6/62	7/19	6/75
Hindustan Mercantile	Nil	Nil	Nil	50	15/62	15/62	17/62	United Commercial Bank	11	12	12	50	72/50	72/50	98/00
Hong Kong & Shanghai	23	23	23	HK\$25	£16½	£17½	£18½								
Indian Bank	15	15	..	100	174/50	174/50	181/00								

*1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		3-4-63.	29-3-63	A year ago		1959	1960	1961		3-4-63.	29-3-63	A year ago
Agarpara P.	10	2½	2½	10	9/56	9/56	12/19	Hukumchand P.	28½	28½	26½	7½	18/00	18/00	28/12
Alexandra P.	44	15	..	10	305/00	305/00	305/00	India	14	12	8	12½	17/75	17/75	16/75
Alliance P.	6	Nil	10	100	110/00	110/00	138/00	Kamarbhaty P.	5	Nil	..	100	151/00	151/00	188/00
Anglo-India P.	20	7	10	100	200/50	200/50	228/00	Kankarwar P.	Nil	Nil	..	100	127/00	127/00	146/00
Auckland P.	27	12	Nil	100	150/00	150/00	183/00	Kelvin P.	15	15	5	100	165/00	165/00	209/00
Baily P.	25	25	25	100	256/00	256/00	306/00	Khardah P.	20	5	12½	10	16/50	16/50	17/12
Baranagar P.	30	10	10	100	172/00	172/00	179/00	Kinnison P.	20	7	Nil	100	140/00	140/00	172/00
Bengal P.	5	..	..	10	10/25	10/25	9/44	Lansdowne P.	Nil	Nil	Nil	100	85/00	85/00	145/00
Birla P.	15	15	15	10	25/00	25/00	37/51	Lawrence P.	7	15	10	100	101/00	101/00	170/00
Budge Budge P.	..	Nil	..	100	169/00	169/00	143/00	Magna P.	12	12½	Nil	10	13/25	13/25	13/31
Calcutta P.	..	..	..	10	8/00	8/00	9/50	Naihati P.	..	..	..	100	81/00	81/00	94/00
Caledonian P.	12	5	..	100	205/00	205/00	204/00	Naskarpara	..	..	..	10	9/06	9/06	12/25
Champdany P.	10	5	..	100	134/00	134/00	133/00	National P.	7½	Nil	..	10	25/37	25/37	12/75
Cheviot P.	Nil	5	..	100	23/62	23/62	23/12	Nellmarla P.	3	6	15	10	11/25	11/25	18/10
Chitavaleab P.	5	Nil	6	10	11/00	11/00	12/62	New Central P.	15	15	Nil	10	12/00	12/00	35/25
Clive P.	1	..	..	100	7/75	7/75	9/85	Northbrook P.	30	30	20	10	29/00	29/00	77/00
Dalhousie P.	1	1	Nil	100	145/00	145/00	135/00	Nuddee	5	6	5	50	57/00	57/00	5/87
Delta P.	12½	Nil	..	100	140/00	140/00	192/00	Presidency	5	6	10	5	5/12	5/12	8/56
Empire P.	12½	7½	12½	100	15/31	15/31	20/06	Ramerwara P.	Nil	Nil	Nil	10	9/44	9/44	6/87
Fort Gloster P.	25	10	12½	100	399/00	399/00	436/00	Reliance P.	Nil	Nil	Nil	10	6/25	6/25	10/50
Fort William P.	22½	22½	10	10	26/00	26/00	28/25	Sammugger P.	5	Nil	..	21	10/50	10/50	40/12
Ganges P.	10	10	15	10	11/62	11/62	14/75	Shree Ambica P.	25	25	Nil	10	25/25	25/25	23/50
General Industrial	40	10	15	10	17/00	17/00	44/50	Soorab P.	5	Nil	..	21	10/50	10/50	10/50
Gourepore P.	30	25	20	100	487/00	487/00	505/00	Titagarh P.	22	6	Nil	100	146/00	146/00	189/00
Hastings P.	6	6	6	100	128/00	128/00	125/00	Union P.	5	6	Nil	100	10/50	10/50	10/50
Hoochly P.	10	10	10	10	20/00	20/00	27/25	Victoria P.	6	Nil	..	21	10/50	10/50	10/50
Howrah P.	12½	10	Nil	10	19/00	19/00	21/75	Waverley P.	30	30	60	1	5/50	5/50	6/37

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		3-4-63.	29-3-63	A year ago		1959	1960	1961		3-4-63.	29-3-63	A year ago
Amalgamated	10	12½	15	10	21/00	21/00	22/00	Mundulpur	..	..	..	10	2/69	2/69	2/62
Bengal P.	25	21	..	100	265/00	265/00	342/00	Nazira	..	..	..	10	5/12	5/12	6/87
Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48	New Beerbhoom P.	10	10	..	10	17/62	17/62	21/50
Bengal Nagpur	10	26	..	10	22/00	22/00	20/19	New Manbhoom	7½	9	12	10	13/00	13/00	13/62
Bhaigora	..	..	..	10	5/00	5/00	4/50								
Bharat Collieries P.	..	..	..	10	3/53	3/53	4/06								
Bhulanbarree	..	..	..	10	12/00	12/00	5/00								
Bokaro & Ramgur	..	..	..	10	11/19	11/19	14/06								
Borras P.	18	15	..	10	23/87	23/87	23/25								
Burrakur P.	13	13	13	10	14/87	14/87	17/09								
Central India	8	10	10	10	8/75	8/75	11/47								
Central Kurkend P.	..	..	..	10	8/00	8/00	7/00								
Churulia	..	..	..	10	3/06	3/06	3/06								
Dhomo Main	Nil	Nil	..	10	5/75	5/75	7/06								
East Indian	18	15	20½	10	29/00	29/00	37/50								
Equitable P.	18	10	..	10	25/62	25/62	26/84								
Gbusick & Muslia	Nil	Nil	Nil	10	13/50	13/50	14/00								
Gusdar Kajora	..	..	..	10	2/03	2/03	2/00								
Hurriladib	..	..	..	10	8/12	8/12	14/37								
Karanpura Developmer	5	5	..	100	11/00	10/50	16/00								
Karanpura Collieries P.	7½	10	10	10	16/00	16/00	19/04								
Katras Jheriah	95	40	25	10	48/75	48/75	49/00								
Khas Kajora P.	..	..	..	10	18/70	18/70	18/70								

COTTON MILLS

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

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		3-4-63.	29-3-63	A year ago		1959	1960	1961		3-4-63.	29-3-63	A year ago
Basanti P.	..	..	..	10	12/75	12/75	7/37	Elgin P.	11½	17½	17½	10	20/69	20/69	22/1
Bauka Luxmi	..	..	..	40	28/00	28/00	3/75	J. K. Cotton (Rayon) P.	10	10	..	10	12/75	12/75	23/1
Bengal Nagpur P.	Nil	..	..	10	3/00	3/00	3/75	Jay Shree	..	..	..	10	13/50	12/81	17/6
Bharat Commerce	5	15	..	10	19/87	19/87	28/56	Muir P.	Nil	..	..	100	135/00	135/00	146/0
Birla Cotton	10	20	20	10	27/00	27/00	27/00	New Victoria P.	Nil	Nil	..	10	1/62	1/62	1/6
Bowresh P.	10	20	..	10	23/81	23/81	41/87	Orissa Textiles P.	3	Nil	..	10	9/00	9/00	10/1
Cawnpore Textiles	7-1/5	10	..	5	6/94	6/94	9/12	Rampoor Cotton	Nil	Nil	Nil	1	12/00	12/00	2/0
Delhi Cloth & Genl P.	12	13	13	25	45/87	45/87	61/75	Swadesh (Kanpur) P.	5.51	..	..	100	11/50	11/50	11/5
Dunbar	20	20	..	10	26/87	26/87	34/87								

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1959	1960	1961		1-4-63	25-3-63	A year ago	1959		1960	1961	1-4-63		25-3-63	A year ago		
																Rs.	Rs.
Ahmedabad Advance P.	7	16	..	100	170/00	170/00	216/50	Indian	..	..	..	250	761/25	760/00	..		
Apollo	..	..	..	2	1/88	1/72	2/56	Indore Malwa United	7	8½	10	100	185/00	185/00	178/0		
Beharilal Ramcharan	Nil	Nil	..	100	82/50	82/50	102/25	Khatav Makanj P.	16	32	..	100	355/00	376/75	492/5		
Bombay Dyeing etc.	14	14	14	25	62/00	63/00	70/50	Kolninoor	9½	15	18	100	274/00	273/00	315/2		
Bradbury P.	10	10	25	50	150/00	150/00	212/50	Lakshmi Vishnu P.	Nil	5.7	6	100	107/50	107/50	650/0		
Century	..	..	..	100	490/00	490/00	626/50	Morarie Goculdas P.	21½	21½	24-24*	100	450/00	450/00	427/0		
Central India P.	Nil	Nil	Nil	100	105/00	105/00	154/50	Mysore Spn & Mfg P.	10	14	14	50	44/00	46/00	67/5		
Coorla	..	..	..	100	150/00	150/00	157/50	New City of Bombay	..	..	..	100	142/50	142/50	181/0		
Dawo	20	30	30	50	142/00	142/00	173/00	New Great Eastern P.	..	..	..	100	270/00	270/00	298/0		
Edward Textiles	9	9	..	200	325/00	325/00	360/00	Phenix	25	Nil	..	100	192/00	206/00	286/0		
Elphinstone P.	14	18	22	50	91/00	91/00	132/00	Sassoon & Alliance	25	17	20	10	13/00	13/00	13/0		
Finlay	..	..	..	100	325/00	325/00	345/00	Sassoon Spinning	10	15	Nil	50	43/75	50/00	68/0		
Gokak	..	..	..	250	174/00	168/00	234/00	Simplex	15	18	20	100	128/50	143/50	177/0		
Hindustan	..	..	..	10	22/48	22/40	23/44	Shree Niwas P.	14	17	..	100	248/00	248/00	298/0		
India United	..	..	..	100	2/44	2/40	4/02	Swan	10	20	..	25	55/80	56/20	81/0		
	..	..	..	100	2/44	2/40	4/02	Swadeshi P.	14	17	..	100	300/00	300/00	390/0		
	..	..	..	100	2/44	2/40	4/02	Tata	10	20	..	25	55/80	56/20	81/0		
	..	..	..	100	2/44	2/40	4/02	Western India	10	20	..	25	760/00	835/00	802/0		

MISCELLANEOUS COMPANIES - Cont'd.

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

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1950	1960	1961		3-4-63	29-3-63	1 year ago	3-4-63		29-3-63	1 year ago	1950		1960	1961	3-4-63	29-3-63	1 year ago
ENGINEERING & METAL																	
Arthur Butler (Muzaffarpore) P.	..	..	..	10	14/50	14/50	14/50	J K Synthetics	..	..	3	10	10/25	10/25	..		
Bharati Electric Steel	15	..	..	10	14/00	14/00	11/00	James Wright P.	..	..	..	30	4/10	4/10	2/75		
Braithwaite India	22 1/2	25	25	10	36/50	36/50	57/25	Jardine Henderson Ltd P.	..	..	..	100	30/42	30/42	30/42		
Bridge & Root	30	30	30	10	52/25	52/25	52/25	Jay Shree Industries P.	14	14	12 1/2	10	15/25	15/25	20/50		
Britannia Building & Iron P.	10	10	10	10	8/90	8/94	12/94	Kesoram Industries P.	2 1/2	6	12-12 1/2	10	19/31	19/31	33/44		
Britannia Engineering P.	25	45	20	10	33/12	33/12	42/62	Macfarlane & Co.	..	..	..	50	7/00	7/00	7/25		
British India Electric Cons.	28 1/2	28 1/2	28 1/2	100	495/00	495/00	659/00	Macneill & Barry Ltd P.	..	..	..	100	2/37	2/37	2/53		
Burn P. (Engineering)	5	15	15	10	13/69	13/69	..	Martin Burn Ltd P.	27 1/2	27 1/2	27 1/2-25	10	23/00	23/00	29/94		
Calcutta Steel	..	10	10-10*	10	10/00	10/00	11/69	McLeod & Co P.	15	15	15	1000	215/00	215/00	215/00		
Dalmia Iron	24	15	14	10	30/00	30/00	41/87	Netai Box Co of India Ltd P.	17 1/2	25	25	10	42/00	42/00	59/75		
Guest. Keen Williams	12	10	10	50	102/00	102/00	111/00	National Insulated Cable P.	20	25	25-25*	10	25/00	25/00	44/56		
Hooghly Docking	10	15	16-16*	10	19/25	19/70	25/36	National Pipe & Rubber P.	15	20	20-20*	10	29/25	29/25	30/06		
Indian Iron & Steel P.	6	Nil	..	50	8/00	8/00	6/00	National Rolling & Steel Ropes	10	13	15-15*	10	19/56	19/56	20/25		
Indian Malleable Casting	7 1/2	Nil	..	100	2/50	2/50	3/12	National Rubber P.	..	Nil	6 1/2	10	11/62	11/62	12/25		
Indian Standard Wagon P.	28 1/2	28 1/2	28 1/2	10	30/37	30/37	..	National Tobacco P.	3 1/2	16	7	10	10/75	11/25	16/19		
Indian Steel & Wire Products	16 1/2	23	24-23*	100	49/00	49/00	48/00	New India Investment Corpn.	8.7	8.7	..	75	65/00	65/00	35/25		
Industrial Containers	..	Nil	10	10	22/00	22/00	..	Octavius Steel P.	12 1/2	10	..	100	..	..	..		
Jay Engineering	12	17 3/20	17 3/20-15*	10	24/25	24/25	..	Philip India	12	12	12	10	26/25	26/25	35/62		
J K Steel P.	12 1/2	20	20-10*	10	15/75	15/75	20/19	Publicity Society	37 1/2	10	75-75*	4	26/19	26/19	24/75		
Jessop & Co P.	8.58	8.58	8.58	10	20/31	21/06	24/75	Rallis India P.	Nil	4	8 1/2-8 1/2*	100	130/00	130/00	159/00		
Kumardhubi Engineering P.	10	10	11 1/2	6	6/87	6/87	7/84	Rohas Industries P.	15	20	10-8*	10	10/50	10/75	17/19		
Marshall Sons (India)	10	Nil	Nil	2	3/22	3/22	4/00	Sirsik P.	..	Nil	..	10	8/06	8/06	10/56		
National Iron and Steel	6 1/2	..	Nil-Nil*	4	4/25	4/25	6/19	Sen Raleigh Industries P.	8	8	8-8*	10	14/00	14/00	20/06		
Saran Engineering	7 1/2	30	20-12*	10	8/00	8/00	10/31	Shaw Wallace P.	15	15	15	10	18/37	18/37	23/00		
Steel Containers	..	30	20	10	19/75	19/75	22/30	Spencer's Hotel	14	24	24	2	1/94	1/94	1/50		
Textile Machinery	20	10	10	10	20/10	20/30	..	Union Carbide	18	18	18	10	34/75	29/00	51/25		
SUGAR BREWERIES ETC.																	
Balrampur Sugar	8	8	8-4*	7 1/2	2/31	2/00	2/44	Waltora Transport	15	30	30	100	2/25	2/25	2/69		
Balsano Sugar	18 1/2	18 1/2	..	10	8/50	8/50	10/00	Concord of India	20	20	20	5	10/25	10/25	10/50		
Bharati Sugar P.	Nil	Nil	Nil-Nil*	10	13/00	13/00	13/06	Hercules	20	22 1/2	26 1/2	10	23/00	25/00	24/25		
Carew (Sugar) P.	Nil	Nil	Nil	10	12/50	10/75	12/44	Ruby General	10	10	13 1/2	8	9/69	9/69	9/69		
Cawnpore Sugar P.	15	15	12-Nil*	10	15/87	15/87	18/00	Standard General	..	..	..	10	6/00	6/00	5/44		
Champanar Sugar	20	4	Nil	10	7/31	8/12	10/50	Triton	45	45	50	25	132/00	132/00	133/00		
Durbhanga	16	25	30	5	28/50	28/50	49/37	Bengal	45	40	25	10	34/25	34/25	38/62		
Dyer Meakir (Breweries)	..	..	..	10	3/62	5/62	5/19	Delhi P.	..	..	..	10	14/00	14/00	14/00		
New Savan Sugar and Jnr	..	..	..	10	11/50	11/50	11/25	Ganes P.	12 1/2	..	..	12 1/2	15/75	15/75	19/75		
Purnabaur Sugar P.	213/7	30	35-30*	10	30/37	30/37	31/75	Hooghly United	27 1/2	15	Nil	10	19/75	19/75	19/75		
Ramnugger Cane & Sugar P.	12 1/2	12 1/2	10	10	9/35	9/37	10/37	..	62 1/2	35	10	10	30/00	30/00	38/00		
Raza Buland	..	..	..	10	5/75	7/00	8/08	FLOUR MILLS									
Ryam Sugar P.	..	..	..	10	9/62	9/62	10/06	Bengal	45	40	25	10	34/25	34/25	38/62		
Sarnastipur Central Sugar	..	..	..	10	7/00	7/00	9/34	Delhi P.	..	..	..	10	14/00	14/00	14/00		
Shree Krishna Gyanoday Sugar P.	15	15	..	10	7/12	7/12	7/12	Ganes P.	12 1/2	..	..	12 1/2	15/75	15/75	19/75		
Shree Sitaram Sugar	..	..	..	10	6/12	6/12	6/62	Hooghly United	27 1/2	15	Nil	10	19/75	19/75	19/75		
Sitalpore Sugar	Nil	4	Nil-Nil*	10	10/62	10/62	15/50	..	62 1/2	35	10	10	30/00	30/00	38/00		
United Provinces	15	15	..	10	60/00	60/00	77/00	OIL COMPANIES									
Upper Ganges Sugar P.	72 1/2	72 1/2	72 1/2-72 1/2*	10	60/00	60/00	77/00										

MISCELLANEOUS

MISCELLANEOUS				4/90	5/90	5/90	Attack Oil	131	131	131	£1 sh.	33/11 sh.	31/5 sh.	24/6 sh.	
A Firpo (Restaurateur)	8 1/2	12	12-12*	10	12/81	12/75	18/66	Burnam Oil P.	25	30	25	10	23/12	23/12	29/06
Aluminium Corporation P.	10	11 1/2		10	21/75	21/75	20/81	Indo Burnam Petroleum P.	25	30	35	10	26/00	26/00	24/06
Anderson Wright Ltd P.	20	25	22 1/2-28*	10	28/75	28/75	25/25	PAPER MILLS							
Anaio Bros	18	18	20	10	2/50	2/50	2/50	Bengal P.	32	32	27 1/2	10	31/25	31/25	33/25
Assam Match	NII	NII	NII	10	24/25	24/25	32/56	India Paper Pulp	10	15	13-12*	10	16/12	16/12	21/62
Assam Saw Mills & Timber	40	25	15-15*	10	10/31	10/31	10/31	Orient Paper P.	15	22 1/2	22 1/2*	10	31/25	31/25	43/65
Associated Battery	NII	NII	10-10*	10				Shree Gopal Paper P.	17 1/2	17-8 1/2	17-8 1/2	10	22/75	22/75	27/00
Associated Hotels of India P.	NII			100	257/00	257/00	276/00	Srirur P.	6 1/2	6 1/2	6 1/2	10	10/75	10/75	15/87
Balmer Lawrie & Co.	25	25	25	100	24/00	24/00	16/31	Star Paper P.	3	NII	..	10	10/00	10/00	11/06
Barares Coke	NII	NII	NII-15*	10	10/00	10/00	10/00	Titaghar P.	25	25	20-10*	10A0	16/50	16/50	43/19
Birds Investments P.	11	9 1/2	10-10*	10	43/87	43/87	45/25	West Coast P.	NII	6	7 1/2	100	160/50	160/50	186/00
Britannia Discuit P.	14	25	30-25*	10	8/87	8/69	11/00	PRESSING COMPANY							
British India Corporation P.	NII	124	12 1/2	10	20/50	20/50	25/94	Camperdown	11	11	11	100	104/00	104/00	101/00
British Paints	10			10	7/15	7/15	7/15	REAL PROPERTY STORAGE							
Calcutta Silk Manufacturers P.	NII	NII	NII	10	8/19	8/19	8/62	Bengal Bonded Warehouse	6	11	8-8*	100	1050/00	1050/00	565/00
Clive Row Investment	14	8	7 1/2	100	135/00	135/00	152/00	Calcutta Safe Deposit	..	..	..	100	1/00	1/00	11/00
Duncan Brothers & Co Ltd P.	10	14	10	100	32/00	32/00	44/37	Humayan Properties P.	12 1/2	NII	NII	100	2/15	2/15	2/15
Dunlop Rubber Co (India) P.	21 1/2	21 1/2	20	100	129/00	129/00	153/00	Midnapore Zemindary P.	NII	NII	NII-NII*	85	9/25	9/25	9/50
Eastern Investments Ltd P.	14	14	14-12*	100	12/19	12/12	15/25	TEAMWAYS & STEAMER							
Electric Construction	12 1/2	20	10-10*	20	35/12	35/12	34/50	Bengal Assam Steamship P.	3	7 1/2	7 1/2	100	106/00	106/00	118/50
French Motor Car	12 1/2	20	20	20	236/02	236/00	231/00	Calcutta Landing & Shipping	3 1/2	3 1/2	..	10	35/06	35/06	13/31
Ganges Rope	17	17 1/2	20	100	43/00	43/00	43/00	Calcutta Steam Navigation	10	10	NII-NII*	10	8/87	8/87	12/37
General Investments Trust P.	39	5	5-5*	75	13/81	13/81	14/75	Calcutta Tramways P.	3 1/2	3 1/2	..	£1	11/00	11/00	11/12
Gillanders Arbuthnot & Co Ltd P.	10	10	11-11*	10	33/25	33/25	31/00	India General Nav. Railway P.	NII	NII	..	£10	68/50	68/50	70/75
Gladstone Lyall & Co Ltd P.	26	4	4	250	241/00	241/00	240/00	India Steamship P.	10	10	NII-NII*	10	5/44	5/84	7/41
Godfrey Phillips (India) Ltd P.	NII	9	6					Port Shipping	NII	NII	NII	10	11/37	12/06	11/12
Great Eastern Hotel	6														
Hindustan Aluminium P.	NII	NII		10	11/81	11/87	20/37								
Hindustan Motors P.	12	9	12-12 1/2*	10	15/50	15/90	20/37								
Hindusthan Plikers	6	NII		10	17/87	17/87	21/94								
Hindusthan Pervapor P.	6	NII	NII-NII*	10	13/50	13/50	16/37								
Hoare Miller & Co Ltd.	6	8	9-9*	10	4/75	4/75	7/19								
Imperial Tobacco	6	8	9	10	10/12	10/12	12/12								
Indian Aluminium Co. Ltd. P.	12	15	15	10	29/75	29/75	39/50								
Indian Cable P.	16	22 1/2	22 1/2-22 1/2*	10	32/00	32/00	36/37								
Indian Oxygen	15	15	15-12*	10	26/75	26/75	38/12								
Indian Rubber Manufacturers P.	15	20	30-36*	10	21/06	21/06	20/25								
Indian Wood Products	25	30	30-30*	10	31/25	31/25	33/25								
Isaac Holdens	8	..	NII	10	15/75	15/75	17/75								
Isaac & Co. Finance P.	8	7 1/2	7 1/2-7 1/2*	100	55/00	55/00	55/00								

SOUTH INDIA PLANTATION COMPANIES

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

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		1-4-63	25-3-63	A year ago		1959	1960	1961		1-4-63	25-3-63	A year ago
Amalgamated P.	7 1/2	10	..	10	10/36	10/36	11/06	Malankara	16	15	..	10	15/92	15/92	16/99
Anandam P.	15	15	..	10	15/24	15/24	13/22	Midland Rub & Prod P.	10	12 1/2	12 1/2	10	10/37	10/50	11/15
Athimattam	Nil	Nil	..	2	0/80	0/80	0/75	Nilgiri P.	5	8	..	10	8/90	8/90	8/30
Balanoor P.	15	15	12	10	12/91	12/91	13/75	Nonsuch	20	20	20	10	22/15	22/15	22/37
Balmadies P.	7 1/2	7 1/2	..	2	1/90	1/90	1/90	Jasoor	15	15	..	2	2/71	2/71	2/60
Be Be P.	5	Nil	..	5	2/15	2/15	2/35	Juchterlony	15	13	12	2	4/35	4/35	3/93
Blue Mountain	12 1/2	12 1/2	10-10*	2	2/56	2/56	2/64	Parkside Neigherry	27 1/2	27 1/2	22 1/2	10	24/00	24/00	23/00
Chembar Peak	15	20	20-20*	2	3/57	3/57	3/30	Peermade P.	22 1/2	22 1/2	25	10	22/50	22/50	19/50
Cochin Malabar P.	15	17 1/2	20-20*	3	6/00	6/00	7/10	Peninsular	20	20	..	10	20/70	20/70	22/10
Coffee Land P.	25	6	..	10	12/75	12/75	14/50	Periakaramala	12 1/2	13 1/2	20	2	3/05	3/05	3/33
Consolidated Coffee P.	25	20	..	10	16/25	16/25	18/12	Rafakari Rub & Prod P.	20	20	20	10	18/70	18/70	19/25
Coonoor P.	20	17 1/2	..	10	19/25	19/25	23/75	Rafakari P.	50	25	..	5	9/80	9/80	11/12
								Swinton	7 1/2	12 1/2	..	2	2/82	2/82	2/82
Coorg P.	20	20	..	2	3/93	3/93	5/20	Teeloy P.	8	Nil	..	10	5/03	5/03	5/35
Cottanad Plantation P.	15	10	..	10	9/31	9/31	10/10	Thirumbadi	7	7	12	1	1/54	1/54	1/71
Devashola (Nilgiri)	25	20	..	10	24/92	24/92	26/05	Travancore Rubber	10	13	..	10	10/95	10/95	12/80
Devon P.	15	15	12	10	12/66	12/66	13/50	Travancore Rub & Tea P.	7 1/2	8	10	10	9/00	9/00	10/87
Emerald Valley	8	..	..	5	5/06	5/06	5/25	Tropical Plantations	8	8	..	25	19/75	19/75	19/25
Gokul	9	10	..	2	1/90	1/90	2/10	Twyford	10	10	..	10	9/10	9/10	10/85
Haileybury P.	12 1/2	15	..	10	12/62	12/62	13/50	United Nilgiri	19 1/2	21	22	10	20/34	20/34	20/25
Kallias	20	22 1/2	..	2	5/30	5/30	5/10	Valkundam	25	30	..	10	29/45	29/45	31/70
Kalasa Tea Produce	15	20	25	2	3/45	3/45	3/40	Waterfall Estates P.	12 1/2	12 1/2	..	2	2/25	2/25	2/35
Kil Kotagiri P.	35	25	25	2	5/15	5/15	5/40	Woodland P.	5	10	..	10	7/85	7/85	7/85
Lucky Valley	10	10	10	10	11/00	11/00	10/12								

SOUTH INDIA COTTON MILLS

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		1-4-63	25-3-63	A year ago		1959	1960	1961		1-4-63	25-3-63	A year ago
Bangalore W. C. Silk P.	10	10	18	100	230/00	230/00	267/00	Lakshmi	12	20	30	50	137/00	137/00	166/50
Buckingham & Carnatic P.	10	10	18	100	262/00	262/00	287/00								
Cambodia P.	Nil	9	..	10	13/00	13/00	13/50	Madura	12 1/2	15	15	15	28/25	30/43	40/65
Coimbatore Cotton	6	12	18	100	171/70	178/00	208/00	Mettur Industries	25	30	30-22 1/2*	100	324/00	324/00	398/00
Coimbatore Spg & Wvg	..	..	..	60	68/00	68/00	87/00	Palani Andavar P.	..	..	..	10	215/00	215/00	232/50
Kothari Textiles P.	10	10	8	10	10/55	10/55	13/15	Vasanta P.	10	20	..	100	276/00	276/00	309/00

SOUTH INDIA SUGAR MILLS

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		1-4-63	25-3-63	A year ago		1959	1960	1961		1-4-63	25-3-63	A year ago
Andhra P.	20	..	..	10	18/20	18/20	22/12	K. C. P.	15	..	..	10	25/07	25/07	22/93
Cauvery P.	Nil	6	..	100	99/00	99/00	106/00	Kothari	..	Nil	..	10	7/07	7/07	7/00
Deccan Sugar	25 1/2	25 1/2	12-18*	5	9/50	9/50	9/95	Mysore	30	30	30-30*	10	51/30	51/30	53/40
E.I.D.-Parry	28 1/2	21 3/4	21 3/4*	21	39/17	39/17	39/00	Travancore P.	10	10	..	10	6/85	6/85	7/12
Indian Sugar P.	12 1/2	14	10	10	10/25	10/25	10/30	United Breweries	60	60	60-25*	10	95/00	95/00	82/25
Jeyapore P.	10	8	..	10	15/00	15/00	14/50								

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		1-4-63	25-3-63	A year ago		1959	1960	1961		1-4-63	25-3-63	A year ago
Aluminium Industries	12 1/2	18	..	10	20/37	20/37	23/72	Mysore Chemical Mfgs P.	20	20	..	10	18/28	18/28	21/90
Andhra Cement P.	10	..	..	10	9/75	9/75	9/60	Mysore Lamp P.	10	20	..	10	34/10	34/10	32/20
Ashok Leyland	8	8	..	5	7/85	7/85	8/85	Mysore Paper	12 1/2	15	15	10	13/50	13/50	14/25
Bisny	10	12 1/2	..	100	327/17	327/17	314/00	Mysore Tobacco	12 1/2	10	..	10	8/25	8/25	9/00
Brunton & Co.	Nil	..	..	10	5/30	5/30	5/15	Parry's Cont.	20	30	..	10	3/44	3/44	4/58
Enfield P.	8	8	..	10	9/25	9/25	12/05	Spencer (Provisions)	15	18	18-18*	10	22/50	22/50	24/00
India Cement P.	9	11	9-12*	9	6/20	6/20	5/94	Standard Motors P.	9	9	..	10	16/13	16/13	16/75
Indian Steel Rolling P.	8	..	..	10	10/50	10/50	11/75	I. Stanes P.	27 1/2	32 1/2	..	10	29/05	29/05	30/63
Mettur Chemical Industrial P.	12 1/2	12 1/2	12 1/2*	10	12/87	12/87	13/10	Testool	18	15	..	100	157/00	157/00	185/00
Mysore Chem. & Fert.	8	10	10	10	9/75	9/75	10/25	Tube Investments	10	10	..	100	235/00	235/00	280/00

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		1-4-63	25-3-63	A year ago		1959	1960	1961		1-4-63	25-3-63	A year ago
Ahmedpur Katwa	1.90	1.90	1.75	100	29/00	29/00	31/00	Darjeeling Ropeway	..	..	..	10	8/00	8/00	8/00
Arrah Jassar	5	5	5	100	27/00	27/00	30/50	Deori Kothari	17	20	15	10	13/75	13/75	18/12
Bankura Damoodar	1.90	1.90	1.75	100	29/50	29/50	29/00	Futwah Islampur	1.90	1.90	1.90	100	28/70	28/70	28/70
Burdwan Cutwa	1.90	1.90	1.75	100	29/50	29/50	29/00	Howrah Amta (P)	6	5	4 1/2	100	48/00	48/00	45/00
Chaparmukh-Silighat	2.90	2.90	2.80	100	35/00	35/00	30/00	Howrah Sheekhale	6	5	4 1/2	100	45/00	45/00	40/00
Cherra Chhatrak Ropeway	9	12	12	5	5/75	5/75	5/81	Katakha Late Dazari	3.50	3.10	1.90	100	41/00	41/00	41/00
								Shahdara (Delhi)	6	3	..	100	50/00	50/00	68/00

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AN EXPANSIONARY BUDGET FOR BRITAIN

THE unexpected rise in the sterling area's gold and convertible currency reserves during March did not by a long chalk rule out the obvious need for caution in any Budget aimed at expanding the British economy. This result was achieved only through the success of international lending co-operation, which secured a total of \$250 million in short-term resources to offset last month's run on the pound. The real movement of the reserves, had it been allowed to emerge, would have accounted for a far less favourable picture. Nevertheless, Mr. Maudling plumped for a moderately expansionary Budget on Wednesday last week, and only the most ascetic of critics have been able to find serious fault with his choice. The fact he had to remember was that the ultimate fate of sterling, whatever its present position, depends overwhelmingly on Britain's internal economic health, and that for the past year, thanks largely to his predecessor's Budget, this has been anything but robust. The British economy is in recession—slump is not too strong a word. The release during the past nine months of nearly £500 million of purchasing power, plus innumerable attempts at encouragement and exhortation, have all so far failed to get things on the move again. Unemployment is high, business activity is stagnating, a particularly severe winter and the failure at Brussels have both made the situation worse, so inevitably the whole country has been looking to the Budget for relief. Under such circumstances, the Chancellor had little choice, whatever he judged might be the short-term impact on the pound. It is good for Britain, for her trading partners, and not least for the future of the Government to which Mr. Maudling belongs, that he should have risen to the occasion in the reasonably adequate way he did.

But not all observers are happy about this Budget. The National Institute of Economic Research had previously mentioned a figure of £400 million for the minimum necessary tax concession, compared with the Chancellor's £270 million, and there was much evidence to support this view. But it had to be faced that the purchasing power already released, and which had so far had practically no effect at all on overall demand, was still available to supplement any Budget relaxations Mr. Maudling was prepared to make. In the last resort, it was the willingness of the British people to spend what they already had, not the amount of fresh resources the Chancellor was prepared to leave with them in his Budget, that would decide whether or not the economy could recover. By releasing what Mr. Maudling considered to be just enough new purchasing power to encourage and finance expansionary sentiment without running too great a risk of swamping the economy with inflationary demands, the Budget appears to meet the prevailing need, at least as far as the purely short-term considerations are concerned.

As for the long-term ones, there would seem to be not quite so much cause for congratulation. This Budget had been awaited with an eagerness which could only be explained in terms of its sig-

nificance as the first to be presented after the failure of the Brussels negotiations. Not only was it required to get the British economy moving again, but it was also looked to for an answer to all the long-term problems of stagnation which was at one time hoped, membership of the Common Market would effectively solve. But it has not provided the answer, except to a very limited extent. It is true that in his Budget speech the Chancellor paid lip-service to the need for improving the longer-term costs and efficiency of the British economy, but it is difficult to see what proposals can do to achieve it. More specifically, the obvious need to reform the existing industrial tax structure so as to encourage exports has been brushed aside with a promise to conduct a future enquiry into the possibility of a turnover tax as a substitute for the existing purchase and profit taxes. This does not suggest that the problem of export promotion is yet regarded as being particularly urgent in Treasury circles, a fact which should startle all overseas students of the British economy. Even the amalgamation of company income tax and profits tax—a long-realised and much-needed simpl

ment's acceptance of the National Economic Development Council's 4 percent-a-year growth target presupposes an annual rate of ~~wage~~ increases not exceeding 3½ percent, and that the income tax cuts announced were the equivalent of an overall wage rise of 2 percent. Now, at any rate, the unions will not be able to shrug off their own responsibility for wage restraint on the ground that the Government has no plans for growth. The shaping of the concessions so as to favour particularly the lower-paid worker was also designed to head off any acceleration of wage claims in the coming year, although this feature of the Budget has left the Conservative Government wide open to Opposition attacks on its electioneering intentions. For the majority of taxpayers, however, especially those for whom the income tax concessions do not offset the recent increases in local taxation, the incentive to embark on a consumer buying spree is unlikely to be large, while the urge to demand higher wages and salaries so as to compensate for any narrowing of earning differentials will certainly not be diminished.

The attitude of the trade unions is, of course, the crucial factor in the problem of promoting Britain's economic growth without inflation. So far their reactions to Budget appear to have been reluctantly favourable, although it has already been pointed out by the Secretary of the T.U.C. that nothing has been done to raise the standards of those who are too poor to pay any taxes at all. This may be just another manifestation of the essentially social-welfare approach which the British unions have towards economic management, and it may dissolve fairly quickly if the economy begins to move again. But there must be no underrating the prevailing dissatisfaction which exists in Britain today, and not only in trade union circles, with a Government which frequently gives the impression of having been in power too long.

The possibility of a Conservative victory at the next election is probably as important a factor in assessing the future prospects of sterling as Mr. Maudling's Budget itself. It must not be con-

cluded, however, that an unwillingness on the part of the trade unions to co-operate with the Government in containing inflation will automatically make it lose the next election. On the contrary, the preceding strike of London busmen is still regarded as one of the most important factors in the Conservative victory of 1959. The central question is whether or not a return to full employment will cause wages to rise faster than the prescribed 3½ percent a year, and this is largely independent of whatever Government might be in power. It can be argued whether Mr. Maudling's Budget will make this more or less likely, and, therefore, its short-term effect on the future of sterling will be adverse or favourable as the case may be. The balance of opinion is perhaps that it will help keep inflation in check, at least moderately, and probably for no longer than the period necessary to get the British economy moving again. After that, the fact that the Budget makes no serious attempt to tackle the deeper problem of Britain's industrial costs and efficiency, emerges as the crucial factor affecting the future of sterling.

So the final reluctant verdict must be that Mr. Maudling has probably missed his great opportunity to correct some of the long-term harm done to Britain's economic prospects by the failure to join the Common Market. If the country's exports, on which the entire prospects of economic growth depend, do record an increase in the coming months, the reason will probably be increased inflation among Britain's competitors rather than the improved efficiency of British industry. In fact, Britain's exporters will be fortunate indeed if they are able to hold their own, especially towards the end of the current year when the soporific effects of renewed prosperity have had time to sink into the economy. It is impossible, therefore, to avoid the parallel with Mr. Amory's Budget of 1959 which was followed by a balance-of-payments deficit in 1960 and a sterling crisis in 1961. It must be regretted that Mr. Maudling did not go into detail in his Budget speech as to what long-term plans he has for dealing with the situation, if events turn out that way again.

CONFUSION OVER EXPORTS

WITH major discrepancies revealed between the export figures compiled by the Reserve Bank and the Ministry of International Trade, one is left guessing what improvement in exchange earnings was actually achieved during 1962-63. Judging from the statistics on which the Board of Trade based its evaluation, it seems that there was a 5 percent expansion in exports last year, continuing the upward trend of the previous 12 months. India is still far short of the target set in the third plan, but the possibility that the long period of stagnation may have ended warrants some slight satisfaction. In fact, earnings might have been even higher if the prices of key commodities like tea had not softened as the result of larger supplies being placed on world markets.

Since a very large part of India's trade with the world consists of primary commodities in which adverse price fluctuations tend to cancel out the gains accruing from larger exports, it was heartening to hear Professor Hallstein say in Delhi last week that stabilisation of prices will confer immeasurably greater advantages than any conceivable increase in the amount of aid to developing nations. Even though the need for stabilisation may now be widely accepted, getting concrete international agreement on the measures by which this is to be achieved will take time. Meanwhile, the scope for mutual consultation between producing countries needs to be explored, and some attempt made to unify the ideas of Afro-Asian nations, all of whom have a direct stake in this matter.

The hurdles here will more often be psychological than economic, jute goods providing a case in point. Greater success may be achieved if consultations took place under international aegis in the first instance, to be followed up later by direct bilateral talks where appropriate. Ideas about regional economic co-operation in southern Asia canvassed at the recent Manila conference of E.C.A.F.E. are perhaps too ambitious in the present

context, but a useful beginning may be made by tackling such immediate problems as commodity pricing.

In this regional context, India's interests also require fresh thinking on the problem of mutual trade relations with neighbours. A report presented by the Reserve Bank on Afro-Asian markets highlights the growing difficulties which Indian exports will inevitably have to face unless action is taken now to forestall competitors. Most countries of southern Asia are faced with balance-of-payments deficits which oblige them to erect high tariff walls and adopt other restrictive measures to prevent the trade gap from becoming unmanageable. In these markets, trade expansion may have to depend upon long-term bilateral arrangements under which India obtains from them some primary commodities that she herself requires and sells them in return capital goods and light engineering items in which export surpluses will need to be created. Some economists are making the plea that such trade pacts may require a review of the aim of self-sufficiency where this conflicts with expansion of profitable trading. The examples quoted are rice and rubber, the export staples of Burma and Malaya, respectively, importing more of which can in this view be linked

FOREIGN CAPITAL IN SHIPPING

THE Government of India's decision to increase the ceiling for foreign participation in the share capital of Indian shipping companies from 25 percent to 40 percent is wise. The decision follows an earlier recommendation by the Congress Parliamentary Party's executive committee. The committee favoured such a measure in order to facilitate the flow of foreign exchange for the expansion of India's merchant navy. The foreign exchange shortage, worsened by the emergency,

with larger offtake of Indian goods. This raises large questions of policy which require careful study before any firm conclusions can be reached. Action need not, however, be deferred on some immediate issues like better credit facilities to underpin the export drive and encouragement to entrepreneurs to establish joint ventures in markets from which Indian exports threaten to be shut out by local manufacture sponsored by competitors. Capital exports have larger implications, which makes it more than ever necessary to keep a close watch on Chinese moves to penetrate neighbouring economies.

If broad issues of this nature were discussed at the Board of Trade meeting held recently in New Delhi, this is not public knowledge. The impression given by official handouts is that the Board confined itself chiefly to the mechanics of foreign trade, although one is entitled to expect from this high-powered body some guidance on matters of long-range strategy. It was gravely concerned about the adverse impact of sales taxes on export prices, a subject to be studied by a sub-committee it appointed. But nothing seems to have been said about the much more serious consequences of the inflationary impact of the latest Budget proposals. If the handout correctly represents the consensus reached by the Board (and not merely the view taken by official representatives), the super profits tax was held to have little direct bearing on exports. Surely there is some mistake somewhere because responsible spokesmen of such major export industries as tea and jute have left no doubt in anyone's mind about how they feel. Tea companies, with their traditionally narrow capital base, will find most of their profits in a good year diverted to the Exchequer, leaving little either for expansion or for evening out losses in a bad year. Yet expand they must if in the face of rising domestic demand they are to produce increasing export surpluses to reach the high target set for the industry. At the same time, the industry must constantly strive to reduce its production costs to keep in step with competitors. This will often mean substantial investment in new irrigation facilities or improved tea-making machinery, the resources for which will have disappeared into State coffers unless the super profits tax is modified.

The same holds true for jute, where the threat of competition is, if anything, keener, coming not only from other producers but also from substitutes. Modernisation of weaving equipment and diversification of production to include a larger proportion of specialities are indeed the only ways of preventing the industry's decline. The Board of Trade must have known of the L.J.M.A. chairman's warning that the installation of broad looms might suffer a setback if the Government insists on annexing through super profits tax the resources on which capital expenditure had been predicated. None of these genuine misgivings appear to have been reflected in the Board's deliberations, or so the official handout indicates. One might in fact be tempted to ask whether a Board which was seemingly so out of touch with realities had any worthwhile contribution to make to the export drive. Innocuous platitudes count for nothing in the hard world of international commerce. Speaking in Parliament on Monday, the Minister for International Trade, Mr. Manubhai Shah, called for efforts to lay conscious, modern and scientific foundations for foreign trade—an unexceptionable sentiment. He did not, however, explain how export industries are to find the brick and mortar to lay these foundations. The contradiction in calling upon industries to assume new responsibilities, but at the same time denying them the wherewithal, reflects a deplorable trend in policy-making at the highest levels.

has underlined the need for getting more external finance for India's shipping. A long and acrimonious controversy has raged over the question of increasing the proportion of foreign participation in shipping. Criticisms have been made that it would lead to foreign domination in a vital sector of the transport industry, and that Indian interests would lose their voice in international shipping conferences. But an effective reply to these criticisms was contained in the recent

observations of the Minister of Shipping, Mr. Raj Bahadur, that the existing law provides adequate safeguards against foreign domination; for instance, under the Merchant Shipping Act, the chairman, the managing directors and 70 percent of the board of directors have to be Indians, irrespective of the size of foreign investment.

In any case, there is no reason why one should be chary of foreign capital participation in shipping when it is eagerly sought for other industries. If the argument about the dangers of external domination were true in the field of shipping, it would be equally true in other industries. But in the latter, foreign risk capital and collaboration are accepted as being vital for development. Indeed, the progress in shipping too would have been more rapid but for the hesitation so far in permitting increased foreign capital participation. Although in some sectors of international trade, Indian ships have done well, in the sphere of dry bulk and liquid bulk cargoes, which account for two-thirds of the country's external trade, the performance has been poor. Shipping tonnage needs to be expanded fast in the field of tramps and bulk cargo carriers. Larger foreign investment would help India to build an adequate and balanced merchant navy.

According to the annual report of the Ministry of Transport and Communications (Department of Transport) for 1962-63, Indian shipping "has crossed an important milestone with the attainment of the 1 million-ton-mark". The actual tonnage on the Indian register on 31st December, 1962, was about 1,014,000, against 908,000 at the end of 1961. The shipping target for the third plan, which was originally fixed at a gross addition of about 375,000 tons, has subsequently been raised to 550,000 tons without increasing the financial allocation. Further financial allocation has not been necessary because last December a sum of Rs. 14 crores out of the Rs. 51 crores allotted for shipping under the third plan was lying unused. The acquisitions already made since the beginning of the plan amount to about 166,000 tons. With firm commitments for acquiring 24 overseas ships of 281,000 tons and two overseas tankers of 55,000 tons, there remains a balance of only 50,000 tons to be arranged in the rest of the plan period to reach the target of 1.3 million tons, even after allowing for the scrapping of 200,000 tons.

Although interpreted in terms of tonnage target the progress may give some satisfaction, it has not been adequate in relation to the country's needs. Barely 10 percent of the sea-borne trade is handled by Indian vessels at present; the percentage in the field of tramp and bulk liquid cargoes is considerably lower, about 2 or 3. It is gratifying that the deficiency in tramp and tanker tonnage is sought to be corrected by laying emphasis on them in future purchases. A committee under the chairmanship of Mr. C. P. Srivastava is now studying the scope for tramp shipping in handling the transport of mineral ores and other bulk cargoes. The increased foreign share in Indian shipping should help the development of the tramp trade.

The report says that in coastal shipping, resort to foreign chartered vessels for moving coal has been "virtually stopped". Apart from the acquisition of 14 vessels, a number of overseas vessels have been diverted to the coastal trade. The share of Indian shipping operating in the India-U.K.-Continent trade has been raised from 30.25 percent to 39.47 percent from September 1962, as a result of an agreement between India and Britain. The Indian share will be raised by annual escalations of 1 percent to 48.47 percent by 1971. An agreement has been reached that there will be no overall increase in the tariff rates until 30th June, 1963. In matters relating to the revision of ocean freight rates on Indian exports, the shipping interests will first hold discussions with the shippers. The report states that a Maritime Freights Commission has been set up to advise the Government on freight problems in the coastal and overseas trade of India. The Government intends to centralise all its chartering activities with a view to saving foreign exchange by obtaining cheaper freight rates.

Current News and Comment

Threat to Gold Control Policy

Glittering gold ornaments are back in the market for regular sale after a lapse of nearly two months. Under the Gold Control Rules, the sale of ornaments of over 14 carats, except among private individuals, came to an end from 8th February. The sale of 14-carat ornaments on a regular commercial basis began in Bombay for the first time on 3rd April with the Collector of Central Excise, Bombay, inaugurating the sale at a prominent jewellery shop. People vied with one another to get the best out of a wide variety of ornaments made from the much-maligned 14-carat gold. Sales on the first day, it was said, exceeded the wildest expectations of the firm. The intricate designs, delicate artistry and minute workmanship of the ornaments, all made without the aid of any new tools, clearly demonstrated that almost anything in jewellery could be made from 14-carat gold.

According to the proprietors of the firm, there was no difficulty in drawing the material of the required strength from 14-carat gold bars as it had developed a special alloy of 14-carat gold. Giving an idea of the prices of 14-carat and 22-carat jewellery, they said that a pair of 14-carat gold *kangan* weighing 41.75 grams will be sold at Rs. 375.75 (made up of Rs. 292.25 for the gold content at Rs. 70 a 10 grams, and Rs. 83.50 as the making charges at Rs. 20 a 10 grams). A *kangan* of the same weight in 22-carat gold would cost Rs. 438.37 (Rs. 375.75 for the gold content at Rs. 90 a 10 grams and Rs. 62.62 as the making charges at Rs. 15 a 10 grams). It is worth noting that the making charges for 14-carat ornaments work out to as much as 28.6 percent of the gold content and 22.2 percent of the total price. The corresponding figures for 22-carat ornaments are 16.6 percent and 14.3 percent.

The Bombay firm has, no doubt, given the lead, but it enjoys no monopoly of the special alloy used in making 14-carat ornaments. Quite a few refineries are now known to have undertaken the formulation of the special alloy, which is composed of 58.33 percent of pure gold and 41.67 percent of silver and copper. The Bombay Bullion Association's refinery is already offering as many as 14 different 14-carat gold alloys obtained by a variation in the percentage of silver and copper. All the 14 alloys are said to be capable of being fabricated into ornaments of the required design. Each alloy has definite properties of strength, colour, malleability and ductility, depending on the percentage of silver and copper it contains.

In view of the keen public demand for 14-carat gold ornaments and with the special alloy for making them readily available, it may not be long before jewellery shops all over the country begin to display for sale a wide variety of such ornaments. This may put the Government's gold control policy under severe strain by stimulating the demand for gold. The lawful sources of supply are limited. It is extremely doubtful if many people would like to have their existing ornaments of pure gold converted into new 14-carat ornaments, although small quantities may find their way into the market through distress selling. Nor is there likely to be much business in old 14-carat ornaments. Unlike ornaments of pure gold, 14-carat ornaments will not be offered for sale or for remaking because of the much higher making charges. Non-ornament gold held under exempted quotas is also unlikely to add much to the market supply of gold because it may be retained by the persons concerned in the form of 14-carat ornaments in case need arises for new ornaments for some social purpose.

Since undeclared gold in excess of the permissible quota is liable to be confiscated and its possession is punishable with seven years' imprisonment, it cannot be expected to find an easy way to the open market except in the form of ornaments. That way, of course, all smuggled gold could be converted into certified gold for official trading. The exclusion of ornaments from the Gold Control Rules is by far the most serious loop-

hole which can make nonsense of the entire policy. Thus it is the declared non-ornament gold which can be the main source of supply for the jewellery trade. But the quantity of such gold is very limited. According to a recent statement made in the Lok Sabha by the Deputy Finance Minister, Mr. B. R. Bhagat, the quantity of declared non-ornament gold at the end of February was only 42.66 million grams valued at Rs. 22.85 crores at the international price. This is too small to feed the jewellery trade for more than a few months. The trade, therefore, may have to depend on the supply of smuggled gold for its existence.

Sustained demand for 14-carat ornaments will push up the demand for gold and with lawful supplies extremely limited, the price of gold can be expected to move up substantially unless the Government takes further measures to restrict the demand. Much has been made in official circles of the somewhat subdued tendency in gold during the past few months. But if the price of gold has been a little subdued, it is mainly because business in gold ornaments has come to a virtual standstill after the promulgation of the Gold Control Rules. The demand for gold is bound to pick up with the large-scale manufacture of 14-carat ornaments. The price of gold has already moved up from Rs. 96 to Rs. 103 a 10 grams within less than a fortnight. This seems to mark the beginning of a new upward trend. Since it is through a decline in the price that the Government's gold control policy is expected to achieve its very limited objective of checking smuggling activity, a rise in the price of gold will be viewed with serious concern. The setback in smuggling activity which has been reported in recent months may prove to be a passing phase if the Government does not take prompt measures to restrict the demand for gold. This is not possible if ornaments are kept outside the purview of the Gold Control Rules.

Attracting Bank Deposits

The decision of the State Bank of India to increase its lending rates marginally is not expected to lead to a further rise in the lending rates of other banks. Although the State Bank's lending rates are generally somewhat lower than those of other banks, the gap between them became wider at the turn of the year when the minimum lending rate of other scheduled banks was increased to 6.5 percent under the interbank agreement. The minimum lending rate was raised on the plea that Bank rate had been increased from 4 percent to 4.5 percent. In order to ensure that the increase in its lending rates does not press on the advance rates of other banks, the State Bank has appropriately timed its move after the peak of the busy season.

It must nevertheless be remembered that the lending rates at present are high and a further increase will retard economic development. Although it is difficult to ascertain to what extent the high interest rates have been responsible for the slow-down in economic activity, it cannot be gainsaid that trade and industry have been forced to curtail their activities because of dearer money. By increasing the lending rates and holding down the rate of interest on deposits, bankers have added to their difficulties in attracting deposits. A survey of deposits shows that time deposits

India's Resources
are Precious

WASTE NOT,
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of scheduled banks have fallen from Rs. 1,258.68 crores to Rs. 1,219.62 crores since the beginning of 1963. It is a reversal of the trend witnessed in previous years. Since time deposits are mainly attracted by the interest rate, it looks as if the banking community has lost them because these funds have been diverted to more remunerative fields.

The evidence indicates that industrial houses have attracted a good deal of funds in the form of fixed deposits in recent months. The Tata hydro-electric companies, it is reliably learnt, have offered to accept time deposits by giving attractive interest rates. Deposits for six months carry an interest of 5.5 percent and those for 12 months 5.75 percent. Industrial houses are finding it convenient to obtain funds in the form of deposits. Even by offering sufficiently attractive interest rates, they have paid less than on bank credit.

Banks will, therefore, have to intensify their efforts to increase deposits. They will have to examine carefully whether the competition for funds can be met better by increasing the deposit rates. There is no doubt that banks enjoy an advantage over rival financial institutions, since they can attract depositors by improving banking services. Meanwhile, the 1963-64 Central Budget has rendered the task of bankers difficult, since the increase in the rates of direct taxes and compulsory deposits will siphon off more than Rs. 110 crores.

Trade with Eastern Europe

With the conclusion of preliminary talks between India and Russia in New Delhi last week, the way has been cleared for a new trade agreement with that country. The final agreement which is due to be signed in Moscow some time in June aims at doubling the trade between the two countries during the next three years, raising the volume of trade (both ways) from the level of Rs. 100 crores in 1962 to Rs. 200 crores in 1966. The agreement visualises the export of more manufactured goods from India. Reliable reports indicate that the Central Ministry of Commerce and Industry is now busy preparing similar long-term trade plans with east European countries—Czechoslovakia, Yugoslavia, Poland, East Germany, Hungary, Rumania and Bulgaria. Long-term trade pacts, it is proposed, will be concluded with these countries covering a period of five years—1964 to 1968. This will enable India to prepare a total plan for the next five years on a "firm" basis, indicating the import and export commitments of the country with eastern Europe as a whole.

The Central Ministry of Commerce and Industry has requested the various Ministries and their departments to furnish details about their import requirements broken down countrywise, commoditywise and yearwise as also suggestions for exports to and from these countries. The import targets are to include the requirements of the private sector as well. It is felt that there should be no difficulty in furnishing firm targets up to 1966 which is the last year of the third plan. For targets pertaining to 1967 and 1968, Ministries and departments concerned will be required to take up their import requirements with the Planning Commission, simultaneously informing the Central Commerce Ministry of their import targets for these two years. The Commerce Ministry has prepared a draft list of commodities which India can import from east European countries, and also what these countries can possibly buy from here. The list includes as many as 168 commodities which are available from east European countries against which India can supply about 129 commodities, covering traditional and non-traditional items.

It may be mentioned that when the Indian trade delegation visited Belgrade last October for discussing the new trade and payments agreement, the Yugoslav authorities had presented draft lists of essential commodities for import and export during the years from 1963 to 1967, which also included final trade plan provisions for 1963. Under the Indo-Yugoslav trade plan, Yugoslavia, it is expected, will buy from India during the current year deoiled cakes worth Rs. 1.8 crores, coffee worth Rs. 1.2 crores, rolled steel products Rs. 1.2 crores, iron ore Rs. 1.61 crores, jute products including raw jute Rs. 1 crore, textiles Rs. 1 crore,

hides and skins Rs. 1.4 crores and manganese ore worth Rs. 60 lakhs. The other items include spices, chemicals, raw cotton and cotton waste, machines and machine tools and tobacco. Commodities which India is to import from Yugoslavia in 1963 include aluminium products (worth Rs. 1.1 crores), tractors and implements (Rs. 80 lakhs), lubricating oils (Rs. 1.5 crores), lead, mercury, zinc, cables, refractories, seamless steel tubes, explosives, wood pulp and paper and machine tools.

Bharat Chamber on Tax Measures

In a memorandum to the Central Finance Minister on the Budget proposals, the Committee of the Bharat Chamber of Commerce says that the funds necessary for defence should and could have been found without the proposed "unprecedented" tax effort. To sustain confidence in the growth of the economy, it emphasises that the super profits tax and the so-called "additional surcharge" should be specifically declared as emergency measures which will be abolished as soon as possible. The additional surcharge is really a central income tax and can hardly be levied under normal conditions. To call any profit in excess of 6 percent of capital as "super profit" creates a very depressing fiscal image at home and abroad, particularly when a return of about 10 percent has been considered necessary even to attract investment in cumulative preference shares.

Concerning additional surcharge, the Chamber suggests that all taxes and donations including contributions to the National Defence Fund should be deducted in computing the residual income. At present, a rebate is allowed only on such donations and contributions; but wealth tax and half of the municipal tax are not allowed in the assessment of income tax and will, therefore, attract additional surcharge. The effective rates of income tax, super tax and additional surcharge would be very steep, and would cripple the saving capacity of the income tax-paying group who have been showing the highest propensity to save and invest all these years. The Chamber has, therefore, suggested that all assesses should be entitled to deduction from the additional surcharge up to 50 percent of the amount of the surcharge, if it is deposited under the compulsory deposit scheme. This will enable some flow-back of savings to the people after the emergency. A man with an income of Rs. 55,000 will be required to pay Rs. 23,126 as tax, and the maximum savings allowed for deduction from tax will be only Rs. 745.

As for super profits tax, the Chamber has suggested exemption of small companies with a paid-up capital of less than Rs. 5 lakhs, and also new companies if the instalments for repayment of loans are not allowed to be deducted in the computation of chargeable profits. Since 1959, the load on small companies has been increased by about 10 percent. The Chamber quotes figures from the Reserve Bank surveys to indicate that the gross profits, as a percentage of sales, for the smaller companies was less than 6 in 1960, compared with over 10 in the larger companies. The smaller companies, on average, could declare a dividend of only 6.6 percent in 1960 when the larger ones declared 11.6 percent. The rate of capital formation in the small sector has also been much lower. The Chamber has suggested that the rate for standard deduction should be increased from 6 percent to 10 percent. The donations for charitable purposes, repayment of loan instalments, dividends on preference shares, profits on exports, inter-corporate dividends, and income of new industrial undertakings exempted under the new Income Tax Act should be deducted in computing the chargeable profits. Even after these modifications, the Chamber says, the yield from super profits tax would not be less than the estimated Rs. 25 crores. It has also suggested changes in the rules to provide for "averaging of profits" in the case of companies with widely fluctuating incomes and for adjustments for unabsorbed losses and deficiencies in the standard deduction.

Relieving Power Shortage

One of the serious problems facing Indian industry is the power shortage. Even before the emergency, the power shortage was hampering

industrial production. The emergency made it more necessary to increase the power generating capacity by the reshaping of certain projects, diversion of more resources to electricity generation and the better use of the available plants. But there does not appear to have been any marked increase in power supply. The increase in supply in the second plan and in the first two years of the third plan has not been satisfactory. Mr. O. V. Alagesan, Minister of State for Irrigation and Power, said at the recent conference of the chairmen of State Electricity Boards in New Delhi that power generation in the second plan amounted to 5.6 million kilowatts, against the capacity target of 6.9 million kilowatts. In the first two years of the third plan, it has been possible to add 1.2 million kilowatts. But it will be necessary to create a generating capacity of some 6.2 million kilowatts in the remaining three years of the third plan in order to achieve the target of 13 million kilowatts. It is not going to be an easy task.

There are many reasons for this unsatisfactory rate of progress. But two important causes are, firstly, the inter-State rivalry about the use of river waters for irrigation and power generation and, secondly, the inability of the State Electricity Boards, set up under the Electricity Supply Act of 1948, to make proper use of their resources. The All-India Manufacturers Organisation has recently suggested that power generation, which at present is a concurrent subject, should be made a Central subject by an amendment of the Constitution. Besides, a National Power Authority should be set up to establish hydel, thermal or atomic stations at appropriate places and make power available to individual State Electricity Boards and private distributors through a national grid.

Mr. Alagesan said that power planning in terms of State boundaries has become out-moded. Planning Commission, in fact, made a great mistake in not realising that power generation should be planned and executed centrally. Now the State Governments are likely to resist the move to make power generation an exclusively Central subject. But in view of the urgency of increasing power generation and the poor performance of the State Electricity Boards, there does not seem to be any choice in the matter.

The State Electricity Boards are either manned by Government officials or hampered by too much official direction and control with the result that in spite of their "autonomous" nature, they have failed to show initiative and enterprise. Rural electrification is not profitable, at least in the beginning, and the policy of the State Electricity Boards to avoid losses at any cost has proved a serious handicap in augmenting the power supply. These Boards undoubtedly suffer from inadequate resources, but they have been unable to make proper use of whatever resources they already have. The proposed National Power Authority should be able to plan power generation on a long-term basis and make proper use of the available resources. It should also be possible for a Central power authority to show more initiative and enterprise in close association with the private sector to help increase the supply and leave the work of regional distribution to the State Electricity Boards and private distributors.

Protecting Sparking Plugs

Opening the public enquiry into the question of continuance of protection to the motor-vehicle sparking plug industry beyond this year, the chairman of the Tariff Commission, Mr. K. R. P. Aiyangar, said in Bombay recently that the industry had been able to stabilise itself under protection which it had been enjoying for over eight years. Its output has increased although economies arising from it are yet to be passed on to the consumers. Mr. Aiyangar stated that the Commission had not received any complaints against the selling system of the manufacturers, although there was a general feeling that the prices were high compared with those of the imported plugs. The present scheme of protection covers motor-vehicle sparking plugs of 14 m.m. and 18 m.m. sizes and parts thereof, including the resistor types but excluding integral

ly screened types. It also excludes sparking plugs adapted for use exclusively as parts and accessories of agricultural tractors. The Tariff Commission, said Mr. Aiyangar, had not received any request either from the manufacturers or from others for modification in the scope of the present enquiry. The current rates of protective duty are 92½ percent *ad valorem* (standard) and 85 percent *ad valorem* (preferential). Under the Finance Bill, 1963, a general surcharge of 10 percent has been levied on all import duties.

There has been no change in the number of units manufacturing motor-vehicle sparking plugs in the country since 1954. Motor Industries Co. Ltd., Bangalore, and Auto Accessories (India) Ltd., Bombay, continue to be the two units in the industry. Their aggregate annual capacity has been given by the manufacturers as 1.02 million sparking plugs on a single shift basis. The Department of Technical Development, Ministry of Economic and Defence Co-ordination, has indicated the capacity of the industry as 1.596 million pieces on the basis of optimum utilisation of plant and machinery installed. The actual production of sparking plugs of different sizes amounted to 1.191 million pieces in 1960, 1.452 million pieces in 1961 and 1.081 million pieces in 1962. The lower output in 1962 has been attributed to reduced offtake.

In 1960, the Tariff Commission had estimated the demand for sparking plugs, both for replacement and original equipment, at 1 million pieces and had expected it to increase at the rate of 5 to 10 percent a year during the next three years. On this basis, the demand for 1963 is expected to reach 1.15 million to 1.30 million plugs. Estimates of demand for 1963 made by other sources vary from 1.005 million to 1.400 million plugs, gradually rising to 1.225 million to 2.563 million pieces by 1966. The apparent consumption of plugs, made up of the sales of domestic product and imports, was 1.348 million pieces in 1960, 1.895 million pieces in 1961 and 1.187 million pieces in 1962. While the demand for original equipment depends on the volume of production of motor-vehicles in the country, that for replacement purposes depends on the number of such vehicles on the road. Except for a small portion of raw materials, namely, sodium silicate solution and free cutting brass rods, other items continue to be imported by the industry. The major item in the raw material group is bright drawn free cutting steel bars and that, in the components group, the insulator. The industry will have to depend on imported bright drawn free cutting steel bars until the domestic alloy steel industry is developed. But as for insulators, Motor Industries expects to start production by about the middle of this year which will fully meet the requirements of both the units in the industry. There has been no export of sparking plugs and the industry does not expect to be able to make any in the foreseeable future. The industry is unable to compete in the foreign markets due to the high cost of production in the country, dependence on imported raw materials and the small size of the production units, compared with those abroad.

Importance of Work Study

The president of the European Work Study Federation, Mr. Russel M. Currie is now in this country as a guest of the Government of India. He participated in a conference on productivity organised in Calcutta on Tuesday by the Calcutta Management Association in collaboration with the Calcutta Productivity Council. The object of industry, Mr. Currie said, is to supply goods and services needed by the community with the minimum consumption of real resources. Modern work study—largely developed in Britain in the past 15 years—is being rapidly adopted by many nations. Its outstanding features are co-ordination of isolated techniques, the intensity of analysis, critical examination and synthesis, and above all its humanity. Britain as well as many other countries are finding that work study helps in reducing the cost of production and increasing productivity. It also helps create employment. Furthermore, work study has the advantage of transcending political divisions, whether local or national. It ultimately bridges the traditional

"tragic division" between management and labour, and unites the team.

Mr. Currie defined work study as "the systematic, objective and critical examination of all the factors governing the operational efficiency of any specified activity in order to effect improvement." Work study is broadly divided into two groups of techniques called method study and work measurement. The rise in productivity is not the only material gain that results from work study. The latter also creates and maintains a constant urge to improve the techniques of production, reveals organisational flaws, tends to reduce labour turnover, and improves trade union relationships.

Mr. Currie elaborated the attitude of labour towards work study at a Press conference at I.C.I. House on Tuesday afternoon. The movement, he said, has received the general support of the International Labour Office. But, the movement in Britain, he frankly admitted, had to contend with the opposition from workers who regard work study as yet another device of the management to get more work out of them. The scheme, it is obvious, cannot be successful without the active co-operation of labour. While Mr. Currie was optimistic on this point as far as Britain was concerned, he had some doubts how far it would be possible to enlist the support of labour in India. Since trade unions in India are dominated by politicians, the scheme—however beneficial it may be in the long run—may not be welcomed by labour. The low level of literacy and factionalism in trade unions in India are undoubtedly the two insuperable obstacles in the way of making the movement a success. Only publicity and propaganda campaigns can help overcome the opposition. But efforts should be made, meanwhile, to show that the results of work study will be equally beneficial to management and labour. This alone can ensure peaceful co-existence when there is opposition to the move to increase productivity through work study.

CORRESPONDENCE

EVASION OF TAXES

(TO THE EDITOR OF "CAPITAL")

Sir,

The recent Budget proposals have cast a wide net of taxation. It is, however, obvious that unless the net is strong and tight enough to catch all those who should be in it, the proposals will defeat their purpose. It makes all the difference between a taxed and an evaded income. In the absence of effective enforcement of the tax measures, those who cannot or do not evade taxes will be crushed by the increasing burdens piled on them while the evaders will go scot-free.

That evasion of taxes is prevalent on a colossal scale is evident from the enormous amounts spent on marriages, fabulous dowries, palatial houses, crowded race courses with ever-increasing betting with bookmakers, crowded hotels, expensive restaurants, expensive motor-cars and last but not least, a huge amount spent on electioneering expenses. All this could not be possible with the small balance available after statutory taxes are paid. The "expense account" aristocracy plays but a minor part in the lavish expenditure which is daily incurred on an enormous scale in all the big cities in the country.

Indeed, income tax evasion is the most profitable industry in the country, because without it, little is left with individuals to spend on themselves, their families, and to invest in property, or to show off their wealth. No wonder so much ingenuity is exercised and so much is spent to evade taxes, leading to the enrichment of income tax experts and contact men. It is accordingly necessary to tighten the administration. Otherwise, the honest man alone will continue to suffer. He is indeed looked upon as a fool by the more clever and unscrupulous ones.

The scrapping of the expenditure tax might have been justified in view of the low revenue yield, but the principle of correlating income and expenditure is a sound one. As a matter of fact, the substitution of expenditure tax by income tax might yield greater revenue, as far as the non-corporate sector is concerned for, in the case of non-

salaried assesses, expenditure is more tangible and verifiable than income.

Unlike the "capitalist" U.S.A., we cannot send top executives drawing lakhs of rupees as salaries a year to jail or dismiss them merely for "fixing" prices, or make the companies concerned pay vast sums as damages. On the other hand, the less efficient units in a particular trade practically force their more efficient rivals in this country not to reduce prices and the latter more often than not, oblige them as a token of *esprit de corps*, particularly as the latter themselves have nothing to lose. Again whereas in the U.S.A., thousands are sent to long terms of imprisonment for evading taxes, one doubts if we have sent even 15 evaders to jail in the last 15 years of independence. The revenue authorities in the U.S.A. make it a point to send some prominent assesses, guilty of evasion, to jail at about the time when the annual returns of income are due, so as to be a deterrent to those about to file them. In the United States, estate duties up to 61 percent, if not more, are charged. In India, in spite of the professed socialistic pattern of society, capital gains are lightly treated. A man may make more than a lifetime's savings in a single deal of land or property situated in metropolitan towns in spite of the fact that he himself has done little towards social development which has led to such a rise in prices. It is as true in socialist India as in the Tory-run Britain that money "made" is treated more lightly than money "earned".

The Government has not paid attention to the sensible suggestion that import quotas should be auctioned, presumably on grounds of political expediency. The allotment of quotas is a very handy weapon of patronage for rewarding Party loyalty and contributions to Party funds. It is ironic that whereas we have liquidated certain vested interests, like the princely order and *zamidari*, we have instead created a new type, namely, the quota-holder. In case one's parents were lucky enough to import certain goods in a particular year, then one might conceivably be assured of a substantial annual pension, through the sale of quota rights. The argument that quota-holders, or more recently, the goldsmiths must be compensated for the loss of their business or profession, does not hold good if only because no such compensation was ever paid before when scientific progress rendered obsolete the old methods of production and transport. The poor bullock-cart driver or the *tonga walla* was not vocal enough to be considered as sympathetically as the quota-holder or the goldsmith.

Yours etcetera,
KRISHNA CHANDRA.

Delhi, 23rd March, 1963.

RAW JUTE EXPORTS

THE total exports of Jute, Rejections and Cuttings to all places for March are 166,324 bales, bringing the total for the first eight months of the season up to 3,037,840 bales. Of this the United Kingdom and Continent of Europe have obtained 2,642,363 bales, including 33,079 bales of Cuttings, and as the estimated consumption of Europe will not exceed, according to the most reliable authorities, 2,500,000 bales during the present year, they have already received more than their actual requirements, so all the remaining exports to the United Kingdom and Continent will simply go home to swell the stocks and the carry over to the next season. By last mail accounts, the trade was bad, and machinery was being stopped. This, of course, means a further curtailment of consumption.

	First 8 months Bales	Last 4 months Bales	Total Bales
1892-93	2,859,044	223,979	2,083,023
1893-94	2,211,252	326,785	2,538,037
1894-95	3,309,037	281,019	3,590,056
1895-96	3,157,929	333,241	3,491,170
1896-97	2,876,242	416,749	3,293,591
1897-98	3,782,749	423,402	4,206,151
1898-99	2,346,649	411,980	2,760,629
1899-00	2,413,961	187,639	2,601,600
1900-01	3,180,695	359,841	3,540,536
1901-02	3,753,143	574,848	4,327,991
1902-03	3,037,840	...	...

FROM

CAPITAL
14th April, 1963

DR. HALLSTEIN EXPLAINS E.C.M. TRADE GOALS

By Malcolm Subhan

DR. Walter Hallstein, who is now in India to deliver the Azad Memorial Lectures, has come to the east for the first time. This fact is significant in itself. Hitherto, whenever the President of the Common Market Commission has travelled outside the Old World, his destination invariably has been the New. But Dr. Hallstein's Indian journey has gained in significance since the European Parliament unanimously adopted a resolution recently asking the Commission to draft a development programme which would apply to Asia and Latin America as much as to Africa.

This does not mean that Dr. Hallstein has arrived in India with a ready-made solution to the problems with which India's Ambassador to the European Economic Community, Mr. K. B. Lal, has been wrestling for well over a year. Although the Commission's President has on a number of occasions suggested that India and the Common Market negotiate a trade agreement somewhat along the lines of the comprehensive trade agreements proposed during the British negotiations, the very manner in which Dr. Hallstein's visit has been arranged makes it clear that this is not the time to raise the matter formally. (The visit was planned before the breakdown of the negotiations with the British; but its basic object apparently remains unchanged—to allow Dr. Hallstein to meet Mr. Nehru and his senior cabinet colleagues informally and to find out at first hand something of India's problems as well as her achievements.)

Dr. Hallstein is not simply going through the motions of delivering the Azad Memorial lectures. The fact is that he has welcomed this invitation to deliver the lectures, for it offers him the opportunity not only to explain the Community's aims but also to defend the Common Market before an Asian audience in a key Asian capital. Thus if the first of the two lectures has traced the various stages on the road to European integration, the second has explained how the Community visualises its relations with the developing countries in general, and with India in particular.

Outward-looking

Dr. Hallstein is firmly convinced that the Community is not inward-looking, and that far from shutting its doors against imports from third

countries, it has in fact acted as a powerful stimulus for world trade. The proof of this lies for him in the sharp increase in the Community's trade with third countries. During 1958, the first year of the E.E.C., such trade amounted to \$32,000 million in all; last year, it stood at \$43,000 million. The Community's imports from third countries rose during this period from \$16,200 million to over \$22,000 million.

Unfortunately, only the industrial countries have benefited from this expansion of the Community's trade with the outside world. Although India's trade balance with Belgium for 1962 is expected to show a surplus for the first time, the picture concerning the other Common Market countries remains as bleak as ever. Moreover, India's attempts to diversify her exports have so far received little encouragement from the Six. During the British negotiations, they showed themselves extremely reluctant to make any tariff concessions, whether on items such as cotton textiles and jute manufactures or on the non-traditional items such as light engineering goods or sewing machines and bicycles.

In the Indian view, even in simpler manufactures, the developing countries cannot compete on equal terms with industrialised countries, much less with the real low-cost producers such as Japan. There is, however, reason to believe that not only Dr. Hallstein, but the entire Commission regards as heretical the Indian proposal that an exception be made in favour of the developing countries from the two G.A.T.T. principles of non-discrimination and reciprocity. Of the two, the Commission considers the first as of greater importance than the second. It is generally admitted that developing countries are hardly in a position to negotiate tariff reductions on the basis of a *quid pro quo* and the new Convention of Association between the Community and its 18 African partners explicitly recognises this.

Non-discrimination

The principle of non-discrimination, however, is held to be sacred; it is argued that adherence to it has brought order into world trade. As this principle has been strongly defended by the U.S.A. also, any breach of it—except the most minor—appears unlikely. The Community would no doubt be prepared to con-

cede special terms in the case of items of particular interest to India, for such concessions do not violate the principle of non-discrimination. Hence the readiness to make concessions during the British negotiations on tea, handloom textiles and kips, for instance. Unfortunately, concessions in favour of the developing countries on the simpler manufactures, such as sewing machines or diesel engines, are regarded as violating the principle of non-discrimination.

Sympathetic Listener

On the whole, however, Dr. Hallstein should prove a sympathetic listener. There is no doubt that he is determined to do all he can to destroy the image of the Common Market as a closed, inward-looking Community of the rich. Speaking in Strasbourg, he told the European Parliament recently that the British negotiations had made the Community aware of its responsibilities towards third countries, particularly the under-developed nations. He maintained their export problems could be rendered less acute by a Community policy of tariff reductions, carried out initially through the Kennedy round under G.A.T.T.

There is no doubt that all six member-states agree in varying degrees with Dr. Hallstein's claim that the Community must prove itself outward-looking in its relations with not only the industrialised West, but also the developing countries. As the debate in the European Parliament showed, the Dutch are not alone in thinking that the Community must not confine its horizons to its 18 African partners. The events of the past two months indicate, however, that the Six are far too preoccupied at present with their own internal problems to have the courage to give concrete expression to their desire to aid the developing countries. The recent decision of the German and French governments to co-ordinate their aid suggests that a Community programme of aid to developing countries is not for the near future.

It is clear that the crisis precipitated by the break-down in the negotiations with the British continues to paralyse the Community. Presenting the Commission's report on the breakdown to the European Parliament, Dr. Hallstein urged the six member-states to stop brooding

CAPITAL, 11th April, 1963

on the past and to push ahead with the construction of the Common Market. The fact, of course, is that on both sides, the urge to salvage something from the wreckage of the negotiations has disappeared entirely. A German attempt to call a meeting of the Western European Union before the end of March failed when the French declared they would not participate if the question of the Community's relations with the U.K. was raised.

Although France's partners have obviously abandoned all hopes of associating the U.K. with the Common Market, the ghost of the British negotiations seems to be lingering still. Consequently, further progress in the implementation of the Treaty of Rome appears more or less out of the question at present. This does not mean that the Community as a force is now played out. But as Dr. Hallstein has himself pointed out, the Community's external relations are a function of its internal development. As long as the Common Market does not develop internally, it will lack the will to expand its external relations. The inconclusive debates of the recent weeks are a clear indication that the Community is more divided than ever on the two major problems confronting it—the implementation of the common agricultural policy and the adoption of a common policy towards the forthcoming Kennedy round.

Setback to Farm Policy

The inability of the six agricultural ministers to fix cereal prices means that the common agricultural policy has received a severe setback. Under the terms of the policy cereal prices within the Community must be harmonised. This will be done by the Council fixing each year the upper and lower price limits (which correspond roughly to the German and French prices). In principle, the gap will be narrowed year by year until it disappears seven years hence. The first such step towards harmonisation should have been taken by 1st April. The Germans refuse, however, to reduce their agricultural prices, as this would involve their farmers in a certain loss; at the same time, it is feared that the gradual increase in French prices will lead to an increase in French cereal production.

Obviously, the debate on agricultural prices is being followed with great anxiety by countries such as the U.S.A., for the Common Market is the largest importer of farm products, and accounts for one-third of world agricultural imports. The Americans are increasingly worried that the Common Market plans to pursue a policy of self-sufficiency in agricultural commodities, and they have, therefore, insisted that the forthcoming Kennedy round cover both industrial as well as farm goods. Although Dr. Hallstein, it is believed, favours such a course, the French are strongly opposed to it. The Six have been so far unable to agree among themselves on this vital question, with the result that the tariff negotiations may eventually be delayed.

The crisis within the Common Market could be more easily resolved were the Community's economic prospects uniformly bright. The strikes in France and the demand by German steel workers for an 8 percent wage increase have cast a cloud over the economy, however. Although production remains high, the Commission is expected shortly to advise the member-states on the measures to adopt in the event of a recession. This is perhaps no more than an application of the old adage that to be forewarned is to be forearmed, but it is one more indication of the difficulties which appear to beset the Common Market at present.

CAPITAL, 11th April, 1963.

A Ditcher's Diary

ALL THE REPORTS REACHING ME SUGGEST THAT foreign business reaction to Mr. Morarji Desai's fifth Budget has been much sharper than might be supposed from newspaper and other reports appearing in this country. As befits guests in a friend's household, spokesmen for foreign enterprise here in India are careful to be pretty circumspect in what they say. Apart from the well understood rules of hospitality, there is the simple fact that the Budget has been presented to the country as the minimum national effort required to deal with the emergency and maintain the momentum of the third plan. Foreigners on the spot are much too polite and tactful to insinuate that the two things together might prove too heavy a burden for India to carry, so they leave that sort of thing to Rajaji to wise-crack about. To suggest that you cannot have both guns and butter (not that there is very much of the latter knocking about anyhow) is not very acceptable to Delhi in its present mood of *hauteur*, so, by and large, the foreign business man keeps his own counsel and gets on with the task of calculating his probable liability to super profits tax and how he is going to remunerate his upper middle and top grade staff—that is, if he can keep them. But no such inhibitions need restrain his principals in Europe or America, who are a good deal more critical of the whole trend of recent Indian fiscal policy than is realised by our rulers. My information from reliable sources is that the City of London, for instance, does not find the dominant element in the 1963-64 Budget to be "courage" so much as a certain foolhardiness in assuming that you can go on indefinitely loading up the Indian economy with one impost after another without something vital snapping sooner or later. The closely reasoned memorandum on the Budget submitted to the Government of India by a number of business men from southern and western India has, I understand, been circulating in London and I hear it has made a considerable impact on those who have seen it. So far as overseas opinion is concerned, the result of the 1963-64 Budget to date has been to make India look less attractive in almost every way to the foreign investor, who sees only a heavily taxed country in which industry is being asked to carry more and more of the fiscal burden for less and less reward.

LAST THURSDAY *The Times* CARRIED FROM ITS New Delhi correspondent a piece called "The Tarnished Image of Mr. Nehru", the kind of piece a foreign correspondent produces when he is a little tired of hard reporting and thinks he has

got enough facts or views to sum up a man or an age or phase. Here a reporter really takes on the rôle of an interim historian; and the job is hazardous in the extreme. There are lots of polite reservations and qualifications; but the correspondent's verdict is that while for all these years and with his many unquestionable achievements "Panditji" has stood high in the affection and trust of his countrymen . . . lately there has been a change". The correspondent thinks "the watershed in Mr. Nehru's political life may be seen by history to have lain years before the mountain débâcle of 1962, perhaps round about 1957". What happened in 1957? I can't remember anything earth-shaking. But this analysis seems by and large valid:

As an administrator he (Mr. Nehru) has the high virtues of humaneness and a sense of the importance of detail, but he lacks follow-through, the determination to see that what has been decided should be done. He lacks the true political leader's gift for bringing into government men who share his ideas and have the zest to put them into force. He lacks—and many of his failings are those of virtue—the ruthlessness inseparable from political leadership . . . In every choice he seems to see so clearly the balancing claims of the two sides that choice between them appears to him unjust.

I find the writer's conclusion not only depressing but also a risky bit of prophecy:

The closing years of the Nehru phase of Indian history are likely to be anticlimatic at the least, and perhaps even tragic as time and circumstance continue to undermine the achievements of one of the great men of the age.

I remember *The Times* writing after the movement of Indian troops into Goa in December 1961 that the image of Mr. Nehru had been smashed for ever and that it would never be put together again. Well, well. I think most foreign observers underestimate Mr. Nehru's genius for political survival. He has in the past made many prophets look silly and may yet do so again.

STRIKES ARE AMONG THOSE MANIFESTATIONS OF labour-employer relations I most deplore. I simply cannot remember one which has done any real good; the usual result is to gain a small monetary advantage for one section of workers which is inevitably cancelled out when the others have caught up. In the meantime, the cost to the community, to the employer, and often in the long run to the workers themselves, can be out of all proportion to the results achieved. The New York newspaper strike, now settled after 114 days, is a case in point. It is estimated that the pro-

prietors, the commercial life of the city and those workers outside the industry who were left unemployed because of it, paid for that strike to the tune of around \$600 million. I do not know whether the strikers themselves think the settlement adequately compensates them for the loss they sustained in wages, but I am sure the rest of the community does not. My sympathies, naturally enough, are with the army of freelance journalists who temporarily lost their livelihood due to the strike. But I suspect the workers themselves will be the main sufferers in the long run. Newspaper production must be one of the few manufacturing techniques in the world which has shown no substantial improvements during the past 50 years or so. In the natural course of economic events, it is now due either for a technological revolution or for a rapid decline into uneconomic obsolescence. In fact, it is probably there already, especially in western countries where the new methods and the necessary capital to introduce them are both readily available. If it had not been for the obstructive tactics of production labour, newspapers in the United States, and probably in western Europe too, would now be turned out at much less cost and in far more modern fashion. I often think that labour unions have as great a say in the fortunes and survival of newspapers in the West as governments have on those behind the Iron Curtain. And in neither form of dominance can I find the slightest consolation.

MY VIEWS ON THE CORRECT DEGREE OF relations between politicians and journalists, who have of necessity a great deal to do with one another, are unlikely to be popular with either tribe. Yet I was interested in the get-together last week at the Calcutta Press Club on the Maidan, which I have visited only thrice. I hope the Press Club gets its building, for it is quite ridiculous that in a city like Calcutta, which saw the first newspaper in India, journalists should have to meet in a precarious tent. It is not very exciting being a journalist in Moscow; but the city has a very impressive Dom Zynalistov; parties there are worth attending for the generous hospitality. Fleet Street has so many pubs that you make your own club. In Washington the National Press Club is an enormous building with facilities unobtainable anywhere else in the world; and most statesmen deem it an honour to be invited there, in spite of the ordeal of answering to inquisitorial questioning. In New York the Overseas Press Club is extremely popular, and you meet the most unexpected people. In Manila there is a fabulous Press Club where, someone tells me, no politician can hope to get a well-attended Press conference if he does not serve drinks on a fairly lavish scale. The Press Club in New Delhi is a relatively recent thing; but it is one of the few places in the capital where a civilised man can have a drink with his

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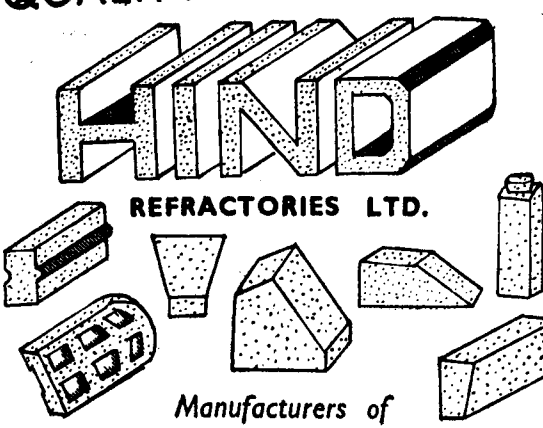
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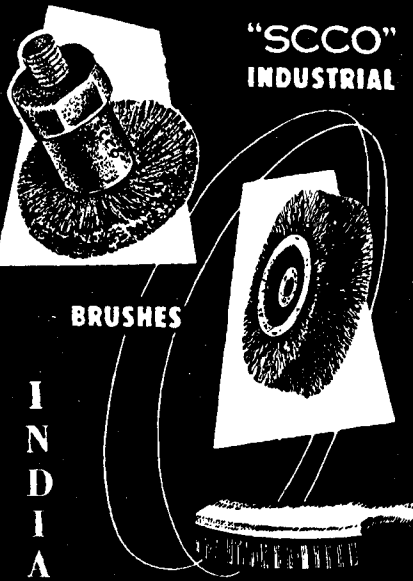
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INDIA'S LEADING BANK

meal; it is thus getting increasingly popular. It is, I think, a shame that Calcutta has nothing comparable to offer to resident or visiting journalists. I do not care for intellectual in-breeding among journalists who, I believe, can learn a great deal from contacts with people in other walks of life. But there ought to be a place where professional journalists from anywhere in the world can meet and relax and exchange notes at a professional level. I happen to know something about the economics of running a club; and I know of none that can provide the elementary amenities without earnings from the bar; and this seems to me the main deficiency of the Calcutta Press Club. In New Delhi, I understand, the Press Club's was the first excise licence to be issued in ten years and this had the blessing of no less a man than the late Mr. G. B. Pant, who, at the opening of the Club, was mildly embarrassed when congratulated on his generosity. Calcutta, thank God, is not dry; and its Press Club should not be either. A thriving Press, in spite of Mr. Gopala Reddi, and a moribund Press Club are a contradiction.

IT HAS BEEN SAID THAT MR. R. A. BUTLER, Britain's Minister in charge of central African affairs, sustained a severe shock when his concession to Northern Rhodesia of the right to secede from the Central African Federation was immediately followed by a claim from Southern Rhodesia for full independence. I have been wondering why; surely it was only to be expected under the circumstances. I have also been wondering what Mr. Butler, or indeed anybody else, can do about it, regrettable though it may be in many ways. Britain's rôle in that area during the past few years reminds me somewhat of the period leading up to the independence of India and Pakistan; it has been hesitant, reasonably well-intentioned, and wholly dominated by events. And once again Britain is being faced with having to hand over power to two governments which will set the final seal of disunity on an area that economically and ethnically ought to be one. There are much the same ominous signs for the future, too. The Government of Southern Rhodesia will be dedicated to white supremacy and, therefore, to suppressing the political activities of its own internal black population as much as those of its northern neighbour. If this cannot be achieved without violence, and it seems unlikely it will be, then the inevitable pull of events may drive Southern Rhodesia into the arms of South Africa. That would mean dividing the whole continent irrevocably into two separate sections. When this happened with India, war was only avoided by a miracle. I cannot see Africa being so fortunate, not when there are so many elements in the world today only too willing to back one side or the other. The most obvious short-term consequences of dividing Africa along the line of the Zambesi will be to delay independence in Mozambique, strengthen the Portuguese hand in Angola, and probably decide the fate of Swaziland, Basutoland and Bechuanaland for generations to come. Whether there will ultimately be a movement of populations between the two regions is more doubtful; the white settlers of southern Africa are not all that fond of doing their own menial work. But open conflict between the rising forces of black nationalism and those of the white settler element will now be difficult to avoid. Ultimately, this could prove far more dangerous for the peace of the world as a whole than the partition of India was at the time.

THE INTERNATIONAL GRAPHICAL FEDERATION in Berne recently got this letter from the Paper Manufacturing Workers Union in Salisbury, Southern Rhodesia: "We are a newly formed union that we cannot stand on our own without the assistance from bigger bodies like yours. It is our hope that your organisation is interested to support both moral and material to such infants Unions like ours. We would also like to let you know that we opened an office but we have not the means to run it." The letter is signed "Yours in the Industrial Struggle."

BUDGET LEVIES OBSCURE TEA SHARE PROSPECTS

(BY A SPECIAL CORRESPONDENT)

IT has been extremely difficult for a fairly long time to deal in tea shares. Buyers cannot be attracted even by lowering price indications. The deterioration in sentiment started when the Chinese launched their invasion of India towards the close of 1962. Although China has decided to release the Indian prisoners of war, the investor's worry about the border situation has not decreased since the possibility of another invasion is not ruled out.

The weakness has now been aggravated by the proposed super profits tax which will hit the plantation industry hard. Nearly all tea estates have a small share capital in proportion to their total assets, since they started with small investments. They have subsequently increased their acreage, equipment and assets by ploughing back money into the business. So they have been seriously affected as the levy has linked the exempted profit to a percentage of the share capital plus reserves. Apart from this, they will suffer considerably since the tax contains no provision for the "averaging" of profits and losses.

The fortunes of this industry fluctuate widely from year to year. If a substantial portion of the profit is mopped up by the proposed levy, tea companies will be forced to cut dividends as well as their retained profits.

Good dividends are a major attraction of these shares since investors have to take a great deal of risk in investing in this industry, where much depends on the vagaries of the weather. As for future expansion and development, the outlook is discouraging. The industry has already been hamstrung by several official controls and regulations. The proposals of the 1963-64 Budget will strain the finances of tea estates seriously. Since the question of raising funds from the open market in the form of new shares or debentures will be nearly impossible in the case of tea, it is feared that the third plan production target of 900 million lbs a year is unlikely to be achieved.

The present lack of interest notwithstanding, the seasonal crystal-gazing into the prospects has started. Investors with large stakes in the industry are anxious to find out what the prospects are for the 1963-64 season. The previous season in north India virtually ended when the last export auction in Calcutta took place on 25th March. In their annual review just published, Messrs. A. W. Figgis and Co. Private Ltd take a mildly optimistic view about the marketing outlook for the 1963-64 season. It is believed that the balance between supply and demand has tilted in favour of the producers since the world crop in 1962 fell to 1,456 million lbs from 1,464 million lbs in 1961. World consumption has, meanwhile, increased somewhat. Considering that the 1962-63 north Indian season has ended with virtually very little carry-over, the 1963-64 season should get off to a good start in early June.

There is little doubt that the abolition of the export duty will prove beneficial as far as exports are concerned, although its good effects may

be neutralised by the levy of the 20 percent surcharge on excise duty. The concession in the form of a refund of the excise duty on exports has been abolished. In spite of this, exports should be better judging from the trends during the 1962-63 season. (Total exports from north and south Indian gardens increased in 1962, compared with 1961.)

The broking firm cannot accurately assess the impact of the Budget on this industry at this moment. It is generally thought that the Budget will accentuate the pressure of inflation. Auction prices during 1963-64 should rise as a result of the 20 percent surcharge on the excise duty. Hence export enquiries at Calcutta auctions might be affected despite the removal of the export duty. The trade may also suffer due to the cut in the purchasing power, especially of the middle classes because of the compulsory deposit scheme, combined with the additional surcharge on income tax. At the time of writing, the weather is not particularly encouraging. There has virtually been no rain in the traditional drought areas. Unless there is a useful amount of rainfall in the near future, Cachar district in particular would be afflicted by drought.

The border situation continues to cast a shadow over the industry. Although energetic steps have been taken to maintain the flow of credit to tea gardens, there is no doubt that the emergency has increased the disinclination of financing institutions to lend to tea estates, especially those situated in the vulnerable forward areas. The emergency risks insurance scheme has allayed the anxiety of financiers to some extent, but it has imposed an additional financial burden on the tea industry. The Budget proposals will impair the financial position of tea gardens. The Assam Government has enhanced the rate of agricultural income tax, increasing thereby the financial burden on the industry. Credit has, meanwhile, become very costly. It is feared that the financial commitments of the industry may be further increased when the Wage Board and the Bonus Commission produce their final reports.

Messrs. A. W. Figgis and Company have pointed out that the diversion of tea estates to C.T.C. manufacture has been increasing. The new product has been promising in many ways. Hence it sees no reason why the trend should not continue. As for instant tea, attention should be given to producing it in India as early as possible. Ceylon has already started this manufacture. The innate conservatism usually attributed to traditional tea drinkers can be shaken by this new product in the future, the firm observes.

Dividends Reduced on S.P.T. Worries

DURING the past week there has been a succession of pruning of dividends already recommended by the directors of some companies for the year ended 1962. The investors who have already been frightened

by the impact of the super profits tax on company profits and dividends, have now found—even before the measure has been placed on the Statute Book—that managements of some companies have been forced to revise their earlier recommendations by a cut in the dividends. Indian Bank has reduced its final dividend to 6½ percent from the previously announced 7½ percent. Indian Overseas Bank has changed its previously announced dividend of 14 percent to 12 percent.

The directors of Andhra Sugars Ltd have reduced the dividend to 12 percent for the year ended September 1962, from the 16 percent announced earlier. Krishna Industrial Corporation Ltd has reduced the dividend to 8 percent from the previously announced figure of 10 percent for the year ended September 1962. The directors of Mysore Coffee Curing Works have revised their earlier dividend announcement of 15 percent to 10 percent.

This downward revision of dividends has created a bearish impact on the market. It is now feared that there will be a substantial cut in the dividends which may be announced in the future. It is now expected in Stock Exchange circles, that there will be some modification in the super profits tax. The standard rate of return on the capital base is expected to be raised to 8 percent from the present 6 percent, although the actual rate of the super profits tax may not be altered to the extent pleaded by the Stock Exchanges.

Good Report from Jessop

JESSOP and Co. Ltd has produced satisfactory results for the year ended October 1962. Sales rose by Rs. 81.43 lakhs to Rs. 12.82 crores, but this does not include the finished stock worth Rs. 42.98 lakhs which could not be despatched because of transport restrictions. The profit has improved from Rs. 1.17 crores in 1960-61 to Rs. 1.53 crores in 1961-62, after increasing depreciation from Rs. 23.09 lakhs to Rs. 29.91 lakhs. A taxable ordinary dividend of 8.58 percent has been repeated. This is covered more than nine times and works out to a yield of 3.9 percent at the present price of Rs. 21.81 a share of Rs. 10 each. Taxation is allocated a higher sum of Rs. 79.07 lakhs (against Rs. 48.78 lakhs) and the proposed super profits tax Rs. 27.12 lakhs. Development rebate reserve absorbs Rs. 9.52 lakhs (against Rs. 9.06 lakhs) and general reserve Rs. 22.50 lakhs (against Rs. 42 lakhs). The carry-forward is Rs. 51,159, against Rs. 92,000 brought in.

The board of management points out that capital expenditure has amounted to Rs. 93.90 lakhs, showing an increase of Rs. 23.80 lakhs over that incurred in 1960-61. This expenditure has largely financed the construction of the new road plant works and the procurement of new machinery. The Company has now recovered from the financial depreciations which had occurred earlier. The position is now encouraging, but

it is necessary to plough back money into the business in view of the expansion and diversification of activities. The coach works has been expanded and bogies for E.M.U. coaches are being manufactured. The wagon works is being rebuilt. The new bogie works has been completed. The new works for producing diesel road rollers has started operating.

The demand for rollers produced by the Company has considerably increased. The output, it is expected, will be raised to 450 a year. The capacity of the mechanical works to produce components for cranes and sluice gates has been raised. The structural works is being expanded. There has been an all-round progress in production during 1961-62. Electric multiple unit trailer coaches have been built and the works are expected to be fully occupied until the end of 1966. About 80 box wagons are being produced every month. The output of electric overhead travelling cranes and wharf cranes has improved. The fabrication of steel work for the foundry-forge in Ranchi has been delayed by the shortage of steel.

The production, though satisfactory, has been interrupted by the shortage of matching steel and welding electrodes. The power supply has also been short. As the demand for the Company's products continues to rise steadily, all resources are likely to be fully employed during the next five years. Referring to the delay in building the new foundry and other works for making machine tools, the board points out it may be found difficult to go ahead with the expansion scheme as previously planned because of the impact of increased taxation. As soon as the various uncertainties are over, the programme of further rationalisation and expansion will be considered. The subsidiary company, Jessops-Calcutta Ltd, London, has issued bonus shares in the proportion of three new shares for each one held. Jessop has already received its quota of these bonus shares. There has been no new development concerning the various suits and claims filed by the Company in connection with the past investments and losses. It has also been mentioned that the value of closing work-in-progress and stocks is made up of actual cost of materials and labour, and overheads at the revised rates of recovery which include administrative and financing charges. If the same basis of recovery were applied to the "opening" work-in-progress and stocks brought forward from the previous year, their value would have been higher by approximately Rs. 5 lakhs. Hence the adoption of the revised basis has raised the profit by this amount.

Raza Buland Sugar Maintains

THE Raza Buland Sugar Co. Ltd has maintained the taxable ordinary dividend at 10 percent for the year ended October 1962. It is covered more than two-and-a-half times and offers a yield of 10.7 percent at the present price of Rs. 9.35 a share of Rs. 10 each. The profit has increased from Rs. 3.91 lakhs in 1960-61 to Rs. 18.80 lakhs in 1961-62, after transferring Rs. 3.61 lakhs (against Rs. 3.27 lakhs) to depreciation and Rs. 62,000 (against Rs. 97,000) to development rebate reserve. A sum of Rs. 5.50 lakhs (against Rs. 4.50 lakhs) has been transferred from dividend equalisation account. Taxation absorbs Rs. 9.60 lakhs (against Rs. 2.10 lakhs), gratuity reserve Rs. 94,037 (against

Rs. 10 lakhs) and rehabilitation reserve Rs. 7.50 lakhs. The carry-forward amounts to Rs. 10,304, against Rs. 24,557 brought in.

The cane crush of the two factories was only 4.1 million quintals. The decline has been due to the shortage of sugarcane and its inferior quality. As a result, recovery also declined from 9.49 percent to 9.11 percent. The directors point to the increased production costs. Wages and prices of raw materials and stores have risen substantially. The Company has also suffered a loss of Rs. 5.05 lakhs on exports. This apart, bigger sugar stocks have strained the Company's finances. As for the prospects for the current season, the directors apprehend that the output will be smaller than in 1961-62, since the cane supply has been short. There has also been a diversion of cane to the production of *khandasari* and *gur*. The directors, nevertheless, welcome the principle of linking the price of sugarcane with recovery, since it will promote quality consciousness among growers. The Company has taken active steps to promote cane development. The expansion programme has made progress, and orders for equipment have been placed. The Company is applying for a loan to the Industrial Finance Corporation to finance the expansion project.

Central Bank Deposits Rise

THE Central Bank of India Ltd has produced satisfactory results during the year ended December 1962. The profit has amounted to Rs. 1.80 crores, against Rs. 1.83 crores in 1961. Interest paid on deposits was Rs. 5.99 crores (against Rs. 5.26 crores) while interest and discount earned amounted to Rs. 11.35 crores (against Rs. 10.16 crores). Bringing in Rs. 23.37 lakhs, the available balance is Rs. 2.03 crores. (Fuller details appear on a later page in this week's issue of *Capital*). A taxable interim dividend of Rs. 2.40 a share was paid earlier, absorbing Rs. 30.24 lakhs. A final taxable dividend of Rs. 2.60 a share has been declared, making 14 percent net for the whole year. The final dividend absorbs Rs. 32.76 lakhs. A pro rata dividend of Rs. 2.60 a share, subject to tax, has also been declared on 1,454 shares allotted to the shareholders of the Jodhpur Commercial Bank Ltd which has been amalgamated with Central Bank. This absorbs Rs. 1,028. Reserve fund is allocated Rs. 38.72 lakhs, special reserve Rs. 58 lakhs, staff gratuity fund Rs. 10.44 lakhs and bonus to staff Rs. 65 lakhs. The carry-forward is Rs. 93,249. As for issuing 634,625 rights shares in the proportion of one new share for every two held, the directors say that although the sanction of the Controller of Capital Issues has been obtained, it has been decided to postpone the issue. They think that the prevailing emergency, the market conditions and the terms of the issue as sanctioned, are not favourable for issuing new shares.

Deposits rose from Rs. 220.19 crores to Rs. 236.06 crores. Cash was shown at Rs. 20.38 crores (against Rs. 23.91 crores). Investments increased from Rs. 49.10 crores to Rs. 55.96 crores and advances from Rs. 161 crores to Rs. 175.45 crores.

Hindusthan-Pilkington Glass Skips

THE Hindusthan-Pilkington Glass Works Ltd has passed the dividend for the year ended October 1962. The ordinary dividend was 12 percent, subject to tax, for 1960-61. The Com-

pany has incurred a loss of Rs. 12.16 lakhs, compared with a profit of Rs. 20.89 lakhs in 1960-61, after providing Rs. 17.88 lakhs (against Rs. 6.73 lakhs) for depreciation, and Rs. 2.55 lakhs for tank repairs. A sum of Rs. 6.96 lakhs has been used to write off a part of the capital assets. A total debit balance of Rs. 23.21 lakhs has been carried forward, after transferring a sum of Rs. 12 lakhs to development rebate reserve.

Explaining the unsatisfactory results, the directors say that production in the factory was suspended from the end of October 1961 to the close of March 1962, as the works had to be reoriented. The more modern "P.P.G." process of glass manufacture has been adopted in order to improve the capacity from 34 million square feet to 54 million square feet of sheet glass a year as well as the quality of the product. The new process started operating from April 1962. Despatches were also seriously affected by irregular wagon allotments. Hence sales fell from Rs. 1.07 crores to Rs. 63.90 lakhs. They think that the new process of production has now gathered momentum as the trend of output has been upward. If despatches are not hampered, satisfactory results can be expected in future years.

The directors point to the increased production costs because of higher prices of raw materials and packaging. The price fixed by the Government for the ordinary sheet glass produced by the Company is considered below production costs. As for the rolled plate project, satisfactory progress has been made. The authorities concerned have been moved for obtaining the necessary construction materials. If the rate of progress is maintained, this factory should start producing by the middle of the current year.

Higher Profit for Bijonagar Tea

THE profit of the Bijonagar Tea Co. Ltd has improved from Rs. 6.46 lakhs for 1961 to Rs. 7.24 lakhs for the year ended December 1962, after providing Rs. 1.78 lakhs (against Rs. 1.68 lakhs) for depreciation. A taxable ordinary dividend of Rs. 5 a share of Rs. 25 each has been declared which will absorb Rs. 1.74 lakhs. Taxation is allocated Rs. 3.45 lakhs (against Rs. 2.62 lakhs) and general reserve Rs. 2.25 lakhs (against Rs. 2.50 lakhs), leaving a carry-forward of Rs. 99,953, against Rs. 1.18 lakhs brought in. The crop rose from 783,367 kilograms to 847,062 kilograms and the average prices realised for the commodity were higher than in 1961. The 1963 crop has been estimated at 753,900 kilograms.

Malhati Tea Earns More

MALHATI Tea Syndicate Ltd has increased its profit from Rs. 2.38 lakhs in 1961 to Rs. 5.23 lakhs for the year ended December 1962, after transferring Rs. 1.15 lakhs (against Rs. 1.14 lakhs) to depreciation. The directors have declared a taxable ordinary dividend of Rs. 2 a share of Rs. 10 each, absorbing Rs. 1.80 lakhs. The yield works out to 10.4 percent at the price of Rs. 19.25 a share. General reserve is allocated Rs. 1 lakh (against Rs. 80,000), and taxation provision Rs. 2.50 lakhs (against Rs. 81,000). The carry-forward is Rs. 10,407, against Rs. 16,654 brought in. The crop increased from 497,780 kilograms to 526,113 kilograms, and the average price of tea rose from Rs. 4.43 to Rs. 4.63 a kilogram. The

crop for 1963 has been estimated at 60,000 kilograms.

Tide Water Oil Earns More

IN their report for the year ended October 1962, the directors of the Tide Water Oil Co. (India) Ltd say that although the Super Profits Tax Bill has not yet been passed, it is desirable to provide for the relevant tax liability. The total tax provision of Rs. 3.17 lakhs (against Rs. 2.02 lakhs) absorbs 71 percent of total profits. The profit has increased from Rs. 4.10 lakhs in 1960-61 to Rs. 4.47 lakhs in 1961-62, after providing Rs. 24,078 (against Rs. 21,376) for depreciation. A taxable ordinary dividend of 35 percent has been maintained. This is more than twice covered and offers a yield of 13.5 percent at the present price of Rs. 26 a share of Rs. 10 each. Development rebate reserve is allocated Rs. 600, leaving a carry-forward of Rs. 12,113, against Rs. 92,708 brought in.

Sales rose from Rs. 85.60 lakhs to Rs. 93.90 lakhs. Commenting on the current prospects, the directors say that the major oil companies have reduced the selling prices of lubricants. The import licences for the six months ended March 1963 have been cut by 50 percent, compared with the previous half-year's licences. So the current results have been affected by the reduced quantity of imported lubricants and the lower selling prices.

Brushware Repeats Dividend

THE Brushware Ltd has made a profit of Rs. 42,717 during the year ended November 1962, compared with Rs. 29,554 in 1961-62, after providing Rs. 948 (against Rs. 894) for depreciation. A taxable ordinary dividend of 8 percent has been maintained, absorbing Rs. 8,000. Taxation provision gets Rs. 21,000 (against Rs. 14,000) and rehabilitation reserve Rs. 14,000 (against Rs. 9,500) leaving a carry-forward of Rs. 3,967, against Rs. 3,407 brought in.

Bharat Collieries To Cut Share Capital

BHARAT Collieries Ltd has called an extraordinary general meeting of the shareholders in Calcutta on 29th April, 1963. It is proposed to reduce the present share capital of the Company from Rs. 2 crores to Rs. 1.70 crores divided into 50,147 cumulative preference shares of Rs. 100 each and 1,200,000 ordinary shares of Rs. 10 each. The reduction will be made by cancelling 29,853 cumulative preference shares of Rs. 100 each. The holders of these preference shares, will be allotted fully paid-up registered debentures of the Company which are of a nominal value of Rs. 100 each, in the proportion of one debenture for each preference share held. The scheme of reduction has been sanctioned by the Calcutta High Court.

East Anglia Plastics Rights Issue

THE East Anglia Plastics (India) Ltd, has extended the time from 31st March to 30th April, 1963, for subscribing to the recent rights share issue. Rights ordinary shares have been offered in the proportion of one new share for each one held at par. The funds will be used to

finance the expansion programme. The Company has launched a large integrated project for producing cellulose acetate and various other chemicals. The cost of the project has been estimated at Rs. 6 crores of which Rs. 2.90 crores will be met by a French credit already sanctioned by the Government of India. The French credit will be used for importing the necessary plant and machinery. The directors are hopeful of the prospects. Being a new industry, the Company will enjoy the usual tax benefits under the Income Tax Act. In view of the tax holiday enjoyed by a new industry, the super profits tax too may not be a burden for the time being. They hope that this levy will be a temporary measure.

Premier Construction Fares Well

SHAREHOLDERS of Premier Construction Co. Ltd who might have felt somewhat disappointed at the Company's inability to maintain the dividend on the increased capital, can derive some consolation from the small improvement in the Company's working results for the year ended December 1962. In spite of a steep rise in the expenses, the Company has been able to report an increase in the gross profit. Although the dividend has been reduced from Rs. 10 to Rs. 9 a share (Rs. 30-paid), it involves a larger distribution as the new shares were entitled to a full year's dividend in 1962. The total distribution on ordinary shares amounts to Rs. 11.69 lakhs, compared with Rs. 11.48 lakhs in 1961. Preference dividend absorbs Rs. 4.69 lakhs.

The Company's income from dividends increased from Rs. 16.15 lakhs to Rs. 18.98 lakhs, and work bills from Rs. 1.87 lakhs to Rs. 3.81 lakhs. Its share in the agency commission, however, was slightly less at Rs. 1.20 lakhs, against Rs. 1.63 lakhs. The other income, too, was lower at Rs. 2.88 lakhs, compared with Rs. 3.11 lakhs. Adjusting the work in progress at the year-end, the Company's total revenue shows an increase of about 19.7 percent from Rs. 22.92 lakhs to Rs. 27.43 lakhs. But expenses show an increase of as much as 50 percent from Rs. 7.17 lakhs to Rs. 10.82 lakhs, with the result that the gross profit is up by only 5.4 percent from Rs. 15.75 lakhs to Rs. 16.61 lakhs.

The provision for depreciation has been raised from Rs. 41,340 to Rs. 66,652, but no provision has been made for taxation, which was Rs. 1.90 lakhs in 1961. After setting aside Rs. 11,414 (against nil) for development rebate reserve and meeting the liability concerning preference and ordinary dividends, there remains a surplus of Rs. 66,935 to be carried forward, against Rs. 88,651 brought in. No provision has been made in the accounts for the super profits tax as full implications are not yet known. The directors have estimated the liability on the basis of the existing proposal at Rs. 1 lakh for which the Company has adequate reserves.

The directors state in their report that during the year, 100 equity shares of Acme Manufacturing Company were sold to an associate of the managing agents, but as doubts were expressed concerning the validity of the sale, the Company repurchased these shares in March 1963. Premier Construction received 35,816 bonus equity shares from the Hindustan Construction Co. Ltd. The Company's investments total Rs. 2.72 crores, of which the quoted investments amounting to Rs. 2.29 crores

have the market value of Rs. 2.60 crores as at the end of 1962. The Company has a paid-up capital of Rs. 1.20 crores, of which equity capital accounts for Rs. 39 lakhs, and this is supplemented by reserves and surplus amounting to Rs. 1.28 crores.

Progress of Associated Bearing

RELIABLE reports indicate that the Associated Bearing Co. Ltd is seeking permission from the Controller of Capital Issues to do away with the restriction relating to the transfer of shares allotted on a firm basis. Firm allotment had been sanctioned by the Government on the condition that these shares would not be transferable for two years. But conditions in the capital market have undergone a marked change in recent months. The Company's share which had once fetched a premium of about Rs. 150 is now quoted only about Rs. 30 above par. At one time, the Rs. 100-paid share could be had around Rs. 110 to 115. The Company has also pleaded with the Government that the shareholders are being put to considerable difficulties as they are unable to raise any money from banks against these shares because of their non-transferability.

Meanwhile, the directors of the Company state in their second annual report for 1962 that the factory in Poona is not likely to be completed until about the middle of 1964. The delay of nearly 12 months in the start of the construction work is attributed to legislation concerning the acquisition of land by limited companies under the Land Acquisition Act. However, the Company has commenced the assembly of S.K.F. pendulum weighing arms at a small rented factory in Bombay. This factory is now working satisfactorily and is making a profit. The sales of pendulum arms in 1962 fetched Rs. 6.55 lakhs. Apart from this, the Company earned Rs. 10.11 lakhs by way of interest on bank deposits and advances, and Rs. 69,000 as miscellaneous income.

After providing Rs. 61,312 (against nil) for depreciation, the year's working has resulted in a net loss of Rs. 1.52 lakhs, compared with Rs. 2.30 lakhs in 1961. The directors have provided Rs. 2.25 lakhs for taxation and have transferred Rs. 20,000 (against nil) to development rebate reserve. The aggregate loss for the year thus amounts to Rs. 4.05 lakhs, which together with the deficit of Rs. 2.30 lakhs brought forward from the previous year, is being carried forward. During 1962, the Company raised the share capital from Rs. 10 lakhs to Rs. 4 crores, 60 percent of which was put up by the foreign collaborators. This money has been deposited in the Company's bank accounts in Europe, and is being used for the purchase of machinery for the manufacture of bearings and textile machinery parts. The directors say that the Central Budget proposals will raise the cost of imported machinery.

Killick Industries Pays Again

THE working results of Killick Industries Ltd for the year ended 30th November, 1962, show a moderate improvement over the previous year's performance. This has enabled the Company to return to the dividend list after a year's break. The dividend for 1960-61 was skipped, for 1961-62, the directors have proposed a dividend of Rs. 5 a share, less tax. The Company's gross earnings are up by about 5 percent from Rs. 41.95

lakhs to Rs. 44.02 lakhs. Income by way of commission and office allowance increased from Rs. 18.94 lakhs to 19.77 lakhs, and other income rose from Rs. 8.09 lakhs to Rs. 10.73 lakhs. Income from trade investment, however, suffered a setback from Rs. 14.92 lakhs to Rs. 13.52 lakhs. The gross profit of the Company increased by about 10 percent from Rs. 22.46 lakhs to Rs. 24.82 lakhs.

After providing Rs. 73,000 (against Rs. 60,000) for depreciation and Rs. 10.60 lakhs (against Rs. 11.60 lakhs) for taxation, the net profit amounts to Rs. 13.59 lakhs (against Rs. 10.23 lakhs) in 1960-61. Allocation to the general reserve has been reduced from Rs. 10 lakhs to Rs. 7.50 lakhs. The proposed dividend absorbs Rs. 6.25 lakhs, leaving a sum of Rs. 17,584 to be carried forward, against Rs. 33,585 brought in. No provision has been made for super profits tax, but the liability for the proposed levy on the basis of the existing provision is estimated around Rs. 3 lakhs.

The directors state in their report that a part of the plant and machinery of Killick Slotted Angles Ltd has been installed and the production of angles has commenced. John Baker and Sons began marketing glacial acetic acid during the year and the profits of this division showed a slight improvement. Efforts are being made to improve it still further. Construction of a factory of Filtrona India Private Ltd has begun in Chandivli (Bombay), and it has been found necessary to expand the factory by one additional bay. This expansion, it is expected, will be completed by about the middle of this year.

Every effort is being made to improve the working results of Killick Caribonum Ltd, another subsidiary of the Company. Snowcem India Ltd, another subsidiary, continued to show improvement in sales and production. Arrangements, it is stated, have been completed for the manufacture of further cement speciality products under agreement with George Lillington and Company Ltd. As against a paid-up capital of Rs. 1.25 crores (all in equity shares), free reserves at the end of November 1963, amounted to Rs. 43.38 lakhs. The Rs. 100-paid share of the Company is currently quoted around Rs. 76.50 cum-dividend, offering a gross return of about 7 percent on fresh investment.

Progress Report on Henley Cables

IN their third annual report for the year ended October 1962, the directors of Henley Cables India Ltd state that approximately 90 percent of the plant had been installed and made ready for production by the end of the year. Production started in May 1962. Sales of the Company's products were valued at Rs. 2.16 lakhs. After providing for Rs. 2.62 lakhs for depreciation and capitalising certain items of expenditure incurred towards the implementation of the project, the Company has suffered a loss of Rs. 7.86 lakhs during 1961-62, compared with Rs. 10,619 in the previous year. After setting aside Rs. 8,170 for taxation for the previous year and bringing in the surplus of Rs. 29,194 from the previous accounting period, a loss of Rs. 7.66 lakhs is being carried forward to the next year.

There has been an addition of Rs. 79.19 lakhs in the value of the fixed assets during the year, reflecting mainly the progressive installation of plant and buildings in completion of the initial project. The Company has obtained an industrial licence for manufacturing winding wires and covered copper wires and

the directors are considering the question of necessary finance for this expansion scheme. In view of the demand for certain types of rubber and thermo-plastic cables beyond the factory's initial range of products, the directors have decided to install an additional plant costing Rs. 6 lakhs, which will increase the range of goods manufactured by the Company. An import licence for the plant is awaited.

Synthetics and Chemicals Plant to Go on Stream

THE synthetic rubber factory of Synthetics and Chemicals Ltd in Bareilly (Uttar Pradesh) will be going into production in a month's time, according to an announcement by the president of the Firestone Tire and Rubber Company, Mr. Raymond C. Firestone, who is on a short visit to India. The Bareilly plant involving an investment of \$40 million (about Rs. 20 crores), of which 25 percent is held by Firestone of the U.S.A., has a rated capacity of 30,000 tons. With the commissioning of this plant, India, together with the country's natural rubber production, would become practically self-sufficient in rubber supply.

Experiments have shown that synthetic rubber has longer life than natural rubber. When in full production, the Bareilly factory will enable the country to save about \$20 million in foreign exchange a year. The plant will also manufacture styrene and butadiene, the principal ingredients of rubber. Both these items would be processed from alcohol received from the cane-growing areas surrounding the plant. Mr. Firestone also disclosed that the Bombay tyre plant would be expanded shortly although the proposed super profits tax had posed a problem for the Company. The programme to expand the present annual production of 672,000 tyres to about 1 million tyres at the Bombay plant, which is being considered actively, is estimated to entail an investment of about \$15 million.

Associated Stone Earns More

ASSOCIATED Stone Industries (Kotah) Ltd has reported satisfactory results for the 13-month period ended 31st October, 1962. Sales at Rs. 73.09 lakhs show an increase of about 16.5 percent over the previous year's figure of Rs. 62.76 lakhs. The gross profit is up by nearly 24 percent from Rs. 14.51 lakhs to Rs. 17.89 lakhs. Production showed an improvement during 1961-62, and the directors seem confident of achieving the production target of 25 million square feet of Kotah stone during the current year.

After providing Rs. 1.91 lakhs (against Rs. 1.74 lakhs) for depreciation and Rs. 8.60 lakhs (against Rs. 6.20 lakhs) for taxation, the net profit for 1961-62 amounts to Rs. 7.38 lakhs (against Rs. 6.47 lakhs) in the preceding year. In spite of the higher profit, the directors have reduced the dividend from 30 percent to 20 percent, subject to tax, that is, from Rs. 3 to Rs. 2 a share. Apparently, this has been done to conserve resources for the tax liability concerning previous years. The Company's claim for exemption from income tax has been rejected by the Supreme Court. The directors, therefore, have had to transfer a sum of Rs. 7.25 lakhs from general reserve to provide a further sum of Rs. 10.75 lakhs for taxation of earlier years.

After providing for the proposed dividends which absorb Rs. 3.88 lakhs

(against Rs. 5.72 lakhs) and setting aside Rs. 15,030 (against Rs. 28,000) for development rebate and making minor adjustments, there remains a small balance of Rs. 777 to be carried forward, against Rs. 12,385 brought in. The directors say that the Company will have to pay a further sum of Rs. 3.70 lakhs by way of super profits tax if the Bill imposing this levy is passed in its present form, but they add that sufficient amount to meet this liability is available as and when it arises. The Government has not sanctioned the Company's scheme for setting up a cement factory in Ramgandmandi.

Commerce Ltd Earns More, Pays Less

ALTHOUGH the dividend has been reduced from Rs. 2.75 to Rs. 1.75 a share, less tax, the working results of Commerce (1935) Ltd for 1962 show a considerable improvement over 1961. The gross profit is up by nearly 25 percent from Rs. 81,579 to Rs. 1,02,088. The directors say that the gross revenue, which had suffered a setback in the previous year, showed an upward trend in 1962 in spite of competition. Income from advertisements was higher whereas that from subscriptions was slightly down.

After providing Rs. 1,623 (against Rs. 549) for depreciation and Rs. 43,800 (against Rs. 37,000) for taxation, the net profit for 1962 amounts to Rs. 56,665, against Rs. 44,030 in the previous year. From this, the directors have set aside Rs. 3,514 (against nil) for additional taxes for the preceding year, and a sum of Rs. 17,000 has been provided for super profits tax. General reserve gets Rs. 10,000, against Rs. 5,000. The proposed dividend absorbs Rs. 26,250, against Rs. 41,250, leaving a small surplus of 280 to be carried forward, against Rs. 380 brought in.

Ouchterlony Valley Shows Loss

OUCHTERLONY Valley Estates Ltd has incurred a substantial loss for the year ended October 1962, because of the poor coffee crop. So the reduction of the dividend to 6 percent from the previous year's 12 percent should not cause any surprise. The directors have announced the dividend for the year by transferring the required amount from dividend equalisation reserve. The Company's working shows a loss of Rs. 5.06 lakhs, before providing for taxation, compared with the previous year's profit of Rs. 6.28 lakhs. Adding to the loss of Rs. 5.06 lakhs, provision for taxation on tea income amounting to Rs. 96,500, the loss amounts to Rs. 6.03 lakhs. From this is deducted Rs. 2.50 lakhs (Rs. 10,333 brought forward from the previous year, Rs. 19,567 is the excess provision for bonus in previous years written back, and Rs. 2.12 lakhs is the refund of agricultural income tax). This leaves a net loss of Rs. 3.52 lakhs. After taking into account provision for development rebate reserve amounting to Rs. 6,100, the debit balance of Rs. 3.58 lakhs is carried forward. The proposed dividend absorbs Rs. 1.17 lakhs.

General reserve stands at Rs. 10.90 lakhs, dividend equalisation reserve at Rs. 43,241, and development rebate reserve at Rs. 84,600. Full provision has been made in the accounts for taxation at the current rates. No provision has, however, been made for any increase in taxation that may

result from the Finance Bill, 1963, and the Super Profits Tax Bill.

The total tea crop for the year amounted to 655,342 kilograms (against 577,573 kilograms). The yield on acre has risen to 445 kilograms, against 392 kilograms. The all-in-cost of production was lower at Rs. 3.96 a kilogram, against Rs. 4.34 a kilogram. The average price realised, however, dropped to Rs. 4.48 a kilogram from the previous year's Rs. 4.84 a kilogram. The coffee crop amounted to 211,742 kilograms, compared with 861,592 kilograms in the previous year. The yield of coffee an acre has sharply declined to 72 kilograms from the previous year's 291 kilograms.

The coffee crop harvested was the smallest for many years. The chairman, Mr. J. N. A. Hobbs, says that the fall is attributable to three main factors. Firstly, unsuitable climatic conditions, including inadequate and untimely blossom showers affected the crop. The total Indian crop for the 1961-62 season was only 45,676 tonnes, compared with 67,794 tonnes for the previous year. Secondly, there was a loss of crop from 568.56 acres in 1960-61 as part of the rehabilitation programme. This area carried little crop in 1961-62, but should be back in full bearing for the 1963-64 crop. Thirdly, many fields which contributed to the Company's average crops in 1960-61 failed to bear much crop in the following year.

As for the prospects, Mr. Hobbs says that the Company's coffee crop for the current year is not as good as was originally expected, partly because of the loss of crop from rehabilitated areas which were not in full bearing during the year. The revised estimate for coffee is placed at 640 tonnes. The current year's tea crop is estimated at 700,000 kilograms, or about 45,000 kilograms more than the record crop just harvested. The prospects for the 1963-64 coffee crop appear to be reasonable. The chairman is confident of harvesting increased tea crops in the years ahead. But he feels that for the next year or two, no appreciable improvement in coffee crops can be expected.

Rajalakshmi Mills Cuts Dividend

THE directors of Rajalakshmi Mills Ltd have recommended a lower dividend of 15 percent for the year ended December 1962, against 20 percent for the previous year. According to the preliminary figures, the profit for the year ended December 1962, amounts to Rs. 13.89 lakhs to which is added Rs. 9.410 being the amount brought forward from the previous year. Thus the total available for appropriation amounts to Rs. 13.98 lakhs. Out of this, provision for taxation gets Rs. 4.85 lakhs. Income tax for previous years amounts to Rs. 66,649. Development rebate reserve accounts for Rs. 87,000. The proposed dividend on equity shares, subject to deduction of tax, will absorb Rs. 4.50 lakhs. The dividend on preference shares at 8.45 percent, subject to tax, accounts for Rs. 16,900. After making these appropriations, there is a balance of Rs. 4,998 which is carried forward.

Travancore Rayons Cuts Dividend

THE directors of Travancore Rayons Ltd have recommended a lower dividend of 15 percent on the ordinary shares for the year ended December 1962, compared with 20 percent for the previous year. The lower dividend has caused disappointment in market circles, although a cut had been more or less expected. But what has caused greater concern

is the substantial drop in profit from the previous year's levels. But for the sharp fall in profit, the equity shares of this Company would not have fallen so much in recent weeks. The quotation which stood at Rs. 29.75 on the eve of the removal of minimum prices on 3rd April, came down to Rs. 23.50 c.d. by the end of last week.

According to the preliminary figures available, the profit of the Company for the year ended December 1962, amounts to Rs. 30,47,865.67, against Rs. 61,92,937. With the amount of Rs. 2,68,721.03 brought forward from the previous year and with a sum of Rs. 300,000 transferred from dividend equalisation reserve, the total surplus comes to Rs. 36,16,586.70. Out of this, the directors have provided Rs. 17,73,000 for tax. The preference dividend accounts for Rs. 3,25,000. The proposed ordinary dividend of 15 percent will absorb Rs. 15,00,000. The balance of Rs. 18,586.70 is carried forward.

Lower Trend in Sugar Company Profits

THE chairman of the India Sugars and Refineries Ltd told shareholders at the recent annual general meeting that the steep fall in sugar prices have affected all companies including bigger units as well as those which are economical and efficient. (The balance-sheet of the Company was reviewed in the 14th March issue of Capital.) Discussing the trend of profits in the sugar industry, the chairman made a reference to the gross profits and the ratio of profit to sales of some eight sugar companies. Comparative figures given about them underline the general trend of working results in the industry, thus affording material for the investor to make some assessment of future prospects.

The Nizam Sugar Factory Ltd, which is one of the companies referred to by the India Sugar and Refinery chairman, has earned Rs. 49.89 lakhs, against 80.34 lakhs in the previous year. The ratio of profit to sales has gone down from 21.1 percent to 9.4 percent. The Mysore Sugar Co. Ltd has shown a profit of Rs. 20.37 lakhs, compared with Rs. 28.28 lakhs in the previous year. The ratio of profit to sales is reported to be just over 6 percent. The Bhopal Sugar Company has shown a profit of Rs. 3.92 lakhs, against Rs. 7.41 lakhs in the previous year. Phaltan Sugar Company has earned a profit of Rs. 12.57 lakhs, against Rs. 14.28 lakhs. The ratio of profit to sales has declined to 9 percent from 17 percent. Deccan Sugar has shown a profit of Rs. 28.30 lakhs, compared with Rs. 30.03 lakhs in the previous year. Travancore Sugars has shown a profit of Rs. 7.03 lakhs, against Rs. 9.40 lakhs. E.I.D. Parry Company's ratio of profit to sales has come down to 6.5 percent for the year. Gwalior Sugar has recorded a marked fall in profit.

The gross profit of India Sugars and Refineries for the year is Rs. 13.18 lakhs, against Rs. 19.09 lakhs. The ratio of profit to sales has fallen to 6.1 percent from 15 percent.

The chairman observed that 1961-62 continued to be a year of great anxiety for the sugar industry, with huge accumulation of stocks, resulting from a record production of about 3 million tons during 1960-61. This Company had a large carryover stock and it had to sell it and the production during the year at uneconomical prices. But the performance for the year, both in points of sugar recovery and the cane crushed, was very much better than during the previous one. This higher recovery was a significant factor in helping to mitigate materially the otherwise rather dismal picture. The chairman also referred to the cycle of scarcity and

overproduction year after year and to the fact that the necessary balance has yet to be struck, and said that these were principally because of the reluctance of the State Governments and the cane-growers to co-operate with the industry fully.

The details of the break-up of the income of the sugar industry given by the chairman provide interesting reading. He says that out of every rupee of revenue earned the industry pays 45nP to sugarcane growers, 35nP goes in taxes, 19nP for manufacturing expenses including labour, establishment and bonus, leaving only 1nP in the hands of the Company to be distributed as profit to shareholders, build reserves and effect expansion.

As for the application made by the Company to the Government for the expansion of its factory from 1,000 tons a day to 1,200 tons of cane crush a day, the chairman said that this application had now been taken up by the Government and the latter had indicated its willingness to grant a licence for this expansion.

Indian Oil Blending: New Indo-U.S. Venture

A NEW company known as the Indian Oil Blending (Private) Ltd representing a joint venture between the Indian Oil Company Ltd, a State-owned undertaking and the Mobil Petroleum Company Incorporated, New York, has been formed in Bombay for blending lubricating oil and greases in India. The Company has been established as a 50-50 joint venture with an authorised capital of Rs. 20 lakhs. Mr. P. A. Gopalakrishnan, chairman of the Indian Oil Company, will also be the chairman of the Indian Oil Blending (Private) Ltd. The directors of the Company include Messrs P. A. Gopalakrishnan, A. K. Srivastava of the Indian Oil Company and Messrs. O. M. Hague and H. C. Goff representing the Mobil Petroleum Company.

The Company will set up two plants, one in Bombay and the other in Calcutta, for blending and packaging high-grade oils, lubricants and oil products including process and chemical products. Mobil Petroleum will subscribe the capital in U.S. dollars towards buying capital equipment for the two plants. It will also provide the technical know-how and train Indian personnel in oil blending operations. The initial capacity of the two plants is estimated to be 100,000 metric tonnes a year.

Engel India and Pioneer Plastic

ENGEL India Machines and Tools Ltd of Calcutta states that there are certain errors in the third paragraph of the item entitled "Processing Machines from Pioneer Plastic" on page 497 of the Guide for Investors section in Capital of 4th April, 1963. It is pointed out that for manufacturing plastic injection moulding machines and moulds, Engel India has made considerable progress since the inception of the Company in April 1962. The collaboration with the Austrian company, Maschinenfabrik Ludwig Engel K.G., has been approved by the Government. The Austrian collaborators are supplying the know-how and participating in the capital of the Indian Company to the extent of Rs. 7.5 lakhs. Land for the factory has been acquired.

Orders for almost all the plant and machinery have already been placed and covered by import licences. Plans and drawings for the factory are being approved by the municipal

authorities, and it is expected that the construction of the factory will commence in the course of next few weeks. Engel India will very soon be issuing shares to the public to the extent of Rs. 30 lakhs, which is being entirely underwritten by the Industrial Finance Corporation, the Life Insurance Corporation of India, the West Bengal Financial Corporation and the Industrial Credit and Investment Corporation of India. Equity capital worth Rs. 20 lakhs has already been privately subscribed by the directors of the Company and the Austrian collaborators. Recently the Industrial Finance Corporation of India has approved the application of the Company for a loan of Rs. 25 lakhs.

The Company will initially produce 300 injection moulding machines a year of three sizes—45-90 grammes, 80-150 grammes and 150-300 grammes. The total investment in the project will be about Rs. 1 crore. The Company will have a turnover of about Rs. 1.6 crores from the second year of operation onwards. At the present rate of progress, it is estimated that the manufacture of machines and moulds will commence by July 1964. It is planned that during the first three years of operation, the Company will be able to produce 85 percent of the components of each machine.

New Capital Issues

SEVEN companies have been authorised to raise capital amounting to Rs. 2.31 crores. The following are the details:

Utkal Machinery Ltd, Bombay: Further capital of Rs. 40 lakhs divided into 40 debenture units of Rs. 100,000 each carrying interest at the rate of 7 percent to be issued to the L.I.C. as security for a loan.

Shree Digvijay Cement Company Ltd: Additional capital of Rs. 50 lakhs in equity shares of Rs. 100 each for cash at a premium of Rs. 10 per share.

The British India Electric Construction Company Ltd, Calcutta: Rs. 10 lakhs in equity shares at a premium of 33 1/3 percent. The capital will be issued to two U.K. companies, namely, Johnson and Phillips Ltd, and the Electric Construction Company Ltd for consideration other than cash.

The Oriental Spun Pipe Company Ltd: A new company to be incorporated in the State of Delhi will raise capital of Rs. 75 lakhs divided into Rs. 60 lakhs in equity and Rs. 15 lakhs in cumulative redeemable preference capital carrying dividend at the rate of 9-2/7 percent for cash at par.

In supersession of the consent accorded previously for issue of capital to the value of Rs. 25 lakhs, the Yemmiganur Spinning Mills Ltd, Yemmiganur, has been allowed to issue capital of Rs. 30 lakhs, divided into 25,000 equity shares of Rs. 100 each and 5,000 cumulative redeemable preference shares of Rs. 100 each carrying a dividend of 9.3 percent (free of company's tax but subject to deduction of all taxes at source at the prescribed rates). All the shares will be for cash at par.

Kottayam Textiles Ltd, Kerala: Rs. 25 lakhs in 200,000 equity and 50,000 preference shares each of Rs. 10 each to be issued for cash at par.

The South India Saiva Siddhanta Works Publishing Society Tirunelveli Ltd, Madras: Further capital of Rs. 100,000 in equity shares of Rs. 10 each, on capitalization of the company's general reserves to a like extent.

The Stock Markets

PRICES OF SELECTED SCRIP IMPROVE IN CALCUTTA

Wednesday Evening.

THE Calcutta stock market has been slightly steadier during the past week. Prices of selected shares have improved somewhat due to two factors. The first is that selling pressure has decreased since most of the weak holders have already sold out. Attracted by the lower prices, bears have covered their open positions to a large extent. As a result, the technical position has become healthier. There have also been some purchases by bargain-hunters.

Lyons Range hopes that the Central Finance Minister will modify the super profits tax during his statement in the Lok Sabha next week. It is rumoured that the percentage of exempted profits may be increased from 6 percent to 8 percent and that the rate of tax will also be cut. It is believed that in calculating the total capital base for the purpose of the tax, loans and debentures of a company will be included. If the adverse effects of the levy are to be mitigated, these modifications are about the least which must be made.

Steel shares have met with scattered support after a fairly long interval. Indian Iron have been quoted up to Rs. 20.15. The support has been based on two favourable developments. The first is that the output of the Company increased during March, compared with February. The output of pig iron rose from 106,428 tons to 116,303 tons and that of steel ingots from 79,233 tons to 83,288 tons. The production of saleable steel improved from 69,816 tons to 87,400 tons. Despatches rose from 84,180 tons to 106,182 tons. Thus the total output during the year ended March 1963 has improved considerably, compared with the corresponding period of 1962. During 1962-63 the output of pig iron has been 1.3 million tons, against 1.2 million tons in 1961-62. The production of steel ingots has increased from 934,498 tons to 1 million tons and that of saleable steel from 734,970 tons to 795,119 tons. The second favourable factor is that the prospect of an increase in the retention price of steel has become brighter. The Government is believed to have decided to raise the retention price in order to compensate the producers for the emergency risks insurance premium and the rises in railway freight, royalty and wages.

In the engineering section, Jessop have recovered on producing an excellent report. Guest, Keen, Williams, Burn, Texmaco and Indian Standard Wagon have also gained. Turnover has increased in coal shares due to hopes of an increase in the price of the commodity. It is reliably learnt that the Government has decided to raise the average price of coal by at least Re. 1 a ton, although the rise will vary according to grades. Bengal, Central India, South Karanpura, Burrakur, East Indian and Equitable have been bought. Except for scattered support for Bharat Commerce, Jay Shree Textiles and Dunbar, cotton mill shares have been generally neglected.

Prices of selected miscellaneous shares have improved all-round due to the absence of selling pressure.

Indian Aluminium, Dunlop Rubber, Hindustan Motor, Indian Copper, Rohtas, Jaipur Udyog and Orissa Cement have been prominent. Union Carbide have also risen. Among managing agency shares, interest has been taken in Jardine Henderson and Martin Burn. Electric Company shares have been subdued and business has been done in Calcutta Electric at lower levels. Among new shares, interest has been taken in Hindustan Twyford and Asiatic Oxygen. Dr. Paul Lohmann have been taken on prospects of a rights issue. In the paper section, Orient and Sirpur have recovered. Titagur and Ballarpur have been steady.

Sugar shares have been freely offered without attracting buyers. Prices have declined on balance. Small turnover has been transacted in tea shares at cut prices. Investors are apathetic because of the border situation coupled with reports of drought in many growing districts.

Although Government securities have been steadier following official support, turnover has been small, since institutional buyers have taken very little interest. Attention has been concentrated mainly on short-dated stocks. The 3 percent Conated loan 1966 is quoted around Rs. 63. State Government loans are easier on a predominance of sellers.

Bombay

PRICES IMPROVE IN DALAL STREET

HOPES OF CHANGES IN SUPER PROFITS TAX

Wednesday Evening.

THERE has been a fair improvement in the Bombay stock market during the past week. Turnover has increased and prices of selected shares are higher. Scattered support has been attracted because of optimism concerning modifications of the super profits tax. Operators have also interpreted bullishly the Chinese decision to release Indian prisoners of war. The move has led to the belief that there might not be any armed conflict between India and China in the near future. As a result of the steadiness, the authorities have scrapped the minimum prices for the remaining 10 clearing shares. They have also decided that there will be no compulsory carry-over in the future. Thus the Bombay stock market will henceforth have freer trading and prices will find their own levels.

The corporate news has, meanwhile, been more favourable. It is reliably learnt that the Government of India has decided to increase the retention price of steel in order to compensate the producers for rises in railway freights and royalties. The increase in the output of the Tata Iron and Steel Company during March has been welcomed. The total production of the Company during 1962-63 has improved, com-

pared with 1961-62. The output of pig iron has increased from 1.6 million tons to 1.8 million tons. The production of steel ingots has risen from 1.6 million tons to 1.8 million tons, and that of saleable steel from 1.3 million tons to 1.4 million tons. Tata Steel have improved to Rs. 121 and Indian Iron to Rs. 20.04. Selected engineering shares have been supported on prospects of expansion. Mukan Iron have gained at Rs. 18.76 on buying by knowledgeable quarters. Premier Construction have been steady at Rs. 132. Tata Locomotive have, however, been subdued because of the rights issue. Among motor-vehicle shares, Hindustan Motors and Premier Automobiles have gained.

Selected cotton mill shares have improved on replacement buying. It is believed that the supply of raw cotton will improve in the coming months because of a bigger domestic crop, combined with larger imports of American cotton under P.L. 480. Bombay Dyeing have improved to Rs. 63, Kohinoor to Rs. 284, Svadeshi to Rs. 248 and Tata Mills to Rs. 57.20. Century have been quiet around Rs. 477 following selling pressure.

There have been some purchases by bargain-hunters in the miscellaneous section. In the cement group, Associated Cement have improved to Rs. 139.50. Digvijay have been taken at Rs. 165 on prospects of a rights issue and further expansion. Sugar shares have been subdued because of uncertainties caused by the decision to enforce the Maharashtra Land Ceiling Act at an early date. Shipping shares have been quiet. Chemical shares have met with scattered support. Tata Chemical and Indian Dyestuff have gained. Bombay Burma have recovered to Rs. 635 on replacement buying. National Rayon have been quiet at Rs. 343, but Voltas have improved to Rs. 256. Little business has been done in bank shares and fluctuations have been narrow. In the insurance section, New India Assurance have been buoyant on prospects of a bonus

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issue. Electric company shares have shown little change.

Madras

TURNOVER IMPROVES BUT PRICES FALL

CAUTIOUS OPTIMISM AMONG INVESTORS

Tuesday Evening.

ALTHOUGH turnover has increased in the Madras stock market during the past week, prices have generally declined since the

minimum prices for all shares were scrapped last week. Investors and operators have been somewhat encouraged by higher advices from the Calcutta and Bombay stock markets. Hopes of modifications in the super profits tax have helped abate selling pressure. Investors have nevertheless been cautious and have been unwilling to extend their commitments until the Budget is finally passed. The supply of money has been somewhat easier because the busy season has been drawing to a close.

Government securities have been neglected and turnover has been small. Bank shares have been subdued, and Indian Overseas Bank has declined on selling pressure. Pandyan has also reacted on a predominance of sellers. Electric company shares have met with scattered

support and attention has been concentrated on West Coast at Rs. 18.37. Selected preference issues giving higher yields have been fancied. In the sugar section, Kothari have attracted support at Rs. 7.15 and K.C.P. at Rs. 25.07.

Prices of planting shares have fallen on the whole. Parkside have declared an interim taxable ordinary dividend of 7.5 percent and Peermade a taxable final ordinary dividend of 12.5 percent. Despite good crop reports and fair auction prices, tea shares have moved down. Blue Mountain have declined to Rs. 2.45 and Peermade to Rs. 22.50. Among rubber shares, Teekoy have been sold at Rs. 6.10. Coffee shares have weakened appreciably because of a cut in the dividend of Savamalai, which has paid a taxable ordinary dividend of 15 percent.

Except for South India Viscose, which have improved to Rs. 142, cotton mill shares have been weaker. Anglo-French have been offered at Rs. 140 on paying a smaller taxable ordinary dividend of 12 percent. Travancore Rayon have reacted to Rs. 23.50 on cutting the taxable ordinary dividend to 15 percent. Selected miscellaneous shares have been bought at lower levels. Dalmia Cement have been taken at Rs. 12.25 and Ashok Leyland at Rs. 7.10. Metturr Chemical have been done at Rs. 12.87, but Aluminium Industries have declined to Rs. 16.50. F.A.C.T. have met with support up to Rs. 7.05 and Seshasayee Paper have been steady at Rs. 7.25. Standard Motors have been transacted at Rs. 12 and Madras Rubber at Rs. 19.12. Parry's Confectionery have fallen to Rs. 3.19, but Spencer have been steady around Rs. 12.50.

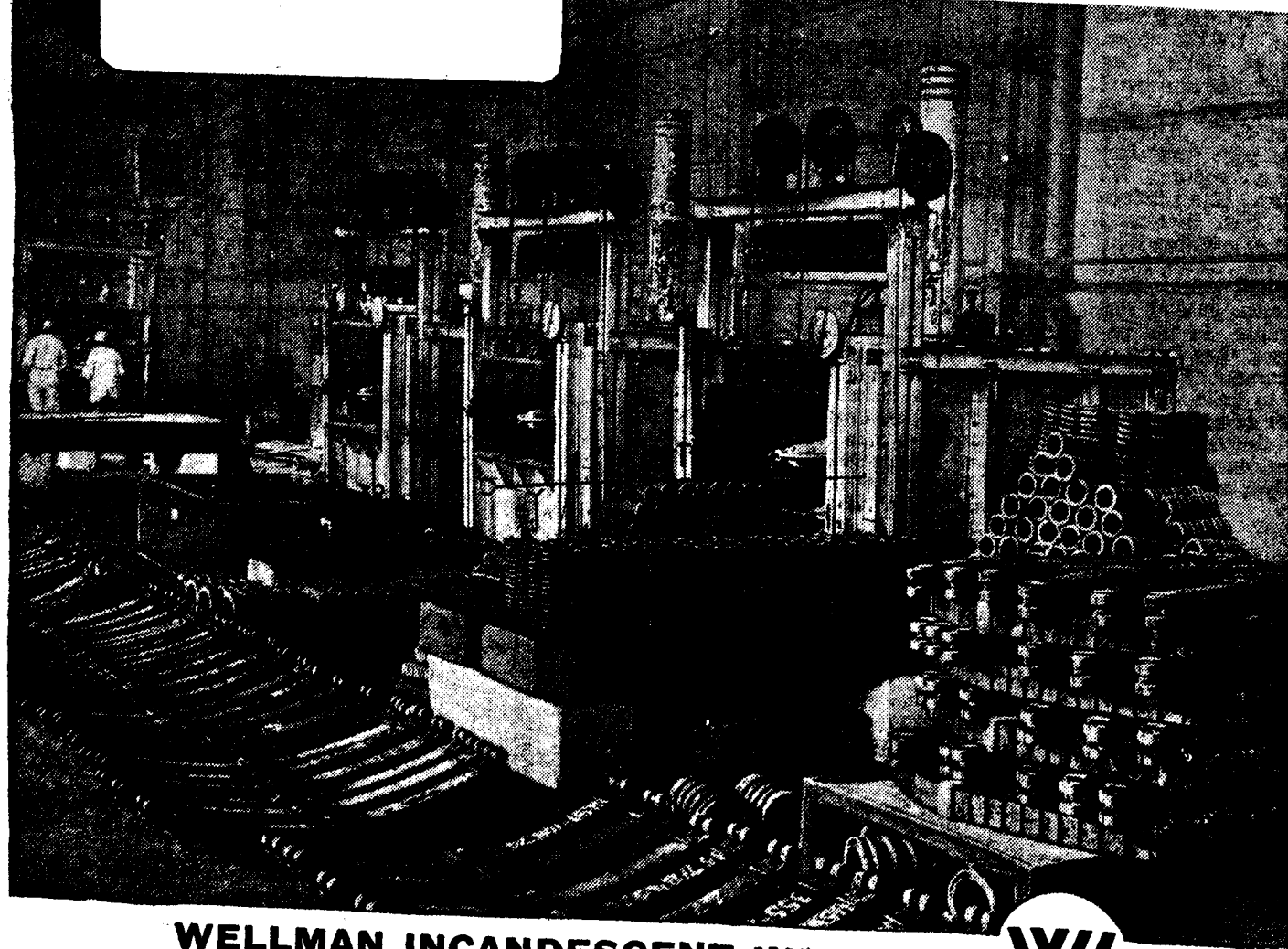
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THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations. Highest for the week, Lowest for the week. Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs. 25/00—26/00—25/00—26/00—(38/75).
Burrakur Coal—Rs. 15/50—15/50—15/50—15/50—(17/25).
Dunlop Rubber—Rs. 31/00—32/12—31/00—32/12—(43/50).
Guest, Keen, Williams—Rs. 29/69—30/69—29/62—30/69—(40/62).
Hindustan Motors—Rs. 15/50—16/12—15/50—16/06—(19/87).
Indian Aluminium—Rs. 29/00—31/06—29/00—31/06—(38/81).
Do. (New)—Rs. 12/75—13/00—12/75—13/00—(38/81).

Indian Copper—Rs. 4/10—4/21—4/10—4/21—(3/02).
Indian Iron & Steel—Rs. 19/30—20/15—19/25—20/10—(24/90).
Indian Cable—Rs. 32/06—32/06—32/00—32/00—(35/62).
Jaipur Udyog—Rs. 10/62—10/81—10/56—10/75—(13/56).
J. K. Cotton Spg. & Wvg.—Rs. 12/37—12/56—12/37—12/50—(21/37).
Kesoram Industries—Rs. 19/06—20/50—19/00—20/25—(32/19).
Orient Paper—Rs. 30/70—31/95—30/50—31/95—(42/15).
Orissa Cement—Rs. 14/50—14/81—14/50—14/75—(18/50).
Rohtas Industries—Rs. 10/69—11/31—10/50—11/31—(16/62).
Shree Gopal Paper—Rs. 21/50—21/50—21/50—21/50—(21/50).
Textile Machinery—Rs. 20/20 S.T.—20/95—20/20—20/95—(21/81).

GOVERNMENT SECURITIES

3 % Loan (1986)—Rs. 63/03—63/08—63/00—63/00.
3 % " (1963-65)—Rs. 99/70—99/70—99/70—99/70.
3 1/2 % " (1967)—Rs. 97/75—97/75—97/75—97/75.
3 1/2 % " (1964)—Rs. 99/30—99/30—99/30—99/30.
3 1/2 % " (1974)—Rs. 96/15—96/15—96/15—96/15.
4 1/2 % West Bengal (1974)—Rs. 97/95—97/95—97/95—97/95.
4 1/2 % Orissa (1974)—Rs. 96/20—96/27—96/20—96/27.
4 1/2 % U.P. (1972)—Rs. 95/50—95/50—95/50—95/50.
4 1/2 % Bihar (1972)—Rs. 94/90—94/90—94/90—94/90.
4 1/2 % Madras (1970)—Rs. 96/50—96/50—96/50—96/50.

BANKS

Punjab National—Rs. 18/31—18/50—18/25—18/37—(21/62).
United Bank of India (Rs. 10/- paid)—Rs. 6/81—6/91—6/50—6/50—(6/69).
United Commercial—Rs. 70/50—71/50—70/50—71/50—(96/25).

COTTONS

Bharat Commerce—Rs. 20/56—20/87—20/25—20/75—(27/62).
Birla—Rs. 26/75—26/75—26/75—26/75—(27/62).
Bowreah—Rs. 21/31—21/62—21/12—21/44—Do. (B Pref.)—Rs. 83/00—83/00—83/00—83/00.
Cawnpore—Rs. 6/25—6/25—6/25—6/25—(8/94).
Jay Shree—Rs. 13/69—14/81—13/69—14/81—(17/37).
Jijaeerao—Rs. 8/00—8/44—7/75—8/44.

COALS

Bengal—Rs. 270/00—270/00—262/00—262/00—(339/00).
Central India—Rs. 9/06—9/94—9/06—9/94—(4/47).
Raneegunge—Rs. 14/00—14/00—12/56—13/00—(14/62).
South Karanpura—Rs. 7/56—7/87—7/37—7/87—(7/50).
Sendra—Rs. 5/00—5/00—5/00—5/00—(6/44).
Western Bengal—Rs. 7/87—8/75—7/87—8/75—(8/87).

JUTES

Anglo-India—Rs. 201/00—201/00—201/00—201/00—(228/00).
Auckland (5 1/2 % Pref.)—Rs. 69/00—69/50—69/00—69/50.
Bally—Rs. 235/00—235/00—235/00—235/00—(304/00).
Cheviot—Rs. 21/44—21/44—21/44—21/44—(24/31).
Clive (7 % Pref.)—Rs. 64/50—46/50—46/50—46/50.

Delta—Rs. 141/00—141/00—141/00—141/00—(192/00).
Ganges—Rs. 12/25—12/69—12/25—12/69—(14/56).
India—Rs. 17/31—17/75—17/31—17/62—(16/87).
Kamarhatti—Rs. 146/00—148/00—146/00—148/00—(188/00).
Kankannar—Rs. 119/00—119/00—119/00—119/00—(163/00).
New Central—Rs. 12/00—12/62—11/87—12/62—(17/62).
Nuddea—Rs. 49/50—49/50—49/50—49/50—(78/50).
Presidency—Rs. 4/69—4/81—4/69—4/81—(3/94).
Reliance—Rs. 7/37—7/56—6/56—7/37—(7/56).
Do. (Pref.)—Rs. 94/00—94/00—94/00—94/00—(23/94).
Soorah—Rs. 18/75—18/75—18/75—18/75—(23/94).

MININGS

Assam Sillimanite—Rs. 8/12—8/12—8/12—8/12—(9/50).
Chrestien Mica—Rs. 9/85—9/85—9/85—9/85—(13/12).
Metal Corp.—Rs. 7/50—7/69—7/50—7/69—(12/25).
Orissa Minerals—Rs. 25/00—25/00—25/00—25/00—(25/00).

CEMENTS

Dalmia (Bharat)—Rs. 12/25—12/87—12/25—12/87—(13/75).
Do. (Pref.)—Rs. 8/56—8/56—8/56—8/56—(8/00).
Sone Valley—Rs. 4/25—4/50—4/25—4/50—(5/44).

CHEMICAL

Alkali & Chemical—Rs. 28/50—29/25—28/50—29/25—(43/84).

ELECTRICS

Benares—Rs. 12/56—12/56—12/44—12/44—(12/19).
Calcutta—Rs. 14/12—14/31—14/12—14/31—(14/94).
Upper Juma—Rs. 14/00—14/06—14/00—14/06—(14/62).

ENGINEERINGS

Britannia Eng.—Rs. 9/22—9/62—9/16—9/56—(13/09).
Burn & Co.—Rs. 387/00—440/00—387/00—440/00—(651/00).
Bhartia Elec. Steel—Rs. 13/56—13/56—13/56—13/56—(11/12).
Braithwaite—Rs. 32/75—33/06—32/75—33/06—(33/06).
Dalmia Iron—Rs. 10/87—10/87—10/87—10/87—(11/69).
Hindustan Wire—Rs. 9/75—9/75—9/75—9/75—(11/25).
Indian Iron & Steel (Pref.)—Rs. 85/00—85/00—84/50—84/50.
Indian Standard Wagon (Pref.)—Rs. 117/50—117/50—117/00—117/00.
Jessop & Co.—Rs. 20/56—22/25—20/56—22/25—(25/19).
J. K. Steel—Rs. 15/25—15/50—15/25—15/50—(19/87).
Marshall's—Rs. 2/81—2/87—2/69—2/75—(3/75).
National Iron & Steel—Rs. 4/15—4/15—4/12—4/12—(5/81).
Wellman Incandescent—Rs. 5/80—5/80—5/80—5/80—(5/80).

INSURANCES

New Asiatic—Rs. 7/56—7/56—7/37—7/37—(7/44).
Ruby General—Rs. 9/06—9/12—8/94—9/06—(8/84).

MISCELLANEOUS

Aluminium Corp.—Rs. 13/00—13/12—13/00—13/12—(18/19).
Asian Refractories—Rs. 6/87—7/44—6/87—7/44—(9/50).
Asiatic Oxygen—Rs. 9/06—9/50—8/94—9/50.
Associated Battery—Rs. 24/06—24/44—24/06—24/44—(32/56).
Bharat Nidhi—Rs. 5/50—5/50—5/50—5/50—(9/06).
B. I. Corp.—Rs. 9/00—9/15—9/00—9/15—(10/62).
Clive Row Investment—Rs. 8/19—8/19—8/19—8/19—(8/50).
Calcutta Tramways—Rs. 11/00—11/06—11/00—11/06—(11/19).
Dr. Paul Lohmann—Rs. 15/00—15/50—15/00—15/50—(19/50).
Electric Construction—Rs. 12/37—12/69—12/37—12/69—(15/06).
General Tyres—Rs. 7/90—8/37—7/87—8/37—(8/56).
Goodyear India—Rs. 34/50—34/56—34/25—34/56—(41/12).
Gwalior Rayon—Rs. 41/00—42/50—41/00—42/50—(56/00).
Hindustan Aluminium—Rs. 11/87—13/50—11/87—13/50—(16/37).
Hoare Miller—Rs. 5/12—6/00—4/87—5/75—(7/12).

Hindustan Pilkington Glass (New)—Rs. 15/81—15/81—15/69—15/75.
Hindustan Twyford—Rs. 14/12—14/25—14/12—14/25—(16/62).
Imperial Tobacco—Rs. 10/56—10/69—10/50—10/69—(12/05).
Isaac Holdens—Rs. 14/25—14/25—14/25—14/25—(17/50).
Indian Carbon—Rs. 20/50—20/50—20/37—20/37.
Jay Shree Industries—Rs. 14/75—14/75—14/75—14/75—(19/50).
J. K. Synthetics—Rs. 10/31—10/69—10/31—10/62—(15/94).
Jardine Henderson—Rs. 72/00—75/00—72/00—75/00—(80/50).
Kesoram Industries (1st Pref.)—Rs. 105/00—106/00—105/00—106/00.
Martin Burn—Rs. 23/00—23/75—22/75—23/75—(29/37).
McLeod & Co.—Rs. 210/00—210/00—210/00—210/00—(215/00).
Do. (Pref.)—Rs. 59/50—60/00—59/50—60/00.

Macneil & Barry (Pref.)—Rs. 51/00—51/00—50/75—50/75.
National Pipes & Tubes—Rs. 27/25—27/37—26/94—27/06—(30/25).
National Insulated Cable—Rs. 22/87—24/37—22/87—24/37—(44/37).
National Tobacco—Rs. 10/37—10/62—10/25—10/62—(16/12).
National Rolling—Rs. 18/50—18/50—18/50—18/50—(18/50).
National Rubber—Rs. 10/62—10/75—10/62—10/75—(10/75).
Shaw Wallace—Rs. 17/19—17/19—17/06—17/06—(23/12).
Usha Martin Black—Rs. 13/50—14/12—13/50—14/12—(14/56).
Universal Cables—Rs. 8/62—9/06—8/44—9/06—(10/16).
Window Glass—Rs. 7/12—7/12—7/12—7/12—(7/12).
Walford—Rs. 3/31—3/37—3/31—3/37.

OILS

Indo-Burma Petroleum—Rs. 22/94—23/00—22/94—23/00—(28/75).
Tide Water—Rs. 26/50—26/75—26/50—26/75—(24/25).

PAPERS

Ballarpur—Rs. 15/00—15/62—15/00—15/62.
Bengal—Rs. 28/62—28/75—28/62—28/75—(33/25).
Star—Rs. 10/06—10/06—10/06—10/06—(11/06).
Straw Products—Rs. 8/31—9/25—8/31—9/25—(9/87).
Sirpur—Rs. 10/81—11/44—10/81—11/44—(15/31).
Seshasayee—Rs. 7/37—7/50—7/37—7/50—(8/56).
Titagur—Rs. 15/75—16/25—15/75—16/25.

SHIPPINGS

Calcutta Steam Nav.—Rs. 8/50—10/00—8/50—10/00—(12/37).
Calcutta Landing—Rs. 29/87—30/00—29/87—30/00—(13/12).
India Steamship—Rs. 5/44—6/12—5/44—6/12—(7/25).
Port Shipping—Rs. 11/62—11/69—11/62—11/69—(11/12).

PRESSING

Hooghly Ganges Hydraulic (Pref.)—Rs. 43/00—44/00—43/00—44/00.

SUGARS

Balrampur—Rs. 2/19—2/19—2/19—2/19—(2/50).
Carew & Co. (Pref.)—Rs. 72/75—72/75—72/75—72/75.
Cawnpore—Rs. 10/62—10/62—10/62—10/62—(13/62).
Do. (Pref.)—Rs. 116/00—116/00—116/00—116/00.
Darbhanga—Rs. 7/25—7/25—7/25—7/25—(10/50).
Raza Buland—Rs. 9/50—9/50—9/50—9/50—(8/91).
Tulsiore—Rs. 4/19—4/56—4/19—4/56—(4/94).

TEAS

Bishnauth—Rs. 15/87—15/87—15/87—15/87—(23/00).
Brooke Bond—Rs. 10/75—11/00—10/50—11/00—(15/37).
Baitakhal—Rs. 6/87—7/00—6/87—7/00—(6/89).
Chamong—Rs. 9/00—9/00—9/00—9/00—(10/25).
Dhelakhat—Rs. 19/37—19/50—19/37—19/50—(22/00).
Groh—Rs. 7/19—7/31—7/12—7/12—(9/69).
Hulidibari—Rs. 12/31—12/31—11/75—12/12—(28/00).
Hasimara—Rs. 11/75—11/75—11/75—11/75—(11/75).
Nagaisore—Rs. 134/00—134/00—134/00—134/00—(177/00).
Patrakola—Rs. 120/00—120/00—120/00—120/00—(138/00).

DEBENTURES

6 1/2 % Indian Aluminium—Rs. 94/00—94/00—94/00—94/00.

London

SHARES STEADIER AT CLOSE

BUDGET DISAPPOINTS SPECULATORS

London, 10th April.

THE stock market was completely dominated by the Budget during the past week and the speculative buying that was going on before the Chancellor's statement quickly dried up when it failed to contain all that many had hoped. Nevertheless, few people were prepared to part with good class investments and after an immediate post-Budget shake-out of the speculators, the market looked a good deal steadier with sentiment influenced by a number of favourable factors among which the daily advance on Wall Street was by no means the least important.

Prices were mostly lower than a week ago, but there was now a tendency to edge forward again. Gilt-edged, however, made a very satisfactory showing on consideration of the non-inflationary character of the Budget and the measures to bolster sterling should it be necessary. There was little doing in foreign bonds, but dollar stocks were marked up to match the higher trans-Atlantic levels. Canadian issues were greatly influenced by the general election and mostly followed Wall Street. Gold shares fell out of favour and drifted lower, while coppers moved against holders in the absence of support. Tins, however, made a marked response to the rise in the metal price. Oils moved narrowly and indecisively, but rubbers and teas made quiet headway.

ALLAHABAD BANK LIMITED

Established 1865

(Affiliated to The Chartered Bank)

REGISTERED OFFICE:

14, INDIA EXCHANGE PLACE, CALCUTTA-1

Authorised Capital ... Rs. 1,00,00,000
Issued, Subscribed & Paid-up Capital ... Rs. 82,50,000
Reserves ... Rs. 1,23,75,000

FOREIGN EXCHANGE BUSINESS TRANSACTED

CLEARING AND FORWARDING OF GOODS TO DESTINATION UP COUNTRY IS UNDERTAKEN BY THE BANK'S CALCUTTA OFFICE

M. J. MacLaren
GENERAL MANAGER.

AB-19

THE CENTRAL BANK OF INDIA LIMITED

Registered Office:

CENTRAL BANK BUILDING, MAHATMA GANDHI ROAD, BOMBAY-1.

ESTABLISHED 1911.

AUTHORISED CAPITAL	Rs. 6,30,72,700	PAID-UP CAPITAL	Rs. 3,15,36,350
SUBSCRIBED CAPITAL	Rs. 5,78,22,700	RESERVE FUND AND OTHER RESERVES	Rs. 5,10,34,368

TOTAL DEPOSITS EXCEED .. Rs. 236 CRORES
WORKING FUNDS EXCEED .. Rs. 256 CRORES

SIXTY-EIGHTH REPORT OF THE BOARD OF DIRECTORS

Gentlemen,

The Directors beg to place before the Shareholders the Balance Sheet and Profit and Loss Account for the year ended 31st December, 1962.

The Net Profit for the year, including the sum of Rs. 23,36,733.88 brought forward from the previous year's account, amounts to Rs. 2,03,32,560.71.

The following appropriations have been made:—

An ad-interim dividend was paid for the half-year ended 30th June, 1962 at the rate of Rs. 2.40 per share, subject to tax, on 12,60,000 shares	Rs. nP.
Amount transferred to Reserve Fund	30,24,000 00
Amount transferred to Special Reserve	38,71,500 00
Amount transferred to Staff Gratuity Fund	58,00,000 00
Amount provided for Bonus to Staff	10,43,810 83
	65,00,000 00
To carry forward to next year's account	2,02,39,310 83
	93,249 88
	2,03,32,560.71

The Directors recommend to the Shareholders payment of a final dividend for the half-year ended 31st December, 1962 at the rate of Rs. 2.60 per share, subject to tax, on 12,60,000 shares (making in all 14% net for the whole year) which will absorb Rs. 32,76,000/- and a dividend @ Rs. 2.60 per share, subject to tax, (pro rata Jodhpur Commercial Bank, Ltd., during the half-year ended 31st December, 1962, which will absorb a further amount of Rs. 1,028.52).

The Bank's business during the year under review showed satisfactory progress. During the year 1 Branch, 12 Sub-Branches and 5 Pay Offices were opened at various centres and 1 Sub-Branch and 2 Pay Offices had to be closed down as they were found to be unremunerative.

With the nationalisation of Banks in Burma, the business of our Rangoon Office was taken over by the Government of Burma on 23rd February, 1963. The manner in which the take-over is to be effected is not yet settled. It may be stated, however, that a sizeable portion of the assets of the Branch is held in India.

During the year, increases in the Capital structure of the Company took place, as mentioned below, on account of the implementation of the Scheme, prepared by the Reserve Bank of India and sanctioned by the Central Government, for the amalgamation of the Jodhpur Commercial Bank, Ltd., with our Bank, in terms of which the Shareholders of that Bank had the right to opt for cash payment or exercise the option to receive cash became entitled to the allotment of a corresponding number of shares of our Company. Some Shareholders opted for Shares of our Company instead of receiving cash payment due to them. Accordingly, 1,454 Ordinary Shares of our Company were allotted during the year under review to such Shareholders and our Authorised and Issued and Subscribed Capital was increased as under:—

(a) The Authorised Capital increased from Rs. 6,30,00,000/- to Rs. 6,30,72,700/-, and
(b) The Issued and Subscribed Capital increased from Rs. 3,15,00,000/- to Rs. 3,15,36,350/-.

Further allotment of Shares of our Company will have to be made to the Shareholders of the Jodhpur Commercial Bank, Ltd., who have not exercised the option to receive cash and have accordingly become entitled to equivalent Shares of our Company.

As the Shareholders are aware, your Company had approached the Controller of Capital Issues for permission to increase its Authorised and Subscribed Capital by issuing 6,34,625 New Ordinary Shares in the proportion of one New Ordinary Share

for every two existing Shares (whether Ordinary and/or Ordinary 'A'). The consent was given by the Controller of Capital Issues on terms and conditions contained in his letters No. R. 298-CCI/62-3575 and No. R. 298-CCI/62 dated 25th October, 1962 and 6th November, 1962 respectively. However, due to the declaration of national emergency and the consequent conditions prevailing in the market, and the terms laid down by the Controller being regarded as unfavourable in the circumstances, the Directors, in their discretion, thought fit to postpone the issue of further Capital.

Four of your Directors, Mr. Cooverji H. Bhabha, Mr. Dharamsey M. Khatau, Sir Jamsetjee Jejeebhoy, Bart., and Mr. Nani A. Palkhivala retire under Article 92 of the Articles of Association read with Section 256 of the Companies Act, 1956, and are eligible and offer themselves for re-appointment.

In 1962, pursuant to the provision contained in Section 35B of the Banking Companies Act, 1949, the Reserve Bank of India had approved the appointment of Mr. N. K. Karanjia as Managing Director up to the date of the Annual General Meeting to be held in 1963.

When the question of Mr. Karanjia's re-appointment as Managing Director of the Company came up before the Board, Mr. Karanjia expressed his desire to be relieved from the office at the end of six months from the date of the Annual General Meeting to be held in 1963. The Board have accordingly re-appointed Mr. Karanjia for a period of six months only from the aforesaid date, on the same terms and remuneration as were sanctioned at the Annual General Meeting of the Shareholders of the Company held in April 1962. The permission of the Reserve Bank of India has been applied for accordingly, but has not been received so far.

Shareholders are requested to appoint Auditors for the ensuing year and to fix their remuneration.

The attention of the Shareholders is again drawn to the Directors' Report of the previous year regarding the dissolution of the Bank's Subsidiary, the Depositors Benefit Insurance Co., Ltd. The necessary Certificate from the Ministry of Finance, Government of India, allowing the dissolution of the Subsidiary Company has not yet been received.

H. P. MODY, Chairman.

Bombay, 20th March, 1963.

Statement Pursuant to Section 212 of the Companies Act, 1956.

(a) The Bank's interest in its Subsidiary, The Central Bank Executor & Trustee Company, Limited, as at 31st December, 1962, comprised 2,000/- shares of the face value of Rs. 1,000/- on each of which Rs. 500/- per share has been paid up.

(b) The undistributed balance of profit of the Subsidiary Company as at 31st December, 1962, after a transfer of Rs. 25,000/- to General Reserve and Rs. 15,095.50 to Investment Fluctuation Reserve, amounted to Rs. 265.54 which has been carried forward in the accounts of the Subsidiary.

(c) The net aggregate amount of Rs. 11,76,322.50 received as dividends from the Subsidiary Company for its previous financial years, since its inception as a Subsidiary Company, have been dealt with in the Profit and Loss Account of the Bank in the relevant years.

H. P. MODY, Chairman.
C. H. BHABHA, Vice-Chairman.

D. M. KHATAU, CHIMANLAL B. PARIKH, JAMSETJEE JEJEEBHAY, J. A. KRISHNA, HARIVALLABHDAS, S. KHAMBATA, N. A. PALKHIVALA, N. M. WAGLE, MUKARRAM JAH.

N. K. KARANJI, Managing Director.

Bombay, 20th March, 1963.

BALANCE SHEET AS AT 31st DECEMBER, 1962.

CAPITAL AND LIABILITIES		Rs.	nP.	PROPERTY AND ASSETS		Rs.	nP.
I. Capital:—				1. Cash:—			
Authorised Capital—				In hand and with Reserve Bank and State Bank (including foreign currency notes)			
(a) 10,51,454 Ordinary Shares of Rs. 50/- each		5,25,72,700	00			18,38,48,292	70
(b) 4,20,000 Ordinary 'A' Shares of Rs. 25/- each		1,05,00,000	00				
Issued & Subscribed Capital—		6,30,72,700	00	2. Balances with other Banks:—			
(a) (i) 4,72,528 Ordinary Shares* of Rs. 50/- each		2,36,26,400	00	On Current Accounts—			
Issued as paid up to the extent of Rs. 25/- without payment in cash in exchange for 9,45,056 shares of the Tata Industrial Bank Ltd.				(i) In India		31,64,284	01
(ii) 5,78,926 Ordinary Shares of Rs. 50/- each		2,89,46,300	00	(ii) Outside India		1,24,81,028	49
Issued for payment in cash Rs. 25 per share paid up		1,44,73,150	00	3. Money at Call and Short Notice		1,56,45,412	50
10,51,454 Ordinary Shares of Rs. 50/- each, Rs. 25 per share paid up		5,25,72,700	00	4. Investments: (at Book Value)		43,33,333	33
(b) 2,10,000 Ordinary 'A' Shares* of Rs. 25/- each fully paid up issued as bonus shares for consideration other than cash		2,62,86,350	00	(i) Securities of the Central and State Governments and other Trustees Securities		55,95,59,243	02
		52,50,000	00	Face Value		58,60,18,664	09
		5,78,22,700	00	Market Value		55,69,15,971	06
*The above include 338 Ordinary Shares and 774 Ordinary 'A' Shares which were allotted pursuant to the Resolution passed at the Annual General Meeting held on 30th March, 1959, at premium received in cash.		3,15,36,350	00	Treasury Bills of the Central and State Governments			
Amount Received on 31 Shares Forfeited		530	00	(ii) Shares			
Reserve Liability of Shareholders:—				Fully Paid			
Rs. 25/- per Share on 10,51,454 Shares		2,62,86,350	00	Rs. nP.			
Carried over		3,15,36,880	00	(a) Preference		1,67,21,638	88
				(b) Ordinary		2,64,12,250	68
				(c) Other Classes		67,798	75
				Market Value		4,32,01,688	31
				(iii) Debentures or Bonds		4,62,84,183	00
				Face Value		1,75,38,550	00
				Market Value		1,62,08,450	00
				(iv) Other Investments:			
				(a) Pakistan Loans		2,29,46,844	75
				(b) Foreign Securities including Treasury Bills		1,08,35,230	23
				(c) Other Municipal Debentures		28,46,035	05
				Face Value		3,72,49,748	80
				Market Value		3,66,39,439	00
				(v) Gold			
				Carried over		65,66,21,259	70
						86,24,46,298	23

THE CENTRAL BANK OF INDIA LIMITED—Cont'd.

BALANCE SHEET AS AT 31st DECEMBER, 1962.—Cont'd.

CAPITAL AND LIABILITIES		Rs.	nP.	PROPERTY AND ASSETS		Rs.	nP.	Rs.	nP.
Brought forward ...				Brought forward ...				86,24,46,298	23
Reserve Fund and other Reserves:—				5. Advances:—					
Reserve Fund ...		4,00,00,000	00	(Other than bad & doubtful debts for which provision has been made to the satisfaction of the Auditors.)					
Contingency Fund ...		50,00,000	00	(i) Loans, Cash Credits, Overdrafts, etc.: Rs. nP.					
Special Reserve ...		58,00,000	00	(i) In India ...		1,44,32,78,854	97		
Development Rebate Reserve ...		75,000	00	(includes an amount of Rs. 6,00,000.00 relating to medium term advances in respect of which finance has been obtained from the Reserve Corporation for Industry Ltd. as per contra)					
Share Premium Account ...		1,59,368	83	(ii) Outside India ...		5,48,18,841	61	1,49,80,97,696	61
Deposits and other Accounts:—				(II) Bills Discounted and Purchased:					
Fixed Deposits and Cash Certificates ...		1,22,01,82,872	96	(i) Payable in India ...		23,09,62,788	56		
Savings Bank Deposits ...		43,78,40,807	17	(ii) Payable outside India ...		2,54,01,640	17	25,63,64,428	73
Current Accounts, Call Deposits, Contingency Accounts, etc. ...		70,25,84,905	49	PARTICULARS OF ADVANCES:				1,75,44,62,125	34
Borrowings from other Banking Companies, Agents, etc:—				(i) Debts considered good in respect of which the banking company is fully secured ...				1,51,38,79,433	11
(1) Secured:		In India	Outside India	(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security ...				11,00,75,363	24
(a) By part of Investments per contra ...		5,21,50,030	00	(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors ...				13,05,07,328	99
(b) In respect of borrowings from the Refinance Corporation for Industry Ltd. by part of advances per contra ...		6,00,000	00	(iv) Debts considered doubtful or bad, not provided for ...				Total Rupees	
(2) Unsecured ...		1,37,25,006	25					1,75,44,62,125	34
		6,64,75,006	25						
Bills Payable ...				(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons ...				17,43,741	69
Bills for Collection being Bills Receivable as per Contra:—				(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members ...				9,89,43,293	26
(i) Payable in India ...		16,70,52,743	48	(vii) Maximum total amount of advances, including temporary advances, made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons ...				18,54,205	42
(ii) Payable outside India ...		1,62,40,946	62	(viii) Maximum total amount of advances, including temporary advances, granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members ...				10,79,05,152	75
Other Liabilities:—				(ix) Due from banking companies ...				24,90,739	73
Branch Adjustments ...		7,12,25,166	20	6. Bills Receivable being Bills for Collection as per Contra:—					
Amounts owing to Subsidiary Company ...		45,62,630	73	(i) Payable in India ...		16,70,52,743	48		
Unclaimed Dividends ...		11,87,730	56	(ii) Payable outside India ...		1,62,40,946	62	18,32,93,690	10
Rebate on Bills Discounted and on Treasury Bills ...		2,28,534	61	7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per Contra ...				14,70,90,177	48
Acceptances, Endorsements and Other Obligations as per Contra ...				8. Lands and Buildings:—					
Profit and Loss Account:—				Bank Premises		Investment in Properties	Non-Banking Assets acquired in satisfaction of claims		
Balance as per last Balance Sheet ...		56,12,733	88	Rs. nP. Rs. nP. Rs. nP.					
Less—Final Dividend at the rate of Rs. 2.60 per Share subject to tax paid for the half-year ended 31st December, 1961 ...		32,76,000	00	Cost as per last Balance Sheet ...		90,10,863	30	38,75,392	19
Special Jubilee Bonus of 2% p. a. per Share, subject to tax paid ...		23,36,733	88	Less—Cost of Properties sold during the year ...				8,90,731	38
Profit for the year ended 31st December, 1962 ...		2,03,32,560	71	Add—Cost of Additions made during the year ...		90,10,863	30	38,75,392	19
Less—Ad-interim Dividend paid for the half-year ended 30th June, 1962 at the rate of Rs. 2.40 per Share subject to tax ...		30,24,000	00	Cost of Properties purchased or taken over during the year ...		6,138	50	1,022	50
Amount transferred to Reserve Fund ...		38,71,500	00	Less—Depreciation written off ...		91,07,001	80	38,75,392	19
Amount transferred to Special Reserve ...		58,00,000	00	The above includes properties, with a book value of Rs. 73,711.73 which are carried forward pending settlement of the consideration to be received on sale or acquisition.		50,43,281	17	27,01,482	00
Amount transferred to Staff Gratuity Fund ...		10,43,810	83	9. Furniture & Fixtures:—		40,63,720	63	11,73,910	19
Amount provided for Bonus to Staff ...		65,00,000	00	As per last Balance Sheet ...				1,31,26,801	43
Contingent Liabilities:—				Add—Additions less Sales made during the year ...				17,94,547	83
(i) Claims against the Banking Company not acknowledged as debts ...		70,47,523	34	Less—Amount written off to date for depreciation ...				1,49,21,349	26
(ii) On Investments in shares and debentures of Joint Stock Companies and Banks ...		50,34,692	50	10. Other Assets:—				76,19,703	59
(iii) On Letters of Guarantee on behalf of Constituents (including Rs. 30,250.00 on behalf of Directors or Officers) ...		29,29,06,097	73	Shares of the Central Bank Executor & Trustee Co. Ltd., at Cost ...				10,00,000	00
(iv) Liability on account of outstanding Forward Exchange Contracts ...		10,01,46,394	28	Interest accrued on Investments ...				48,33,718	45
(v) Liability on Bills of Exchange Rediscounted:—				Silver ...					
(i) On Inland Bills of Exchange ...		22,366	20	Stamps, Stationery, Stock of Home Savings Safes and Safe Deposit Boxes ...				36,12,888	02
(ii) On Foreign Bills of Exchange ...		2,48,868	14	Total Rupees ...				2,96,99,63,302	60
Notes: (1) The actual amount of the liability arising from future gratuities payable to staff has not been ascertained but is greater than the amount provided.									
(2) In accordance with the provisions of section 29 of the Banking Companies Act, 1949, read with the provisions to sub-sections (1) and (2) of section 211 and sub-section (5) of section 211 and section 227(5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be audited and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The accounts are therefore drawn up in conformity with Forms A & B of the Third Schedule to the Banking Companies Act, 1949.									
Total Rupees ...									

THE CENTRAL BANK OF INDIA LIMITED—Cont'd.

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1962.

EXPENDITURE	Rs. nP	Rs. nP	INCOME	Rs. nP
			(less Provision made during the year for bad and doubtful debts and other usual or necessary provisions).	
1. Interest paid on Deposits, Borrowings, etc. ...		5,99,46,720 08	1. Interest and Discount ...	11,94,57,476 33
2. Salaries and Allowances at Head Office and Local Branches ...	53,51,337 97		2. Commission, Exchange and Brokerage ...	2,30,05,060 56
(Salaries and Allowances to Managing Director Rs. 70,200.00.)			3. Rent on Bank's Premises (excluding Rent on Premises used by the Bank) ...	8,86,732 28
Salaries and Allowances at Upcountry Branches ...	3,42,26,454 60		4. Net Profit on Sale of Investments, Gold & Silver, Land, Premises and other Assets (not credited to Reserves or any particular Fund or Account) ...	.....
Contributions to Provident Fund ...	23,26,286 84	4,50,04,079 41	5. Net Profit on Revaluation of Investments, Gold & Silver, Land, Premises and other Assets (not credited to Reserves or any particular Fund or Account) ...	.....
3. Directors' Fees and Allowances ...	83,482 00		6. Income from non-Banking Assets, and Profit from sale of or dealing with such Assets ...	2,93,831 00
Committee Members' Fees and Allowances ...	8,780 00	92,272 00	7. Transfer Fees ...	8,542 80
4. Rent, Taxes, Insurance, Lighting, etc. (includes Rs. 10,86,999.91 Deposits Insurance Premium) ...		59,76,279 79		
5. Law Charges ...		2,20,127 37		
6. Postage, Telegrams and Stamps ...		16,44,118 88		
7. Auditors' Fees (including Branch Audit fees paid to Statutory Auditors) ...		2,08,300 00		
8. Depreciation on Banking Company's Property ...	1,87,520 83			
Repairs to Banking Company's Property ...	1,80,196 13			
Other charges on Banking Company's Property ...	3,93,128 96			
Depreciation on Furniture, etc. ...	8,55,472 53	16,16,318 48		
9. Stationery, Printing and Advertisements, etc. ...		27,16,825 16		
10. Loss from sale of or dealing with non-Banking Assets ...		.....		
11. Other Expenditure (includes Rs. 9,00,000.00 contribution to the Prime Minister's National Defence Fund) ...		13,30,774 97		
12. Balance being Net Profit subject to Provision for Bonus Notes—1. Total remuneration to Managing Director including Salaries & Allowances (shown above) and Bonus Rs. 86,700.00.		1,79,65,826 83		
2. Provision has not been made for additional tax liability, if any, arising from the proposed Super Profits Tax Bill, 1963.				
Rupees ...		13,76,51,642 97	Rupees ...	13,76,51,642 97

H. P. MODY Chairman.	D. M. KHATAU CHIMANLAL B. PARIKH JAMSETJEE JEJEEBHAY JAYKRISHNA HARIVALLABHDAS S. KHAMBATA N. A. PALKHIVALA N. M. WAGLE MUKARRAM JAH N. K. KARANJIA Managing Director.	V. C. PATEL Deputy Manager.	F. C. COOPER Deputy Manager.
C. H. BHABHA Vice-Chairman.		B. R. PATEL Chief Accountant.	

AUDITORS' REPORT TO THE SHAREHOLDERS.

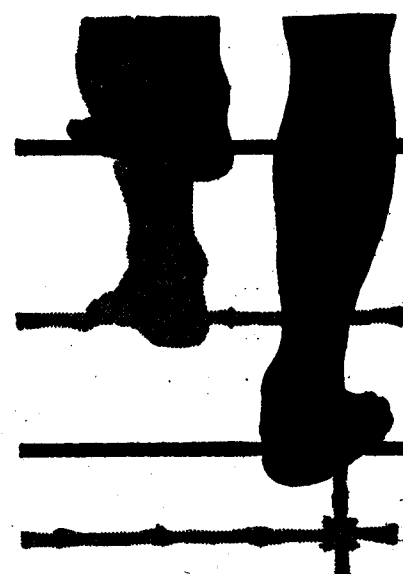
We have audited the foregoing Balance Sheet of The Central Bank of India, Ltd., as at 31st December, 1962, and also the foregoing Profit and Loss Account of the Bank for the year ended on that date in which are incorporated the returns of the 156 branches audited by us, 48 branches audited by other auditors and the unaudited returns from 155 other branches not visited by us, in respect of which the Central Government has made an order granting exemption from audit pursuant to section 228 of the Companies Act, 1956. We report that:—

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory.
- The transactions of the Bank which have come to our notice, have been within the powers of the Bank;
- In our opinion proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the Bank not visited by us;
- The Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;
- The reports on the accounts of the branches audited by other auditors have been forwarded to us and the same have been considered in preparing our report;
- In our opinion, and to the best of our information and, according to the explanations given to us, the said accounts read along with the notes appearing thereon give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1962, and the Profit and Loss Account gives a true and fair view of the Profit, for the year ended upon that date.

A. F. FERGUSON & Co.
Chartered Accountants.

S. B. BILLIMORIA & CO.
Chartered Accountants.

Bombay, 20th March, 1963.



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THE CALCUTTA MONEY MARKET

FAIR DECREASE IN ADVANCES

Wednesday, 10th April.

THE general level of advances has shown a fair decrease in the Calcutta money market during the past week. The requirements of the iron, steel and engineering industries are down, and so are those of the sugar industry. But the credit given to the jute and cotton mills, and to the foodgrains and seeds trade, is unchanged. In the interbank market, conditions have been noticeably easier, and the call rate quotes 5½ percent, after having been down to 5¼ percent.

The exchange market is dull. The supply of gunny bills has been poor, and that of tea bills negligible. The demand for remittance, however, has been stronger. Sterling has improved in relation to most of the major currencies, with the exception of the Canadian dollar.

THE CALCUTTA SILVER MARKET was quiet during the past week due to lack of support and the price fell from the previous week's level of Rs. 278.75 to Rs. 278.25, quoted today for ready delivery. The London and New York prices were 109½d and 127.3 cents. There was no trading in gold.

DURING THE WEEK ENDED 5TH APRIL, Government of India Treasury bills for Rs. 131,14,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 9th April. The total amount offered was Rs. 2,05,00,000. Tenders at 99.410 percent were accepted in full. Lower tenders were rejected. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.360 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received in Calcutta up to 11 a.m. on 16th April, and at other centres up to the close of business on 15th April.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 10th April to 13th April at Rs. 99.426 percent. Sales can be stopped at any percent. Sales can be stopped at any percent without notice if the Government thinks it necessary. These bills sold from 2nd April to 6th April amounted to Rs. 5 lakhs.

THERE WERE SHARP RISES OF Rs. 67.02 crores to Rs. 2,317.54 crores in the total crores to Rs. 2,317.54 crores in the total note issue and of Rs. 59.63 crores to Rs. 2,301.59 crores in active notes, according to the return of the Reserve Bank of India during the week ended 5th April, 1963. The currency expansion was covered by raising rupee securities of the paper currency reserve to Rs. 65 crores to Rs. 1,976.42 crores. Deposits of the Government of India rose by Rs. 46.64 crores to Rs. 102.47 crores partly due to good financing and partly because of State tax collection, while those of State Governments fell by Rs. 23.22 crores to Rs. 8.20 crores. Balances of scheduled banks at Rs. 71.46 crores showed a fall of Rs. 3.45 crores. Balances held abroad fell by Rs. 1.35 crores to Rs. 9.95 crores. Investments at Rs. 219.10 crores showed a rise of Rs. 5.08 crores. Loans to scheduled banks declined from Rs. 71.28 crores to

Rs. 48.21 crores of which advances against usance bills were Rs. 40.66 crores (Rs. 53.30 crores). Ways and means advances stood at Rs. 43.26 crores, against Rs. 28.89 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 29th March, 1963, shows a rise of Rs. 5.91 crores to Rs. 559.03 crores in total deposits. Investments in Government securities are down by Rs. 4 crores to Rs. 210.72 crores, while other authorised investments remain unchanged at Rs. 7.83 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have increased by Rs. 1.26 crores to Rs. 321.40 crores. Cash and balances are, in consequence, shown at Rs. 23.90 crores or Rs. 4.11 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 29th March, 1963, shows Demand and Time liabilities at Rs. 999.83 crores (Rs. 22.39 crores on account of borrowings from banks) and Rs. 1,219.62 crores (Rs. 15.58 crores), compared with Rs. 981.45 crores (Rs. 22.30 crores) and Rs. 1,288.39 crores (Rs. 16.50 crores), respectively, in the previous week. Cash has declined by Rs. 50 lakhs to Rs. 51.18 crores, while balances with the Reserve Bank have risen by Rs. 4.55 crores to Rs. 74.37 crores. There is a drop of Rs. 3.83 crores. Advances and bills discounted, to Rs. 593.28 crores in investments at Rs. 1,602.40 crores show a rise of Rs. 7.88 crores. The ratios to total of advances and discounts are, in consequence, shown at 5.7 percent and 72.2 percent, against 5.5 percent and 72.1 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 11-4-63.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
11-4-63	14-7-63	2,00.00	Rs. 2.360%
5-4-63	8-7-63	2,00.00	Rs. 2.370%
29-3-63	2-7-63	2,00.00	Rs. 2.370%
22-3-63	25-6-63	2,00.00	Rs. 2.370%
15-3-63	18-6-63	2,00.00	Rs. 2.370%
8-3-63	11-6-63	2,00.00	Rs. 2.365%
1-3-63	4-6-63	2,00.00	Rs. 2.365%
22-2-63	25-5-63	2,00.00	Rs. 2.365%
15-2-63	18-5-63	2,00.00	Rs. 2.365%
8-2-63	11-5-63	2,00.00	Rs. 2.360%
1-2-63	4-5-63	2,00.00	Rs. 2.355%
25-1-63	28-4-63	2,00.00	Rs. 2.355%
18-1-63	21-4-63	2,00.00	Rs. 2.355%
4-1-63	7-4-63	2,00.00	Rs. 2.355%
(Monthly Maturities 000's omitted)			
April 1963		6,00.00	
May 1963		8,00.00	
June 1963		8,00.00	
July 1963		6,00.00	
Total		28,00.00	

CLEARING HOUSE RETURNS

Week	Calcutta Rs. (Lakhs)	Bombay
5-4-63	1,24.14	.....
29-3-63	1,19.02	.....
22-3-63	1,08.11	1,04.41
15-3-63	97.80	1,16.82

RESERVE BANK

Liabilities—	ISSUE DEPARTMENT		Week Ended		
	(In 000's of Rupees)		5-4-63	29-3-63	6-4-62
Notes in Banking Dept. ...	...	...	15,95.15	8,56.44	19,47.33
Notes in Circulation ...	...	...	23,01,59.19	22,41,95.75	21,33,05.22
Total Notes Issued ...	...	...	23,17,54.34	22,50,52.19	21,52,52.55
Assets—	...	...	...	...	...
A. Gold Coin and Bullion	...	...	1,17,76.10	1,17,76.10	1,17,76.03
Foreign Securities ...	...	...	1,05,08.43	1,05,08.43	1,13,86.07
Total of A ...	...	...	2,22,84.53	2,22,84.53	2,31,62.10
B. Rupee Coin	...	...	1,18,25.51	1,16,25.51	1,18,76.73
Rupee Securities ...	...	...	19,76,42.15	19,11,42.15	18,02,13.72
Total ...	...	...	23,17,54.34	22,50,52.19	21,52,52.55

BANKING DEPARTMENT

Liabilities—	Capital Paid-up ...	5,00.00	5,00.00	5,00.00
Reserve Fund ...	80,00.00	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund ...	61,00.00	61,00.00	61,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund ...	7,00.00	7,00.00	7,00.00	7,00.00
Deposits—	(a) 1. Central Govt. ...	1,02,46.86	55,82.85	73,61.17
2. State Govts. ...	8,20.10	31,42.45	6,80.10	86,18.20
(b) Banks—	(i) Scheduled Banks ...	71,45.80	74,91.14	...
(ii) State Co-operative Banks ...	3,98.70	2,48.58	...	...
(iii) Other Banks ...	2.36	4.38	...	...
(c) Others ...	1,69,19.68	1,72,39.18	1,51,89.66	...
Bills Payable ...	38,69.75	44,52.11	26,65.55	...
Other Liabilities ...	64,60.32	65,66.14	58,22.47	...
Total ...	6,11,71.57	6,00,26.83	5,44,37.15	...
Assets—	Notes ...	15,95.15	8,56.44	19,47.33
Rupee Coin ...	1.18	2.13	2.11	...
Small Coin ...	2.32	2.34	4.32	...
National Agricultural Credit (Long Term Operations) Fund	(a) Loans and Advances to—	...	...	...
(i) State Govts. ...	27,14.49	25,87.47	...	...
(ii) State Co-operative Banks ...	9,13.97	9,38.16	...	...
(iii) Central Land Mortgage Banks ...	...	...	...	...
(b) Investment in Central Land Mortgage Bank	2,84.88	2,84.88	...	...
Debentures ...	...	...	...	...
National Agricultural Credit (Stabilisation) Fund	Loans and Advances to State Co-operative Banks ...	...	...	...
Bills Purchased and Discounted—	(a) Internal ...	...	...	...
(b) External ...	...	...	...	...
(c) Govt. Treasury Bills ...	77,26.70	66,00.18	63,10.26	...
Balances held abroad ...	9,94.82	11,30.05	11,33.31	...
Loans and Advances to Govt. ...	43,25.72	28,88.75	95,53.28	...
Loans and Advances to—	(i) Scheduled Banks ...	48,21.32	71,28.37	1,52,41.20
(ii) State Co-operative Banks ...	1,21,34.96	1,24,96.62	...	...
(iii) Others ...	1,65.90	1,67.90	...	...
Investments ...	2,19,10.07	2,14,02.39	1,67,82.51	...
Other Assets ...	35,90.09	35,40.15	34,62.83	...
Total ...	6,11,71.57	6,00,26.83	5,44,37.15	...

SCHEDULED BANKS

(i) Demand Liabilities—	(In 000's of Rupees)		Week Ended		
			29-3-63	22-3-63	20-3-62
(a) Demand Deposits	...	...	...	...	...
(1) From Banks ...	...	...	55,59.15	51,13.14	52,76.92
(2) From others ...	...	...	8,64,27.09	8,48,41.74	7,79,62.27
(b) Borrowing from Banks ...	...	...	22,38.88	22,28.55	19,13.70
(c) Others ...	...	...	57,56.28	59,60.68	56,38.90
(ii) Time Liabilities—	...	...	...	...	...
(a) Time Deposits	...	...	...	...	...
(1) From Banks ...	...	...	20,71.29	19,82.38	14,13.49
(2) From others ...	...	...	11,72,84.98	11,81,84.75	11,29,95.21
(b) Borrowing from Banks ...	...	...	15,57.83	16,50.41	13,26.70
(c) Others ...	...	...	10,47.58	10,06.38	13,52.94
(iii) Borrowing from State Bank—	...	...	...	...	...
(a) Demand Liabilities	...	...	12,08.01	11,72.51	9,34.62
(b) Time Liabilities	...	...	9,77.00	9,70.00	9,49.00
(iv) Borrowing from Reserve Bank ...	...	...	70,00.37	69,51.59	53,03.50
(v) Cash ...	...	...	51,18.33	51,97.66	48,80.17
(vi) Balances with the Reserve Bank ...	...	...	74,36.74	69,82.01	74,31.98
(vii) Balances with other Banks in current account ...	...	...	21,28.00	20,05.97	17,66.71
(viii) Money at call and short notice ...	...	...	37,63.42	38,06.42	37,34.63
(ix) Investments in Central and State Govt. Securities ...	...	...	5,85,28.34	5,97,10.35	6,01,45.50
(x) (a) Loans, Cash credits and Overdrafts ...	...	...	13,08,79.78	13,05,30.66	11,77,44.05
(b) Due from Banks ...	...	...	14,27.51	15,55.04	11,14.99
(xi) Inland Bills purchased and discounted ...	...	...	2,21,82.48	2,17,57.80	1,81,10.07
(xii) Foreign Bills purchased and discounted ...	...	...	56,50.22	56,08.58	48,82.02
(xiii) Total of X XI and XII ...	...	...	16,02,40.00	15,94,52.06	14,18,31.13

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FRENCH EXPERT REPORTS ON PETRO-CHEMICALS

(FROM OUR NEW DELHI CORRESPONDENT)

THE development of the petro-chemical industry is essential for India's economic progress. This is the opinion of Dr. Henny of the French Institute of Petroleum who has submitted a report to the Oil and Natural Gas Commission. Petro-chemicals and plastics have taken their place alongside such other basic industries as steel, chemicals and oil, so it is no longer possible for an industrial economy not to have a petro-chemical industry. The failure to build the industry will necessitate imports worth Rs. 51 crores in 1966 and Rs. 140 crores in 1971. According to Dr. Henny, a large-scale petro-chemical industry will need a continuing supply exceeding 150,000 tons of naphtha a year. In order to determine the continuous supply of naphtha, Dr. Henny makes the following assumption about India's refining capacity:

	Refining capacity (in million tons a year)					
	1966	1967	1968	1969	1970	1971
Digboi	0.5	0.5	0.5	0.5	0.5	0.5
Gauhati	1.0	1.0	1.0	1.0	1.0	1.0
Barauni	3.0	3.0	3.0	3.0	3.0	3.0
East India	—	—	—	—	3.0	3.0
Burmah-Shell, Bombay	3.5	3.5	3.5	3.5	3.5	8.3
Esso Eastern, Bombay	2.4	2.4	2.4	2.4	2.4	—
Gujarat	2.0	2.0	2.0	4.0	4.0	4.0
Visakhapatnam	1.0	1.0	1.0	1.0	1.0	1.0
South India	—	2.0	2.0	2.0	2.0	2.0
"	—	—	2.0	2.0	2.0	2.0
Total	13.4	15.4	17.4	19.4	22.4	24.8

Refinery gas: In Visakhapatnam, Gauhati, and Barauni, the quantities of by-product gases appear to be too low for the installation of viable petro-chemical production units based on them alone. The off-gases from the Bombay and Gujarat refineries as well as the future refineries have been integrated into the proposed petro-chemical production facilities. This will give the following region-wise supply of naphtha:

	(In thousand tons a year)					
	1966	1967	1968	1969	1970	1971
Digboi	155	116	14	29		
Gauhati						
East India					371	321
Barauni						
Burmah-Shell	417	307	287	264	240	540
Esso Eastern	178	169	160	380	370	359
Gujarat	43	40	36	32	28	23
Visakhapatnam	50	38	255	241	225	209
South India						

In order to permit the installation of a large-scale petro-chemical complex, there should be a continuing supply exceeding 150,000 tons of naphtha a year. It can be seen, therefore, from the above table that from the point of view of the supply of naphtha it should be possible to start operating major petro-chemical complexes at the following places and times:

	Initial phase	1966	Further large phase	1971
Bombay	Initial phase	1966	Further large phase	1969
Gujarat	Not possible			
Visakhapatnam	Initial phase	1968		
South India	Initial phase			
Digboi	Initial phase	1970	Surplus will exist at the cost	
Gauhati				
Barauni				
East India				

Natural Gas

(a) Natural gas from Nahorkatiya: The actual and already planned use of this natural gas covers power

generation, fertiliser and possible carbon black production in Assam, although the possibility of extracting L.P.G.'s (propane and butanes) has been examined; the matter has not been pursued further, since, firstly, the amount of butane available is too small for feeding a butadiene plant having an economic capacity. Secondly, the cost of C4 fractionation is too expensive and the price of naphtha as possible petro-chemical feedstock is too high. Thirdly, the local market for petro-chemical products in Assam is not large, and injecting these gases, once extracted, into the crude which is to be transported to Gauhati and Barauni, and then, extracting the butanes from the crude once again, will increase the cost of operation prohibitively. Fourthly, the cost of transporting the finished products to other parts of India is high, and fifthly, the cost of

any pyramiding of sales taxes. This does not present a problem where the whole complex is operated by one company. Where, however, the complex is split up among several companies, and there are several stages in petro-chemical production, each stage will naturally try to maximise its profit by selling its intermediate product at as high a price as possible. If, in addition, the Government levies taxes on the sales of each intermediate product, the operation results in a prohibitively expensive final petro-chemical product.

In other parts of the world, the increasing tendency is towards a fully integrated complex entirely under the control of one organisation. This prevents a repetition of taxation at each of the intermediate stages, and allows rationalisation of off-sites, intermediate storage, working capital and, in fact, nearly all the important elements.

In carrying on the programme, the report says, the normal procedure will be for any interested companies to work out the exact nature and definition of the complex and the share to be taken by each participant, and then to present the project to the Government with financing arrangements, for its approval. The setting up of petro-chemical complexes is tending everywhere to result in the whole project being handled by a single company; or else in the erection of a complex by a consortium of companies who create a jointly owned subsidiary which becomes responsible for the whole project, namely, the project is realised under the "umbrella" of a single entity. Whatever happens, it is difficult to visualise a viable complex coming into existence on a piecemeal basis. The use of by-products, the allocation of costs and the value of intermediate streams is sufficiently arbitrary so that their equitable determination must be done on an overall basis. Failure to set prices of intermediate streams in an equitable manner can result in certain aspects of a complex being apparently very profitable, and being eagerly sought after by various interests; while other parts do not find "takers", or only find them under conditions which result in a very high selling price to the consumer. Now a complex must be realised in its entirety if (a) plants are to be rationally designed, (b) raw materials are to be available as needed, (c) adequate partners are to be selected, and (d) coherent financing is to be obtained.

Integrated development means that one organisation must be entrusted with the overall responsibility. This must be established at the beginning since decisions taken early in the planning can vitally affect later stages of the complex. Assuming that a plan exists and that general guide lines of the areas of intervention have been laid down, there are still the problems of how to assure that all of a complex is developed instead of certain pieces only, and to find out the companies who will participate and to ensure co-ordination of their activities.

Where the entire project is turned over to private industry, this presents no extraordinary problem provided one or more of the companies concerned has the technical background

complex of plants capable of absorbing all the by-products. Another reason for integrated complexes is the necessity of avoiding

any pyramiding of sales taxes. This does not present a problem where the whole complex is operated by one company. Where, however, the complex is split up among several companies, and there are several stages in petro-chemical production, each stage will naturally try to maximise its profit by selling its intermediate product at as high a price as possible. If, in addition, the Government levies taxes on the sales of each intermediate product, the operation results in a prohibitively expensive final petro-chemical product.

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and the sense of responsibility to plan the whole. Where the entire project is to fall within the public sector, there is again the possibility of rational planning. However, it seems probable that mixed solutions will be adopted, and that several companies will be involved in a complex. To overcome this difficulty, the whole complex should be realised under an "umbrella".

The "umbrella rôle" has been used in various forms elsewhere. It can operate along the following lines:

A complex should be planned and tentative economics worked out based on the Kane and I.F.P. recommendations suitably brought up-to-date, if necessary.

Planning permission for this up-to-date complex should be obtained in principle, subject to whatever financing restrictions are felt to be necessary.

Appropriate Indian and foreign companies should be invited to submit detailed offers for the realisation for such defined segments of the complex as had not been exclusively reserved for the public sector. Public sector companies should be instructed to proceed with the realisation of those segments reserved for their exclusive use.

To the extent that satisfactory offers are received for the individual segments of the complex open for offers, it will be possible to compare these offers and choose the most advantageous for any given segment, and turn the project over to the company or group in question, for realisation. It will be easy to choose the best offer, as by these means all offers will be on a broadly similar basis. Where satisfactory offers are not received, the authorities may instruct a public-sector company to proceed with the realisation of the missing segments. This might be done either alone, or with partners.

The procedure might be initiated by placing a revolving fund—perhaps sufficient to realise one complete complex if proceeding alone—at the disposal of the authorities. Portions of the fund should be quickly freed from the first complex, as other sectors take over certain segments of the complex, as suggested above. This capital, together say, with any earnings by public-sector companies in the original complex could then be utilised to assure the same "umbrella coverage" for subsequent complex.

In this manner, it is possible to ensure that (a) a complex corresponding to India's needs will be built, (b) Competition will result in offers most advantageous to India being accepted, (c) The whole complex will be assured of simultaneous development to an assured timetable, (d) No one segment will achieve an unreasonable profitability at the expense of other segments.

It would be possible to assure the benefits of full integration either by having the off-site facilities operated by an outside authority or by the formation of a consortium of the participants.

Static Policy

Heretofore, there has been a tendency to wait for foreign companies to come along and make offers. This is a static policy, the report says. What is needed is a dynamic one! First of all, firms who are to participate in the petro-chemical programme should be selected because of their suitability.

If a "short list" were to be drawn up of potential candidates for a segment of a project, the firms in question could be approached for a specific proposal. There is a big difference between asking a foreign firm "if they are interested in doing petro-chemicals manufacture in India: and if so will they please make

an offer"; and an approach whereby offers are solicited from among the four or six prominent international polyethylene producers for building a plant.

In order to perform all the functions called for by the "umbrella concept" and for finding out petrochemical participants, it seems clear that it will be necessary to create a specialised agency to co-ordinate and expedite the development of petrochemical complexes.

The "existing licence applications" can be examined in the light of the proposed petrochemical development plan. There are a large number outstanding ones, some schemes are carefully thought out, well planned, economical and will undoubtedly be built. Others are so vague as not even to know wherefrom the raw material will be obtained. Some among the second group will, no doubt, quickly modify themselves so as to fall in with part of this plan; the rest will probably remain dormant.

There is no point in this study discussing individual projects of the second type. The first category merits some further consideration. Some of the main projects are the following: the Shell solvents project, Bombay, the Esso steam cracker project, Bombay, Carbide steam cracker project, Bombay, the Hoechst-Mafatlal project, Bombay, petrochemicals in Assam, and miscellaneous small projects.

Shell solvents project, Bombay: Economic data relating to the Shell

solvents project in Bombay has not been made available to the I.F.P. Considering the size of the units in question, and the source of the raw material, there is no reason to suppose that the project should not be economical and fall well into the "viable petrochemical production unit category". The products from the project fall within the requirements of the plan.

Esso-Carbide steam cracker project and Hoechst-Mafatlal ethylene utilisation: The project in Bombay revolves around the two steam cracker projects. Under the definition of the report, these will be considered as "Class A" projects. It is felt that since none of the training, planning and the petrochemical commercial infra-structure exists in the Indian sectors as yet, the project should be considered separately.

There is an excellent justification for a plant in the Bombay area to produce 50,000 tons of ethylene a year, which by a coincidence represents approximately the minimum really economic size, and about the smallest size to meet the 130-percent criterion. The smaller unit does not meet the definition of a "viable petrochemical production unit".

Amalgamation Urged

Unfortunately, the smaller of the two projects is the most advanced. It has already received its licence, and may well be built unless some swift arrangements can be made to amalgamate it with the larger (50,000 tons of ethylene a year) project on mutually satisfactory terms. If it

should not be possible, there will, in fact, be more ethylene potentially available in the Bombay area than might be considered desirable in view of the interest in bringing a Gujarat steam cracker on stream as quickly as possible.

The smaller steam cracker was authorised during an earlier stage of petrochemical development in India, when the thinking was rather different. One may regret that such a unit should nevertheless be built today; but this should not obscure the fact that the larger of the two projects is already the minimum economic size and its capacity should not be cut to enable the combined output of the two units to equal 50,000 tons of ethylene a year.

It is better to have over-capacity with a proper size new unit, rather than have two small units, both uneconomic.

Any aromatics production requirement imposed on either of the two projects should be withdrawn in view of their uneconomic size and because of the new Gujarat aromatics project. Dependent on the successful outcome of the larger of the two steam cracker licence applications for its raw material, is a large project built around ethylene and caustic-chlorine. This is the Hoechst-Mafatlal project. The economics of the project are very complex and the units closely inter-related. Messrs Hoechst had a long and frank discussion with the I.F.P. representatives and, as far as can be told, the proposed selling prices of major intermediates meet the defini-

CAPITAL, 11th April, 1963.

tion of "viable petrochemical production unit"; though by a rather small margin; with the exception of polyethylene and ethylene oxide.

It is difficult to be precise because much of the economics depend on the price Messrs Hoechst will have to pay for the ethylene. With these reservations the project appears to be an attractive one.

Petrochemicals in Assam: Outside fertiliser and the possibility of producing carbon black, there is "little possibility of any successful petrochemical realisation" in Assam. "This is because of the enormous size that is necessary for petrochemical production from gas to be economic." Added to uncertainties as to the price and availability of natural gas, is the crushing transport burden of finished products to consuming centres.

As for the many small projects which have outstanding licence applications or with any new applications, it is important that other projects do not interfere with the overall plan. This could happen if there is a limited capacity for the market to absorb and if this capacity has already been taken up by the plan. It is most important not to fragment the capacities provided for in the plan.

It is always possible that new schemes will come forward which do not interfere; and here there is no particular objection provided they meet the requirement of a selling price of less than 130-percent of "parity" excluding taxes; and come as close to parity as possible. If they do not meet this requirement, it is nevertheless possible to visualise the unusual case where a project is able to guarantee that it can cover its foreign exchange annual payments by export. If this were to occur, the project might still receive sympathetic consideration.

Profitability Concepts

Private industry tends to seek a theoretical "five-year pay-out" (20 percent return on investment) after taxes. This return is normally calculated on the total investment (equity plus loan) since when a private company pledges its credit to borrow money from banks or elsewhere, it also regards this borrowed money as "risked", and expects it to earn a profit. Of course, the "five-year pay-out" does not mean that the plant is really paid off in five years, "because this will require the usual start-up difficulties; petrochemical plants rarely achieve capacity operation in less than three years, and can only compensate partially for this by charging rather higher prices in the early stages. A normal true pay-out might be taken to be 7.1 years."

"It is interesting to note that the recently published figures of the Reserve Bank of India showed average profits of 18 percent of net worth for the Indian chemical industries.

"Public industry is expected to use other criteria; perhaps because of questions of social or economic policy or for the public welfare; perhaps because it is sometimes the recipient of loans from friendly nations on what can only be described as 'non-commercial terms'."

Whatever the reason, it seems feasible to seek a 20-percent return on the equity capital only, and not on the loan component. The equity normally represents some 40 percent of the total investment, and since the public sector also normally hopes to get a 20-percent return on this equity to help create fresh capital for later investment, this corresponds to a "7.1 year pay-out" on the total investment.

The difference between a "5 year"

CAPITAL, 11th April, 1963.

not seem large, but it has a sizable influence on the final selling cost, and may be a determining factor in whether a plant meets the 130 percent of "parity" criterion of the "viable petrochemical process unit".

It is India's sole prerogative to decide how she chooses to apportion the various plants among the different sectors, however, since the profitability question may have a large influence. All selling prices quoted in this report have been derived both for a 20-percent return on total investment and a 20-percent return on equity only.

Discussion of Programme

(a) P.V.C. manufacture: The problem here is the chlorine balance. Vinyl chloride made from ethylene uses chlorine, but produces large quantities of by-product H.C.I. To produce vinyl chloride from acetylene requires H.C.I. By combining these two units, H.C.I. by-product from the ethylene based unit can be used in the acetylene based unit and thus avoid having to dispose of H.C.I. in the first unit, and to fabricate H.C.I. from chlorine which is considered actually as a costly operation, in the second unit.

Taking into account the supply of salt in the south, the demand for synthetic fibre vinylon based on P.V.A. and the existing facilities for handling P.V.C. in this area, it is proposed to provide a large production of ethylene and acetylene in the south.

(b) Synthetic rubber: Synthetic rubber plants to be viable in India need to have a capacity of at least 20,000 tons a year; preferably as big as possible, with 40,000 tons a year as a comfortable size. In the absence of a huge market for ethylene and with a relative large demand for propylene, it is not possible to meet the synthetic rubber requirements based on steam crackers alone, or based on C₄ chemistry.

A steam cracker making 50,000 tons of ethylene a year produces about 6,000 tons of butadiene by-products a year. Extraction of this amount is economical, but not its conversion to polybutadiene. If steam cracker normal butylenes are dehydrogenated, another 11,000 tons or so of butadiene could be produced, but the dehydrogenation unit will not be economic. It is, therefore, necessary to produce butadiene in an area where further C₄ cuts are available, and preferably where these contain C₄ olefins already.

Simultaneously with the butadiene, some 7,600 tons of isobutylene a year are produced by a steam cracker, and this is automatically made available as a by-product when butadiene is extracted. It is not enough, however, to support a viable plant for making either butyl rubber, or polyisoprene, and here too further C₄ cuts are needed.

The Bombay area is the only one in which the requirements for a rubber plant can be fulfilled immediately.

By-product isobutylene will probably grow over the years as the steam cracker reaches full capacity and as refinery operations become more important, so that eventually a butyl rubber plant of 20,000 tons a year could be installed if it were found desirable at that time to do so.

Because of the lack of immediate demand, it is not feasible to install a large steam cracker in the Gujarat area before 1968. The refinery alone does not make enough feed available for synthetic rubber manufacture on an economic basis. It becomes necessary to install a hydrocracker to make supplementary quantities of isobutane available to feed a dehydrogenation unit for making polyisoprene. By-product normal butanes become available in sufficient quan-

ties so that when the steam cracker is installed later, a second polybutadiene unit can be installed.

The shape of further complexes which must produce additional synthetic rubber tend to be conditioned by the relationship between the demand for ethylene and the future ratio of polyisoprene to polybutadiene. Polyisoprene leads to a hydrocracking type complex; polybutadiene to a steam cracking type. If diene are needed, it is advantageous both to have a steam cracker and a hydrocracker. With the demand for ethylene largely fixed, the question of synthetic rubber then becomes one of paramount importance.

Naphtha has been seen to be the principal raw material on which India's petrochemical industry will be built. The price at which it will become available is, therefore, of paramount importance. A price must be assumed for this basic raw material before proceeding to any economic calculations.

The distribution of costs among products of a refinery is rather arbitrary (and not always logical); this

complicates the problem of fixing a fair price for naphtha.

If straight-run naphtha can be used either directly, or after catalytic reforming, as gasoline, its value will vary from about Rs. 120 to Rs. 140 a ton. The use of naphtha as a petrochemical feedstock did not start until excess naphtha became available on the market. The presence of the excess naphtha drove the price down to a point where it bore no relationship to its value as potential gasoline, so that today it is not possible to consider petrochemicals production from a material that could have been sold as gasoline. It can be asserted that naphtha could be imported into India at a c.i.f. price of Rs. 70 to Rs. 80 a ton; whereas experience has shown that petrochemistry is economically unattractive if naphtha feed is priced at more than Rs. 90 to Rs. 100 a ton. These are the limits of the range within which a price could be justified as well in India as anywhere else in the world, the report says.

Considering that the position of the Indian Government concerning taxes on petrochemical raw materials is not yet known (though it has

been decided to levy an excises duty of 5 percent *ad valorem* on naphtha for fertilisers), a price of Rs. 80 a ton has been taken as the basis for calculation.

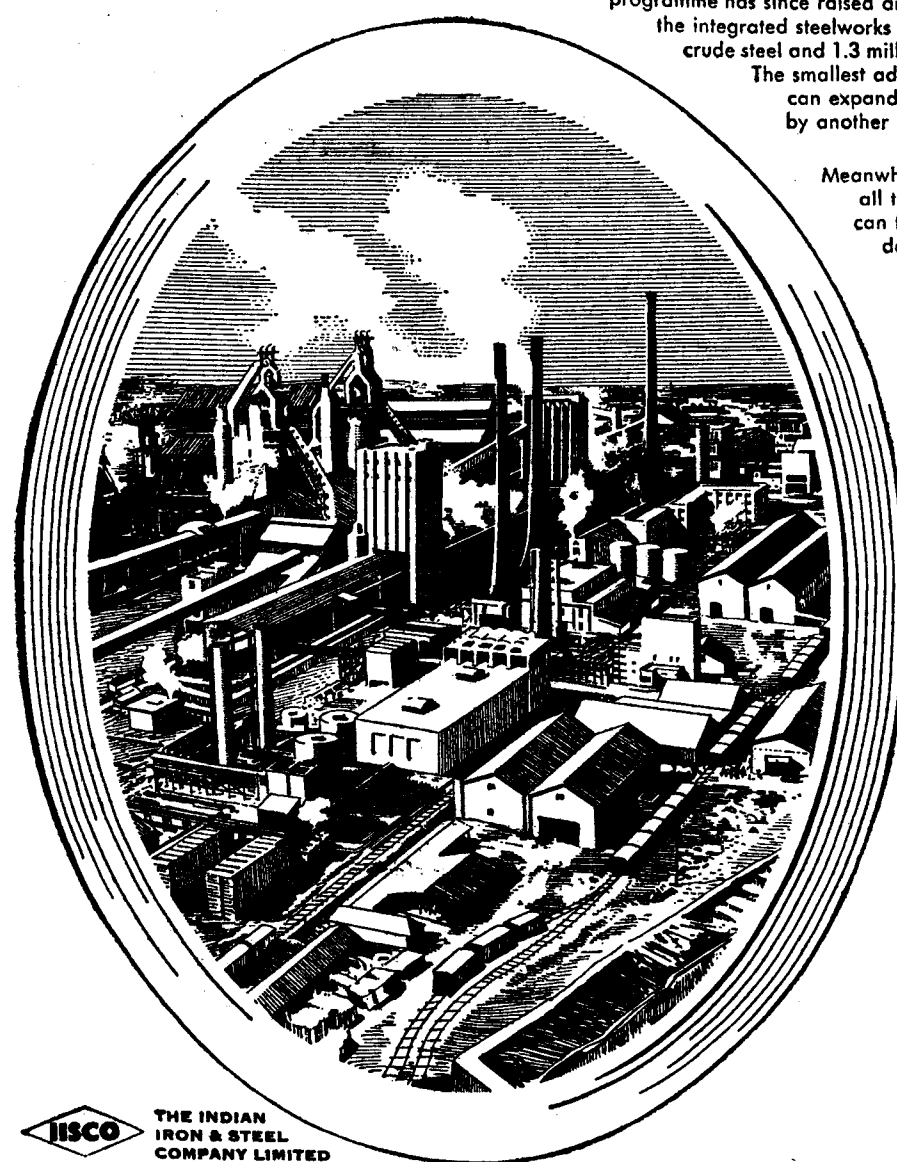
Competitive petrochemical production is dependent on raw materials carry no significant tax burden. The same problem has already been faced and solved in India for ethanol and in virtually all other industrial countries, for naphtha. It is equally true of such other feedstocks as natural or refinery gas.

Quite apart from this, it is evident that raw material costs should be held as low as possible.

REQUIRED NEW PRODUCTION FROM PETROLEUM SOURCES FOR 1965-66 AND 1970-71

	Required third plan production	Required additional fourth plan production (in tons)
Ethylene	50,000	122,000
Propylene	42,000	72,000
Butadiene	31,000	83,000
Isoprene	41,000	—
Acetylene	—	16,000
Methanol	59,000	21,000
Benzene	32,700	47,900
O-xylene	—	11,000
P-xylene	—	8,000

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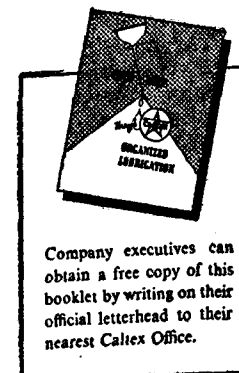
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STEEL EXPANSION PLANS

THE Government of India has decided to expand the capacity of the Durgapur steel plant by 1.4 million tons to about 3 million tons by 1972. Its expanded capacity by 1966 is expected to be 1.6 million tons. Orders for the current expansion programme are now being placed. The decision is part of the fourth five year plan projection which proposes to raise the steel output to 18 million tons by 1972. An interesting part of the fourth plan programme is that, in spite of the Industrial Policy Resolution reserving further steel production for the public sector, two steel plants in the private sector will be permitted to expand still further: T.I.S.C.O. from 2 million tons to 2.75 million tons and I.I.S.C.O. from 1 million tons to 1.9 million or even 2 million tons. Marginal expansion is also planned for the other two public-sector plants—Bhilai by 750,000 tons to 3.25 million tons and Rourkela by 700,000 tons to 2.50 million tons.

The capacity for the Bokaro steel works is still being discussed. Under the second plan, the lay-out for the Bokaro plant was planned for a capacity of 2 million tons, but in the first phase of development it was provided to install facilities for the production of 1 million tons. Although the final decision on this now rests with the U.S. steel mission, which is said to have submitted its report, current thinking here is to plan the lay-out for 3.5 million tons with the initial output of 1.50 million tons by 1972. All this expansion as well as new plants will create an additional capacity of 7.50 million tons by 1972. This, together with the current expansion, which is expected to create a total capacity of 9 million tons by 1966, should give India 15 million tons by 1972.

Three other projects are being discussed or investigated to add another 3 million tons. Neyveli in south India is expected to produce between 300,000 tons and 500,000 tons. A technical survey has been undertaken to set up plants in the Goa-Hospet region on the west coast, Bilegeli in Madhya Pradesh and Visakhapatnam on the east coast. The third possibility is to raise the capacity of the Bokaro plant to 2.5 million tons initially.

As far as the current expansion programmes are concerned, the one for the Bhilai steel plant is expected to be completed according to schedule. Orders for equipment for the Rourkela plant have already been placed. The British credit for Durgapur has been announced. According to present indications, the expansion programme of both these plants will be completed by 1966.

Tenders for the expansion of the Durgapur steel plant by 800,000 tons have been under examination here. Contrary to earlier anticipations, the Government is likely to accept the tenders of Kopper for the coke oven and Loewy for the skelp mill. Earlier indications were in favour of Simon-Carves and Davy United, respectively. Indications are not wanting of the possibility of the Government making use of I.S.C.O.N. as the co-ordinating agency for the Durgapur expansion scheme, provided the majority of successful tenderers are either already members of I.S.C.O.N. or can be persuaded to become its members.

As for the Durgapur alloy steel project, the Government has accepted the tenders of the Japanese consortium for the bulk of the items, they being the lowest. The British have been completely ousted while the Canadians have been able to secure contracts for some components. It

is a 48,000-ton project with a built-in capacity in certain primary units so that it can be rapidly expanded to 100,000 tons. The implementation of the project has been entrusted to Hindustan Steel with Messrs M. N. Dastur and Company as consultants. Atlas Steel of Canada has been selected as the production adviser. The project is expected to incorporate some of the latest equipment of processes for manufacturing alloy steel. It is proposed to install electric soaking pits in preference to gas-fired ones. In connection with its further expansion, the desirability of using sponge iron instead of scrap as "starting" raw material and of introducing continuous casting facilities are expected to be kept in view, although in the current phase of development, production has been planned on the basis of drawings of pedigree scrap from the adjoining Durgapur steel plant. The project will also produce nickel-free stainless steel for the domestic utensil market.

The Central Minister for Steel and Heavy Industries, Mr. C. Subramaniam, will sign an Indo-German financing agreement for the expansion of the Rourkela steel works in Bonn after Easter, possibly on 16th April. The agreement will peg the West German foreign exchange contribution to the expansion scheme at Rs. 54 crores, which the German Government will grant in the form of long-term credits. The total cost of the Rourkela expansion scheme is estimated at Rs. 120 crores.

The new credit agreement will also cover deliveries for a new heat-treatment plant, for the manufacture in Rourkela of armour plate, designed to bolster India's defence effort. Another point provides for an increase of German technical personnel in Rourkela to 265 (150 for maintenance), with individual contract periods ranging from 12 to 18 months. These contracts may be extended if Hindustan Steel so desires. A credit of 15 million Deutschmarks (Rs. 1.80 crores) has been set aside to finance this team, with the exception of the German general technical superintendent whose salary will be borne by the German Government. This part of the credit will be granted over a period of 20 years at 5½ per cent interest and with a grace period of five years.

Another point of the agreement stipulates the setting up of an liaison office of Hindustan Steel in Düsseldorf, West Germany, to co-ordinate the shipment of deliveries, etcetera. Similarly, a team of ten German engineers will be delegated to Hindustan Steel's Central Design Bureau in Rourkela, in an effort to prevent the lack of inter-departmental co-ordination as experienced in the early years of the construction of the Rourkela plant.

HINDUSTAN STEEL

Setting up Small Furnaces

Hindustan Steel has been asked to prepare—in consultation with the National Metallurgical Laboratory—reports on the setting up of small furnaces using hot coke in Durgapur, Bhilai and Rourkela. They have also been asked to prepare a project report for the installation of the sixth blast furnace in Bhilai.

STEEL

Raising Retention Price

The question of allowing an increase in the retention price of steel due to the rise in railway freight and royalty on minerals, the interim wage board award, and incidence of

the war risk insurance premia is being considered, it is disclosed here.

CARBONISATION PLANTS

Poor Progress

The proposal to set up three low temperature carbonisation plants in the public sector, of which one is to be in Kothagudem (Singareni), has not made any progress for want of adequate resources, both internal and foreign. In the private sector, however, an application by Mr. Hashim Mehdi to set up a low temperature plant in Kothagudem has recently been considered and a letter of intent has been issued, pending the grant of an industrial licence. The project will have an output capacity of 360,000 tons of coke a year, at a capital cost of Rs. 3.5 crores.

DEFENCE

Team to Visit U.S.A.

A high level official team headed by the Secretary to the Central Ministry of Economic and Defence Co-ordination, Mr. S. Bhoothalingam, will leave for Washington on 12th April to discuss India's defence requirements in the light of appraisals made by the British and the U.S. teams with special reference to aid to this country. The team consists of one non-official member, Mr. S. Mulgaokar of Tatas, Mr. M. G. Kaul from the Ministry of External Affairs, Admiral Shanker, Major General Iyappa and Motisagar, Air Commodore K. A. Joseph and Mr. S. Guha from the Central Cabinet secretariat.

The Institute of Economic Growth and the Rockefeller Foundation are sponsoring a study to appraise the impact of the European Common Market on India's economy and, in particular, on its export trade. The study will be made by Mr. G. L. Mehta, India's former ambassador to the U.S.A., Mr. H. M. Patel, former Principal Secretary to the Central Ministry of Finance and Mrs. Dharma Kumar of the Institute of Economic Growth. The team will be shortly leaving for Europe.

The British Government is planning to stimulate exports through the Export Credits Guarantee Department by increasing even the repayment period to ten years. A sum of £25 million is expected to be earmarked for this purpose.

N.C.D.C.

Developing Open Cast Mine

The National Coal Development Corporation signed an agreement with a Russian organisation last week, for the development of an open cast mine in Manikpur, Madhya Pradesh. The agreement provides for the supply of equipment and materials worth Rs. 75 lakhs as well as Russian specialists for the project.

The open cast mine, which is near the Corporation's pilot quarry in Korba, Bilaspur district, has a production target of 1 million tons a year. It will supply coal to a number of industrial undertakings, including the 200-megawatt Korba thermal power-station, which is also being built with Russian assistance.

TOBACCO

P. L. 480 Supplies

The Government of India and at the United States concluded an agreement here providing for the sale of tobacco to India valued at Rs. 1.2 crores under U.S. Public Law 480. India will pay for the supplies

in rupees. The United States will make available to the Government of India 85 percent of the sale proceeds to be used in economic development projects. The United States will supply 2.6 million lbs (1.18 million kilograms) of high quality leaf tobacco which will be used in the manufacture of top quality Indian cigarettes. The agreement is a supplement to the one signed on 26th November 1962, which provided for the supply of long-staple cotton. The commitments under the eight U.S. P.L. 480 agreements which have been concluded between the two countries total \$2,430.9 million (Rs. 1,157.5 crores).

The eight agreements provide for the supply of the following commodities: 27 million metric tons of wheat, 732,000 tons of corn and sorghum, 1.4 million tons of rice, 1.6 million U.S. bales (400 lbs each) of cotton, 6,400 tons of tobacco, 20,900 tons of non-fat dry milk, 3,000 tons of soyabean oil, 13,000 tons of evaporated milk, and smaller quantities of cheese, canned fruit and whole milk powder.

A.I.D.

Rupee Loans Announced

The U.S. Agency for International Development has recently announced the following rupee loans totalling over Rs. 60 lakhs out of the P.L. 480 (Cooley Amendment) funds to the following three companies. McNally-Bird Engineering Co. Ltd, Calcutta Rs. 50 lakhs, Victor-Gasket India (P) Ltd, Bombay Rs. 7.50 lakhs, and Hari-Malik Manufacturing Co. (P) Ltd, New Delhi Rs. 2.85 lakhs, totalling Rs. 60.35 lakhs.

REFINANCE CORPORATION

New Export Credit Scheme

The Refinance Corporation for Industry Ltd has introduced a scheme for the refinancing of medium-term export credits. The refinancing facility will ordinarily be available only in the case of exports of capital or engineering goods. Loans by way of refinance will be granted by the Corporation to banks, which are also authorised dealers in foreign exchange, for periods ranging from six months to five years, up to the extent of the credit allowed by them to the exporters of specified goods, provided that (a) the permission for the deferred collection of foreign exchange proceeds has been obtained, (b) the amount involved is not less than Rs. 1 lakh in any individual case and not more than Rs. 50 lakhs in the case of any one exporter and (c) certain conditions as to the minimum down payment in cash and the insurance of the credit risk with the Export Risks Insurance Corporation are also satisfied.

COAL

Guarantee on Loans

A scheme for partial guarantee on loans to the private-sector coal industry by credit institutions has recently been sanctioned by the Government. The salient features of the scheme are as follows:

1. The Refinance Corporation has been entrusted with the administration of the scheme as an agent of the Government of India.

2. The scheme is applicable to advances which banks may give to colliery undertakings which are importing machinery against the foreign exchange loan granted by the World Bank.

4. In the event of default in the repayment of any loan, the loss will be shared between the guarantee organisation, namely, the Refinance Corporation and the bank concerned in the ratio of 65:35.

London

BUDGETING FOR EXPANSION WITHOUT INFLATION

(FROM OUR LONDON CORRESPONDENT)

MR. Maudling described the intention of his first Budget as being to guide the economy to a target of rigorous expansion without a return to inflation. Increased personal and child allowances, the abolition of Schedule A tax, and massive relief or industry to stimulate development in unemployment areas were the highlights of the proposals the Chancellor put forward, but although he has cut £269 million off the tax burden, this cannot by any stretch of the imagination be regarded as an election Budget. Indeed, there are several pointers that the Conservatives have decided not to have an election until next year. In the meantime, there will be an opportunity to see how the present concessions work out, and whether an election-winner Budget cannot be offered next year, based on much surer foundations.

Whatever disappointments may have been suffered as a result of the Chancellor not being prepared to take risks and plumping for a faster rate of expansion than the 4 per cent annual increase recommended by the National Economic Development Council, it is an undoubted fact that the Budget contains a number of useful and constructive measures. Most promising in the long run is the determination of the Government to use the tax system to steer new industry into the development areas in a more positive way. The inducements now offered to firms who are prepared to put up factories in places where unemployment is high are substantial. The more successful they are in channelling industrial growth into these areas, the less risk will there be in future of over-loading the Midlands and the South and it will be possible to expand demand without running into inflation.

Fighting Unemployment

The Chancellor proposes to exempt from tax some 3.75 million people. His changes will bring benefit to all, but most to those at the bottom of the scale. They will take effect on the first pay day after 5th July. They are:

The first rate of income tax (1s 9d in the £ on the first £60 of income) will be abolished;

The higher reduced rates (4s 3d on £150 and 6s 3d on the next £150) will be replaced by 4s on the first £100 of taxable income and 6s on the next £200.

In addition, personal and other allowances will be increased as follows: single person up from £140 to £200; married couple up from £240 to £320; children up by £15 on each child.

Exemption limit for people aged 65 and over raised for single persons from £300 to £325 and for married couples from £480 to £520. Old age relief is raised to £900 from £800, and the small income relief from £400 to £450.

It is proposed to increase the income limit for the dependent relative allowance. The full allowance of £75 will be given where the relative's income does not exceed £180, the allowance thereafter being reduced by £1 for each £1 by which

the relative's income exceeds that figure.

No more Schedule A tax will be paid after this year. Schedule B on amenity land, and land tax, will also be abolished. The cost of these changes will be £35 million in 1963-64 and about £48 million in a full year. Stamp duty on stock transfers and house conveyance—"an obstacle to growth"—will be reduced from 2 to 1 per cent. Exemptions from stamp duty on house purchases will be raised from £3,500 to £4,000. In all, the changes will cost £27 million in the current year and £40 million in a full year.

The Chancellor announced major steps to deal with unemployment. These included: existing and incoming firms in areas of high unemployment will be able to write off their new plant and machinery at any rate they choose. This will apply to productive industries in the existing development districts, and all of Northern Ireland. The cost this year will be negligible; next year about £25 million; and might rise to £45 million in 1966-67.

Grants of 25 per cent of building costs and 10 per cent of plant and machinery costs will be made to firms starting up or expanding in development districts. Grants to local authorities for the clearance and rehabilitation of derelict sites in development areas will be increased to a ceiling of 95 per cent. There will be special measures to help Scotland

and North-East England. Loans will finance a paper mill at Fort William and development at Lackenby Dock on Tees-side. The Government has allocated £10 million for industrial training boards and is to double facilities in its training centres. The cost of minor tax changes to be introduced, including the abolition of television licence excise duty, will be £10 million in 1963-64 and £26 million in a full year. The changes include:

Business cars—The existing £2,000 tax allowance for business cars will go. It has been more severe in its effects on top-quality cars, such as the Rolls-Royce, than was expected. The new system will provide for an allowance of £1,100 for the first year, and of £500 in succeeding years.

Estate duty—Exemption from estate duty will be raised from £4,000 to £5,000 with appropriate adjustments in the rates for estates just over that amount. Estate duty exemption on outstanding buildings will be extended to include land of outstanding natural interest given or bequeathed to bodies such as nature conservancy trusts.

T.V. licences—To finance the second B.B.C. television channel, the Exchequer will from 1st October give up to the B.B.C. the £1 it now takes from every £4 licence. There will be no extra cost to the viewer.

Tobacco licences—The system of excise licences for the sale of tobacco is to be abolished.

Home-brewed beer—An excise licence will no longer be needed by those who brew beer for their own consumption.

The Chancellor made these proposals for changes in the future:

Turnover tax—Mr. Gordon Richardson, who was a member of the Jenkins Committee on Company Law, will conduct an enquiry into the possibility of a turnover tax. It would either be in addition to existing taxation or would replace purchase tax, or profits tax, or both.

Gambling—Before deciding whether a tax on gambling is desirable or practicable, "I propose that the Customs and Excise should compile a register of all gaming institutions including those very profitable means known as one-armed bandits."

More Purchasing Power

A massive injection of purchasing power is Mr. Maudling's plan for tackling the lethargy which now affects the British economy. By a combination of much higher Government spending and large tax reductions, he expects to increase the overall Budget deficit from a mere £66 million in the last fiscal year to no less than £687 million. The proportion of total expenditure to be met from tax revenue will drop steeply from more than 99 per cent to less than 92 per cent. It is a deliberate experiment in expansion—but not the first one seen in recent years. In 1959, then Chancellor, Mr. Amory, budgeted for an overall deficit of £721 million to counter a trade recession; and although the fiscal year ended with an actual gap less than half that size, the U.K. ran into a balance of payments deficit in 1960 and a sterling crisis in 1961.

This sequence of events must have been vividly in Mr. Maudling's mind while he decided on his Budget. It explains his fervent appeal for co-operation of employers and unions

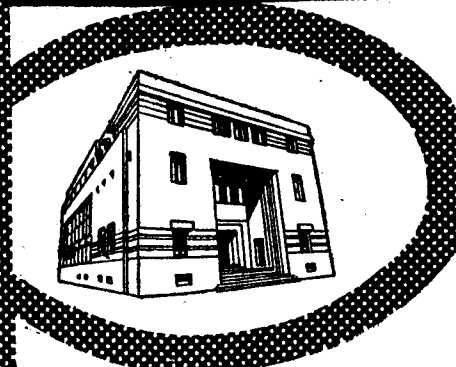
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in retaining incomes. Several times in his speech he repeated that a successful incomes policy was the key to success in "expansion without inflation." There is little obvious vote-catching in this Budget. That has been quickly noted in financial quarters abroad where it was taken to indicate that the Government believes it may have time for another Budget before the general election. However, that may be. Mr. Maudling has directed very large part of his fertilising stream of spending power towards industry and local authority projects, rather than towards individuals. Again, a large proportion of the tax cuts for individuals (as distinct from companies) goes to the lower income brackets. There are not many votes in all this.

Just how quickly the stimulus will start to work may depend largely on the way the Treasury chooses to

finance its Budget deficit. If that is done in the first place by increasing the supply of Treasury bills to the banks, the whole financial system will gain liquid funds than can be lent to persons and firms, but much depends also on the mood of the country. If industry now decided to place more orders for new plant and equipment, or if people decided to take up more new hire-purchase commitments and bank overdrafts, the economic situation could be transformed by midsummer.

The Chancellor has not been held back by the delicate state of sterling from launching his bid for expansion, but it is a sobering thought that he had to borrow \$250 million from a group of friendly central banks (including the Bank of France) to buttress sterling even before the first signs of expansion has appeared. He might have stressed the formidable resources available to defend the sterling currency. A calculated risk has been taken. If the economy responds without rushing into a spending spree or a new wage inflation, the British people should all be much better off in a year's time. Exports are, of course, the real test. If they resume their interrupted growth, the world will gladly give us the benefit of the doubt and hold on to sterling balances.

The City is pleased with the Budget, although somewhat nervous about the risk of inflation. The Stock Exchange has correctly anticipated the Chancellor's actions ever since last autumn. Share prices have risen steeply and steadily since October in the expectation of just such a Budget. Besides having their best hopes fulfilled, investors are also given a reduction in the stamp duty on transfers of stocks and shares from 2 to 1 percent. That should particularly stimulate foreign investment in British securities, and the lifting of the ban on "bearer" securities will help in the same way, but as the Budget had been fully anticipated, the Stock Exchange is now expected to take a breathing spell.

The general effect of the Budget, however, is found uninspiring. Some of the special measures that Mr. Maundling now proposes should add eventually to the underlying strength of the economy, but they will do little immediately to put new life into industry or to spur the country to new efforts. At one point, after referring to the vicious circle in which British economic policy has been caught ever since the war, Mr. Maundling said: "We must break out." He has not done so.

A £3.5 million British loan to India was announced by the Chancellor of the Exchequer, Mr. Reginald Maudling, when he presented his first Budget to the House of Commons. The loan is to enable India to buy steel. Of this amount, at least £2 million will be spent on steel plates, and the remainder on wire rods and billets. The loan is for a period of 25 years, but repayment will not start until after a grace period of seven years. The loan cannot yet be related to orders for particular firms, but the bulk of Britain's steel-plate capacity is in north-east England or in Scotland. There is one major producer in Scunthorpe, Lincolnshire, and a smaller one in the Midlands. Most firms producing wire rods and billets are working below capacity. The loan is in addition to British aid totalling £95 million committed during the first two years (1961-62 and 1962-63) of India's third five year plan.

JUTE MINIMUM PRICE DECISION DEPLORED

improving farm methods and creating good retting facilities.

The Indian Government's decision on the minimum price for raw jute should be particularly welcome to Mr. G. M. Adamjee, president of the Pakistan Jute Mills Association, who has issued a longish statement in Dacca on Monday implying that Pakistan does not enjoy a major competitive advantage over India in the jute goods export trade. The statement does not refer to India's minimum price decision specifically.

The decision represents a total surrender to the farm lobby which has been active in New Delhi over the past few months. Earlier reports indicated that while the minimum price of Assam Bottoms would be retained at Rs. 30 a maund, the differentials for the lower grades would be widened—in other words, the minimum prices for these grades would be reduced. But now it is seen that even this small and sensible step is not to be taken.

Many in the trade wonder if the Government will succeed in maintaining the minimum prices it has bravely announced if the 1963-64 crops now being sown prove to be bumper ones. For the greater part of the current season, the market values of the lower grades have been below the official minima. This is in spite of the fact that massive purchases have been made by the mills and the Jute Buffer Stock Association, apart from smaller purchases by the State Trading Corporation and co-operative societies. The mills are up to their necks in fibre for which they cannot find storage space, yet the lower grades in the Calcutta-Cossipore area are available below the official minima. A main effect of the Government's decision will be that it will tend to increase the already burdensome surplus of these grades during the coming year.

The fundamental fault in the decision is that the basic price of Rs. 30 a maund for Assam Bottoms is far too high. It is not justified by the supply-demand position, as assessed now or as it seems likely to be in the foreseeable future. It is not justified in relation to the prices paid by the Pakistani mills, since the corresponding grades of jute in that country cost only about Rs. 20 or Rs. 22 a maund. And it is certainly not justified by conditions in the jute goods market, where the grand boom of 1962 is already well on the way to fizzling out.

Market circles say that the basic minimum price for Assam Bottoms should have been brought down to Rs. 27 a maund, and even the it might have reflected a measure of the optimism. The differentials of the lower grades should, in addition, have been widened appreciably so as to discourage their cultivation. These grades are required mainly for the manufacture of sacking, the demand for which has not been particularly encouraging. For the manufacture of bright hessian and carpet-backing cloth, high-quality jute is required and its price has long been well above the minimum. Its production now needs to be encouraged further by distributing better seeds,

that without Pakistan's export bonus scheme, her new mills, "built at a cost of Rs. 65,000 a loom, compared with India's Rs. 15,000 a loom, could not be in a position to compete at all with the Indian industry." The proceeds from the scheme, he adds, are being used not only to improve Pakistan's competitive power by offsetting the higher manufacturing costs, but also to provide funds for balancing and modernising her industry.

Mr. Adamjee forgets that nobody has ever said that Pakistan enjoys advantages right down the line. The real test as to whether her advantages are distinctly greater than India's lies in one simple fact: which of the two countries has been capturing a large proportion of the world's sacking markets? It is true that the demand, for sacking as well as hessian, has been extraordinarily high during 1962 because the shortage of supplies in the previous years was acute. Over the past few months, however, India's sacking stocks have risen very considerably, which indicates that the accumulated demand has by now been largely satisfied and India is not retaining her share of the more competitive world markets. Pakistan meanwhile is selling with relative ease all she is producing. She has already captured a large proportion of the markets in Burma, Australia and Peru, and is well set to capture more. Clearly, therefore, the advantages she enjoys in international competition have been greater than India's; and they are greater because of cheaper raw material supplies and the export bonus scheme.

As far as India is concerned, the whole matter has been investigated in considerable detail by the Shrivastava Committee. The preliminary report of the Committee has been in the Government's hands for some time, but has not yet been published. The suspicion is that publication is being withheld because the Committee's findings confirm, at least partially, what the Indian mills have been saying. They may or may not endorse the estimate that Pakistan's cost advantage is Rs. 400 a ton; but, according to reports, the Committee does agree that the advantage is very substantial. The Government is sitting on the Committee's report, since it apparently cannot make up its mind on what is to be done. A policy decision has to be made as to whether India's sacking exports ought to be subsidised, and that is a

At the Jute Commissioner's Press conference early last week, it was stated that the 1962-63 Indian crop was assessed at around 7.1 million bales. Out of this, by the end of March, the I.J.M.A. mills had purchased 5.9 million bales and the non-I.J.M.A. mills, the J.B.S.A. and the S.T.C. about 835,000 bales, leaving a small surplus of around 350,000 bales. Estimating the quantity smuggled from East Pakistan at around 1 million bales, the opening stock in the market in April should have been anything up to 1.35 million bales. With the lifting of the April compulsory purchase quota of 450,000 bales, the balance with the trade and growers at the end of this month should be about 900,000 bales.

With the onset of the sowing season, the attention of raw jute operators has been diverted to the upcountry areas. Latest reports indicate that several areas have received fairly good showers and sowing operations are in full swing there. Elsewhere, soil preparation is in progress. From current weather forecasts, and with the announcement of the floor prices for 1962-63, the indications are that the acreage will at least be maintained and that the farmers will try to raise a bumper crop during the next season. But in some districts the sharp rise in rice prices may upset the forecasts. If rainfall is delayed or inadequate, a portion of the area under jute may be diverted to the growing of paddy. Meanwhile, the authorities are reported to have taken steps to ensure a larger supply of improved seeds and fertilisers to the farmers through the growers' co-operatives.

Stocks of jute goods with the I.J.M.A. mills have risen substantially during March. Hessian stocks have increased by 5,200 tonnes to 29,600 tonnes and sacking stocks by 700 tonnes to 44,700 tons. Stocks of other goods have increased by 2,500 tonnes to 16,300 tonnes. At 90,600 tonnes, total stocks of all categories are 8,400 tonnes higher. Market circles had expected that sacking stocks would rise by 5,000 tonnes and hessian stocks would fall by 3,000 tonnes. So the announcement of the figures has had a bearish effect on hessian and a bullish effect on sacking. At the end of March 1962, total stocks were only 61,400 tonnes—16,200 tonnes of hessian, 29,100 tonnes of sacking and 16,100 tonnes of other goods.

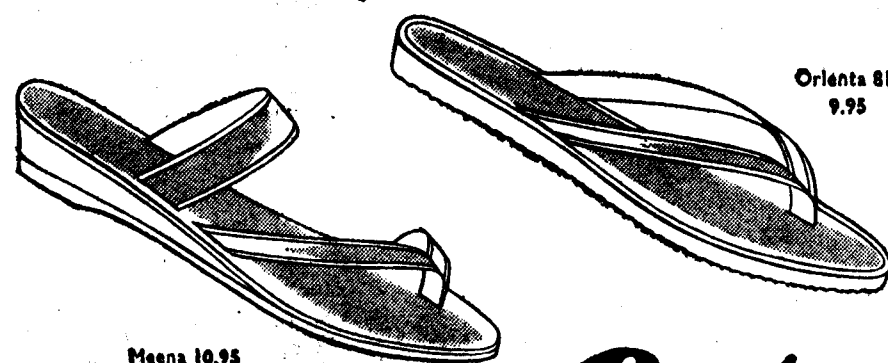
At its meeting yesterday, the Indian Jute Mills Association considered the market situation in the light of the stocks of manufactured goods held by the mills at the end of March. It noted that the stocks had

The Indian Jute Mills Association reports the stocks of jute goods at the end of March as follows:

The Indian Jute Mills Association Report								
Description	31st March, 1963		28th February, 1963		Increase over (+) or decrease from (-) last month		31st March, 1962	
	000 Metres (Lakh Yds.)	000 Metric Tons (000 Tons)	000 Metres (Lakh Yds.)	000 Metric Tons (000 Tons)	000 Metres (Lakh Yds.)	000 Metric Tons (000 Tons)	000 Metres (Lakh Yds.)	000 Metric Tons (000 Tons)
Hessian cloth and bag	9,76.35 (10.68)	26.6 (29.1)	8,06.87 (8.85)	24.4 (24.0)	+1,67.48 (+1.83)	+5.2 (+5.1)	5,39.53 (5.90)	16.2 (15.9)
Sacking cloth and bag	9,95.13 (10.88)	44.7 (44.0)	9,73.96 (10.65)	44.0 (43.3)	+21.17 (+2.3)	+0.7 (+0.7)	6,30.77 (6.90)	29.1 (28.6)
Others		16.3 (16.1)		13.8 (13.6)		+2.5 (+2.5)		16.1 (15.9)
Grand Total		90.6 (89.2)		82.2 (80.9)		+8.4 (+8.3)		61.4 (60.4)

N.B.—These figures are based on replies received and represent all members of the Association and Gagalbhai with estimates for two non-member mills. The figures in brackets are in British measure.

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risen by 8,400 tonnes but agreed that the industry should continue to operate at the present maximum level of production for a further period of one month—until the end of May 1963.

THE JUTE MARKETS

Manufactured Goods: Dull conditions have prevailed in the Calcutta jute goods market during the past week. There have been scattered overseas enquiries for hessian but they have failed to materialise into orders. Small business has been done in ready delivery sugar bags and there has been a Government tender for B Twills for April-June delivery. Otherwise trading has been thin. Shippers have shown no inclination to discount prices although some mills have emerged as keen sellers for the near positions. The result is that the prices of both hessian and sacking have eased. Over the week-end, values sagged to their lowest levels, but subsequently sentiment in sacking has improved on the announcement of the I.J.M.A. gunny stock figures for March. Fluctuations throughout have been narrow in small turnover. The undertone is quietly steady at the close.

Quotations on Wednesday were as follows:

	April	May	June	July-Sept.	Oct.-Dec.
40in. 7/oz.	34.40	34.50	34.50	34.50	34.50
40in. 8/oz.	37.15				
40in. 10/oz.	45.80	45.85	45.85	45.90	45.85
B Twills	111.05	111.75	111.95	112.25	112.00
Corn sacks	114.00	114.25	114.50	114.75	114.25
Heavy Cees					
(Plain)	111.25	111.75	111.95	112.25	112.00
A Twills	134.00	134.50	135.00	135.00	135.50
Liverpools	125.00	126.00	126.00	126.00	126.00

Raw Jute: Idle conditions have prevailed in the raw jute market during the past week. With enough stocks in their warehouses, mills have shown little interest in fresh purchases. Sellers are keen to dispose of their holdings, but these consist mainly of the inferior grades, in which the mills are not interested. Transactions have been of a routine nature. In the futures market, Upper Assam White Bottoms for June have suffered a setback due to scattered selling pressure in sympathy with the trend in the spot market. Reports of brisk sowing in the upcountry areas have induced expectations of a good crop and had a bearish effect. Turnover is small and the undertone hesitant at the close.

Quotations on Wednesday were as follows:

	Landed at Mills (Basis Bottoms)		Current		T.S.D.	
			Rs. Rs.		Rs. Rs.	
	A Qtl. A Md.		A Qtl. A Md.			
Assam-Agartala			75.02	28.00	80.38	30.00
Jute						
Northern Jute			73.68	27.50	79.04	29.50
Western Deal						
Jute			71.00	26.50	73.68	27.50
Selected Daissee			87.07	32.50	85.74	32.00
Assam-Agartala						
Tossa			84.39	31.50	83.05	31.00
Mesta:						
Assam-Northern			68.82	25.50	72.34	27.00
Local Daissee			66.98	25.00	72.34	27.00
Bihar Dist.			62.95	23.50	66.98	25.00
Pakistani N.C.			88.00	a bale,		April-May

Jute Goods Exports Rise

The jute industry's performance last year has been impressive. Its total production amounting to 1,204,000 tons was the highest for 20 years. Exports increased by about 200,000 tons while export earnings showed an increase of about Rs. 15 crores. Speaking at the annual general meeting of the Calcutta Jute Fabrics Shippers Association in Calcutta on Friday, Mr. Gopal Dass Toolsidass, chairman, said that the special circumstances confronting the industry in 1962 were unlikely to recur for some time. The acute raw jute shortage in 1961, which

led to a rise in the prices of manufactured goods, resulted in a severely limited overseas offtake followed by a greatly increased demand in 1962.

The backlog has now been met, and prices are declining steadily, but at the same time mills are continuing full production. Exporters are not, therefore, complacent about last year's results and are making every effort to stimulate exports. But the raising of sacking exports will be difficult since Pakistan has been making severe and rapid inroads into India's traditional markets. The situation has deteriorated so much that India now meets only the demand which cannot be met by Pakistan who, by virtue of its cheaper raw materials, labour and export subsidy, is able to underquote Indian exporters, if necessary by as much as Rs. 400 a ton.

"This puts the Indian exporters", Mr. Toolsidass said, "in an impossible position". The Government should, therefore, take steps to avoid losing further markets. The Association has urged the Shrivastava Committee to introduce an export bonus scheme, but its report has not yet been made available to the public so far. Unless Pakistan is convinced that it will be uneconomical to install additional sacking looms, its rapid expansion programme will continue. Furthermore, for every new loom installed in Pakistan, there may be one, two or more idle looms in India.

This is not a pleasant prospect, since it will have repercussions on all sections of the trade in this country. As for raw jute, it is not sufficient if production shows an overall increase or if yields show a rise. It is necessary to ensure increased production and improved yields of high quality fibre which is required for the manufacture of hessian, particularly carpet-backing cloth, and other specialities. This will help save the foreign exchange required for importing high quality fibre from Pakistan.

Mr. Toolsidass quoted some striking statistics to show Pakistan's rapid expansion. In 1957, she exported 59,400 tons of sacking, against India's 423,000 tons. In 1961, Pakistan exported 137,900 tons and India 279,200 tons. But last year, Pakistan's shipments increased sharply to 161,400 tons, against India's 287,600 tons. Statistics for Australian imports of sacking are also revealing. In 1957, she imported only 600 tons from Pakistan. In 1961 and 1962, the figures were 35,400 tons and 30,100 tons, respectively. The same pattern—if not to such a marked degree—has been repeated in all countries regularly importing sacking goods.

THE U.K. JUTE MARKETS

FIBRE WEAK

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market in Pakistan has been very quiet, and although some E.P.C. values were adjusted last week, this made no difference to actual offers. Demand from all consuming countries at present is small and prices are tending easier. There is no doubt that shippers are anxious for business, but they can make very little headway at present. Prices quoted are very irregular and cover a wide range.

Dundee spinners are holding large stocks of raw material, and at the same time, a substantial quantity is available ex warehouse. This is making the U.K. market rather weak and some holders have been willing to accept very low prices. It is quite obvious that it will take some time

before the bulk of the spot jute held in Dundee is taken up by spinners.

Reports concerning the new crop in Pakistan are quite satisfactory. Sowings in the lowlands have been completed, but operations in the midlands have been held up by lack of rain. New crop offers are being made here and business has taken place in Mill Hearts at £92 for August-September shipment. This is well below the current minimum export price.

Offers of old crop are being freely made especially for the lower grades. The lowest rates were at £142 for Mill Firsts, at £112 for Mill Lightnings at £91 for Mill Hearts and at £77 10s for Grade Hearts c.i.f. U.K., for April-May shipment. Grade Tossa-2/3 is named at £123 10s and Grade Tossa-4 at £108. Dacca Tossa-4 was offered at £141 10s, Dacca Tossa-5 at £126 and Dacca Tossa-6 at £110. Output Tossa-2/3 was available at £94 and Output Tossa-4 at £85 10s, April-May. Cuttings were quiet at £54 for S.N.C. and at £46 for N.C. Spot and float parcels were offered at less than the above rates, but there was not much business taking place as spinners appeared to have sufficient jute at present.

The Siam raw jute market was also quiet, and the tendency was for prices to decline. There were now more sellers willing to accept the lowest quoted rates. Grade A was at £72, grade B at £66 and grade C at £61, delivered mill Dundee for April-May shipment.

The Calcutta goods market remained fairly steady during the past week. Hessian prices were now at the same level for shipment over the next six months. Quotations were at 71s for 40in. 10oz. and at 53/6 for 7/oz. a 100 yards f.o.b. Calcutta for any shipment period April to September. B Twills were at 169s 3d April, at 170s 6d May-June and at 171s 9d July-September.

Dundee spinners and manufacturers are now free to sell yarns and cloth at any price level. However, business continued to take place at previous rates which showed that conversion costs as used by the industry had been at the proper level. More buying interest was again shown, and a fair business took place for delivery two to three months ahead.

THE PAKISTANI JUTE MARKETS

MINIMUM PRICES NOT TO BE REDUCED

(FROM OUR Dacca CORRESPONDENT)

THE E.P.C. registrations during the second half of March totalled 53,550 bales. Although small, they are higher than expected. The largest buyer was India with 9,210 bales, mainly of cuttings. Yugoslavia bought 6,860 bales, Japan 6,661 bales, Italy 5,152 bales, and France 4,000 bales. The Argentine bought 3,920 bales, east Africa 2,740 bales, Morocco 2,550 bales, north Africa 2,351 bales, West Germany 2,025 bales and the U.K. only 1,525 bales.

Sowings are quite satisfactory. The low land crop has germinated, and in some of the very low land areas, first weedings are reported. The midland crop is being sown and scattered rains last week would help the crop. For the time being, there is no reason to believe that the crop will be any smaller than the last one. It is also unlikely that the growers will obey official orders not to grow in the border areas.

The P.J.A. quotations have been reduced twice during the last few days. Nevertheless, prices in the overseas market are still well below the minimum rates. The authorities

have specifically stated that they will not reduce the minimum prices during the coming season. It is unlikely that they will go back on this statement, however, necessary it may be to do so. The present P.J.A. quotations are at the minimum for Output Tossa 2/3s and Output Tossa 4s and for Export Lightnings and Export Hearts. Mill Firsts are £16 above the minimum and Export Firsts are now £9 above. Dacca Tossa 5s are now £13 above, Dacca Tossa 6s £3 above, Dundee Tossa 2/3s £13 above and Dundee Tossa 4s £1 above. There is, therefore, great scope for a further reduction before the end of the current season.

Even if the authorities were to reduce the minima to the same levels as they were in June, Export Hearts—the most difficult mark to sell—would remain unchanged. Export Lightnings will be £2 lower and Export Firsts £6 lower than the present minima or £15 lower than the current P.J.A. quotations. Dacca Tossa 5s and Dundee Tossa 2/3s will be £1 lower than the minima and Dacca Tossa 6s and Dundee Tossa 4s will be £6 lower than the minima. If a larger crop is harvested, it is possible that by reducing the minima to the June level, business may be transacted at about the minimum prices. Meanwhile, it is hard to believe that the market will rise above the present levels. In fact, business has already been reported in new crop at prices considerably below the present discounted prices.

Official Statement

The vice-chairman of the Pakistani Jute Board, Mr. K. S. Islam, has in a statement declared that the Government has no intention of removing or reducing the minimum export prices of jute. He says that the current quietness in the jute market has been greatly exaggerated by certain interested quarters. "The real position is that the present depression is just one of the normal and seasonal fluctuations of the market, and something that was to be expected after the firm conditions and upward trends which prevailed in the month of December last."

Mr. Islam adds: "Although the 1962 crop is undoubtedly substantially larger than what was estimated by the Government earlier in the season, it is not unmanageably large. It is certain that the carryover into the next season will be considerably less than was the carryover from the preceding season. Sales and exports in the present season are normal. Sales were ahead of last season's at the end of the first fortnight of February, but have fallen behind in the second fortnight of the month because in the second fortnight of February 1962, sales were exceptionally heavy at 436,856 bales. Exports to the end of February 1963 are about 100,000 bales higher than in the corresponding part of the last season."

"It is also to be borne in mind that over 900,000 bales were sold in the latter fortnight of June 1962, which sales were carried over into the current season for execution. Thus in addition to the sales of the present season, there are also about 900,000 bales of the arrears to be exported. The Pakistani jute mills' requirements have proved to be larger than estimated earlier and look like topping 2 million bales this season. All the indications, therefore, are that towards the end of the current season, there will be a better balance between supply and disposal and there would only be a normal carry-over into the coming season. Because of the ban in the border belt and the natural inclination of the growers, on account of the low prices they got for the major portion of their last crop, to grow less jute this year, production for the 1963-64 season is likely to be such that supply and demand will be evenly matched."

Commodity Markets

INSUFFICIENT LAND FOR RUBBER IN KERALA

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE Kerala Government's scheme to distribute forest lands for rubber cultivation has been suspended. As against a third plan target of 20,000 acres, the Government has been able to distribute only 7,000 acres so far. According to the State Agriculture Minister, Mr. E. P. Poulose, the latest position is that the Government has no more forest land for distribution unless and until the private forests in the Malabar area are nationalised. The nationalisation proposal is only in its formative stage and it is very unlikely that nationalisation will take place in the current plan period.

This new situation has arisen from a recent decision of the State Government to evict forest encroachments in hydel project areas. Over 1,000 families will thus be evicted, and they will have to be provided with alternate lands for rehabilitation. In the absence of other lands, the forest areas earmarked for rubber cultivation by educated unemployed had to be diverted for this purpose.

It was an ambitious third plan scheme of Kerala to plant 100,000 to 200,000 acres with rubber both in the public and private sectors. The Government was hopeful of making at least 100,000 acres of forest lands with it available for rubber cultivation, 20,000 acres out of which the Government proposed to plant directly. Now it does not appear that the total will exceed 30,000 acres including the 20,000 acres set apart for a Government plantation. A public corporation was recently constituted by the State Government for the management of the Government-owned rubber plantation.

The Bareilly synthetic rubber manufacturing plant, which is the first of its kind in India, will go into production in a month's time, according to Mr. Raymond C. Firestone, president of the Firestone Tyre and Rubber Company, which has collaborated in the venture. This factory will have an annual capacity of 30,000 tons. The plant will make use of the molasses available from the sugar factories in Uttar Pradesh. Mr. Firestone told a recent news conference that with the commissioning of the Bareilly synthetic plant it would, together with the country's natural rubber production, make India "practically self-sufficient in rubber supply".

It is pointed out that there is not much substance in the clamour that the small grower is not getting the statutory price for his rubber. The lowest price for which the small grower had to part with his rubber was Rs. 130 a 100 lbs on the Kottayam market at a certain time last year. Kottayam is the main raw rubber market in India. The control price for grade 1 rubber is Rs. 147.50 a 100 lbs. f.o.b. Cochin, excluding the cess of Rs. 6.25 collected from the manufacturers and the sales tax of 2 percent collected at the last purchase point. The small grower's rubber is invariably of low quality and it is usually purchased by the buyer as anything that comes below the second grade. The price differential between the first and the third grade is Rs. 6 a 100 lbs. Another Rs. 6 is allowable on the Kottayam market as the handling charges, including transporting and packaging charges. Therefore, under normal conditions the small grower could expect only Rs. 132.44 for 100 lbs. So what the

small grower actually lost when he had to sell his rubber on the Kottayam market for Rs. 130 was less than Rs. 3 a 100 lbs. It is true that with the changes in the method of collection of cess and sales tax introduced some time ago, the money that comes into the hands of the small grower is less. The main point of the clamour is that, although the price of rubber is statutorily fixed in this country, the law of supply and demand operates in a small way in the rubber market also. When there is a shortage of rubber, the buyer shows the willingness to pay a premium for the available supplies. Before 1962, the rubber growers used to get this benefit because the Rubber Board was carefully adjusting import quota with local supplies. In 1962, ports with local supplies. In 1962, the old system of quarterly release of import quota was abandoned by the

Central Government, probably with the consent of the Rubber Board and released the entire quota for the whole year at the beginning of the year. The manufacturers thus got an opportunity to build up stocks and bargain for cheaper rates with the sellers.

According to reports, three proposals are now being considered by the Rubber Board and the Central Government to ensure the growers the full benefit of the price umbrella provided by the Government. They are: (1) a voluntary co-operative marketing system to cover the small growers, (2) pool system of marketing under which rubber marketing becomes the monopoly of the Rubber Board and (3) the Rubber Board undertaking the responsibility of meeting the tyre manufacturing industry's requirements for raw rubber by opening its own purchasing depots.

Quality Control for Cashew

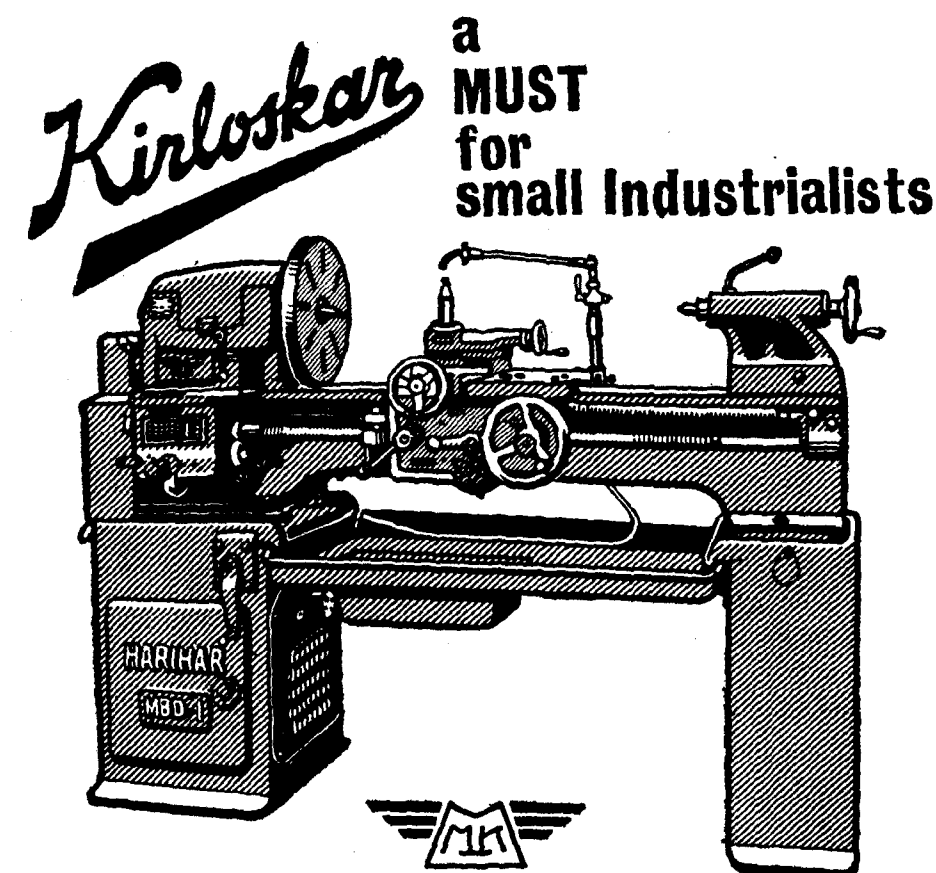
The pre-shipment inspection and quality control scheme for cashew kernel came into force from 1st April. Under this scheme, cashew kernel intended for export will have to be accompanied by a certificate issued by the Cashew Export Promo-

tion Council. According to Mr. M. K. K. Nair, chairman of the Cashew Export Promotion Council, the introduction of quality control is a very important step from the point of view of stabilisation of the cashew industry, which is the biggest dollar-earner for the country, next only to jute. He claimed at a recent Press conference that the scheme, while assuring the foreign buyer of the quality of the product, would enable the exporter here to get a reasonably better price. It would also make every one engaged in the cashew industry to see that the methods of processing and packing cashew conformed to certain prescribed standards. About 100 million lbs of cashew kernels are exported annually from India and the U.S.A is the major market for this commodity.

Easier Trend at Tea Sales

(BY A SPECIAL CORRESPONDENT)

WITH practically no more tea for export from north India, it is disappointing to note an easier tendency at the Cochin sales where prices have been irregularly easier.



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built to high precision. Inspected and stamped by Government of India. Available in two sizes:

M.B.D. 1—Distance between Centres 600 mm
Bed Length 1350 mm

M.B.D. 2—Distance between Centres 1000 mm
Bed Length 1800 mm

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assayers.**R. V. BRIGGS & CO.****PRIVATE LTD.**16, Old Court House Street,
(West End Watch Co., Top Floor).**COMPANY AND PUBLIC NOTICES****THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED**
(Incorporated in England)

NOTICE is hereby given that the Board of Directors of this Company have declared payment of a Final Dividend on the Company's Preference Stock for the year ended 31st March 1963 at the rate of £2-14-8.16/49d. per cent less Income Tax at 7s. 9d. in the pound equal to £1-13-6d. per cent. Payment will be made on 17th May, 1963 to those stockholders whose names are registered in the Company's Stock Register on 1st May, 1963.

By Order of the Board,

D. P. M. KANGA,
Agent.Victoria House,
Calcutta, the 8th April, 1963.**THE INDIAN IRON AND STEEL COMPANY LTD.**

NOTICE is hereby given that the Register of Members and Share Transfer Books for Preference Shares in the Company will remain closed from the 16th to 18th April, 1963, both days inclusive, for the purpose of payment of Preference Dividend for the half-year ended 31st March, 1963, on or after the 1st May, 1963, to those Preference Shareholders whose names appear on the Company's Register of Members on the 18th April, 1963, or to their mandatees.

By Order of the Board,

MARTIN BURN LTD.,
F. G. LIVERSEDGE,
Managing Director,
Managing Agents.

Registered Office:

12, Mission Row,
Calcutta-1.
3rd April, 1963.**COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED**

Name of Company	Date	A.S.T. Hours
Bombay Dyeing and Manufacturing Co. Ltd.	18-4-63	4-30 p.m.
Dunlop Rubber Co. (India) Ltd.	24-4-63	11 a.m.
Indian Aluminium Co. Ltd.	26-4-63	11-30 a.m.
Bombay Burmah Trading Corp. Ltd.	26-4-63	4 p.m.
Rampooria Cotton Mills Ltd.	27-4-63	1 p.m.
Jessop and Co. Ltd.	29-4-63	11 a.m.
Raza Buland Sugar Co. Ltd.	30-4-63	10-30 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Bombay Dyeing and Manufacturing Co. Ltd.—Rs. 2.50 per share (o) (f), subject to tax; Indian Bank Ltd.—6½ per cent (o) (f), including a bonus of 1½ per cent, subject to tax; Raza Buland Sugar Co. Ltd.—10 p.c., subject to tax; Jessop and Co. Ltd.—8.58 per cent (o), subject to tax; Tide Water Oil Co. (India) Ltd.—Rs. 2.80 per share (f) (o), subject to tax.

BOOKS RECEIVED

Public Finance (Theory and Practice). By A. C. Minocha. (Published by Suneja Book Centre, 24/90 Connaught Circus, New Delhi. Price Rs. 8, pages 196.)

Monetary Policy and Central Banking in Contemporary Japan. By Hugh Talbot Patrick. (Published by T. V. Chidambaram, Registrar, University of Bombay, Fort, Bombay 1. Price Rs. 9.50, pages 219.)

Tea Surveys, 1961. (Issued by the Tea Board, 14 Brabourne Road, Calcutta 1. Price Rs. 4, pages 48.)

"CAPITAL" STOCK AND SHARE LIST
THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Wednesday, 10th April, 1963.

BANKS

NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
	1960	1961	1962	Rs.	Rs.	Rs.	Rs.
Allahabad Bank P.	18	18	18	100	398/00	398/00	329/00
Bank of Baroda	14	17	17	50	85/50	88/00	115/00
Bank of India	16	20	20-20*	50	105/00	105/00	120/00
Central Bank of India	17-1/5	20-2/5	20	25	53/00	52/50	67/00
Chartered Bank	18	15	15	£1	sh. 61/-	sh. 60/8	sh. 55/1½
Hindustan Commercial	Nil	Nil	Nil	50	14/00	14/00	19/37
Hindustan Mercantile	Nil	Nil	Nil	40	15/62	15/62	17/62
Hong Kong & Shanghai	23	23½	23½	HK\$25	£16½	£16½	£18½
Indian Bank	15	15	15	100	174/50	174/50	180/00
Indian Overseas Bank	12	14	14	100	148/00	159/00	179/00
Industrial Finance Corp.	12	13½	14	sh. 15	sh. 41/4½	sh. 31/1½	sh. 32/6
National & Grindlays Bank	12½	13½	14	sh. 15	sh. 41/4½	sh. 31/1½	sh. 32/6
Punjab National Bank	20	20	20	10	18/37	18/25	21/62
Union Bank of India	12	14	14	100	148/00	159/00	179/00
United Bank of India	4.3	4.3	6	10	6/48	6/32	8/32
United Commercial Bank	11	12	12	50	71/50	72/50	96/25

*1962

JUTE MILLS

NAMES	Dividends per cent	Paid up per Share	Latest Market Quotations as available until	NAMES	Dividends per cent	Paid up per Share	Latest Market Quotations as available until
	1960	1961	1962	Rs.	Rs.	Rs.	Rs.
Agarpara P.	10	2½	2½	10	9/56	9/56	12/31
Alexandra P.	44	15	15	100	305/00	305/00	305/00
Alliance P.	6	Nil	10	100	110/00	110/00	134/00
Anglo-India P.	20	7	10	100	201/00	200/50	228/00
Auckland P.	27	12	Nil	100	150/00	150/00	183/00
Bally P.	25	25	25	100	235/00	235/00	258/00
Barnagore P.	30	10	10	45	172/00	172/00	183/00
Bengal P.	6	15	15	10	10/25	10/25	10/31
Bisal P.	15	15	15	10	26/00	26/00	36/75
Budge Budge P.	10	Nil	10	100	169/00	169/00	141/00
Calcutta P.	12	5	10	100	8/00	8/00	9/50
Caledonian P.	10	5	10	100	205/00	205/00	202/00
Chandannagar P.	10	5	10	100	134/00	134/00	140/00
Cheviot P.	Nil	5	10	100	21/44	23/62	24/31
Chitavalah P.	6	Nil	5	10	11/00	12/62	12/62
Clive P.	1	1	1	100	7/75	7/75	9/85
Dalhousie P.	1	1	1	100	145/00	145/00	138/00
Delta P.	7½	Nil	10	100	141/00	140/00	192/00
Empire P.	12½	7½	12½	10	15/31	15/31	19/50
Fort Gloster P.	25	10	12½	100	399/00	399/00	454/00
Fort William P.	22½	22½	10	10	26/00	26/00	26/50
Ganges P.	10	10	15	10	12/69	11/62	14/56
General Industrial	40	10	10	100	17/00	17/00	44/50
Gouernore P.	30	25	20	100	487/00	487/00	505/00
Hastings P.	6	6	6	100	128/00	128/00	122/00
Hoochly P.	10	10	10	100	20/00	20/00	27/25
Howrah P.	12½	10	Nil	10	19/00	19/00	21/25
Hukumchand P.	28½	28½	28½	7½	18/00	18/00	28/12
India P.	14	12	8	12½	17/62	17/75	16/87
Kamarbhaty P.	6	Nil	10	100	148/00	151/00	188/00
Kankarnarrah P.	Nil	Nil	10	100	119/00	127/00	163/00
Kelvin P.	15	15	5	10	165/00	165/00	199/00
Khardah P.	20	5	12½	100	16/50	16/50	17/12
Kinross P.	20	7	Nil	100	140/00	140/00	175/00
Lansdowne P.	Nil	Nil	Nil	100	85/00	85/00	149/00
Lawrence P.	7	15	10	100	101/00	101/00	170/00
Magna P.	12	12½	Nil	10	13/25	13/25	13/44
Naibhat P.	12	12½	Nil	10	81/00	81/00	106/00
Naskarpura	10	10	10	100	9/06	9/06	12/25
National P.	7½	Nil	10	10	25/37	25/37	24/00
Nellimarla P.	8	6	15	10	11/25	11/25	12/31
New Central P.	15	15	Nil	10	12/62	12/00	17/62
Northbrook P.	30	30	20	10	29/00	29/00	35/25
Nuddes	8	6	10	50	49/50	57/00	78/50
Presidency	8	6	10	50	4/81	5/12	5/94
Rameswara P.	Nil	Nil	Nil	10	9/44	9/44	9/62
Relliance P.	Nil	Nil	Nil	10	7/37	6/25	7/50
Sammugger P.	6	6	Nil	10	10/50	10/50	10/50
Shree Ambica P.	25	25	10	10	18/75	25/25	23/94
Soorah P.	6	Nil	10	100	10/50	10/50	10/50
Titashur P.	25	6	Nil	100	146/00	146/00	189/00
Union P.	6	Nil	10	100	10/50	10/50	10/50
Victoria P.	30	30	60	1	5/50	5/50	6/12
Waverley P.	30	30	60	1	5/50	5/50	6/12

COAL COMPANIES

NAMES	Dividends per cent	Paid up per Share	Latest Market Quotations as available until	NAMES	Dividends per cent	Paid up per Share	Latest Market Quotations as available until
	1960	1961	1962	Rs.	Rs.	Rs.	Rs.
Amalgamated	10	12½	15	10	21/00	21/00	22/00
Bengal P.	25	21	10	100	262/00	265/00	339/00
Bengal Bhatdee	10	10	10	10	8/48	8/48	8/48
Bengal Nagpur	10	20	10	10	22/00	22/00	20/19
Bhalgora	10	10	10	10	6/00	6/00	4/50
Bharat Collieries P.	10	10	10	10	3/53	3/53	3/87
Bhulanbarree	10	10	10	10	12/00	12/00	5/00
Bokaro & Ramgur	10	10	10	10	11/19	11/19	14/06
Borra P.	15	15	10	10	23/87	23/87	23/25
Burrakur P.	13	13	13	10	15/50	14/87	17/25
Central India	6	10	10	10	9/94	8/75	11/47
Central Kurkend P.	10	10	10	10	8/00	8/00	7/00
Churulia	10	10	10	10	3/06	3/06	3/06
Dhemo Main	Nil	Nil	10	10	5/75	5/75	7/08
East Indian	10	10	20½	£1	29/00	29/00	37/12
Equitable P.	10	10	10	10	25/62	25/62	27/50
Ghustick & Muslia	Nil	Nil	Nil	10	13/50	13/50	14/00
Guzdar Kajora	10	10	10	10	2/03	2/03	2/00
Hurridah	10	10	10	10	8/12	8/12	14/37
Karanpura Developmen	6	5	10	100	11/00	11/00	16/00
Karanpura Collieries P.	7½	10	10	10	16/00	16/00	19/04
Katras Jheriah	95	40	25	10	48/75	48/75	49/00
Khas Kajora P.	10	10	10	10	18/70	18/70	18/70
Mundulpur	10	10	10	10	2/69	2/69	2/62
Nazira	10	10	10	10	5/12	5/12	6/87
New Beerbhoom P.	10	10	10	10	17/62	17/62	21/00
New Manbhoom	7½	9	12	10	13/00	13/00	13/62
North West	20	20	10	7½	19/75	19/75	22/06
Ondal P.	6	7½	10	10	12/00	12/00	14/40
Parasas P.	11	11	10	10	16/00	16/00	17/88
Pench Valley	10	10	10	10	19/12	19/12	15/75
Pure Sitalpur	10	10	10	10	8/00	8/00	8/00
Raneegunge	15	17	17	10	13/00	15/00	14/62
Rewa	20	20	10	10	28/50	28/50	30/00
Samla	10	10	10	10	10/03	10/03	8/87
Searsale	Nil	Nil	Nil	2½	1/94	1/94	0/78
Seepore P.	42 6/7	42 6/7	10	10	45/00	45/00	47/00
Sendra	6	3½	10	10	5/00	5/75	6/44
South Karanpura	2½	Nil	Nil	10	7/87	6/50	7/50
Standard	15	10	10	10	16/00	16/00	15/50
Union	10	10	10	10	10/37	10/37	10/00
Western Bengal	6	7½	9	10	8/75	7/50	8/87
West Jamuria	Nil	Nil	10	10	4/12	4/12	9/37

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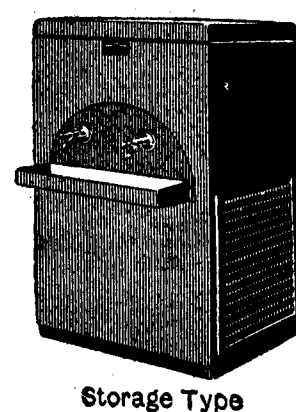
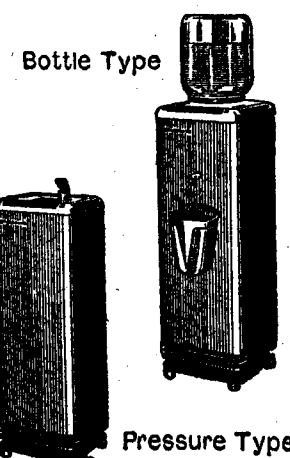
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Storage Type

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		10-4-63	3-4-63	A year ago		1959	1960	1961		10-4-63	3-4-63	A year ago
Basanti P.	..	..	..	10	12/75	12/75	7/37	Elgin P.	11 1/2	17 1/2	17 1/2	10	20/69	20/69	22/00
Banga Luxmi	..	..	..	40	28/00	28/00	28/00	J. K. Cotton (Rayon) P.	10	..	..	10	12/50	12/75	21/37
Bengal Nagpur P.	Nil	..	..	10	3/00	3/00	3/75	Jay Shree	..	..	..	100	135/00	135/00	146/00
Bharat Commerce	5	15	..	10	20/75	19/87	27/62	Muir &	Nil	..	..	2 1/2	1/62	1/62	1/53
Birla Cotton	10	20	20	10	26/75	27/00	27/00	New Victoria P.	Nil	Nil	..	10	9/00	9/00	10/19
Bowreah P.	10	20	..	10	21/44	23/81	41/00	Orissa Textiles P.	3	Nil	..	10	12/00	12/00	11/00
Cawnpore Textiles	7-1/5	10	..	5	6/25	6/94	8/94	Rampoor Cotton	Nil	Nil	Nil	1	2/00	2/00	2/00
Delhi Cloth & Genl P.	12	13	..	25	43/87	45/87	61/50	Swadesh (Kanpur) P.	5.51	..	..	10PO	7/00	7/00	8/60
Dunbar	20	20	..	10	26/87	28/87	34/00								

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		9-4-63	1-4-63	A year ago		1959	1960	1961		9-4-63	1-4-63	A year ago
Ahmedabad Advance P.	7	16	..	100	170/00	170/00	216/50	Indian	..	..	..	250	761/25	761/25	..
Apollo	..	..	..	2	1/94	1/88	2/56	Indore Malwa United	..	8 1/2	10	100	185/00	185/00	180/00
Beharilal Ramcharan	Nil	Nil	..	100	82/50	82/50	72/50	Khatana Makani P.	16	32	..	100	355/00	355/00	488/75
Bombay Dyeing etc.	14	14	..	25	63/50	62/00	70/00	Kohinoor	9 1/2	15	18	100	281/00	274/00	313/50
Bradbury P.	10	10	25	50	160/00	160/00	210/00	Lakshmi Vishnu P.	Nil	5.7	6	100	107/50	107/50	650/00
Century	..	..	..	100	475/00	490/00	639/00	Morarijee Goudas P.	21 1/2	21 1/2	24-24*	100	450/00	450/00	422/00
Central India P.	Nil	Nil	Nil	100	105/00	105/00	152/00	Mysoore Spg. & Mfg. P.	10	14	14	100	142/50	142/50	181/00
Coorla	..	..	..	100	150/00	150/00	157/50	New City of Bombay	..	..	..	100	270/00	270/00	293/50
Dawn	20	30	30	50	142/00	142/00	168/00	New Great Eastern P.	..	..	..	100	206/00	192/00	277/00
Edward Textiles	9	9	..	200	325/00	325/00	365/00	Phoenix	..	..	..	10	13/00	13/00	13/00
Elphinstone P.	14	18	22	50	93/00	91/00	129/00	Sassoon & Alliance	Nil	Nil	..	10	43/75	43/75	67/00
Finlay	..	..	..	100	325/00	325/00	342/00	Sassoon Spinning	25	17	20	10	13/00	13/00	13/00
Gokak	..	..	..	100	174/00	174/00	230/00	Simplex	10	15	Nil	50	128/50	128/50	175/50
Hindustan	..	..	..	250	810/00	810/00	..	Shree Niwas P.	15	18	20	100	220/00	220/00	292/00
India United	..	..	..	10	22/60	22/48	23/60	Swadeshi P.	14	17	..	100	248/00	248/00	296/00
	..	..	..	100	2/56	2/44	3/92	Swan	..	..	..	100	300/00	300/00	375/00
	..	..	..	100	2/56	2/44	3/92	Tata	10	20	..	25	57/20	55/80	81/70
	..	..	..	100	2/56	2/44	3/92	Western India	..	..	..	250	780/00	780/00	802/50

* 1962

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		9-4-63	1-4-63	A year ago		1959	1960	1961		9-4-63	1-4-63	A year ago
CEMENT															
Associated Cement	11	12½	12-12*	100	140/00	137/50	160/25	British India General	..	..	..	10	11/60	11/52	12/00
ELECTRIC LTG. POWER															
Ahmedabad Electricity	6½	7	6	100	91/30	89/00	93/50	Jupiter General P.	..	..	..	15	12/52	12/52	13/00
Andhra Valley Power P.	5	5½	5-5*	1000	1,005/00	1,005/00	1,020/00	New India	38	..	..	15	59/00	55/00	67/00
Bombay Suburban Elec.	..	..	..	100	101/00	101/00	102/25	Vulcan	..	..	..	10	16/40	16/40	17/12
Tata Hydro Elec. Power P.	5	5½	5-5*	100	104/00	104/00	112/75	MISCELLANEOUS							
Tata Power P.	5	5½	5-5*	1000	1,035/00	1,020/00	1,115/00	Belapur Sugar	..	..	..	50	200/00	172/50	238/00
ENGINEERING & METAL															
Alcock Ashdown	..	..	..	100	307/00	294/00	334/00	Bombay Burmah Trading	19	30	33-33*	125	635/00	612/00	662/50
Jost's Engineering	10	8	10-10*	50	98/00	98/00	99/00	Hindustan Lever	24	26	26-26*	50	237/50	237/50	268/75
Larsen & Toubro P.	12½	12½	18-14*	10	23/40	22/40	39/50	Industrial Invt. Trust	6	6½	6½	100	45/00	45/00	73/30
McKenzie	12½	..	..	100	140/00	140/00	148/75	Kemp. (Chemists)	..	..	..	100	72/00	72/00	78/00
Premier Construction P.	..	..	..	300	132/00	128/50	175/25	National Rayon	22	22	..	200	305/00	305/00	315/00
Tata Eng. & Locomotive P.	9.9	12½	14½-14½*	100	277/00	266/00	357/50	Scindia Steam Navign.	6½	3	3-3*	20	100	353/00	353/00
Tata Iron & Steel P.	9.1	9.1	10.36-10.36*	750	120/50	116/75	141/25	Shivrajpur Synd.	60	80	Nil	10	10/48	10/56	13/26
	..	..	..	300	132/00	128/50	175/25	Tata Chemicals P.	7½	6	6½-6½*	10	21/00	20/52	39/00
	..	..	..	3½F	132/00	128/50	175/25	Tata Oil P.	13	23	23-23*	85	14/84	13/88	17/84
	..	..	..	100	277/00	266/00	357/50	Volta	13	13	14-14*	100	56/70	55/50	85/50
	..	..	..	100	132/00	128/50	175/25	Western India Match	16	16	16	100	256/00	255/00	287/50
	..	..	..	100	132/00	128/50	175/25		16	16	16	100	255/00	240/00	311/00

* 1962

TEA COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quota- tions as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		10-4-63	3-4-63.	A year ago		1959	1960	1961		10-4-63	3-4-63.	A year ago
ASSAM GARDENS															
Anandabag	15	Nil	10	10	20/00	20/00	25/94	Brooke Bond P.	12½	15	10—7½	10	11/00	10/75	15/37
Amluckie P.	17½	30	32½	10	33/25	33/25	30/25	Dejoo Valley	40	15	20	10	49/25	49/25	49/25
Baghmari	15	Nil	15	10	18/50	18/50	21/62	Dessa & Purbuttia	Nil	Nil	10	100	141/00	141/00	155/00
Barduar Tea	Nil	Nil	..	6	8/50	8/50	8/50	Dheakhat	20	12½	..	10	19/50	19/50	22/00
Basmatia	30	35	25	10	27/25	27/25	28/50	Dhunsari P.	23	20	15	10	18/00	18/00	15/12
Batali	30	30	..	6	18/00	18/00	18/87	Dibrugarh	30	40	40	10	32/50	32/50	31/00
Bejtan	25	40	45	10	32/62	32/62	23/44	Dimakuri P.	30	25	20	10	21/87	21/87	22/69
Bishnauth	13	13	10	10	15/87	15/00	23/00	Dumaghar	35	25	25	10	27/87	27/87	30/00
Bokakhat	8	Nil	12	10	13/70	13/70	13/70	East India	10	Nil	Nil	10	13/00	13/00	20/00
Bormab Jan P.	12½	15	15	10	16/12	16/12	18/37	Gillapukri	25	25	20	10	25/44	25/44	25/44
Bor Pukhuri	Nil	Nil	Nil	10	11/75	11/75	10/87	Gohpur	10	Nil	6	10	13/31	13/31	14/81

* 1962

TEA COMPANIES - Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		Ra	Ra	A year ago		1959	1960	1961		Ra	Ra	A year ago
Grob	14	6	6	5	7/12	7/50	9/69	Singell	Nil	Nil	Nil	100	36/75	36/75	37/25
Hoograjuli (Assam)	25	20	20	10	27/12	27/12	24/44	Singtom	6	2	..	10	3/50	3/50	4/62
Hoolungoree	20	10	7 1/2	100	185/00	185/00	155/00	Soom	30	50	40	10	31/00	31/00	45/00
Jutlibari	10	30	80	10	32/00	32/00	32/00	Sungma	10	15	15	10	12/75	12/75	13/12
Kingsley Golaghat P.	35	35	..	100	212/00	212/00	210/00	Teesta Valley	Nil	Nil	8 1/2	10	11/00	11/00	13/19
Kotamullai P.	Nil	15	8	10	10/50	10/50	10/12	Tukvar	..	..	..	10	6/00	6/00	7/00
Krishnabehari	10	15	..	10	8/06	8/06	8/06	DOOARS							
Kyang Tea	Nil	Nil	Nil	10	17/25	17/25	15/00	Banarhat P.	32 1/2	22 1/2	21	100	255/00	255/00	262/00
Ledo	7 1/2	10	7 1/2	10	14/81	14/81	14/12	Baradighi	25	30	25	10	23/00	23/00	27/00
Maud Tea & Seed	15	6	14	10	18/50	18/50	19/62	Bhatkwa	10	15	15	10	14/75	14/75	19/84
Methoni	10	Nil	..	10	11/50	11/50	11/50	Birpara P.	22 1/2	17 1/2	12 1/2	100	149/00	149/00	149/00
Moheema	10	Nil	..	10	507/00	507/00	507/00	Carron	15	20	5	100	145/00	145/00	145/00
Mothola	25	80	80	100	26/50	26/50	26/50	Choonabhatti P.	30	32 1/2	20	100	210/00	210/00	145/00
Murphulani (Assam)	25	10.63	20.63	10	28/75	28/75	28/25	Ellenbarrie	6	6	5	100	184/00	184/00	178/00
								Engo	Nil	60	30	100	136/00	136/00	136/00
Naga Hills	5	10	10	10	22/69	22/69	20/37	Ethelbari	Nil	5	5	10	13/12	13/12	9/19
Namburnadi	16	12	..	100	14/56	14/56	14/00	Gairkhat	12 1/2	25	20	10	21/50	21/50	25/12
New Cinnatollah	Nil	Nil	Nil	100	302/00	302/00	103/00	Gopalpur	9 25	12	2	25	19/50	19/50	20/00
Rajgarh	35	40	21/37	10	21/37	21/37	22/37	Hantapara P.	12 1/2	15	5	100	103/00	103/00	124/00
Sapoi	20	22 1/2	20	10	19/87	19/87	18/50	Hasimara P.	22 1/2	17	18 1/2	10	11/75	12/12	31/25
Seajuli	17 1/2	22 1/2	15	10	21/12	21/12	22/87	Huidibari	22 1/2	22 1/2	19 1/2	10	12/12	12/37	14/06
Telodjan	25	25	25	10	27/75	27/75	27/25	Jaybirpara	5	10	Nil	10	11/06	11/06	18/63
Tengpani	17 1/2	30	20	12 1/2	35/00	35/00	35/00	Killecot	17 1/2	25	15	10	16/25	16/25	56/37
Tezpor P.	20	Nil	..	10	15/25	15/25	16/00	Manabarrie	5	10	6	10	59/50	59/50	177/00
Tonkani	Nil	30	10	15	6/50	6/50	6/44	Nagaisuree	17 1/2	25	15	100	134/00	145/00	258/00
Tyoon	30	10	15	10	34/37	34/37	38/00	New Doonars P.	32 1/2	35	30	100	258/00	258/00	296/00
CACHAR								Oodlabari	12 1/2	12 1/2	7 1/2	100	14/25	14/25	12/00
Arcuttipore	Nil	Nil	..	10	7/00	7/00	7/00	Phaskowa	Nil	Nil	Nil	100	129/00	129/00	127/00
Baitakhal	5	2 1/2	..	10	7/00	7/00	6/69	Rajabhat	Nil	Nil	Nil	10	12/12	12/12	12/75
Central Cachar	5	6	7 1/2	100	73/00	73/00	75/50	Ranicheerra	10	15	15	10	16/75	16/75	18/50
Eastern Cachar	Nil	Nil	..	100	4/12	4/12	2/75	Ryda	30	25	20	10	27/31	27/31	28/62
Kallinnger (Khoree)	6	6	8	10	9/44	9/44	11/25	Sarugaon	40	40	40	10	36/25	36/25	36/03
Kattukhira	5	Nil	..	10	6/00	6/00	3/94	TERAI							
Kunchanpore	Nil	Nil	..	10	4/37	4/37	3/94	Atal	10	5	..	10	6/75	6/75	8/03
Loobab	Nil	Nil	..	100	114/00	114/00	205/00	Beigachi	20	20	..	10	20/50	20/50	21/62
North Western	30	30	20	100	7/50	7/50	7/50	Gungaram	15	20	12 1/2	100	117/00	117/00	153/00
Pathemara	Nil	Nil	..	10	13/62	13/62	12/00	Hanscu	17 1/2	20	15	10	20/00	20/00	16/31
Roopacherra	7 1/2	5	5	50	50/00	50/00	68/50	New Chumta	15	15	12 1/2	10	24/62	24/62	33/50
Rungamattae	Nil	Nil	..	10	9/12	9/12	9/12	New Terai	15	22 1/2	..	10	36/00	36/00	36/00
Sonal River	Nil	Nil	..	10	3/25	3/25	3/75	Pahargoomlah	25	20	..	10	31/12	31/12	31/06
DARJEELING								Putinbarree	28	14	..	10	45/00	45/00	45/00
Bloomfield	Nil	Nil	..	10	9/00	10/25	10/25	Tirrhannab P.	30	40	..	10	49/00	49/00	49/00
Chamra	Nil	Nil	..	100	197/00	197/00	164/00	CHITTAGONG							
Darjeeling Tea & Chin.	Nil	30	..	100	102/50	102/50	102/50	Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Dilaram	6	8	8 1/2	10	11/69	11/69	11/44	Kornafull	Nil	Nil	..	10	13/06	13/06	13/06
Glele	12 1/2	15	10	10	14/56	14/56	14/56	Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
Lingia P.	14	15	10	10	11/00	11/00	11/00	SYLHET							
Longview	14	15	15	10	11/62	11/62	13/00	Chundeecherra	Nil	Nil	..	10	23/00	23/00	24/00
Margaret's Hope	10	22 1/2	20	100	191/60	191/60	191/60	Dauracherra	15	22 1/2	22 1/2	10	7/31	7/31	7/06
Mim	20	30	25	10	27/00	27/00	25/44	Kaliti	Nil	Nil	..	10	10/00	10/00	10/00
Nagri Farm	32 1/2	25	25	100	595/00	595/00	600/00	New Samanbagh P.	Nil	25	Nil	10	18/37	18/37	20/75
Okaydi	10	10	..	10	7/50	7/50	7/37	Patrakola	40	32 1/2	40	100	120/00	148/00	138/00
Poshok	Nil	Nil	..	10	8/87	8/87	7/75	Rajnagar	Nil	Nil	..	10	9/56	9/56	9/56
Pooabong	Nil	Nil	..	10	8/50	8/50	8/56	Tellapara	17 1/2	22 1/2	32 1/2	100	99/00	99/00	112/00
Putunzing P.	10	35	20	100	386/00	386/00	386/00								
Runglee Rungliot	15	15	..	10	6/50	6/50	6/56								
Seevok															

MISCELLANEOUS COMPANIES - Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1956	1956	1956		10-4-63	3-4-63	ago ago	1956		1956	1956	10-4-63		3-4-63	ago ago		
ENGINEERING & METAL																	
Arthur Butler (Muzafferpore) P.	..	..	..	10	14/50	14/50	14/06	J R Synthetics	..	..	3	10	10/62	10/25	..	..	..
Bharati Electric Steel	..	..	..	10	13/19	14/00	11/12	James Wright P.	..	..	..	10	10/43	10/43	..	..	..
Brauthwaite India	25	25	25	10	33/06	36/50	57/25	Jardine Henderson Ltd P.	..	..	7-6*	100	75/00	68/00	30/50	30/50	30/50
Bridge & Steel	30	30	30	10	32/25	32/25	32/25	Jay Shree Industries P.	14	14	12*	10	14/75	15/25	19/50	19/50	19/50
Britannia Building & Iron P.	6	Nil	Nil-10*	10	3/45	1/65	3/50	Kesornam Industries P.	24	24	12-12*	10	20/25	19/31	32/19	32/19	32/19
Britannia Engineering P.	10	10	10	10	9/56	8/90	13/09	Mactarlane & Co.	..	..	..	100	7/00	7/00	7/00	7/00	7/00
British India Electric Cons.	25	25	25	10	33/12	33/12	42/62	Macneill & Barry Ltd. P.	7	7	8	100	93/50	93/50	93/00	93/00	93/00
Burn P. (Engineering)	28 1/2	28 1/2	28 1/2*	100	438/00	495/00	651/00	Martin Burn Ltd P.	27 1/2	27 1/2	27 1/2-25*	10	23/75	23/00	29/37	29/37	29/37
Calcutta Steel	5	15	15	10	13/69	13/69	..	McLeod & Co P.	15	15	15	1000	210/00	215/00	215/00	215/00	215/00
Dalmia Iron	..	10	10-10*	10	10/87	10/00	11/69	Meta Box Co of India Ltd P.	10	10	10	1000	42/00	42/00	59/50	59/50	59/50
Guest, Keen Williams	24	16	14	10	30/69	30/00	40/62	National Insulated Cable P.	17 1/2	25*	25	10	24/37	25/20	44/37	44/37	44/37
Hooghly Docking	12	Nil	Nil	50	102/00	102/00	111/00	National Pipe & Rubber P.	15	24	20-20*	10	27/06	29/00	30/25	30/25	30/25
Indian Iron & Steel P.	10	10	16-16*	10	20/10	19/25	24/00	National Rubber P.	15	15	13-15*	10	18/50	17/52	16/25	16/25	16/25
Indian Malleable Casting	5	Nil	..	50	5/00	6/00	6/00	National Tobacco P.	16	16	16	10	10/75	11/62	12/12	12/12	12/12
Indian Standard Wagon P.	7 1/2	28 1/2	28 1/2*	10	30/37	30/37	3/12	New India Investment Corp.	8.7	8.7	..	75	65/00	65/00	55/25	55/25	55/25
Indian Steel & Wire Products	16 1/2	23	24-23*	100	49/00	49/00	48/00	Octavius Steel P.	12 1/2	10	..	100	..	..	..	..	..
Industrial Containers	..	Nil	10	10	22/00	22/00	..	Philips India	12	12	12	10	26/25	26/25	35/19	35/19	35/19
Jay Engineering	12	17 3/20	17 1/2-15*	10	24/25	24/25	..	Publicity Society	37 1/2	10	75-75*	4	26/19	26/19	24/75	24/75	24/75
J. K. Steel P.	12 1/2	20	20-10*	10	15/25	15/75	19/87	Rallis India P.	Nil	4	8 1/2-8 1/2*	100	130/00	130/00	155/00	155/00	155/00
Jessop & Co P.	8.58	8.58	8.58	10	22/25	20/31	25/19	Rohas Industries P.	15	20	10-8*	10	11/31	10/75	16/62	16/62	16/62
Kumardhul Engineering P.	10	10	11 1/2	8	6/87	6/87	7/87	Sirsil P.	..	Nil	..	10	8/06	8/06	10/37	10/37	10/37
Marshall Sons (India)	10	Nil	Nil	2	2/75	3/22	3/75	Sen Raleigh Industries P.	8	8	8-8*	10	14/00	14/00	20/06	20/06	20/06
National Iron and Steel	10	8 1/2	Nil-10*	10	4/12	4/25	5/81	Shaw Wallace P.	15	15	15	10	17/06	18/37	23/12	23/12	23/12
Saran Engineering	7 1/2	8 1/2	10-12 1/2*	4	8/00	8/00	9/37	Spencers' Hotel	14	2 1/2	2 1/2	2	0/94	0/94	1/50	1/50	1/50
Steel Containers	..	30	30	10	19/75	19/75	..	Union Carbide	15	18	18	10	29/00	29/00	51/00	51/00	51/00
Textile Machinery	30	10	10	10	20/95	20/10	21/81	Walford Transport	15	30	30	10	2/25	2/25	2/69	2/69	2/69
SUGAR BREWERIES ETC.																	
Bairampur Sugar	8	8	8-4*	2 1/2	2/19	2/31	2/50	Concord of India	20	20	20	5	10/25	10/25	10/50	10/50	10/50
Beirund Sugar	18 1/2	18 1/2	10	7 1/2	8/50	8/50	9/97	Hercules	20	22 1/2	26 1/2	10	20/25	25/00	24/25	24/25	24/25
Bharat Sugar P.	..	..	..	10	13/00	13/00	13/06	Ruby General	10	10	13 1/2	8	9/06	9/06	8/84	8/84	8/84
Carew (Sugar) P.	Nil	Nil	Nil-10*	10	12/50	12/50	12/87	Standard General	..	..	..	10	6/00	6/00	5/44	5/44	5/44
Cawnpore Sugar P.	Nil	Nil	Nil	10	10/62	10/75	13/62	Triton	45	45	60	25	132/00	132/00	133/00	133/00	133/00
Champanar Sugar	15	15	12-10*	10	15/81	15/87	18/25	Concord of India	20	20	20	5	10/25	10/25	10/50	10/50	10/50
Durbbanga	20	4	Nil	10	7/25	7/31	10/50	Hercules	20	22 1/2	26 1/2	10	20/25	25/00	24/25	24/25	24/25
Dyer Masikin (Breweries)	16	25	30	5	28/50	28/50	49/00	Ruby General	10	10	13 1/2	8	9/06	9/06	8/84	8/84	8/84
New Savan Sugar and Jnr	..	..	..	10	5/62	3/62	5/19	Standard General	..	..	..	10	6/00	6/00	5/44	5/44	5/44
Purbaita Sugar P.	Nil	..	..	10	11/50	11/50	11/25	Triton	45	45	60	25	132/00	132/00	133/00	133/00	133/00
Ramnugger Cane & Sugar P.	213/7	30	35-30*	10	30/37	30/37	31/75	Bengal	45	40	25	10	34/25	34/25	38/62	38/62	38/62
Raza Buland	12 1/2	12 1/2	10	10	9/50	9/35	9/81	Delhi P.	..	..	..	10	14/00	14/00	14/00	14/00	14/00
Ryam Sugar P.	..	..	..	10	5/75	5/75	8/06	Ganesh P.	12 1/2	..	..	12 1/2	15/75	15/75	19/00	19/00	19/00
Samaratpur Central Sugar	..	..	..	10	9/62	9/62	10/06	Hooghly	27 1/2	15	Nil	10	19/75	19/75	19/75	19/75	19/75
Shree Krishna Gynodday Sugar P.	15	15	..	10	7/00	7/00	9/34	United	52 1/2	35	10	10	30/00	30/00	38/00	38/00	38/00
Sree Sitaram Sugar	..	..	..	10	7/12	7/12	7/12	Attock Oil	13 1/2	13 1/2	13 1/2	21	32/9 sh	32/9 sh	33 1/4 sh	25/00	25/00
Sitalpore Sugar	Nil	4	Nil-10*	10	6/12	6/12	6/82	Burnah Oil P.	25	30	..	21	50/- sh	50/- sh	34/6	34/6	34/6
United Provinces	15	15	..	10	10/62	10/62	15/50	Indo-Burnah Petroleum P.	22	30	35	10	23/00	23/00	28/25	28/25	28/25
Upper Ganer Sugar P.	7 1/2	7 1/2	7 1/2-7 1/2*	10	60/00	60/00	77/00	Tide Water Oil	22	30	35	10	26/75	26/75	24/12	24/12	24/12
MISCELLANEOUS																	
A. Firpo (Restaurant)	3 1/2	7 1/2	..	10	5/90	5/90	5/90	Bengal P.	32	32	27 1/2	10	28/75	31/25	33/25	33/25	33/25
Aluminium Corporation P.	10	12	12-12*	10	13/12	12/81	18/19	India Paper Pulp	10	15	13-12*	10	16/12	16/12	21/25	21/25	21/25
Anderson Wright Ltd P.	10	11 1/2	..	10	11/54	11/54	11/50	Orient Paper P.	15	22 1/2	22 1/2-22 1/2*	10	31/95	31/25	42/15	42/15	42/15
Anglo Broa	20	25	22 1/2-28*	10	21/75	21/75	20/50	Sree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	21/50	22/75	25/37	25/37	25/37
Assam Match	18	18	20	10	28/75	28/75	25/25	Sirpur P.	6 1/2	6 1/2	6 1/2	10	11/44	10/81	15/31	15/31	15/31
Assam Saw Mills & Timber	Nil	Nil	Nil	3	2/50	2/50	32/56	Star Paper P.	3	Nil	..	10	10/06	10/06	11/06	11/06	11/06
Associated Battery	40	25	15-15*	10	24/44	24/25	10/31	Titaghur P.	10	10	13-13*	2 1/2 PO	3/78	3/78	4/00	4/00	4/00
Associated Hotels of India P.	Nil	Nil	10-10*	10	10/31	10/31	10/31	West Coast P.	25	25	20-10*	10	16/25	16/50	42/37	42/37	42/37
Balmer Lawrie & Co.	25	25	25	100	257/00	257/00	277/00	Camperdown	11	11	..	100	104/00	104/00	101/00	101/00	101/00
Bararee Coke	Nil	Nil	Nil-15*	10	24/00	24/00	16/31	Ganges Rope	17	17 1/2	20	100	236/00	236/00	231/00	231/00	231/00
Birds Investments P.	11	9 1/2	10-10*	10	10/00	10/00	12/62	General Investments Trust P.	2 1/2	8	8-4*	78	43/00	43/00	43/00	43/00	43/00
Britannia Blacudi P.	14	25	20-25*	10	43/87	43/87	45/25	Gillanders Arbutnot & Co Ltd P.	..	10	11-11*	10	13/81	13/81	14/75	14/75	14/75
British India Corporation P.	Nil	4	7	5	9/15	8/87	10/62	Gladstone Lyall & Co Ltd P.	Nil	4 2/5	4 1/2	10	33/25	33/25	31/00	31/00	31/00
British Paints	10	12 1/2	12 1/2	10	20/50	20/50	25/62	Godfrey Phillips (India) Ltd P.	26	40	60	10	241/00	241/00	240/00	240/00	240/00
Calcutta Silk Manufacturing P.	Nil	Nil	Nil	10	7/15	7/15	7/15	Great Eastern Hotel	6	9	6	200	137/50	11/81	..	..	..
Clive Row Investment	10	8	7 1/2	10	8/19	8/19	8/50	Hindustan Aluminium P.	..	Nil	..	10	13/80	11/81	..	..	..
Duncan Brothers & Co Ltd P.	14	14	14	100	135/00	135/00	43/50	Hindustan Motors P.	13	9	13-12 1/2*	10	18/08	15/50	19/87	19/87	19/87
Dunlop Rubber Co (India) P.	21 1/2	21 1/2	20	10	32/12	32/00	13/81	Hindustan Pilkington	..	Nil	..	10	17/87	17/87	21/81	21/81	21/81
Eastern Investments Ltd. P.	14	14	14-12*	10	129/00	129/00	153/00	Hindustan Pyroferds P.	..	Nil	Nil-10*	10	14/25	13/80	16/62	16/62	16/62
Electric Construction	5	10	10-10*	10	12/62	12/19	15/06	Hoare Millier & Co Ltd.	..	8	8	10	5/75	4/75	7/12	7/12	7/12
French Motor Car	12 1/2	20	20	20	35/12	35/12	34/50	Imperial Tobacco	6	8	8-9*	10	10/69	10/12	12/05	12/05	12/05
Ganges Rope	17	17 1/2	20	100	236/00	236/00	231/00	Indian Aluminium Co. Ltd. P.	12	15	15	10	31/06	29/75	38/81	38/81	38/81
General Investments Trust P.	2 1/2	8	8-4*	78	43/00	43/00	43/00	Indian Cable P.	18	22 1/2	21-21*	10	32/00	32/00	35/62	35/62	35/62
Gillanders Arbutnot & Co Ltd P.	..	10	11-11*	10	13/81	13/81	14/75	Indian Oxygen	15	15	15-12*	10	26/75	26/75	38/37	38/37	38/37
Gladstone Lyall & Co Ltd P.	Nil	4 2/5	4 1/2	10	33/25	33/25	31/00	Indian Rubber Manufacturers P.	25	20	30-36*	10	21/06	21/06	20/25	20/25	20/25
Godfrey Phillips (India) Ltd P.	26	40	60	10	241/00	241/00	240/00	Indian Wood Products	15	30	30-30*	10	31/25	31/25	33/25	33/25	33/25
Great Eastern Hotel	6	9	6	200	137/50	11/81	..	Isaac Holders	..	..	Nil	10	14/25	15/75	17/50	17/50	17/50
Hindustan Aluminium P.	..	Nil	..	10	13/80	11/81	..	Investments and Finance P.	..	7 1/2	7 1/2-7 1/2*	100	55/00	55/00	55/00	55/00	55/00
Hindustan Motors P.	13	9	13-12 1/2*	10	18/08	15/50	19/87	Bengal Bonded Warehouse	8	11	8-8*	10	105/00	105/00	105/00	105/00	105/00
Hindustan Pilkington	..	Nil	..	10	17/87	17/87	21/81	Calcutta Safe Deposit	..	..	..	100	8/00	8/00	7/25	7/25	7



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MARGINAL CHANGES IN THE BUDGET PROPOSALS

THE changes in the Central Budget proposals for 1963-64, announced by the Finance Minister, Mr. Morarji Desai, in the Lok Sabha on Tuesday evening, constitute a rather confusing mixture of political opportunism and economic sense. The earliest newspaper reports indicated that Mr. Desai had magnanimously agreed to forgo round about Rs. 30 crores of the extra Rs. 345 crores or so he wanted to raise for the Centre and the States through his original Budget proposals. (The Rs. 345 crores consisted of Rs. 275 crores through new taxes and Rs. 65 crores or Rs. 70 crores through the compulsory deposits scheme). A closer reading of his speech on Tuesday, however, suggests that while the Centre will in fact be forgoing around Rs. 30 crores, the States will actually be getting nearly Rs. 10 crores more through the changes in the compulsory deposits scheme. The net concessions for taxpayers and compulsory savers will, therefore, be only around Rs. 20 crores. There was a time, not so long ago, when even changes of this order would have been considered as amounting to almost a brand new Budget. But those happy days are gone: in relation to a herculean money-raising effort intended to siphon not far short of Rs. 400 crores out of private pockets into Central and State Government kettles, Rs. 20 crores is but chicken-feed. And in a country where it is fashionable for Finance Ministers to under-estimate revenues by a cool Rs. 100 crores or Rs. 200 crores each year, concessions worth Rs. 20 crores cannot be welcomed as a sample of stunning generosity.

More important than the total involved is the way Mr. Desai has distributed it. Under powerful pressure from Congress members of Parliament fearing a future visit to irate constituencies, the duty on kerosene is to be reduced—the concession being worth Rs. 11 crores. About Rs. 5 crores—on Mr. Desai's estimate—is to go off the super profits tax, by now accepted as India's greatest monument to fiscal bungling. Most of the other sacrifices have been made at the altar of the compulsory deposits cow, and they are intended to benefit mainly agriculturists, industrial workers, the lower middle-class and earners of income from urban property. Political convenience, and the stupendous administrative task of collecting compulsory deposits, seem to have been major influences here. For example, the decision to exempt farmers paying less than Rs. 5 a year as land revenue should do less damage to the Congress Party's rural vote than the earlier proposal not to exempt any land-revenue-payers at all. State Governments have been given an incentive to face the political odium of collecting compulsory deposits from land-revenue-payers above the exempted category. The Governments have been told that they can keep all they collect, instead of sharing it with the Centre. But their satisfaction on this score will be qualified by the thought that only heaven can help them rake in all they are supposed to; their traditional cowardice about in-

Among the more reasonable changes Mr. Desai has proposed, undoubtedly the best is that the development rebate reserve can now be included

In the capital-reserve base for purposes of calculating the super profits tax. Yet here too the regret will remain that nothing has been done to include loan capital in that base. Several types of companies have traditionally depended heavily on loan capital because of the nature of their business; several others have been compelled to do so because of the prevailing conditions in the capital market. They will nevertheless have their noses cut, because somebody has murmured in the Finance Ministry's ear that risk capital is always a better method of company financing than loan capital, regardless of the industry you are talking about. The inclusion of the development rebate reserve in the capital-reserve base should do something to help expanding companies; the 10-per cent exemption mentioned in the previous paragraph should add to the benefit; and new companies should welcome the holiday from the super profits tax. But for the wide range of Indian industry as a whole, the effect of these concessions will really be quite minor.

A notable feature of the changes Mr. Desai has proposed is that they go some way towards assuaging the very genuine irritation of foreign investors over the Budget proposals. The speed with which schemes for foreign collaboration in Indian industry have been shelved since 1st March will understandably have shaken the Finance Ministry, even if it may not have shaken the wisecracks of the Planning Commission. So Mr. Desai has decided "to exclude dividends, royalties, interest on foreign loans and fees paid to non-residents for technical services from the scope of super profits tax." (It is not clear whether "dividends" here also includes the dividends received by an Indian company or covers only dividends paid to foreign companies.) Although not directly related to the super profits tax, two other amendments are proposed in response to the protests from foreign investors. The first is that companies will not be penalised if they spend more than Rs. 5,000 a month on a foreign employee, although they will be penalised if they spend that much on an Indian employee. The second is that the compulsory deposits can be refunded in less than five years under certain circumstances—for instance, if a foreigner leaves this country sooner.

It is extremely doubtful, however, whether these concessions go far enough in the interests of a country whose industrial future is based on corporate enterprise, and on the foreign capital that might be available to nourish it. The whole scheme of changes smacks of niggardliness; and this is true even of the special concessions relating to the super profits tax for small companies, banks, electricity concerns and export earnings. The basic dilemma posed by the super profits tax is admitted; it constitutes a penalty on efficiency, and unless it is completely scrapped, it cannot be anything else. Yet the regret will remain that Mr. Desai has not been bolder in blunting the sharp edges of this iniquitous levy, if necessary by seeking compensatory revenue through other measures. The virtual backdating of super profits tax, by applying it from the assessment year 1963-64, has not been corrected. Provision for setting off the deficiency of profits in one year against the super profits of the following year has apparently not been made—to the serious disadvantage of companies with widely fluctuating incomes like those belonging to the tea and jute industries. The provision for exempting 10-per cent of pre-tax profits from super profits tax, under certain conditions, goes some way towards alleviating companies' difficulties in paying preference dividends and repaying debts; but quick estimates suggest that, for a large number of companies, the net benefit may be equivalent to raising the super profits tax exemption limit of 6 per cent (on the capital-reserve base) to only about 7 per cent. Finally, the penal rates of the super profits tax itself have not been reduced.

Admittedly, if Mr. Desai had accepted the whole multitude of suggestions showered upon him, the revenue from the super profits tax would have been reduced to the noble figure of nil. But everybody knows, and he must know too, that the levy in its original form would have brought not Rs. 25 crores, but Rs. 60 crores or Rs. 70 crores. The merely marginal changes he has now suggested cannot reduce the figure suddenly to almost one-

third of what it would otherwise have been. The original under-estimation of revenue, as well as the present one, suggests that there was scope for much bolder amendments. As things are, the changes will do little to redeem India's growing reputation as a 6-per cent country susceptible to the influence of 50-per cent wits who write anonymous "special reports" on the Budget. Mr. Desai has made a timid attempt to undo the serious damage done to India's investment reputation by that "special report"—by hinting that the super profits tax and the compulsory deposits scheme are exceptional measures which may be rescinded in

FOREIGN AID PROSPECTS

WHEN delegations from the nations and institutions which are now members of the Aid-India Club meet at the end of this month in Washington, there will be a distinctly new element in the climate for negotiations. The Chinese aggression has given fresh and urgent political meaning to western support for India's development. As Barbara Ward summed up the situation in the *Financial Times* recently, western nations have no choice but to see India through the present period of transition because reluctance to do so would be the equivalent of deciding that, politically, peace and progress in southern Asia are of no special interest. She added the warning that any reluctance might prove in the future more costly than "any figure suggested for present aid". The Economist has estimated that if all needs are added together—essential imports uncovered by aid already committed or likely export earnings, taken together with the additional requirements for arms and defence support—the assistance required may be not the \$1,000 million a year that India has received in the last two years, but nearer \$2,000 million. As it says, the Indian crisis leaves at this point the economics of ways and means and enters the area of strategy and politics. It has gone on to urge the western Powers to make a realistic choice and find the political courage to back India's efforts fully because this country is committed "more than any other Asian power, except Japan", to meeting the challenge of growth in freedom. In the United States, the Clay report has, despite misgivings about "past expression of India's foreign policy and certain aspects of its foreign policy", recognised that there can never be a balance of power in Asia unless the Indian sub-continent is able to maintain its freedom and counter Chinese expansionism. Otherwise, General Clay and his colleagues frankly admit, U.S. involvement in this area could be indefinite and infinitely more costly.

Theoretically, the Aid-India Club is not concerned with these geopolitical issues, but it is naive to think that the verdict on Indian proposals to the Washington meeting will not be influenced by them. This is not to suggest that the aiding nations will not critically appraise India's record in helping herself. Mr. Morarji Desai's Budget, in spite of its serious faults, will demonstrate to them the will and readiness to make sacrifices. But the favourable impact may be largely negated by the Government's failure to make it clear that the new levies do not represent a basic reorientation in fiscal policy. This, more than the actual scale of taxation, has been worrying present and prospective investors; critics may well point out that India's tremendous development needs are ill-served by a policy which strongly discourages, if it does not virtually shut out, the inflow of private capital. The lag in agricultural growth will also come in for scrutiny in the context of self-help because as much as 46 per cent of the aid so far used has been spent on imports of foodgrains and other agricultural commodities. The heavy drain could doubtless have been reduced if agricultural development had been more systematically and intensively pursued from the start. It was in fact the mounting criticism from competent foreign observers, reinforced by pressure from within the country, which brought agriculture back to its rightful place as a key task of the third plan. But the failure to make any progress at all beyond the record levels of the 1960-61 season confirms that large financial allocations will not by themselves take the coun-

try very far without a streamlining of the organisational and administrative apparatus. The recent inter-Ministry wrangling at the A.I.C.C. session in New Delhi will not have gone unnoticed; the Indian delegation to Washington may be well advised to be prepared for some searching enquiries about the stagnation in agriculture which threatens to aggravate balance of payments difficulties.

The more exacting requirements about self-help enunciated in the Clay report find an echo among other western members of the Aid-India Club. It is being asked whether Indian planners are really making an effort to achieve viability and independence from aid within the foreseeable future. On India's behalf, the point is often made that the economy's present plight is attributable to the fact that most of the aid (left over after meeting food deficits) has gone into infra-structure projects with a long gestation period. These projects, like river valley development, power and railways, cannot be expected to contribute directly to easing the balance of payments situation, but they are creating the basis for surer and more rapid industrial progress which will eventually make viability possible. There is substance in this argument but an outside observer not holding the premises of Indian planning as sacrosanct is bound to ask why the pattern of investment should not be modified to obtain a better balance between quick-yielding projects and those from which results must necessarily be long in coming. Smaller projects earning a high profit and permitting a rapid turnover of capital could, in this view, ease India's development bottleneck by generating resources within the country to meet some part of the massive outlays on more ambitious schemes. Capital requirements a unit of output, averaged over the whole economy, are higher in India than in China, despite the latter's progress in such capital-intensive sectors as steel and armaments manufacture.

Even though such doubts about India's self-chosen path may be much in the minds of the Aid-India Club members, the urgency of her needs may still win from the Washington meeting a reaffirmation of support. The amount of further assistance will, of course, have to be left undecided until a clearer picture is available of the supplementary commitments for military aid that some of the members may separately make. A decisive factor will be the stand taken by Commonwealth nations because U.S. policy is committed more than ever to the principle of matching contributions. The latest loan of £3.5 million from the U.K. for steel purchases, which neatly ties aid to support for lagging sectors of the donor's economy, may be a pointer to what other European nations may be persuaded to do, particularly by way of the non-project aid so desperately needed for maintenance imports. As the official *Economic Survey* points out, the availability of non-project assistance must in the present circumstances decide what economic growth can in fact be achieved. Even when projects are undertaken against specific aid commitments, there is still a residual need for imports outside of these arrangements—a fact which reinforces the Government's plea to be allowed some room for manoeuvre in using credits.

Inflexibility, it can legitimately be pointed out, defeats the very purpose of aid, as is evident from the fact that the loans authorised by France, the Netherlands and Belgium as members of the Aid-India Club remain unused so far. France

committed Rs. 7.14 crores in 1961-62 and Rs. 21.43 crores in 1962-63; the entire amount was subsequently authorised, thus making it available for use. No part of it was used up to 1st January, 1963, and no major drawals are, it seems, contemplated in the current year either because the foreign exchange budget assumes no credits from this source. Similarly, the Austrian credits of Rs. 2.35 crores and the Belgian offer of Rs. 4.76 crores remain untouched. This is specially disappointing at a time when the utilisation of foreign aid has on the whole been improving. General credits from the U.S.A., the U.K. and West Germany have been rapidly used up. In 1961-62, drawals from all credits and grants came to Rs. 248 crores, against which utilisation in the first nine months of 1962-63 (April-December) was Rs. 229 crores. Utilisation of U.S. aid rose from Rs. 62 crores in 1961-62 to Rs. 77 crores in April-December 1962, exclusive of P.L. 480 assistance. There is room, as the Government acknowledges, for improving aid utilisation still further, but it would be unfair to put all the blame for tardiness in India. If the total of unused aid at the beginning of this year was still as high as Rs. 1,556 crores, the responsibility rests—in part at least—on the terms on which some of the money was offered.

THE DEFENCE AGAINST MONETARY CHAOS

IN the space of half a year, between October 1960 and March 1961, the possibility of devaluation confronted both the reserve currencies—the dollar first, the pound soon after. The crisis generated intense activity among the monetary authorities of the world. The central banks co-operated to restrict the conversion of weak currencies; a new currency pool and a new gold pool were established. But confidence shaken as severely as it was in 1960-61 is not easily restored, and the efforts of the U.S. and U.K. Governments to accelerate the growth of their respective economies have aroused the latent anxieties of the financial world. Significantly, recent speculative pressure on the pound weakened the dollar, because in the world's financial centres it was argued that if the pound were devalued it would be impossible to maintain the value of the dollar.

The idea that the pound might be devalued is not attributable directly to the failure of the negotiations to bring Britain into the European Economic Community—selling of sterling at the end of January caused no more than a tremor. More important is the predicament of a Government whose internal and external policies are in conflict. The U.K. Government is compelled to promote and increase in the nation's production and trade, and this increase will inevitably raise the level of imbalances of payments requires at least a corresponding rise in exports; to restore completely the world's confidence in the currency it would be necessary to raise exports more than imports. But economic expansion, while it automatically raises imports, does not automatically raise exports. One suggestion for harmonising these conflicting interests is that imports should be temporarily restricted. Another is that exports should be stimulated by changes in taxation that would, in effect, widen the profit margins in export trade, or allow adequate profits to be earned abroad at lower prices. A suggested alternative is devaluation of sterling.

Current News and Comment

Steel: New Assurances

The new-found faith of Mr. C. Subramaniam, Central Minister for Steel and Heavy Industries, in a "mixed" steel economy, as expounded to Parliament on Monday, need cause no surprise. In the context of the Clay report, which has frowned upon the idea of U.S. aid for a steel plant

It is no secret that the U.K. Treasury has been much embarrassed by frank and free discussion of the possibility of devaluation, the more so as a respected economist, Dr. Nicholas Kaldor, of the University of Cambridge, has declared himself in favour of it and a respected organisation, the National Institute of Economic and Social Research, has suggested that it should be seriously considered. This discussion has been widely noticed abroad, where it has made holders of sterling nervous. However, it will probably continue, intermittently, until the authorities devise an effective policy. The argument for deliberate devaluation (devaluation under compulsion is, of course, a different matter) is based on the questionable assumption that British prices in general are too high and that the forces that may eventually bring them into line with foreign prices will take too long to operate. In fact, rising export prices are troubling some European countries, and Japan; and British industrialists believe that economic expansion would lower rather than raise their own prices, by enabling them to use their resources more efficiently.

There is no firm evidence that sterling is overvalued now, and there is no reason to suppose that it will be overvalued when the British economy is more active. A more serious threat is a temporary disparity between imports and exports, caused, particularly, by re-building of industrialists' and traders' stocks. More serious still is possible loss of confidence on the part of banks and other institutions and persons abroad, whose holdings of sterling amount to some £3,500 million. The official reserve of gold and convertible currencies in London is of the order of £1,000 million. Standby credits readily available from the International Monetary Fund effectively increase this figure by about one-third. The reserves may not be strong enough to withstand a full-scale speculative attack against sterling. But such an attack will never be launched if the world is convinced that international arrangements for defending the reserve currencies are adequate and whenever needed, will be resolutely used.

It has been argued that the British Government itself could restore confidence by declaring boldly that it would restrict imports if such action were necessary to protect sterling. Closer accord with the U.S. Government (British and U.S. financial policies are not entirely harmonious at present) would be helpful, though the idea of two weak currencies trying to support each other would not impress sceptics in Europe. More effective would be declaration from the combined monetary authorities of the world that they had devised a scheme that would assuredly maintain the value of the currencies, yet would provide enough liquid resources to facilitate the growth of world trade. Advocates of revaluation of gold will argue that no such scheme is practicable until major adjustments have been made in the world's monetary system. There is, indeed, a risk that the effort to maintain the present relation of currencies, and of currencies with gold, will inhibit world trade and allow the world to drift into a long recession. But the arguments for co-ordinated changes are not relevant to the discussion of unilateral devaluation of sterling. In the present precarious position of currencies, such an act could start a chain of events that would end in monetary chaos. It would be an irresponsible act on the part of the British Government if it were done deliberately, and the world's monetary authorities would have neglected their duty if they allowed it to happen under compulsion.

equivocal assurances of equal treatment and equal opportunity might not have been so readily forthcoming but for the urgent need to allay U.S. Congress's apprehensions. Now Mr. Subramaniam has not only promised expansion of capacity to realise the economies of scale, but has also said that the financial requirements of expansion will be "specially" looked into. That this represents a major shift in policy is obvious because only eight months ago the Ministry rejected the Tariff Commission's recommendations and set prices at a level which amounted to a repudiation of past assurances concerning the financing of second plan expansion. It may also be noted for the record that the approval of Indian Iron's expansion, still "in principle" only, took over a year. The delay is impossible to explain except in terms of ideological resistance, because the soundness of the scheme was not in dispute. If the World Bank had informally indicated its willingness to finance the foreign exchange cost, it must have been on the assumption that the expansion would contribute to Indian Iron's viability.

Whether of its own volition or through force of circumstances, New Delhi's change of attitude towards the private steel industry is to be welcomed. But if the "categorical" assurance to maintain uniform prices for public and private sector plants is not meant solely for foreign ears, the implications of uniformity will have to be clarified for the benefit of Indian investors. Prices are even now uniform, but patently unremunerative. The maintenance of parity between the Hindustan Steel plants and the two private units is not by itself meaningful because State undertakings can always draw upon the Consolidated Fund for resources which others must find for themselves. Low prices do involve Hindustan Steel in loss but this is largely notional since there is so far no obligation to generate resources either for expansion or for reinvestment in the economy. One cannot, therefore, accept at face value the latest assurances of equal treatment unless this crucial inequality is ended and Hindustan Steel's financing placed on a commercial footing.

When Mr. Subramaniam ruled out unhealthy competition between the two sectors in the matter of products, what did he really have in mind? It is no secret that both the private producers feel strongly about the distribution of orders under the official control procedures which leaves them carrying a large proportion of the less remunerative items. While this type of complaint can be readily resolved by adjusting the rolling programmes, will it be equally easy to avoid a clash of interests in deciding the product-mix of the fourth plan expansion programmes? Tatas, for instance, wish to put up a strip-rolling mill but will this not be rendered unnecessary by Bokaro? It is quite likely that the choice will finally have to be made not on the basis of immediate capabilities but the long-range potential of each plant to meet the likely future demand. This presumes that the premises for making these difficult decisions are defined in advance, not through *ex cathedra* statements by the Minister but by independent and objective enquiry to settle the guidelines of long-range steel development.

Steel Plant in the South

The bitter debate over the feasibility of a lignite-based iron and steel complex in south India reflects a major shortcoming in national planning. Whether such a plant should be set up is primarily a technical and an economic issue. Only after these two aspects have been satisfactorily cleared up should policy considerations be brought into play. After 12 years of planned development, it is unfortunate that public debate over a proposal like this should be conducted in terms which can only be described as political.

The facts are quite simple. The idea of using lignite for smelting locally available deposits of iron ore has been subjected to several tests in India and abroad. Two alternative processes have been examined—the low-shaft furnace and electric smelting, and expert opinions obtained from several independent sources. The technical

More important is the factor of transport costs. South India requires certain quantities of pig iron and steel products which in the absence of Neyveli will continue to be drawn from more distant centres in eastern India. In adjudging Neyveli's viability, it will be necessary to consider the delivered cost of supplies from alternative sources, the fact of uniform railhead prices now obtaining being quite irrelevant for judging the intrinsic economic merits of the scheme. This calculation might well prove to be in Neyveli's favour, as would be expected from the world-wide trend for steel plants to be located more and more with reference to markets rather than raw material sources. But before a final decision is made, one would have to take into account not only the delivered cost of supplies from existing sources but also from others that may come up. In the context of the fourth plan target of 18 million to 19 million tons approved by the Cabinet last month, two major new plants are being proposed. The location of one in the Goa-Bellary-Hospet region is a distinct possibility which will bring a steel plant much closer to the south Indian market than any of the present ones. There may still be a valid case for Neyveli because this other unit will be based presumably on imported coal and may, therefore, have to be export-orientated. The essential point is that all these aspects will need to be considered, the appropriate time for which will be when decisions on the fourth plant's capacity are taken early next year. Until then, no useful purpose will be served by people scoring points off each other in impassioned but futile debates.

The A.I.C.C. Debate on Agriculture

Some interesting points have emerged from the A.I.C.C. debate on the Planning Minister, Mr. Gulzarilal Nanda's note about agricultural and industrial production during the first two years of the third plan. Although some members contended that the performance of agriculture during the two years has been unsatisfactory because of bad weather conditions, and insufficient supply of seed, manure and materials like steel and cement, the emphasis in the debate was shifted from "climatic conditions" to weakness in the "human factor". The implication is that weather conditions are not under anybody's control, but the human factor can certainly be taken care of if the efforts are made. The A.I.C.C. decided that high-level study teams, headed by a Central Minister or a Member of the Planning Commission, should visit different States for a 15-day period after 15th April to study the problem at first hand, and to devise a practical method of

increasing farm production, and of achieving the targets under minor, major and medium irrigation schemes, soil conservation and similar other projects.

The A.I.C.C. debate focussed attention on the fact that administrative and organisational defects are the main reasons for the poor performance of agriculture. The arguments that there is lack of co-ordination between different departments of the State Governments, that block development officers are bureaucratic and unmindful of the true interests of farmers and that the community development officers have little touch with the rural people have been put forward times out of number in all discussions on the subject of agricultural planning in India. At the A.I.C.C. session, it was emphasised that one of the main causes of administrative inefficiency in farm planning is the fact that agriculture does not enjoy at the State level the "prestige and status" which it deserves, with the result that first-rate officers have not been put on the job, and adequate funds have not been allotted for agricultural planning by different State Governments. In view of this, it is not surprising that there have been large shortfalls in the outlay on agriculture, and sometimes the funds intended for agriculture have been diverted to more spectacular purposes. It is to be hoped that the study teams will be successful in evolving a method of overcoming this basic defect in agricultural planning when they visit different States. In the past, it was suggested that definite responsibility for achieving results should be put on individual officers and they should be held responsible if the plan targets are not achieved. In the course of the A.I.C.C. debate, it was also suggested that targets of output and performance should be fixed village-wise and an effort should be made by the officials concerned to achieve these village-wise targets. This might sound an attractive proposal, but it is not practical and might in any case involve such heavy administrative work and outlay as not to be worth while.

The argument advanced at the A.I.C.C. meeting that agricultural planning has been more successful in Punjab because the State Government there followed a "farmer-oriented policy", while it has been less successful in U.P. and elsewhere because the State Governments there followed a "consumer-oriented policy" is untenable. In fact, each cultivator is also a consumer, and in planning, it is necessary to safeguard the interests of both producers and consumers simultaneously. It is not possible to distinguish between farmer-oriented and consumer-oriented policies. That the farmer should get a reasonable price for his output as an incentive for higher production has long been recognised as a sound policy. But what has not been properly appreciated is that the benefits of the Government's price support policy do not always reach the actual tiller of the soil and is appropriated, in large measure, by middle men of one kind or another. In order to give the incentive to the farmer, the State Governments should ensure that the farmer gets most of the benefits of the Government's price support policy. Another fact which is not always clearly realised is that in order to improve the economic condition of the farmer, it is absolutely necessary to increase the yield of different crops from each acre tilled. If this were done, the Government's price support policy would become easier to implement and to that extent the complications in enforcing a rational price support policy would be minimised.

E.E.C. and India : Trade Prospects

The observations of Dr. Walter Hallstein, chairman of the European Economic Commission, made at a Press conference in New Delhi last week, have a special significance for the future of India's trade relations with the "Six". According to him, the Common Market wants to adopt liberal trade policies and wishes to conclude comprehensive trade agreements with India, Pakistan and Ceylon. He agreed that India has to reduce her unfavourable balance of trade with the E.E.C. countries, but pointed out that there has already been an improvement in the conditions from India's point of view since the export surplus of the E.E.C. countries against India has been reduced from \$327 million in 1958 to \$143 million in 1962. E.E.C. im-

ports from India in 1958 were worth \$103 million and exports to India were nearly \$430 million in 1962, imports from India rose to \$155 million and E.E.C. exports to this country fell to \$298 million. There is some difference between the trade figures published in India and those given by Dr. Hallstein, but the fact that India's adverse balance of trade with the European Economic Community has narrowed is correct. The adverse balance is still very high and this is causing anxiety to the Planning Commission and the Central Government, because of India's need for foreign exchange and because of the peculiar difficulties which are being experienced in increasing this country's exports not only to the E.E.C. members, but to other countries too.

The most important point to emerge from Dr. Hallstein's Press conference, lectures and discussions with different Ministers of the Central Government is that in the immediate future, India should be able to get some tariff concessions on her exports to the Common Market through bilateral trade agreements with individual member countries, provided the necessary initiative is taken by New Delhi in the meanwhile. When negotiations were in progress concerning Britain's joining the E.E.C., the latter had agreed to give tariff concessions on the imports of tea and eight other commodities from India in the event of the U.K. joining the Community. But since the negotiations have for the time being been suspended, there is no immediate prospect of these concessions becoming available for Indian exports. But it should certainly be possible for India to enter into a comprehensive trade agreement with the E.E.C. not only on tea and eight other commodities, which have so far been considered, but on a larger number when the E.E.C. takes a final shape round about January 1966 with or without Britain joining it.

As Dr. Hallstein has pointed out, the formation of a successful Customs union—and the E.E.C. is a successful Customs union—itself leads in the direction of liberal trade policies, because countries which can stand one another's competition should be able to stand further competition from outside. It is true that at the time the new Association convention was worked out, it was agreed that the Community's outer tariff against non-associated countries should be reduced by some 40 percent on a number of tropical products. The real difficulty is that a cut of 40 percent in tariffs has not yet been secured in the case of all the products to which it was intended to apply this concession, and the number of commodities selected for the concession has been too small to benefit India much. But as Dr. Hallstein pointed out, nearly 64 percent of the E.E.C. imports from India are already duty-free and for the rest of the commodities, the prospect for securing tariff concessions from the E.E.C. after January 1966 is fairly bright. In the immediate future, the Government of India may be able to get some tariff concessions in exchange for equivalent concessions, from individual European countries by means of bilateral trade agreements, but such concessions are unlikely to be adequate for balancing India's trade with these individual European countries.

Tea Production and Prices

Indian tea output in 1962 was 11.5 million kilograms lower at 341.6 million kilograms, compared with the 1961 figure of 353.1 million kilograms. Production in some other major producing countries was also in line with this trend. This brought supply into better balance with demand, and the average price realised at auctions was appreciably higher than that in 1961. The position in 1961 was just the opposite. During that year, north India produced 33.3 million kilograms more, or 58 per cent of the total world increase of 56.9 million kilograms in tea production over that of 1960, and as the supply was generally thought to be in excess of demand, auction prices in India and elsewhere showed a serious drop in the 1961-62 marketing season. Moreover, although India's exports were larger at 205.73 million kilograms in 1961-62, compared with 198.98 million kilograms in 1960-61, the foreign exchange earning was lower at Rs. 122.40 crores in 1961-62, compared with Rs. 123.58 crores in 1960-61.

This problem of higher production reacting adversely on prices was one of the main themes

with which Mr. Ramananda Daga, chairman, Indian Tea Planters Association, dealt at considerable length in his address at the latest annual general meeting in Jalpaiguri recently. Mr. Daga pointed out that as the trends of production and prices of the past few years show, the output of north India, which is the largest common tea producing region of the world, affects world tea prices. The baffling problem for the north Indian gardens now is how to retain their profit earning capacity while fulfilling the expectations of production and export under the third five year plan. If by raising production, Mr. Daga pointed out, the prices of teas are depressed and the industry cannot adjust its cost to maintain the profit margin in the depressed market, the estates can have no incentives to raise production; also, if larger exports do not bring to the Indian exchequer correspondingly higher foreign exchange, there can hardly be any significance in the attainment of the third plan target.

Mr Daga gave comparative figures of the years 1950 and 1961 relating to the working results of tea companies in West Bengal and Assam to show that while production over this period increased by 4 percent from each acre and sale proceeds by 8 percent a lb, the cost of production a lb rose by 45 percent and profit a lb declined by 87 percent. The rise in costs is partly on account of the interim wage increase awarded by the Wage Board. This has had the effect of pushing up the wage bill by 8np an adult worker a day, and of raising the cost by 3np a lb. The emergency risks insurance as well as higher cost of transporting coal by other means than railways have added to costs appreciably, coming on top of the heavy burden which the Central and State levies have imposed on this industry.

Mr. Daga is of the view that the policy of imposing a surcharge on tea excise to discourage domestic consumption is mistaken. Apparently, the authorities wrongly think that the surplus which is available for overseas markets will be unduly reduced by greater offtake at home. Since increased profit in external markets and not merely increased quantities should be the main goal of export promotion, a strong home market could act as a useful cushion to regulate supplies to export markets.

Exporting Engineering Goods

The chairman of the Engineering Export Promotion Council, Mr. S. L. Kirloskar, recently led an eight-man trade delegation to western Europe. The countries the delegation visited were West Germany, Italy, Holland, Belgium, France and the U.K. Mr. Kirloskar said at a Press conference in Calcutta last week that during its visit to western Europe, the delegation found considerable interest among west European manufacturers in setting up enterprises in this country, considering its low labour costs. He suggested, for example, that due to the decline in demand for bicycles in the U.K. because of the keen competition from scooters and motor-cars, many of the manufacturing units may have to curtail their production or go out of business altogether. But if the same units start business here—in collaboration with Indian enterprises—they may profitably export bicycles to Asian markets.

The west European markets, according to the delegation, are dynamic, sophisticated, competitive and have immense potentialities. "To get into these markets is difficult, but once we have been able to do so, the going will perhaps be easy. For this purpose, specialised production, technical ability of a high order, first-class quality and salesmanship are necessary." Manufacturers have to enter these markets not on the basis of short-term business, but with a view to establishing it on a long-term basis. A wrong impression is held in western Europe about India's ability to supply engineering goods and services. She has so far been regarded as a supplier of such commodities as jute goods, tea, cotton and oilseeds. The delegation has tried to convince European manufacturers and buyers that India can be regarded as a dependable supplier of engineering goods and services. Such engineering items as iron and steel castings for machine tools and machine-building industries, tools, dies, jigs and fixtures, free forg-

ings, diesel engines, electric motors, switchgear, sewing machines, small tools, etcetera, can find an export market in Europe. Competitiveness of an Indian product, according to the delegation, has to be proved first on the basis of trial orders. Continental buyers are choosy, and they like to have some organisation next door, whom they can hold responsible in case there is any defect in the exported engineering goods.

The delegation has made a number of recommendations to increase exports of engineering goods to western Europe. The industry, it says, must establish close personal contact with European buyers to know their exact requirements. The idea that India is a supplier of raw materials and agricultural products has to be changed by continuous propaganda. The Government should participate in trade fairs. Besides, missions from west European countries should be encouraged to visit India to see for themselves the progress of the engineering industry here. The delegation's recommendation that India should manufacture a "prestige item", say, a Rolls-Royce type motor-car does not, however, appear to be a practicable proposition. Firstly, India's engineering progress is not yet such that she can produce a motor-car of the technical perfection of a Rolls-Royce. Secondly, considering the progress of plans for self-sufficiency in spares and components of some indigenous manufacturers, one does not feel optimistic that a Rolls-Royce car can be produced in India after a few decades, let alone after a few years.

Warehousing in West Bengal

The West Bengal State Warehousing Corporation started its operations four years ago. One of its main aims is to regulate markets, which should proceed along with the warehousing programme, for ensuring fair prices to the grower of agricultural produce and preventing malpractices. But it is surprising that the enabling legislation for this purpose has not yet been passed. It is also regrettable that the legislation to provide statutory recognition to warehouse receipts for transactions with banks, is still pending. Most other States, incidentally, have already passed such legislation. As a result, except for the State Bank, most of the private banks have stopped giving credit facilities against warehouse receipts. This apart, the Reserve Bank's recent credit squeeze has adversely affected the Corporation's activities. Since private banks have been forced to cut their advances against warehouse receipts for paddy and rice, the Corporation's activities have virtually come to a standstill. Under the circumstances, the directors doubt whether they will be able to achieve the third plan target of providing an additional storage space for 47,500 tons.

In the initial stage, the West Bengal State Warehousing Corporation and the Central Warehousing Corporation were eager to open many warehouses as quickly as possible. But the former now feels that the latter has been intruding on its sphere of activity. A notable achievement of the State Corporation during 1961-62 is the construction of a cold storage for potatoes in the Hooghly district with a capacity of 1,320 tons. Encouraged by its performance, the Corporation wanted to set up another cold storage with a capacity of 60,000 maunds. But the Central Warehousing Corporation has stopped the State Corporation from constructing it on the plea that the building of these storages involving a large capital outlay is an exclusive privilege of the former. The State Corporation, under the circumstances, has incurred a loss of Rs. 1.53 lakhs during the year ended March 1962.

Threats to Industrial Peace

In his address from the chair at the annual session of the All-India Organisation of Industrial Employers in Bombay last week, Mr. D. C. Kothari observed that the present benefits available to industrial workers and the expenditure on their welfare—this latter constitutes an important element in labour costs—could not by any means be considered inadequate in the present economic cir-

cumstances of India. Labour wages have substantially increased in the past few years. By and large, employers prefer strong trade unions to deal with. According to Mr. Kothari, the Industrial Truce Resolution has been observed fairly satisfactorily, although an unnecessary sensation has been created about the violation of this Truce by a few employers in the past two months, by exaggerating stray complaints against them.

An important point which Mr. Kothari made was that the real danger to industrial peace arises not from the attitudes of employers or employees, but on account of the wrong fiscal policies adopted by the Government. Every rise in the prices of commodities which enter into the family budget of industrial workers, creates a demand for further increases in wages, which pushes up production costs. In this way, industry is called upon to bear the burden of any taxation imposed on anything by any State or by the Centre. According to Mr. Kothari's estimates, the indirect taxation in the Central and State Budgets for 1963-64 would increase the cost of living of the people by 5 per cent or 8 per cent. On the other hand, the pay packet of wage and salary earners would be reduced as a result of the rise in income tax and the compulsory deposit scheme. Industry, Mr. Kothari feared, would not be able to meet the demands for higher wages on account of the rise in the workers' cost of living for the simple reason that the prices of finished commodities cannot be correspondingly raised, and there is no scope for increasing wages in the absence of a rise in the prices of manufactured goods. In order, therefore, to maintain peaceful industrial relations, which is vital for stepping up production, the Government should make suitable changes in its fiscal policy. And the extent to which it is not possible for labourers to get higher wages to compensate them for the rising costs of living, the Government should create the necessary climate for the former to accept the implied sacrifice as their contribution to the defence effort. If the Government fails in this effort, the peace in industry is bound to be disturbed in spite of the Industrial Truce Resolution, and in spite of the best intentions of both employers and employees to maintain harmonious industrial relations.

Some recent observations of Mr. Gulzarilal Nanda and other Ministers of the Government indicate that the Government is thinking in terms of further legislation for maintaining industrial peace in the country during the emergency. Mr. Kothari has pointed out that legislation cannot achieve much, for it contains an element of compulsion. It cannot create a sound foundation for peaceful industrial relations, which conventions evolved through voluntary effort alone can ensure. In this connection, Mr. Kothari commended the scheme prepared by the Joint Consultative Board for industry and labour under which a bipartite mediation service would be set up on an industry-region-wise basis for resolving industrial disputes. If employers and employees refer all their disputes to the bipartite mediation service it should be possible to resolve them to the mutual satisfaction of all. The Government should be careful not to refer any issue pending before the mediation service to compulsory adjudication in order to give a fair chance to voluntary conciliation.

Insurance in Pakistan

The *Pakistan Insurance Year-book, 1962*, which has just been published, incorporates data on the working of insurance companies and provident fund societies during 1961. It is an interesting study since Pakistan is one of the few countries in south-east Asia which runs life insurance business as a private enterprise. The new life business effected in Pakistan in 1961 exceeded Rs. 37 crores, of which the share of local insurers was more than Rs. 24 crores and that of foreign insurers about Rs. 13 crores. The new business has steadily increased over the past few years. In 1959, it was over Rs. 25 crores, in 1960 it exceeded Rs. 27 crores but in 1961, there was a distinct progress since the total new business was over Rs. 37 crores.

The total life insurance business in force in Pakistan on 31st December, 1961, exceeded Rs. 135 crores. This amount is shared equally by local

India's Resources

are Precious

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WANT	NOT
1. Be specific in your request. "I want to be a doctor" is not specific. "I want to be a pediatrician" is more specific. "I want to be a pediatrician who specializes in treating children with chronic illnesses" is even more specific. 2. Be realistic about your goals. Don't set goals that are impossible to achieve. For example, "I want to be a millionaire by the age of 25" is not realistic. "I want to be a successful business owner" is more realistic. 3. Be flexible in your goals. Your goals may change over time. It's okay to adjust your goals as you learn more about yourself and the world. 4. Be proactive in achieving your goals. Don't wait for opportunities to come to you. Take initiative and create your own opportunities. 5. Be persistent in your efforts. Don't give up when you face challenges. Keep going and you will eventually achieve your goals.	1. Be vague in your request. "I want to be successful" is vague. "I want to be a doctor" is more specific. "I want to be a pediatrician who specializes in treating children with chronic illnesses" is even more specific. 2. Be unrealistic about your goals. Don't set goals that are impossible to achieve. For example, "I want to be a millionaire by the age of 25" is not realistic. "I want to be a successful business owner" is more realistic. 3. Be inflexible in your goals. Your goals may change over time. It's okay to adjust your goals as you learn more about yourself and the world. 4. Be passive in achieving your goals. Don't wait for opportunities to come to you. Take initiative and create your own opportunities. 5. Be persistent in your efforts. Don't give up when you face challenges. Keep going and you will eventually achieve your goals.

and foreign companies. For the local companies, the total life business in force on that date was over Rs. 70 crores, against over Rs. 65 crores of foreign companies. The total income and outgo of the local and foreign insurers during 1961 in relation to their life insurance business show that local insurers were able to transfer Rs. 2.46 lakhs to reserve and dividend against Rs. 74,000 by foreign insurers. Sums of Rs. 2.19 crores and Rs. 2.21 crores of local and foreign companies, respectively, represent the increases in the life funds of the Pakistani and foreign insurers in 1961, which now stand at Rs. 11.59 crores and Rs. 14.04 crores, respectively. The net rates of interest realised by Pakistani insurers on their total life funds and by foreign insurers on their mean life funds for Pakistan was 3.45 percent and 3.54 percent, respectively, for 1961, against 3.60 percent and 3.22 percent for 1960. The total management expenses of Pakistani insurers in relation to their life insurance business and of foreign insurers in relation to their Pakistani business—expressed as a percentage of their premium income—show that in 1961 Pakistani insurers had an expense ratio of 37 percent, against 25.6 percent for foreign insurers. In 1961, the ratio was 35.5 percent for Pakistani insurers, against 26.0 percent for foreign insurers. According to the Year-book, the investments as at 31st December, 1961, amounted to

more than Rs. 16 crores in Government securities, more than Rs. 17 crores in Government and other approved securities and over Rs. 23 crores in approved investments.

As for non-life insurance, that is the fire, marine and miscellaneous insurance business, the total gross premium income written direct in Pakistan by Pakistani and foreign insurers during 1961 amounted to Rs. 3.25 crores in fire, Rs. 3.41 crores in marine and Rs. 1.75 crores in the miscellaneous insurance business. The gross premium income, including life insurance, written direct in Pakistan, amounted to Rs. 15.86 crores. The fire premium income showed an increase of Rs. 15.99 lakhs over that of 1960. Similarly, the marine premium income showed a rise of Rs. 77.28 lakhs and the miscellaneous premium income of Rs. 24.24 lakhs over that of 1960. It will be seen that the fire and marine premium incomes, written direct in Pakistan, are evenly balanced and that the premium income in the miscellaneous section also bears good relation to the fire premium income unlike in India where the miscellaneous premium income is sharply rising.

The trend of general insurance business in Pakistan is available from a study of the net premium income. In 1961, the latter was Rs. 4.34 crores, against Rs. 3.89 crores in 1960. There had

been a steady and continuous rise in the net premium income from 1952 to 1961. The claim ratios in relation to the fire, marine and miscellaneous insurance business were 27 percent, 63 percent and 47 percent, respectively, for 1961, against 32 percent, 55 percent and 42 percent for the previous year. The Year-book says that between 1949 and 1961, the gross premium income of Pakistani companies in fire, marine and miscellaneous business has increased to about 1,326 percent, 1,327 percent and 527 percent, respectively, compared with the figures for 1949. The corresponding figures of foreign companies work out to 194 percent, 337 percent and 337 percent, respectively.

CORRESPONDENCE TAXATION IN INDIA

(TO THE EDITOR OF "CAPITAL")

Sir,

It is generally accepted in national finance that when very extraordinary expenditure is to be met by a country, the best method is to inflate the currency for the duration of the emergency.

When the emergency is over and for some years thereafter, the currency is gradually set on a normal basis. This particularly applies to India at present, where inflation of the currency would be considered judicious and the normal influences of trade and exports would, over the course of years, restore the currency to normal. I consequently hope that India will follow suit, as her very high taxation is liable to damage the fabric of business.

Yours etcetera,

ERIC HAYWARD

Chilham, Kent, England, 8th April, 1963.

PRICES AND WAGES

IT is a depressing evidence of the profound ignorance with which much of the pessimistic writing on Indian poverty is saturated that the authors of scores of gloomy articles in the newspapers, the reviews and magazines, seem to use all methods of investigation except the right one. There is the moral method, the political method, the sentimental method, the statistical method, but the plain economic method of investigating the problem is too often ignored. It may be said that the economic method is largely made up of phenomena to which the other methods are at least closely allied, and this in a way may be true. The things, however, which are not true are Mr. Digby's nightmare of the "Drain", the Rupee Famine theory, which assumes that the famine was not a famine of food but a famine of rupees—the Currency theory which declares that India is being ruined on account of the '93 legislation—and there are other theories like unto these. It is easy enough to admit that vast communities in India are poor; but it is ridiculous to jump to the conclusion that this poverty is in some way a direct outcome of foreign administration. The poverty may be, indeed is, coincident with a certain period of British rule, but it springs from causes with which the Administration has little, if anything, to do. Again it is no difficult matter to prove that prices have risen, and that wages especially of the unskilled agricultural labourer, have remained practically stationary; but unless we endeavour to ascertain why wages have remained stationary it should be obvious that we are merely stating a fact which will exist, whether we state it or not. The *Statesman*, the other day, in noticing Mr. Digby's Liverpool address on "Our Failure in India" observed that the abnormal amount of distress that has undoubtedly prevailed among the poorer classes of the population in India in recent years is largely due to the fact that the country, as a whole, is in a stage of transition from low to high prices, as a result of its continued accumulation of the precious metals. The increasing monetary wealth of the country, as a whole, means, in fact, increasing poverty of a large class whom the wealth does not reach, and the purchasing power of whose meagre earnings is reduced by the resulting rise in prices.

FROM

CAPITAL
23rd April, 1963

A Ditcher's Diary

IN THE RIGHTLY APPREHENSIVE SOUTH AND EAST THERE is a temptation to see, or imagine, a massive Hindi-speaking ogre ramming his language down the throat of the rest of India. I have often wondered how solid and singleminded the Hindi bloc is. Supposing, however, that north India is absolutely united in imposing Hindi and removing English, that there is a master-mind behind the entire campaign, I would say that the recent tactics of this group have been rather clever. It is the champions of Hindi who affect not to like the new Official Languages Bill, subtly suggesting thereby that non-Hindi speaking people should be delighted with it. Of course, they aren't; they can't be. Mr. Lal Bahadur Shastri himself had to come out with the real purport of the Bill when, in placating the Hindi fanatics, he said that, through the Bill, Hindi had in effect for the first time been enshrined as the official language, that after 1965 English "may be used". This is, surely, a far cry from the Prime Minister's unequivocal assurance that English will remain as the associate official language until the non-Hindi speaking people agree to accept Hindi. Much is being said about the Constitutional provision on Hindi. Let me get this argument out of the way once and for all. The Constitution was passed in a psychological climate very different from today's; it was not then clear, although it should have been, that the north wanted its language adopted less for linguistic reasons than for political. Advocates of Hindi should ponder how they have dissipated the good will Hindi once enjoyed. In Madras it was Mr. C. Rajagopalachari who was sending people to jail for opposing Hindi; today he can hardly bear to hear of the language. In Bengal Dr. Suniti Kumar Chatterjee was the president of the Hindi Prachar Samiti; as a member of the Official Language Commission he wrote a dissenting minute for, he said in effect, it was now clear to him what Hindi would mean to the non-Hindi speaking people of India. It may well be that some of the fears are exaggerated; the fact is that they are there. I think it is a pity that the official language question should have to be handled by the Home Ministry, which now happens to be in the hands of a man who is most tolerant but happens to be from a Hindi-speaking area.

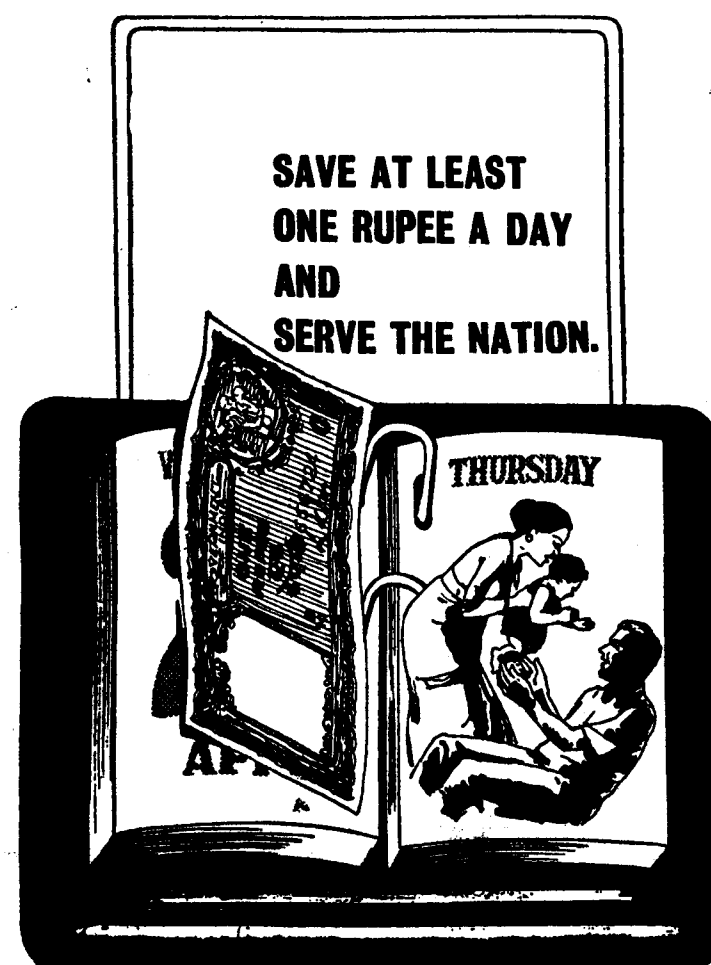
I HAD WADED THROUGH A FEW PAGES OF *Advise and Consent* and with due respect to Mr. Allen Drury promptly made up my mind not even to try his next novel which is now out under the title *A Shade of Difference*. Mr. Malcolm Muggeridge's review of these, together with that other best-seller that I have no intention of reading, *Fail-*

Safe by Eugene Budrick and some Prof., in the *New Statesman*, is gloriously funny. Muggeridge makes the point, immensely interesting, that the U.S.A. is now reaching a stage of its historical development at which it needs its Kipling—and it has found him in not only the Lippmanns and Alsops but also in writers like Drury, Budrick & Co. Their mission is to assure the great American people that the U.S.A. is now terribly powerful, that this power is being used, with a few exceptions, for the good of the world—yes, exactly as God wished it. Muggeridge points out several authentic Kiplingesque touches and presents at least two excellent epigrams. I shall quote one. Writing of the speeches he had to endure in the U.S. Senate, he adapts the remark attributed to Voltaire and says, "One agreed with everything they said but would die to defend one's right not to hear it". He also has a good Earl Long story: "My brother, Huey, used to buy Congressmen, but I have found it more economical to rent them". Need I explain that the reference is to members of the U.S. Congress and not to those of the Indian National Congress? My own favourite is an adaptation of Charlie Wilson's breathtaking remark which goes like this: "What is good for these United States is good for the world". Does this leave the world with too little choice? Henry Ford to the rescue: "My customers are free to choose any colour they like for their cars—as long as it is black". Mark you, some of my best friends are Americans . . .

THE PREVENTION OF ACCIDENTAL NUCLEAR WAR IS, I see, the ostensible justification for the proposed "hot line" between Moscow and Washington. Well, I suppose that is as good a reason as any why the world's two most powerful statesmen should agree to a more direct method of maintaining personal contact. The trouble is that one cannot imagine the line—probably a teleprinter—remaining restricted to use only in the supreme emergency. A distaste for the restrictions of conventional diplomacy has always been a characteristic of Mr. Khrushchev, and Mr. Kennedy, despite the failures he has had during the past couple of years, still retains something of the young man's preference for tackling difficulties personally and in as direct a manner as may be democratically possible. Do I imply that the two men will use their new channel of contact for settling the world's affairs behind its back? The answer is: Yes, I do. And I am not altogether sure that it will not be a good thing either, never having been too enthusiastic an admirer of the old-fashioned conventional diplomacy or the new method of international haggling

personified by the United Nations' talking shop. My doubts about it stem from somewhat different reasons. For instance, it is practically bound to be copied, and I can picture a new profusion of link-ups—de Gaulle with Adenauer, Nehru with Khrushchev, and so on—all with the declared purpose of avoiding world disaster, but all in fact contributing to international tension by increasing suspicion of secret dealing and behind-the-back personal manoeuvring. There is much to be said for improving contacts between the world's statesmen. But to increase the personal element in world affairs is to help emasculate national Parliaments, weaken the useful and carefully-built-up channels of conventional diplomacy, and generally to strengthen the growing tendency to conduct the world's affairs on the senior executive principle. It might be as well to think out carefully what all this means before welcoming it too unreservedly.

THE VERDICT OF THE CANADIAN PEOPLE IN REJECTING Mr. Diefenbaker and his Party was not, I imagine, an unqualified vote in favour of nuclear arms for Canada, although that was what the election was supposed to be about. And Mr. Kennedy would be foolish, too, if he were to take it as approval of the part he has played in the whole dismal affair. I have not been following Canada's internal politics very closely during the past few years, but I have read enough to persuade me that Canadians had grievances against Mr. Diefenbaker's Government which had little connection with the argument about nuclear weapons. It seems to have suffered too from being at odds with the French-speaking section of voters, and this is something which could have considerable significance for the future of Canadian democracy. French Canadians appear to be developing into something of a militant lot these days. After living more or less contentedly alongside their English-speaking neighbours for centuries, it seems they have suddenly rediscovered their old national identity. They have always, of course, been rather apart culturally, and they have had excellent reasons in the past for resenting some of the more brash manifestations of British domination. But recently this somewhat sentimental attachment to former national roots appears to have become more aggressive, and it is not because the English-speaking section of the population is any more domineering now than it has been before. The reason seems to be the recent national resurgence of France herself, and this contrasted with the comparative eclipse of Britain and the weakening of the links between her and Canada. One cannot begrudge the French Canadians a measure of pride in their ancestry. But when they are prepared—as it is beginning to appear they might be—to let lies which are now more than 200 years old endanger the unity of their adopted country, antagonise their English-speaking compatriots, and risk doing irreparable damage to the



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future of democracy in Canada by acting always as a single group, then they might do well to think again.

So Mr. KRISHNAMACHARI PREFERS TOP-HEAVINESS in the Government of India! One cannot help admiring this able Minister's penchant for the unpopular view; but I see trouble ahead. The administration would, of course, be better if decisions were taken faster. It is not to be assumed, however, that a proliferation of secretaries and joint secretaries will necessarily eliminate log-rolling; and those who know how governments function may wonder whether there may not be more clerks and assistants with more secretaries and joint secretaries. As Professor Parkinson has shown, a secretary has to have, almost as a law of nature, two joint secretaries; otherwise he feels neither important nor secure enough. Carried to its logical extreme and applied to the Ministers, Mr. Krishnamachari's proposition might lead to the removal of all Ministers save the Prime Minister; the Government would then be really heavy at the top. To some observers it already seems that, on all questions that matter and many that do not, there is none but the Prime Minister. A more basic defect in the Government is that even when decisions are taken, promptly or otherwise, nothing much is done about them. And it is difficult to see a secretary actually doing something, except of course writing on files of which there is enough already. Ministers don't do this much, it is true; they make up for it by delivering speeches. All in all, I see no reason why the slumber of clerks and assistants should be disturbed because of Mr. Krishnamachari's speech. Some, in fact, may expect to be promoted to be secretaries or joint secretaries.

WHAT HAPPENS TO A NATION WHEN IT BECOMES an affluent society? Apparently it gets up to its ears in hire-purchase debt, sends its married women out to work, spends much of its leisure watching television, congregates in suburbs round the big cities, indulges in crimes of violence, grasps after unearned wealth, relaxes its morals and runs up bills for gambling which can be described in a sober official document as "stupendous". At least that appears to be the verdict passed on modern "John Bull" by a survey recently carried out in Britain. I am only glad to see there is another side to the coin. The British people are healthier and wealthier than they were ten years ago, and they certainly appear to be living in greater comfort. They are also better fed; and there is not likely to be any relapse into the working-class poverty of the 1930's. More books are read, despite television, and theatres, concerts, ballet, opera and painting have never been better supported. So the net result would certainly appear to be on the credit side of the account. What interested me most about the survey was its comments on the frustrations of life in Britain today. Not only is this being caused by the increase in commuting on a railway system which was at its best 50 years ago, but, at least so far as British youth is concerned, it seems to be an intrinsic feature of modern Britain itself. This may be because tastes, thanks to advertising and other forms of demand stimulation, have been growing even faster than incomes. But I think the real reason—and this is one I have been unable to find in the reports of the survey which I have read—is that the world is no longer its playground. Fifty years ago an adventurous young Briton could escape the restrictions of his own background by going to any one of a dozen exciting countries, India among them, and could hope to return, if not with a fortune, at least with a comfortable competence and a wealth of mature experience. Now it is not so easy; as Lord Mountbatten said rather surprisingly some time ago, what Britain needs today is not young men with fire in their bellies but highly-trained experts. The trouble with experts, though, is that as a race they are subject to the kind of neuroses and frustrations that the old empire-builders never knew. I suppose that is the price nature exacts for quenching the fire.

THE DITCHER

Guide for Investors

PROSPECTS FOR ENGINEERING SHARES UNCERTAIN

(BY A SPECIAL CORRESPONDENT)

THERE has been a fair recovery in engineering shares during the past week. Although the improvement has taken place along with other classes of shares on the hope that the Central Finance Minister will announce suitable modifications in the proposed super profits tax, the recovery is mainly inspired by the belief that this industry will greatly benefit from the present emergency because of big defence orders. In spite of the unilateral cease-fire, the Government continues to concentrate its attention and energy on raising defence production, although it is not possible for Government to make all information about it public. The industry has yet little knowledge about how the output capacity will be geared to defence production.

The investor, however, is not likely to go wrong if he takes it for granted that most of the engineering units will be asked to divert their productive capacity to making defence materials in due course. But this factor by itself should not give rise to complacency about the prospects for the shares. It is widely known that the output capacity in this industry has not been fully used due to various factors. To the extent the unused capacity has increased, the profitability has proportionately declined. An important factor contributing to a higher unit cost of production has been the under-utilisation of capacity.

The supply of steel, which constitutes the chief raw material for the engineering industry, has been generally short. Although the domestic production of steel considerably improved in 1962, fabricators have found it difficult to obtain the right quality of steel in proper quantities at the right time. There has also been a serious shortage of special quality steel. The engineering units have not been able to obtain the necessary sections and sizes of steel. It is reliably learnt that at least two leading wagon manufacturers lost production to the extent of nearly Rs. 4 crores as matching steel could not be obtained. The shortage of pig iron has been acutely felt. The performance of the industry has suffered because of the scarcity of good quality coke. Several engineering units, particularly those in West Bengal, has been adversely affected by the shortage of electric power. Tin-plate, copper, zinc and welding electrodes have been in short supply. The severe import cuts have made it difficult for the industry to obtain spare parts for maintenance. Costs of replacement and expansion have risen. This apart, it is doubtful whether defence production can be as remunerative as the stock market thinks it will be. The Government is likely to regulate the prices of these goods carefully.

An important attraction of engineering shares has been their growth prospects. Most of the leading units have taken steps to expand and diversify activities and modernise the equipment. Unless the super profits tax is substantially modified, it is likely that the programmes of expansion and modernisation will suffer. The recent emphasis on import substitution is a bull factor, and many engineering concerns have started producing large quantities of plant and machinery. Since the

demand for capital goods is very great, the prospect for this line should be good. If the industry is given the facilities, there is no reason why considerable expansion should not take place. But the industry must be allocated sufficient foreign exchange to import spares and raw materials. Vigorous efforts also need to be made to remove the shortages of transport, power and good coal. But these things will take time to fructify, so investors will be well advised to take a cautious view of the share prospects. Most of the engineering shares appear to be fairly-priced on the basis of current dividends. Since the general dividend outlook is not encouraging, at least in the near term, investors will do well to choose those companies which have already gone ahead with their plans for expansion, modernisation and diversification.

Cawnpore Textiles Maintains

ALTHOUGH the dividend has been maintained at 10 percent—50p on the Rs. 5-paid share—less tax, the working results of Cawnpore Textiles Ltd for the year 1962 show a considerable setback over the previous year's performance. In spite of an increase of 7.4 percent in the sales from Rs. 1.62 crores to Rs. 1.74 crores, the gross profit is down by as much as 37 percent from Rs. 26.12 lakhs to Rs. 19.09 lakhs. After providing Rs. 4.30 lakhs (against 3.79 lakhs) for depreciation and Rs. 7 lakhs (against Rs. 9 lakhs) for taxation, the net profit is down by 45.4 percent from Rs. 11.76 lakhs to Rs. 6.75 lakhs. Allocation to development rebate reserve has been reduced from Rs. 1.61 lakhs to Rs. 76,000 and provision for general reserve is also down from Rs. 5.50 lakhs to Rs. 3 lakhs. The excess provision for depreciation in previous years amounting to Rs. 9.47 lakhs, has been written back and transferred to capital reserve. After providing for the proposed dividend which absorbs Rs. 3 lakhs (the same), there remains a surplus of Rs. 49,055 to be carried forward, against Rs. 47,303 brought in.

The directors state in their report that while the working of the mill was satisfactory in points of production and efficiency, the profit margin was squeezed by the sharp increase in the cost of production on account of higher cotton prices, increase in the wage bill and rise in the prices of stores generally. The Company's export performance also suffered a setback due to keen competition from Indian and foreign exporters. The obligations enjoined under the export promotion scheme have, however, been fulfilled. The drop in export sales is reflected in the fall in the premium on cotton entitlement from Rs. 12.86 lakhs to Rs. 8.84 lakhs. The programme of renovation and modernisation of the mills continues to be implemented. The Company has a paid-up capital of Rs. 30 lakhs (all in equity shares of Rs. 5 each), and it is supported by free reserves amounting to Rs. 62.7 lakhs. At its current quotation (nominal) of Rs. 6.94 an ordinary share, the gross return on Cawnpore Textiles works out to around Rs. 7.8 percent. The book value of the share is high around Rs. 15.5. The gross block of

a little over Rs. 1 crore has been written down to Rs. 32.87 lakhs.

Progress of National Rubber

NATIONAL Rubber Manufacturers Ltd has produced satisfactory results for the year ended December 1962. Both turnover and profits have improved. So the taxable ordinary dividend has been increased from 6.5 percent for 1961 to 8 percent for 1962. The good results have been due to the expansion programme which has recently been completed. The Company has received an industrial licence for expanding the manufacturing capacity of industrial v-belts and fan-belts. The Company also expects to receive a licence to effect a substantial expansion of the capacity for cycle tyres.

In his address at the annual general meeting in Calcutta last Thursday, Mr. K. N. Mookerjee, chairman, points to the progress of General Tyres Ltd of which National Rubber Manufacturers are the managing agents. (A full text of the speech is printed on a later page in this week's issue of Capital.) The construction of buildings has been completed and the equipment installed. Trial production is expected soon. Meanwhile, the Government has issued a licence to the Company to expand its output capacity for tyres and tubes to 300,000 each.

The Company is exploring the possibility of exporting its products. Although a carbon black plant and a synthetic rubber plant are likely to start producing soon, the chairman has expressed his concern over the rising production costs of the rubber manufacturing industry. The latest Central Budget has increased the import duties on various items. The prices of domestic raw materials have also risen due to the imposition of the increased excise duty. As for the super profits tax, Mr. Mookerjee thinks that it will affect the capacity of companies to pay dividends and plough back funds into reserves. Besides, it will affect the flow of foreign capital and technical know-how. So the levy, it is expected, will be substantially modified.

Cawnpore Sugar Skips Again

THE Cawnpore Sugar Works Ltd reports disappointing results for the year ended October 1962. In spite of slightly larger sales, the Company has suffered a heavy loss and the dividend has been skipped for the sixth year in a row. Sales of sugar, molasses, spirits and denaturants recorded a modest rise from Rs. 4.19 crores to Rs. 4.28 crores, but the Company has incurred a loss of Rs. 13.07 lakhs, compared with a profit of Rs. 7.07 lakhs in the previous year. After providing Rs. 7.25 lakhs (against Rs. 6.80 lakhs) for depreciation, Rs. 1.36 lakhs (against Rs. 2.19 lakhs) for development rebate reserve and Rs. 6,500 (against Rs. 5,500) for agricultural tax, the net loss amounts to Rs. 21.74 lakhs, compared with Rs. 1.97 lakhs in 1960-61. Together with the loss brought in, the

total loss amounting to Rs. 25.45 lakhs is being carried forward.

The directors have attributed the adverse trading results to the heavy losses incurred by the Padrauna and Kathkuiyan factories. The cane yield was relatively poor, which was the inevitable consequence of these factories having to continue crushing as late as June 1962 under Government orders to cope with the cane supplies available. There was also a mechanical setback. Besides, the Company sustained a loss of Rs. 9.50 lakhs on exports in fulfilling the export obligations at prices far lower than production costs. The substantial increase in bank interest and other charges added to the losses.

The directors are considering ways to implement certain suggestions for the improvement and rehabilitation of the factories. Heavy floods and adverse weather conditions resulted in a drop in the cane yield in the 1962-63 season, and also in a shorter season. As for the 1963-64 season, the cane development scheme has been revived on an extensive scale so as to make sufficient and better quality of cane available for crush during the season.

National and Grindlays Earns More

THE Indian branches of the National and Grindlays Bank Ltd have earned a profit of Rs. 62.46 lakhs during the year ended December 1962, compared with Rs. 60.99 lakhs in 1961. (Fuller details appear on a later page of this week's Capital.) Interest paid on deposits rose from Rs. 2.54 crores to Rs. 2.87 crores, and interest and discount earned were higher at Rs. 6.08 crores, compared with Rs. 6.71 crores. Deposits improved from Rs. 120.87 crores to Rs. 126.96 crores. Cash stood at Rs. 9.79 crores, against Rs. 9.98 crores. Investments rose from Rs. 18.46 crores to Rs. 20.76 crores and advances from Rs. 106.67 crores to Rs. 119.68 crores.

Non-woven Fabrics from Tata and Digvijay Mills

MANY textile mills are known to have been thinking, for quite some time, of undertaking the manufacture of non-woven fabrics. In fact, two Bombay mills—Digvijay Spinning and Weaving and Tata Mills—and two Kanpur mills—Annapurna and Swadeshi—submitted their schemes to the Government of India some time ago, seeking permission for installing plants. The manufacture of non-woven fabrics is quite new to India. It also involves special technical know-how and techniques. After considering various factors such as the need for the development of new processes in the textile industry, foreign exchange difficulties and the need for export promotion, the Textile Commissioner, it is reported, has recommended to the Central Ministry of Commerce and Industry that mills wishing to set up plants for the manufacture of non-woven fabrics should be allowed to do so only if they fulfil certain basic conditions.

The Textile Commissioner has suggested that any party which is allowed to put up a plant for making non-woven fabrics should give a guarantee to export non-woven cloth produced on imported plant equal to the value of the imported machinery every year for a period of three years starting from one year after the date of installation of the plant. Alternatively, the party should give a guarantee to export additional quantity of any type of cloth equal to the value of the imported plant

every year for three consecutive years after the imported plant goes into production. This export will be in addition to the average exports, if any, made by the mills during the last three years or last year, whichever is higher. Yet another condition is that the foreign exchange required for raw materials such as synthetic fibres and binding agents, and also for collaboration arrangements, should be financed by import entitlements earned by the additional export of fabrics. The Textile Commissioner, it is said, is of the view that composite textile mills which can finance the import of capital goods out of their machinery entitlements under the export promotion scheme should be given priority.

Reliable reports indicate that of the four textile mills which had sought the Government's permission for setting up plants for non-woven fabrics, only Digvijay Spinning and Weaving Mills and Tata Mills are being allowed to set up new plants. Applications of the other two mills from Kanpur are likely to be turned down as they are not prepared to accept the export obligations. Digvijay Spinning and Weaving Company proposes to set up a plant with an annual capacity of 600,000 lbs. on a single-shift basis, of non-woven fabrics to be made entirely from indigenous raw materials—cotton, wool, art silk, staple fibre waste. No foreign collaboration is visualised, but the Company will need to spend Rs. 4 lakhs on the import of capital equipment, which will be against the import entitlements of the mill.

In terms of the export obligation, the Company will be in a position to earn about Rs. 12 lakhs by way of foreign exchange.

Tata Mills proposes to manufacture 417,233 kilograms of non-woven fabrics a year from raw materials which will be procured partly from indigenous sources and partly from abroad. Imported capital equipment will cost about Rs. 10 lakhs and machinery worth Rs. 2 lakhs is being obtained from indigenous sources. Imported raw materials consist of polyester fibre and synthetic polymers valued at a little over Rs. 50 lakhs. In due course, however, these raw materials will become available from within the country. The entire project is to be financed out of the mills' own resources. The Company is seeking the collaboration of the U.S. firm of Buresh of Blandford for advice on the selection and installation of the plant and equipment. The British firm of Lanter Ltd will assist the Company in the operation and marketing of the products.

Digvijay Spinning has agreed to export cloth equivalent to the value of machinery every year for three years, and it has requested the Government to grant at least 75 per cent of its export earnings from non-woven fabrics for the import of necessary raw materials. Tata Mills will earn about Rs. 30 lakhs of foreign exchange a year under the export obligation. In their last annual report for 1961, the directors have stated that they will start the production of non-woven fabrics shortly.

Atul Products to Issue Rights

THE preliminary figures about the working of Atul Products Ltd in 1962, released along with the announcement of the dividend of 12 per cent (the same as in 1961), showed that while sales had fallen by 12.6 per cent from Rs. 4.75 crores to Rs. 4.15 crores, the gross profit has come down by only 6.7 per cent from

Rs. 1.32 crores to Rs. 1.23 crores. According to the directors' report, which is now available, the profit for 1962 includes a sum of Rs. 27.27 lakhs (net) received as dividends from other companies, compared with Rs. 18.06 lakhs in the previous year. However, considering that the Company continued to experience difficulties in the supply of raw materials in maintaining an efficient and economic level of production, the working results for 1962 do not look unencouraging.

As against the quota of import licences which the Company used to have in 1958, it received in 1962 only 41.5 per cent of the value of such licences and it had to make good the deficit by purchases from other sources. In addition to the increase in cost due to this reason, there have been increases in other costs also. The import licences for raw materials have been cut down still further in 1963, and the Company will have to face a difficult situation.

The directors state that although the market for dyes was rather dull during the major part of 1962, the Company was able to maintain, more or less, the value of sales in dyes. On the pharmaceutical side, there were no sales at all of aureomycin and its related products because from the beginning of 1962, Cyanamid India Ltd took over the manufacture of these products. The Company is trying to make good this loss of business by pushing the sales of the remaining pharmaceutical products and by undertaking the manufacture of additional products. It has undertaken the manufacture of many new products like Bon acid, caustic soda, naphthalene intermediates, fast colour bases and chlorosulphonic acid.

The erection of the Bon acid plant is almost completed and initial production, it is expected, will begin shortly. There has been some delay in the setting up of the caustic soda plant due to certain unexpected difficulties. However, the Company expects to start this plant by September 1963, and gradually reach its full capacity by 1964. The building for the naphthalene intermediates plant is being constructed. Orders for the equipment have been placed and the plant, it is expected, will be ready only in the beginning of 1965. The Company applied for an import licence for the equipment for the fast colour bases plant some time in October 1962, and expects to get it soon. It is hoped that this plant will be ready by the end of 1965. The Company is setting up a plant for the manufacture of chlorosulphonic acid and is also extending its present sulphuric acid plant for the manufacture of additional quantity of sulphuric acid needed for this purpose and for the purpose of manufacturing oleum of 65 per cent strength. Orders for the equipment have already been placed, and the plants, it is expected, will be ready by the end of 1964. The Company is also thinking of going into a project for the manufacture of dicalcium phosphate and some other chlorinated products. Both these projects are intended to help the Company in making productive use of chlorine coming out of the caustic soda plant. The industrial licences for these products have already been received.

The Company needs substantial additional finance for its expansion schemes, so the directors have decided to increase its capital by the issue of equity shares worth Rs. 1 crore to be offered to existing shareholders in the proportion of one share for every three held. The Company has applied to the Controller of Capital Issues for his consent to the issue. It is also said to be negotiating with a bank for a medium-term loan to be received during 1963 to 1965 for a total sum

not exceeding Rs. 3 crores, against the security of mortgage debentures which will be covered by a charge on the Company's assets. There has been a delay in the setting up of plants for the manufacture of urea formaldehyde resins and intermediates for sulfa drugs due to various formalities for securing foreign exchange. Orders for machinery have now been placed and the plant for urea formaldehyde resins, it is expected, will be ready by the end of 1964, and that for sulfa drugs intermediates a year later. The Company has taken a further step in increasing its association with Ciba Ltd, Basle. This firm has established a modern and well-equipped research laboratory in Goregaon (Bombay), with the object of doing basic research in some chemical fields. A section for basic research in the field of dyes and their applications has been included in this laboratory. Atul Products will contribute to the expenses of running this section and will also share in the research results achieved by it. The directors add that the Company has by now drawn the entire loan of Rs. 3 crores from the Government of India and has repaid Rs. 53,36,363 up to 31st March, 1963.

In his chairman's statement to shareholders which has been circulated with the directors' report, Mr. Kasturbhai Lalbhai says that while supplies of coal were adequate during the year, the position relating to raw materials was worse than in the previous year. The Company was not only unable to make a proper selection in the purchases of raw materials, but it had also to pay higher prices for what it purchased. With its quota licences drastically cut down, Atul Products has to fall back on whatever other sources it has to procure sufficient raw materials. This condition will be relieved to some extent by the supply of five different intermediates the Company has started to manufacture. But the chairman adds that in spite of this, it will be only with great difficulties that the Company will be able to maintain a satisfactory level of production.

It is expected that by 1965, Atul Products would have invested approximately Rs. 12 crores in fixed assets, in working assets and in fulfilling the investment obligations in the associated companies. The increased requirements of finance, it is proposed, will be met by the issue of equity capital and by raising a medium-term loan from the Company's bankers. The chairman says that the increased duties on some of the imported raw materials, a 10 per cent surcharge on the excise and a levy of super profits tax will, on a rough calculation, impose a burden of Rs. 25 lakhs on the Company. The super profits tax will also affect the income which the Company will receive from the associated companies by way of dividend.

Progress of Permanent Magnets

THE directors of Permanent Magnets Ltd state in their second annual report for 1962 that orders have already been placed for the import of further machinery to complete the project in order to raise the production capacity from the present 90 tons to 180 tons of finished permanent magnets a year. The entire machinery, it is expected, will be received by October 1963, and will be installed by the end of it. The factory went into commercial production in January and was formally inaugurated in February. The Company has obtained a loan of Rs. 12.50 lakhs (\$262,500) from the Industrial Credit

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and Investment Corporation of India to meet the foreign exchange requirements of the project. Due to an increase in the capital expenditure which, on revised estimates, is now expected to cost Rs. 45 lakhs, Permanent Magnets has been sanctioned an additional loan of \$12,000 by the I.C.I.C.I. to meet the cost of additional equipment to complete the project.

The Company had used up to the end of March 1963, a sum of Rs. 5.92 lakhs equivalent to \$125,307 out of the I.C.I.C.I. foreign exchange loans. It proposes to secure a long-term loan of Rs. 10 lakhs from its bankers in addition to the cash credit arrangements for Rs. 10 lakhs. The directors propose to borrow money in excess of the paid-up capital of the Company to the maximum limit of Rs. 50 lakhs. The Company incurred a loss of Rs. 1.81 lakhs during 1962, after providing Rs. 89,548 for depreciation and transferring a sum of Rs. 1,59,122 as expenditure during construction. Development rebate amounting to Rs. 2.31 lakhs is to be provided as and when the Company is able to earn sufficient profits. After adjusting the small surplus brought forward from the previous year and writing back excess provision for income tax, the Company has carried forward a loss of Rs. 1.80 lakhs. The Rs. 100-paid share is currently quoted around Rs. 190.

Commercial Mills Pays Again

THE Commercial Ahmedabad Mills Co Ltd, which had skipped the dividend in 1961 and had instead given one bonus share for every six equity shares held, has declared a gross dividend of 16 per cent, that is, Rs. 40 a share (Rs. 250-paid), for the year 1962. The Company's sales are down by about 3 per cent from Rs. 2.03 crores to Rs. 1.97 crores, but the gross profit is down by nearly 11 per cent from Rs. 34.24 lakhs to Rs. 30.34 lakhs. The setback in profit is attributable to higher costs of production as a result of the increase in the prices of raw material, stores, coal and power and the enhanced wage bill. While costs increased, selling prices of cloth continued to be fixed. After providing Rs. 8.13 lakhs (against Rs. 9.25 lakhs) for depreciation, Rs. 1.13 lakhs (against Rs. 38,865) for development rebate and Rs. 11.62 lakhs (against Rs. 12.20 lakhs) for taxation, the net profit amounts to Rs. 7.34 lakhs compared with Rs. 10.92 lakhs in the previous year. A sum of Rs. 51,232 (against Rs. 36,338) has been set aside for donation and the proposed dividend absorbs Rs. 6.46 lakhs. The Rs. 250-paid share of the Company is quoted around Rs. 545.

Brady Engineering Does Well

BRADY Engineering Co. Ltd reports satisfactory results for 1962. The production of pulley blocks and other lifting equipment increased substantially during the year, and the proceeds of engineering work increased by about 24 per cent from Rs. 26.14 lakhs to Rs. 32.50 lakhs. The gross profit, however, is only slightly higher at Rs. 9.78 lakhs, compared with Rs. 9.67 lakhs in 1961. The dividend has been maintained at Rs. 2 a share, including a bonus of Rs. 2 a share. After providing Rs. 1.31 lakhs (against Rs. 1.19 lakhs) for depreciation and Rs. 3.90 lakhs (against Rs. 3.70 lakhs) for taxation, the net profit amounts to Rs. 3.74 lakhs, against Rs. 3.95 lakhs in the preceding year. With Rs. 49,445 brought forward from the previous year, the disposable surplus amounts to Rs. 4.24 lakhs. The directors have set aside Rs. 16,316 (against Rs. 24,826) for development

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rebate reserve and Rs. 1.28 lakhs (against nil) for taxation reserve to meet the liability arising from the proposed super profits tax. The directors have also set aside Rs. 38,948 for taxation for the previous year.

The proposed dividend absorbs Rs. 2.25 lakhs, leaving Rs. 16,853 to be carried forward, against Rs. 49,445 brought in. The directors state that the Company's capacity to maintain the present level of production will depend on an adequate allocation of foreign exchange for the import of carbon steel which is an essential ingredient in the manufacture of pulley blocks and other lifting equipment. The Company has an equity capital of Rs. 20 lakhs of which Rs. 10.4 lakhs is held by the holding company—W. H. Brady and Co. The Company's gross block of Rs. 24.9 lakhs has been written down to Rs. 14 lakhs. The Rs. 80-paid share of Brady Engineering is quoted nominally around Rs. 100.

G. Claridge Earns Less

DESPITE a 5 per cent increase in the gross realisation on printing, binding, litho, box making and stationery sales from Rs. 48.86 lakhs to Rs. 51.31 lakhs, the gross profit of G. Claridge and Company for the year 1962 is slightly down from Rs. 9.79 lakhs to Rs. 9.34 lakhs. After providing Rs. 1.46 lakhs (against Rs. 1.28 lakhs) for depreciation and Rs. 3.20 lakhs (against Rs. 3.67 lakhs) for taxation, the net profit amounts to Rs. 3.88 lakhs, compared with Rs. 3.87 lakhs in 1961. A sum of Rs. 3.04 lakhs has been transferred from the earlier provisions for gratuity and welfare, which raises the disposable surplus to Rs. 6.92 lakhs. The provision for development rebate is slightly higher at Rs. 63,031, compared with Rs. 51,951. A sum of Rs. 34,000 has been provided against short provision for taxation concerning the previous year. Recurring for taxation has been allocated Rs. 1.10 lakhs (against nil) and general reserve Rs. 3.60 lakhs (against Rs. 6.30 lakhs). The proposed dividend of Rs. 15 a share, less tax, on old shares and Rs. 4.10 a share on new shares absorbs Rs. 1,52,600 (against Rs. 2.40 lakhs). After making various appropriations, there remains a small sum of Rs. 840 to be carried forward, against Rs. 9,716 brought in. The Rs. 100-paid share of G. Claridge is quoted nominally around Rs. 180.

Empire Dyeing Pays Less

ALTHOUGH the dividend has been halved from Rs. 5 to Rs. 2.50 a share, less tax, the working results of the Empire Dyeing and Manufacturing Co. Ltd for 1962 show that the Company has done reasonably well—at least, better than in 1961. Income from dyeing, mercerising, bleaching, etcetera, is slightly higher at Rs. 52.43 lakhs, compared with Rs. 52.20 lakhs in the previous year, and the gross profit has increased from Rs. 7.42 lakhs to Rs. 8.34 lakhs. After providing Rs. 1.02 lakhs (against Rs. 52,239) for depreciation and Rs. 2.11 lakhs (against Rs. 3.13 lakhs) for taxation, the net profit amounts to Rs. 4.62 lakhs, against Rs. 3.11 lakhs in the preceding year. Allocation to the development rebate reserve has been stepped up from Rs. 12,468 to Rs. 90,663, while the provision for gratuity to staff has been maintained at Rs. 15,000. Doubtful debts claim at Rs. 2,969 and the directors have had to set aside Rs. 36,000 for taxation for the previous year. An additional sum of Rs. 69,000 has been provided for liability against the proposed super profits tax. Bonus for the previous

year takes another Rs. 1.16 lakhs. After transferring Rs. 1.56 lakhs from the provision for gratuity and Rs. 2.30 lakhs from the reserve for rehabilitation of plant and machinery, the directors have set aside Rs. 3.80 lakhs to general reserve. The proposed reduced dividend of Rs. 2.50 a share absorbs Rs. 1.50 lakhs, (against Rs. 3 lakhs), leaving a sum of Rs. 5,212 to be carried forward, against Rs. 17,679 brought in.

The directors state in their report that the first nine months of the year were very successful and the works maintained production at the peak level. But after the declaration of the emergency in October 1962, there was a considerable fall in the supply of goods for processing, especially from the powerloom sector, due to which the works suffered in production in November and December 1962. The Famatex machine, which was scheduled to be delivered to the works by the end of April 1962, was delivered late due to conditions beyond the control of the manufacturers, and was erected and put into production only towards the end of November. The back-filling machine was received in April last and is now in operation. The Company has a paid-up capital of Rs. 9 lakhs (all in equity shares), of which bonus shares account for Rs. 7.2 lakhs. The reserves and surplus amount to Rs. 10.9 lakhs. The gross block of Rs. 29.1 lakhs has been written down to Rs. 10.9 lakhs. The Rs. 15-paid share of the Company is currently quoted around Rs. 71.50, offering a gross return of about 3.6 per cent.

Bharat Commerce Repeats

ALTHOUGH Bharat Commerce and Industries Ltd has repeated a taxable ordinary dividend of 15 per cent for the year ended December 1962, the directors say that they may find it difficult to maintain it in future in view of the new taxes proposed in the 1963-64 Budget. They posed in the progress and expansion of the Company may suffer from heavier taxation. The staple due to heavier plant in Nagda has fibre spinning plant in Nagda has worked satisfactorily. It has 30,360 ring spindles and 16,544 doubling spindles. The production of staple fibre yarn has increased steadily, but the demand has not kept pace. In fact, the price of staple fibre has been moving downwards due to increased domestic production, combined with imports.

The erection of the Kiran spinning mills in Thana, Maharashtra, has been completed. At present, 10,000 spindles have been operating. A licence for a further 6,000 spindles has been obtained and efforts are being made to get a licence for another 5,000 spindles. The erection of 6,000 spindles has already begun and they may operate soon. An industrial licence for 12,000 ring spindles to produce cotton yarn has also been obtained. The necessary machinery has been ordered and the project may start working towards the end of 1963.

The spinning department of the textile mill in Nanjangud, Mysore, which was recently acquired, is being modernised at a cost of about Rs. 20 lakhs. Orders for new ring frames, high-speed drawings and Simplex fly frames have been given. As a result of the modernisation, the efficiency of the mill should improve. An import licence for plant and machinery to produce H.T. and L.T. porcelain insulators has been obtained, and the directors are considering the implementation of the project. They are thinking of setting up a cotton textile mill in Rajpura, Punjab, and another in Madhya Pradesh. The Company has

acquired one more aircraft. Both the aircraft have been engaged in non-schedule charter flights with satisfactory results.

The profit has fallen from Rs. 55.79 lakhs in 1961 to Rs. 28.05 lakhs in 1962, after transferring Rs. 11.62 lakhs (against Rs. 7.93 lakhs) to depreciation. The ordinary dividend is more than three-and-a-half times covered, and offers a yield of 7.2 per cent at the present price of Rs. 20.75 a share of Rs. 10 each. Development rebate is allocated Rs. 5.88 lakhs (against Rs. 4.37 lakhs), contingencies Rs. 2 lakhs (the same) and taxation Rs. 6.25 lakhs (against Rs. 8.50 lakhs). General reserve absorbs Rs. 5 lakhs (against Rs. 30 lakhs), leaving a carry-forward of Rs. 17,588, against Rs. 1.46 lakhs brought in.

Indian Bank Cuts Dividend

THE working results of the Indian Bank Ltd for the year 1962 indicate some progress, in that the deposits, advances and gross earnings are all higher than those of the previous year. The profit after tax, however, is considerably lower due to an all-round increase in expenses, and the directors have been obliged to reduce the dividend from 15 per cent to 14 per cent, less tax. But since the dividend is on a larger capital—Rs. 88.40 lakhs, against Rs. 83.02 lakhs—as raised by the call made on the partly paid-up shares, making them fully paid-up during the year, the total amount distributed by way of dividend is only slightly lower at Rs. 12.20 lakhs, against Rs. 12.45 lakhs.

The deposits increased by 10 per cent from Rs. 40.05 crores to Rs. 44.03 crores, but with borrowings from other banks moving sharply up from Rs. 98.07 lakhs to Rs. 3.54 crores, the Bank was able to increase its advances by about 18 per cent from Rs. 25.71 crores to Rs. 30.38 crores. The ratio of advances to deposits moved up from 64.1 per cent to 68.9 per cent. The bank's investments rose from Rs. 13.07 crores to Rs. 14.61 crores, and its income from interest and discount increased from Rs. 2.15 crores to Rs. 2.26 crores, while that from commission, exchange and brokerage, rose from Rs. 49.27 lakhs to Rs. 53.21 lakhs. The other income was slightly lower at Rs. 5.05 lakhs, against Rs. 5.19 lakhs.

The increase in earnings, however, was more than offset by the increase in expenses. Interest paid was higher at Rs. 1.23 crores, against Rs. 1.18 crores and staff expenses moved up from Rs. 94.57 lakhs to Rs. 1.05 crores. After providing for taxation and depreciation, the net profit amounts to Rs. 15.25 lakhs, against Rs. 22.12 lakhs in 1961. No provision has been made for sinking fund, gratuity fund and building fund which, between them, received Rs. 4.55 lakhs in the previous year. Allocation to the reserve fund has been reduced from Rs. 9.25 lakhs to Rs. 3.10 lakhs. The proposed dividend absorbs Rs. 12.20 lakhs (against Rs. 12.45 lakhs), leaving a sum of Rs. 1.44 lakhs to be carried forward, against Rs. 1.49 lakhs brought in. As against its paid-up capital of Rs. 88.40 lakhs, the Bank's reserves total Rs. 90.02 lakhs, which include Rs. 14.57 lakhs under the share premium account. The Rs. 100-paid share of Indian Bank is quoted around Rs. 174.50 cum-dividend, offering a gross return of about 8.3 per cent.

Southern Structurals Earns More

A MARKED rise in the profit and turnover and a dividend of 6 per

cent on equity shares feature the working results of Southern Structurals Ltd for the year ended December 1962. The profit amounts to Rs. 11.09 lakhs, after providing Rs. 3.60 lakhs for depreciation and Rs. 60,000 for development rebate reserve. The profit for the previous year was Rs. 3.84 lakhs, after providing Rs. 3.07 lakhs for depreciation and Rs. 77,685 for development rebate reserve. Out of the year's profit, preliminary expenses and brokerage amounting to Rs. 40,883 have been written off. The proposed dividend on equity shares subject to deduction of tax, will absorb Rs. 3 lakhs. The brought-forward loss of Rs. 7.42 lakhs from the previous year is adjusted against the year's profit, leaving a balance of profit of Rs. 26,293, which is carried forward.

Sales of railway wagons amounted to Rs. 1.51 crores, compared with Rs. 89.21 lakhs in the previous year. Proceeds of structural contracts amounted to Rs. 10 lakhs, against Rs. 5.32 lakhs. During the year, additions amounting to Rs. 8.03 lakhs were made to the value of machinery. As a result, the Company's capacity for the fabrication of both wagons and general structurals has appreciably increased. The total value of contracts to be executed for the Railway Board as on 31st December, 1962, was about Rs. 5.6 crores. The Company's licensed capacity for the manufacture of wagons is now 2,000 in terms of four-wheelers. On the structural side also, the Company's licensed capacity has been increased to 6,000 tonnes a year. The structural work which the Company has undertaken for the heavy vehicles factory in Avadi is about 5,200 tonnes. According to the schedule, the entire tonnage should be fabricated and erected well before the end of 1963. During the year, the supply position of steel was better, more especially in relation to the execution of "operational" and "core" projects on which the Company is now largely concentrating. The total output of the factory in 1962, covering both wagons and structural work, was over 8,000 tonnes, which is about 50 per cent more than the 1961 figures.

Prospects for Thirumbadi Rubber

THE rigid price policy for raw rubber, the most rigorous treatment from the agricultural income tax authorities and the disadvantage of planters having replanting and new clearing programmes are some of the highlights of the speech of Mr. A. D. Bolland, chairman of the Thirumbadi Rubber Co. Ltd at the recent annual general meeting. Referring to the rubber plantation industry, the chairman said that it was in a "peculiar position." While it is faced with a higher cost of production over which it has no control, the stagnant controlled prices of rubber have drastically reduced profit margins. Wages and amenities which form the largest single item of cost have been enhanced considerably over the years. Mr. Bolland said that there would have been no cause for complaint if the rubber prices were kept flexible.

Referring to taxation, the chairman said that such profits as the planters were able to make—in spite of the adverse circumstances—were subjected to the "most rigorous treatment" by the agricultural income tax authorities. While there has been no increase in the rates of tax this year, the recent methods of interpretation of the Act and the rules by officers in assessing the allowable expenses run counter to the basic tenets of corporate taxation. According to the chairman, things would not have been too bad if agricultural income tax rules of Kerala were somewhat

similar to those of Mysore and Madras.

The Kerala rules, Mr. Bolland said, do not allow any replanting and upkeep expenses as revenue expenditure for tax purposes. So planters who have replanting and new clearing programmes are at a disadvantage. Viewed against the Government's policy of encouraging the rehabilitation of old rubber plantations and of further extension of the rubber acreage, the taxation methods, Mr. Bolland said, are most unwise.

Mr. Bolland welcomed the news that the depreciation allowance on rubber recommended by the Tariff Commission would in future be treated as a deduction from income for the purpose of assessing agricultural income tax. Although the Central and State Budgets this year may not directly hit the industry, their effects are bound to be felt indirectly as a result of the post-Budget increases in the prices of goods and services. As for the super profits tax, Thirumbadi Rubber, being largely an agricultural enterprise, may not be brought within the scope of the tax.

After considering the financial implications of the seven-year programme of rehabilitation and development, the directors have decided to abandon the development plans and concentrate on a more intensive programme of replanting in 1963-64 and 1964-65 so that whole of the remaining areas are replanted under the current scheme. The Company is contemplating increasing its purchases of latex from outside sources for processing in its factory. This is expected to add to the Company's revenues considerably. In order to augment its cash resources further, the directors have decided to plant as much of the reserve land as possible with cashews. This is expected to bring in a sizable income after five years or so.

Punalur Paper Makes Progress

PUNALUR Paper Mills Ltd, which celebrated its silver jubilee in December 1962, has formulated a scheme to increase production to meet the growing demand for its products. Measures have been taken to produce improved qualities of paper to meet the competition from more modern mills. The Company has placed orders for a modern plant to replace the original paper machine, except

for the Yankee cylinder, which is being retained. The overall cost of the scheme is estimated at Rs. 31 lakhs. Preparatory work, including a double storey extension to the Finishing House is already in hand. The installation of the new machinery is likely to be completed this year. The capacity of the mill will then increase by about 3,000 tonnes a year.

In order to finance the scheme, the Company's share capital is being increased by a rights issue for cash offering two shares for every three held at a premium of Rs. 10 a share. The total amount the issue is expected to raise is Rs. 14.05 lakhs. The Industrial Finance Corporation of India will offer a loan of Rs. 15 lakhs. Meanwhile, the Company has made arrangements for the regular supply of raw materials. The agreement with the Forest Department of the Kerala Government has been renewed for a further period of ten years. The availability of other raw materials, particularly waste paper which is in short supply, will, to some extent, determine the progress of expansion. Nevertheless, schemes are now being worked out for the modernisation of the two paper machines with corresponding development elsewhere in the mill. The development programme is likely to be phased over the next five years. The Company has also initiated active steps to enter the export markets.

Coimbatore Pioneer Mills Earns Less

A DECLINE in the profit and a cut in the dividend feature the working results of Coimbatore Pioneer Mills Ltd for the year ended December 1962. The directors have announced a dividend of 15 percent, against 25 percent for the previous year.

According to the preliminary figures, the gross profit for the year amounts to Rs. 26.06 lakhs, compared with Rs. 30.02 lakhs for the previous year. After providing Rs. 6.48 lakhs for depreciation and Rs. 1.35 lakhs for development rebate reserve, the net profit amounts to Rs. 16.42 lakhs. The previous year's net profit was Rs. 20.12 lakhs, which was arrived at after providing Rs. 5.63 lakhs for depreciation and Rs. 2 lakhs for development rebate reserve. Adding to the year's net profit of Rs. 16.42 lakhs a sum of Rs. 17,916 brought forward from the previous year, and Rs. 9,663

being the balance of the excess provision set apart from the equity dividend in the previous year's accounts, the total available for appropriation is Rs. 16.70 lakhs.

Out of this, the directors have provided Rs. 8.76 lakhs (against Rs. 9.50 lakhs) for taxation. The provision for the proposed super profits tax amounts to Rs. 3.04 lakhs. General reserve gets Rs. 35,000 (against Rs. 32.5 lakhs). The dividend at 8.45 percent on preference shares accounts for Rs. 8,450. The proposed dividend on ordinary shares will absorb Rs. 4.46 lakhs. After making these provisions and appropriations, there remains a balance of Rs. 614 which is carried forward.

Diversification Plans of P. and O.

ALTHOUGH there is nothing on any substantial scale in view at present, P. and O. intends to take a more positive line in the matter of diversification. Attention will be given primarily to businesses allied to, or extended from, its major interests in shipping.

Presiding at the annual general meeting in the absence of Sir Donald Anderson in London recently, Mr. F. E. Harmer, deputy chairman, said that the group would also be receptive to other investment possibilities, the profit from which would help to fill in the troughs which the shipping industry had always experienced. "Material resources" might be set aside for that purpose in the next ten years.

Mr. Harmer also disclosed that the P. and O. board proposes to make some reduction in the depreciation charge, thus diminishing the book profit on the sale of old ships. But it is understood that the difference is not likely to be very large. No forecast was made about the current year's results, although there seems to be a fair prospect of the group maintaining a reasonable cash flow. All the tankers are employed, and the tanker side is being reorganised so that the future fleet of 19 ships will come under a single management—Trident Tankers. Answering questions, Mr. Harmer said that the board would give consideration to a capitalisation of reserves, but he gave no hope that this was an immediate prospect. He saw no advantage in a property re-

Trichinopoly Mills Cuts Dividend

A SUBSTANTIAL drop in the profit and a cut in the dividend feature the working results of the Trichinopoly Mills Ltd for the year ended December 1962. The directors have recommended a dividend of 10 percent, against 15 percent for the previous year. Sales of yarn declined to Rs. 37.42 lakhs from the previous year's Rs. 45.33 lakhs. The net profit, before taxation, amounts to Rs. 2.81 lakhs, after providing Rs. 1.02 lakhs for depreciation. This compares with the previous year's net profit of Rs. 6.74 crores, after providing Rs. 96,430 for depreciation. With Rs. 61,077 brought forward, the total available for appropriation is Rs. 3.42 lakhs. Out of this, income tax paid amounted to Rs. 22,880. A sum of Rs. 24,600 (against Rs. 400) is transferred to development rebate reserve. Provision for taxation amounts to Rs. 1.20 lakhs (against Rs. 3 lakhs). The proposed dividend will absorb Rs. 1.40 lakhs. The balance of Rs. 3,312 is carried forward.

The directors' report says that during the year, there was a scarcity of quality cotton due to the failure of crops. While cotton prices ruled high, Trichinopoly Mills was obliged to sell 40s yarn—the Company's major production—at unremunerative prices throughout, in accordance with the voluntary price control scheme. There was also a power cut for a short duration. These factors were responsible for the lower profits.

New Capital Issues

SEVEN companies have been authorised to raise capital totalling Rs. 3.86 crores. Of these, two are State Government undertakings. Two companies are issuing debentures, three equities and two equity plus preference shares.

The following are the details:

Hindustan Times Ltd., New Delhi, will raise capital of Rs. 65 lakhs in debentures of Rs. 1,000 each carrying an interest not exceeding 7 percent.

The Saraswati Sugar Syndicate Ltd has been allowed (in supersession of a previous consent) to issue debentures of the value of Rs. 60 lakhs privately, carrying interest at 7 percent a year for cash at par.

Kerala State Industrial Development Corporation Ltd., Trivandrum, is to issue further capital of Rs. 100 lakhs for cash at par divided into 10,000 equity shares of Rs. 1,000 each to be issued privately.

The Maharashtra State Farming Corporation Ltd., Bombay, a State Government undertaking, is raising capital of Rs. 75,00,000 divided into 7,500 equity shares of Rs. 1,000 each to be subscribed privately.

S. B. Joshi and Company Ltd., Bombay, is issuing capital of Rs. 19,35,750 in equity shares of Rs. 10 each for cash at par to be made to the public. The consent is valid for a period of 24 months.

Ahmedabad Jupiter Spinning, Weaving and Manufacturing Company Ltd., Ahmedabad, will issue further capital of Rs. 36,40,750 consisting of 20,000 preference shares of Rs. 100 each and 13,126 equity shares of Rs. 125 each. All the shares will be allotted as fully paid to the shareholders of Hind Mills Ltd, Bombay, in terms of the scheme of amalgamation to be approved by the High Court.

Venkata Ratnamba Textiles Ltd., Madras, is issuing capital of Rs. 30 lakhs consisting of equity shares of the value of Rs. 25 lakhs and 9.5 percent preference shares of Rs. 5 lakhs for cash at par.

valuation, or in showing the fleet insurance values.

The Stock Markets

UNDERTONE REMAINS CHEERFUL IN CALCUTTA

Wednesday Evening.

THE stock market closed early today due to the death of a member. Hence it did not have sufficient time to digest the implications of the concessions announced by the Central Finance Minister, Mr. Morarji Desai, in the super profits tax on Tuesday. At the close, the cheerfulness which has prevailed in Lyons Range for some days, continued to influence trading. The clearing on Wednesday was about the most eventful in several weeks. Share prices were marked up substantially and carry-forward charges were somewhat smaller than in the previous settlement. In response to the improvement, the authorities have taken steps to restore freer trading. The remaining minimum prices in the case of clearing shares have been scrapped. There will henceforth be no compulsory carry-over at fixed badias. Restricted forward trading has also been introduced.

So far so good, but it is wondered whether the optimism in Lyons Range has not been exaggerated. Although the tax reliefs announced have been welcomed, in that the Central Finance Ministry is aware of the possible adverse effects of the new tax measures of the Budget, it is doubtful whether they are sufficient to help restore confidence. Since the stock market has been mainly concerned with the super profits tax, the modifications proposed need to be carefully examined. The concessions are considered small and have fallen below market expectations. The regret is that despite strong representations from trade and industry, the Finance Minister has not changed the form and the rate of the levy. The iniquitous principle of introducing progression in corporate taxation has been retained on doctrinaire grounds.

Although it has been proposed to allow a deduction from profits chargeable to the super profits tax, a sum equal to 10 percent of the total income before the payment of any tax, this concession has been hedged in with too many restrictions. The deduction will be permitted if it is used for repaying indebtedness, buying fixed assets, paying preference dividends in excess of 6 percent or it is credited to a reserve not to be used for any other purpose for a period of five years. Hence companies will be somewhat helped in repaying their indebtedness or financing their expansion and modernisation programmes. The decision to include development debate reserves in calculating the capital base for the purpose of the levy, is no doubt an appreciable concession.

As for banks, they are likely to benefit since sums transferred to reserves by them will be allowed as a deduction from chargeable profits, subject to certain conditions. Small concessions have been allowed to electric supply companies. Additional relief has also been given to small companies.

Anyway, even these small concessions are not likely to benefit the shareholders, at least in the near term. It is not disputed that the growth value of companies will be somewhat helped by the concessions given, but it is only a longer-term prospect. For the time being, the dividend outlook is very depressing. Since the 10-percent deduction can-

not be used for paying dividends, it is almost certain that most of the companies will find it extremely difficult to maintain the present rates of distribution. In fact, some leading companies have already been forced to cut the dividend due to the levy. The trend is likely to gather momentum in the near future.

It may be pointed out that during recent months, investors have been less enamoured of growth values since companies have found it difficult to expand, modernise and diversify due to the shortages of foreign exchange, raw materials, transport and power. Hence attention has been diverted to dividends. In view of the rising interest rate following a dearer money policy, ideas about dividends have been revised upwards. In the circumstances, investors will be well-advised to buy shares with greater discrimination than before. Considering that most of the shares have been fully-priced on the basis of current dividends, the possibility of an upsurge in share values in the near future, is remote.

Marketwise, Indian Iron have shot up to Rs. 21.60, partly due to short-covering and partly because of replacement buying. The support has flowed from expectations of an early rise in the retention price of steel. Among engineering shares, attention has been concentrated on Guest, Keen, Williams, Jessop, Texmaco, Indian Standard Wagon, Burn and Braithwaite.

There have been several bright spots in the miscellaneous section. Indian Copper, Indian Aluminium, Dunlop Rubber, Indian Cable, Hindustan Motors and Orissa Cement have gained. Interest has been shown in Union Carbide and Alkali Chemical. Hindustan Aluminium have enjoyed influential support. Kesoram Industries have improved on replacement buying. In the paper section, Orient, Sirpur and Titagur have gained.

Jute shares have been dealt with cautiously. Birla, Nuddea, Ganges, Union, Northbrook and Anglo-India have been prominent. Reliance have been taken by knowledgeable quarters. Investors have been worried by the decision of the Government in fixing the minimum price of raw jute for the 1963-64 season at the same level as in the 1962-63 season.

Hopes of an early rise in the price of coal have induced support for the shares. Bengal, East Indian, Central India, South Karanpura and Equitable have attracted attention. Among cotton mill shares, Bharat Commerce have recovered. The Company has made a smaller profit, but its expansion programme has been making good progress. Bowreah and Dunbar have been sluggish due to the cut in dividends. There has been little interest in bank shares. Sugar shares have been difficult to sell even by cutting prices. A small turnover has been transacted in tea shares at lower prices.

Government securities have been steady mainly due to official support. Institutional buying has been negligible. Prices of short-dated securities have been particularly steady. The 3 percent Conversion loan 1966 has been quoted around Rs. 63.10.

Prices of State Government loans have been easier.

Bombay

TAX CONCESSIONS DISAPPOINT

STEEL SHARES IN GOOD DEMAND

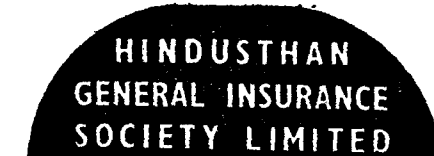
Wednesday Evening.

THERE has been a substantial improvement in the Bombay stock market during the past week. The earlier support stemmed from the belief that the super profits tax would be substantially modified. When the Central Finance Minister announced the modifications in the Lok Sabha on Tuesday, there was a mild reaction. Although the tax concessions given have not come up to market expectations, they have been welcomed considering that the corporate sector will now be able to conserve more resources for repaying its indebtedness and financing its expansion and modernisation programmes. Since the dividend outlook continues to remain discouraging, operators have turned cautious towards the close, and profit-taking has pared top gains. The concessions will not increase the money available for paying dividends. Hence it is doubtful whether companies will be able to maintain existing dividends, not to speak of increasing them.

An encouraging feature is that selling pressure has abated considerably. There has been a great deal of short-covering and the technical position of the market has improved. There has also been some replacement buying. But it looks as if the trend will be unable to sustain itself due to the fact that the essential features of the super profits tax have not been changed. The market will henceforth try to consolidate the gains which have been achieved so far. Attention has been generally concentrated on selected shares. Tata Steel have been prominent and the ordinary shares have improved to Rs. 126. The support has been based on two factors. The first is that the Government is expected to increase the retention price of steel in order to compensate the producers for rises in railway freight, royalty and wages. The emergency risks insurance premia have also inflated production costs. In the engineering section, Mukund Iron have been bought at Rs. 18.76 on expansion prospects. Tata Locomotive have recovered to Rs. 283 on replacement buying. Among motor-vehicle shares, Hindustan Motors have gained at Rs. 16.76 and Premier Automobiles at Rs. 106.25.

Prospects of an improvement in the domestic offtake of piecegoods have induced support for cotton mill shares. Century have gained at Rs. 506, Bombay Dyeing at Rs. 63, Kohinoor at Rs. 289 and Svadeshi at Rs. 248. Standard have improved substantially due to interested support. Interest has also been taken in Khatau, Simplex and India United ordinary.

In the miscellaneous section, cement shares have been bought. Associated Cement have gained at



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Rs. 141.50 and Digvijay have improved to Rs. 167.50 on expansion hopes. Shipping company shares have recovered fractionally, and Scindia Steam have been quoted at Rs. 10.72. Mining shares have been subdued, and Shivrajpur Syndicate have been freely offered. There has been little interest in sugar shares due to fears of a cut in the output during the current season. Rayon shares have recovered on replacement buying. National Rayon have improved to Rs. 347 and Gwalior Rayon to Rs. 43.25. Among chemical shares, Tata Chemical have been taken at Rs. 15.88 and Indian Dyestuff at Rs. 392.50. Bombay Burmah have recovered to Rs. 655 on short-covering. Interest has been taken in Voltas at Rs. 260. Although W.I.M. C.O. have repeated a taxable ordinary dividend of 16 percent, the scrip have been fancied due to bigger profits earned. W. H. Brady and Company have been sold freely due to a dividend cut.

Little business has been transacted in bank shares. Bank of India have made Rs. 107 and Central Bank Rs. 56. In the insurance section, New India Assurance have been firm on hopes of a bonus issue. Routine business has been transacted in electric company shares. Ahmedabad, Bombay Suburban and Tata Power have been transacted.

Madras

SELLING PRESSURE DECREASES

SELECTIVE BUYING OF SHARES

Tuesday Evening.

THE Madras stock market has taken a turn for the better and share prices have improved selectively during the past week. Operators have been inspired by higher

advice from the Calcutta and Bombay stock markets. Selling pressure has declined, and investors have been encouraged to buy selected shares at the present low levels. The concessions announced by the Central Finance Minister in the super profits tax have helped revive confidence. It is generally believed that the impact of the levy has now been softened somewhat.

Government securities have been dull, and small turnover has been seen. Bank shares have generally been neglected. Selected electric shares have been taken on dividend considerations. West Coast have come to hand at Rs. 18.37. After a long interval, Deccan Sugar have met with good buying around Rs. 9. The Company has declared an interim taxable ordinary dividend of 6.5 percent. Andhra Sugar has paid a taxable ordinary dividend of 12 percent.

Selected planting shares have improved on balance due to replacement buying. Interest has been taken in Blue Mountain at Rs. 2.40, in Coffee Lands at Rs. 13.50, in Periakaramalai at Rs. 3 and in Consolidated Coffee at Rs. 16.60. Good crop reports have contributed to the support for selected tea shares. Kil Kotagiri have declared a taxable final ordinary dividend of 17 percent, making 25 percent for the year. Ouchterlony have paid a taxable ordinary dividend of 6 percent and Parkside an interim taxable ordinary dividend of 7.5 percent. Peermade have declared a taxable final ordinary dividend of 12.5 percent, making 20 percent for the year.

Although business has been limited in textile shares, selling pressure has abated considerably. Madura have been bought up to Rs. 30.50. South India Viscose have gained at Rs. 146, but Travancore Rayon have been sluggish at Rs. 24.50. Balarama Varma have declared a taxable final ordinary dividend of 7.5 percent, and Coimbatore Pioneer a taxable ordinary dividend of 15 percent.

Turnover has increased in miscellaneous shares. Aluminium Industries

have been bought up to Rs. 17.75. Enfield have come to hand at Rs. 9, India Cement New at Rs. 5.30 and W.I. Plywood at Rs. 185. Southern Structuralists have declared a taxable ordinary dividend of 15 percent. Seshasayee Industries Ltd proposes to increase the authorised capital from Rs. 1 crore to Rs. 1.50 crores by creating 500,000 ordinary shares of Rs. 10 each. Out of this, 200,000 shares will be issued for public or private subscription according to the discretion of the directors. Ashok Leyland have been steady at Rs. 7.30, India Cement at Rs. 5.60 and Mettur Chemical at Rs. 11.92. Parry's Confectionery have been quiet at Rs. 3.19. Seshasayee Paper have found buyers up to Rs. 7.60.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 26/12—27/75—28/12—27/75—(38/75).
Dunlop Rubber—Rs. 33/25—35/25—33/00—35/25—(43/75).
Guest, Keen, Williams—Rs. 30/94—32/75—30/75—32/75—(41/00).
Hindustan Motors—Rs. 16/25 S.T.—17/37—16/19—17/25—(19/56).
Howrah Jute—Rs. 17/50—17/50—17/50—17/50—(21/50).
Indian Aluminium—Rs. 31/50—33/50—31/31—33/50—(38/81).
Do. (New)—Rs. 14/75—14/75—14/75—14/75—
Indian Copper—Rs. 4/22—4/40—4/21—4/37—(5/02).
Indian Iron & Steel—Rs. 20/25—21/70—20/25—21/60—(24/76).
Indian Cable—Rs. 32/00—32/00—32/00—32/00—(35/75).
J. K. Cotton Spg. & Wvg.—Rs. 12/62—13/06—12/62—13/06—(21/37).
Jaipur Udyog—Rs. 10/94—11/37—10/84—11/37—(13/50).

CAPITAL, 18th April, 1963.

Kesoram Industries—Rs. 20/62—22/25—20/19—22/25—(31/69).
Orient Paper—Rs. 32/10 S.T.—34/00—32/0—34/00—(42/20).
Orissa Cement—Rs. 14/75—15/19—14/75—15/19—(18/50).
Rohtas Industries—Rs. 11/37—11/69—11/25—11/69—(16/50).
Shree Gopal Paper—Rs. 21/50—24/50—21/50—24/50—(25/62).
Textile Machinery—Rs. 21/20 S.T.—22/70—21/10—22/70—(21/80).

GOVERNMENT SECURITIES

2½% U.P. Zemindary (Collected 30.6.62)—Rs. 41/70—41/70—41/70—41/70—
3% Loan (1986)—Rs. 63/10—63/10—63/10—63/10—
3% " (1966-68)—Rs. 96/15—96/15—96/15—96/15—
3% " (1970-75)—Rs. 85/70—85/70—85/70—85/70—
4½% West Bengal (1974)—Rs. 97/90—97/90—97/90—97/90—
4½% Orissa (1974)—Rs. 96/30—96/45—96/30—96/35—
4½% U.P. (1974)—Rs. 96/35—96/35—96/35—96/35—

BANKS

Allahabad—Rs. 277/00—277/00—277/00—277/00—
Hindustan Mercantile—Rs. 12/37—12/37—12/37—12/37—
Punjab National—Rs. 19/00—19/12—19/00—19/12—
United Bank of India (Rs. 10 paid)—Rs. 7/62—7/62—7/62—7/62—
Do. (Conty.) (Rs. 20) (Rs. 10 paid)—Rs. 6/50—6/50—6/50—6/50—
United Commercial—Rs. 70/00—71/00—70/00—71/00—

COTTONS

Bowreah—Rs. 23/00—23/50—23/00—23/50—
Do. (B" Pref.)—Rs. 84/50—84/50—84/50—84/50—
Bharat Commerce—Rs. 21/62—21/87—21/62—21/87—
Jay Shree—Rs. 14/62—14/62—14/62—14/62—
Muir (Pref.)—Rs. 127/00—127/00—127/00—127/00—

COALS

Central India—Rs. 9/94—10/06—9/91—10/00—
East Indian—Rs. 32/00—32/00—32/00—32/00—
Katras Jheriah—Rs. 37/75—37/75—37/75—37/75—
Raneegunge—Rs. 14/25—14/25—14/25—14/25—
South Karanpura—Rs. 8/25—8/25—8/25—8/25—

CAPITAL, 18th April, 1963.

Western Bengal—Rs. 9/00—9/25—8/97—9/19—(9/25).

JUTES

Agarpara—Rs. 9/75—10/25—9/75—10/19—
Anglo-India (Pref.)—Rs. 95/00—95/50—94/00—94/50—
Bally—Rs. 250/00—257/00—250/00—257/00—
Barnagore—Rs. 176/00—176/00—175/00—176/00—
Cheviot—Rs. 32/25—22/37—22/19—22/19—
Clive—Rs. 7/62—7/62—7/62—7/62—
Dalhousie (Pref.)—Rs. 87/00—87/00—87/00—87/00—
Empire—Rs. 14/00—14/00—14/00—14/00—
Ft. William—Rs. 23/25—23/44—23/25—23/44—
Ganges—Rs. 13/00—13/25—13/00—13/25—
India—Rs. 18/06—18/06—17/69—17/69—
Kankannar—Rs. 121/00—124/00—121/00—124/00—
Kelvin—Rs. 170/00—170/00—170/00—170/00—
Lansdowne (Pref.)—Rs. 91/50—91/50—91/50—91/50—
National—Rs. 22/69—22/69—22/69—22/69—
Nellimaria—Rs. 10/50—10/50—10/50—10/50—
New Central—Rs. 12/75—12/81—12/50—12/81—
Rameshwara (Pref.)—Rs. 12/75—12/75—12/75—12/75—
Reliance—Rs. 7/31—7/37—7/31—7/37—

MININGS

Metal Corp.—Rs. 8/00—8/75—8/00—8/75—
Orissa Minerals—Rs. 26/12—26/28—26/12—26/28—
Cement—Rs. 42/60—

CEMENTS

Ashoka—Rs. 7/37—7/50—7/37—7/50—
Sone Valley—Rs. 4/44—4/53—4/44—4/53—

ELECTRICS

Patna—Rs. 10/50—10/56—10/50—10/56—
U. P.—Rs. 107/00 S.T.—110/00—107/00—110/00—

CHEMICALS

Alkali & Chemical—Rs. 31/00—31/00—30/50—30/87—
Smith Stanistreet—Rs. 12/81—12/81—12/81—12/81—

ENGINEERINGS

Bhartia Electric Steel—Rs. 13/00—13/62—13/00—13/62—
Britannia Eng.—Rs. 9/81—10/37—9/81—10/37—
Bharat Ball Bearing—Rs. 14/00—14/50—14/00—14/50—
Calcutta Steel—Rs. 13/44—13/44—13/37—13/37—
Daimia Iron—Rs. 11/00—11/00—11/00—11/00—
Indian Standard Wagon—Rs. 28/50—28/50—28/50—28/50—
Indian Steel & Wire Pro.—Rs. 39/00—39/00—39/00—39/00—
Jessop & Co.—Rs. 22/50—23/75—22/50—23/31—
J. K. Steel—Rs. 15/31—15/50—15/25—15/25—
Kumardhubi—Rs. 7/00—7/31—7/00—7/31—
Marshalls—Rs. 2/87—3/06—2/87—2/97—
Machinery Mfg.—Rs. 18/37—18/50—18/37—18/50—
Wellman Incandescent—Rs. 5/94—6/25—5/94—6/25—

MISCELLANEOUS

Aluminium Corp.—Rs. 13/62—14/00—13/62—14/00—
Angelo Bros.—Rs. 21/37—22/37—21/37—22/37—
Associated Battery—Rs. 25/25—25/87—25/00—25/87—
Asiatic Oxygen—Rs. 9/62—9/62—9/62—9/62—
Airways India—Rs. 4/00—4/06—4/00—4/06—
Britannia Biscuits—Rs. 41/25—41/37—40/87—41/37—
B. I. Corp.—Rs. 9/00—9/12—9/00—9/12—
Bararee Coke—Rs. 24/37—24/37—24/37—24/37—
Clive Row Investment—Rs. 8/31—8/31—8/25—8/25—
Duncan Brothers—Rs. 125/00—125/00—125/00—125/00—
Dr. Paul Lohmann—Rs. 16/94—16/94—16/75—16/75—
East Anglia Plastics—Rs. 10/25—10/25—10/25—10/25—
Electric Construction—Rs. 12/69—12/75—12/69—12/75—
General Tyres—Rs. 8/37—8/44—8/37—8/44—
Gwalior Rayon—Rs. 42/62—42/62—42/62—42/62—

Hindustan Aluminium—Rs. 13/56—14/50—13/56—14/50—
Hindustan Twyford—Rs. 14/50—14/69—14/50—14/69—
Hindustan Wire Products—Rs. 16/44—16/87—16/44—16/87—
Hindustan Gas—Rs. 22/75—22/75—22/75—22/75—
Imperial Tobacco—Rs. 10/75—10/87—10/75—10/87—
Isaac Holdens—Rs. 14/50—15/12—14/44—15/12—
India Carbon—Rs. 21/00—21/06—21/00—21/06—
Jardine Henderson—Rs. 89/00—89/00—80/50—83/00—
J. K. Synthetics—Rs. 10/75—11/62—10/75—11/62—
Kesoram Industries (1st Pref.)—Rs. 106/00—106/00—106/00—106/00—
Kusum Products—Rs. 25/00—25/00—25/00—25/00—
Martin Burn—Rs. 25/00—25/50—25/00—25/50—
McLeod & Co.—Rs. 213/00—215/00—213/00—215/00—
Do (2nd Pref.)—Rs. 59/00—59/00—59/00—59/00—
Metal Box—Rs. 41/56—42/75—41/25—42/75—
Metal Distributors—Rs. 4/81—4/87—4/81—4/87—
National Insulated Cable—Rs. 24/50—24/50—24/37—24/37—
Phillips Carbon—Rs. 18/31—18/31—18/19—18/25—
Phillips India—Rs. 25/25—25/25—25/25—25/25—
Shaw Wallace—Rs. 17/00—17/00—17/00—17/00—
Sirsil—Rs. 8/15—8/25—8/00—8/25—
Union Carbide—Rs. 38/25—41/25—38/25—41/25—
Universal Cables—Rs. 9/50 S.T.—9/62—9/44—9/62—

Walford Transport—Rs. 3/31—3/37—3/25—3/25—

PAPERS

Ballarpur—Rs. 15/87—16/00—15/62—15/87—
Bengal—Rs. 28/94—29/50—28/94—29/50—
India Paper Pulp—Rs. 16/69—16/69—16/59—16/59—
Sirpur—Rs. 11/50—12/00—11/50—12/00—
Straw Products—Rs. 9/50—10/12—9/31—10/12—

REAL PROPERTY

Clive Bldgs.—Rs. 150/00—150/00—150/00—150/00—

SHIPPING

India Steamship—Rs. 6/00—6/12—5/94—5/94—

SUGARS

Dyer Meakin Brew.—Rs. 25/75—25/75—25/75—25/75—
Darbhanga—Rs. 7/25—7/25—7/12—7/12—
Deoria—Rs. 6/25—6/25—6/25—6/25—
Raza Buland—Rs. 10/31—10/31—10/25—10/25—
Tulsipur—Rs. 4/56—4/56—4/56—4/56—

TEAS

Bhatkawa—Rs. 15/50—15/50—15/50—15/50—
Dessai & Purbuttia—Rs. 140/00—140/00—140/00—140/00—
Hanuman—Rs. 10/06—10/06—9/75—9/81—
Hasimara—Rs. 12/25—13/00—12/25—13/00—
Nagaisuree—Rs. 141/00—141/00—141/00—141/00—

DEBENTURES

3½% (1956-66) Howrah Bridge—Rs. 94/35—94/35—94/35—94/35—
4% (1914-74) Calcutta Port Trust—Rs. 95/75—95/75—95/75—95/75—
5% Empire Jute—Rs. 89/00—89/00—89/00—89/00—

London

SHARP RISE IN INDUSTRIALS

GILT-EDGED HIGHER

London, 17th April.

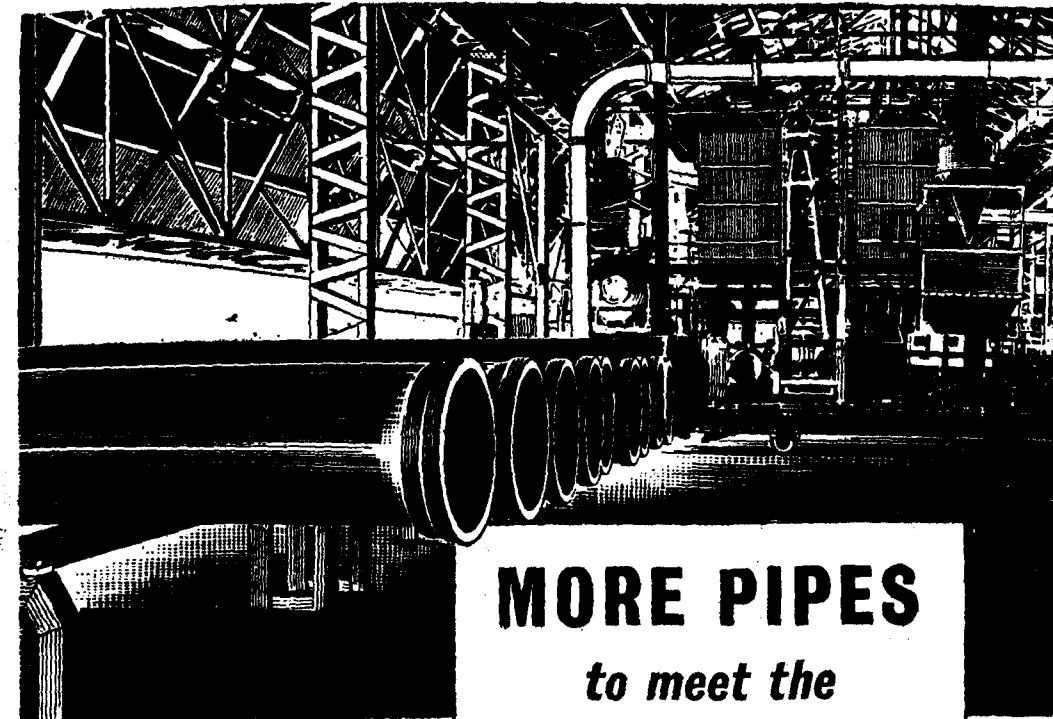
A SHARP turn round in industrial equities at the opening of the new account last Thursday provided the feature of the stock market during the past week. On the last few days of the old account, prices had drifted lower on a little post-Budget selling, but buyers returned with the opening of the new account and prices forged ahead. The firm trend was maintained after the long holiday week-end and industrials recorded appreciable gains on the week. Further consideration of the Budget measures, the strength of Wall Street and recent good company news were the main influences. The rail strike threat was ignored. Leading industrial issues recorded good gains, and many features developed elsewhere. Gilt-edged continued to improve on a small demand and scored fresh gains. By contrast, banking, hire-purchase, insurance and property shares were often lower. Gold shares moved up after earlier dullness, but business here remained at a low level. Interest elsewhere in mines was small except in tin shares.

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To millions of motorists and truck operators throughout the world, Firestone means value—and with good reasons: Firestone leads the world in tyre and rubber research, constantly meeting the challenge to make the best tyres today still better tomorrow. And for 22 years, this has been the Firestone way of manufacturing tyres in India. In fact, no part of your car is more thoroughly proved than its Firestone tyres. You know what you're getting when you buy Firestone!

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to meet the
nation's needs



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MARTIN BURN LIMITED

MARTIN BURN HOUSE, CALCUTTA 1

Branches at : NEW DELHI BOMBAY KANPUR PATNA

Agents in South India : THE SOUTH INDIAN EXPORT CO. LTD., MADRAS 1

HC-91C

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		12-4-63	5-4-63	13-4-62
Liabilities—				
Notes in Banking Dept. ...	...	8,20.60	15,95.15	12,40.59
Notes in Circulation ...	...	23,28,22.56	23,01,59.19	21,49,31.73
Total Notes Issued ...	...	23,36,43.16	23,17,54.34	21,61,72.32
Assets—				
A Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.03
Foreign Securities ...	...	1,05,08.43	1,05,08.43	1,13,86.07
Total of A ...	...	2,22,84.53	2,22,84.53	2,31,62.10
B Rupee Coin ...	...	1,17,16.48	1,18,27.66	1,18,01.45
Rupee Securities ...	...	19,96,42.15	19,76,42.15	18,12,08.77
Total ...	...	23,36,43.16	23,17,54.34	21,61,72.32
BANKING DEPARTMENT				
Liabilities—				
Capital Paid-up ...	...	5,00.00	5,00.00	5,00.00
Reserve Fund ...	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund ...	...	61,00.00	61,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund ...	...	7,00.00	7,00.00	6,00.00
Deposits—				
(a) 1. Central Govt.	...	94,02.09	1,02,46.86	83,26.87
2. State Govts. ...	...	4,73.61	8,20.10	8,20.10
(b) Banks—	...			
(i) Scheduled Banks ...	...	85,90.08	71,45.80	...
(ii) State Co-operative Banks ...	...	2,73.88	3,98.70	...
(iii) Other Banks ...	...	2.37	2.36	...
To Others ...	...	1,68,72.25	1,68,19.68	1,53,34.38
Bills Payable ...	...	28,37.17	38,69.75	27,64.45
Other Liabilities ...	...	66,40.43	64,65.32	60,28.85
Total ...	...	6,63,91.68	6,11,71.57	5,53,81.92
Assets—				
Notes ...	...	8,20.60	15,95.15	12,40.59
Rupee Coin ...	...	2.00	1.18	2.01
Small Coin ...	...	2.75	2.32	4.15
National Agricultural Credit (Long Term Operations) Fund ...	...			
(a) Loans and Advances to—	...			
(i) State Govts. ...	...	27,14.51	27,14.49	...
(ii) State Co-operative Banks ...	...	8,93.99	9,13.97	...
(iii) Central Land Mortgage Banks ...	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	2,84.88	2,84.88	...
National Agricultural Credit (Stabilisation) Fund ...	...			
Loans and Advances to State Co-operative Banks ...	...	...	...	...
Bills Purchased and Discounted—	...			
(a) Internal ...	...	...	...	...
(b) External ...	...	...	...	...
(c) Govt. treasury Bills ...	...	94,05.89	77,26.70	89,36.41
Balances Held abroad ...	...	9,05.93	9,94.82	6,16.34
Loans and Advances to Govt. ...	...	52,90.88	43,25.72	1,19,22.23
Loans and Advances to—	...			
(i) Scheduled Banks ...	...	47,90.70	46,21.32	...
(ii) State Co-operative Banks ...	...	1,14,76.65	1,21,34.96	...
(iii) Others ...	...	2,00.40	1,65.50	...
Investments ...	...	2,00,16.87	2,19,10.07	1,57,70.01
Other Assets ...	...	35,95.63	35,80.09	34,94.56
Total ...	...	6,63,91.68	6,11,71.57	5,53,81.92

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		5-4-63	29-3-63	6-4-62
(i) Demand Liabilities—				
(a) Demand Deposits	...	55,49.35	55,58.15	54,51.44
(b) From Banks ...	...	8,94,67.00	8,64,27.09	7,94,40.84
(c) From others ...	...	29,01.40	22,58.88	20,05.07
(d) Other ...	...	60,78.41	57,58.28	58,39.89
(ii) Time Liabilities—				
(a) Time Deposits	...	22,83.15	20,71.29	16,00.33
(b) From Banks ...	...	11,72,27.16	11,72,84.98	11,48,89.12
(c) From others ...	...	15,84.40	15,57.83	13,98.44
(d) Other ...	...	10,62.47	10,47.58	14,10.83
(iii) Borrowing from State Bank—				
(a) Demand Liabilities	...	12,08.11	12,09.01	9,35.40
(b) Time Liabilities	...	10,57.50	9,77.00	12,09.00
(c) Borrowing from Reserve Bank ...	...	48,51.22	70,00.37	31,45.45
(d) Cash ...	...	52,25.80	51,18.33	52,48.42
(e) Balances with the Reserve Bank ...	...	75,67.14	74,36.74	90,62.56
(f) Balances with other Banks in current account ...	...	21,90.89	21,50.00	19,62.20
(g) Money at call and short notice ...	...	46,42.42	37,63.42	41,38.13
(h) Investments in Central and State Govt. Securities ...	...	6,00,33.39	5,93,28.34	5,89,39.37
(i) Loans, Cash credits and Overdrafts ...	...	13,11,67.56	13,09,79.78	11,82,78.38
(j) Due from Banks ...	...	9,10.07	14,27.51	9,74.09
(k) Inland Bills purchased and discounted ...	...	2,26,50.06	2,21,82.49	1,81,11.65
(l) Foreign Bills purchased and discounted ...	...	55,57.23	55,50.22	48,47.07
(m) Total of X, XI and XII ...	...	16,02,84.82	16,02,40.00	14,22,05.19

Money

THE CALCUTTA MONEY MARKET

SMALL DECLINE IN ADVANCES

Wednesday, 17th April.

THERE has been a slight decline in the general level of advances in the Calcutta money market during the past week. Most of the fall is accounted for by the sugar industry. There is a slight increase in jute credit. But the advances to the cotton mills, the foodgrains and seeds trade, and the iron, steel and engineering industries are unchanged. In the interbank market, conditions have been easier and the call rate is down to 4½ percent.

The exchange market has been dull, the supply of export bills being meagre. The demand for remittance has been on a moderate scale. Sterling is weaker against the twin dollars, the French franc and the Scandinavian currencies, but shows minor improvements in relation to the rest.

SILVER WAS QUIET IN CALCUTTA during the past week and the price fell from the previous week's level of Rs. 278.25 to Rs. 278, quoted today for ready delivery. There was no business in futures. The London and New York prices were 109½d and 127.5 cents. There was no trading in gold.

DURING THE WEEK ENDED 12TH APRIL, Government of India Treasury bills for Rs. 206,09,50,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 16th April. The total amount offered was Rs. 2,03,00,000. Tenders at Rs. 99.415 percent and above were accepted in full and those at Rs. 99.410 percent were allotted approximately 98 percent. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.354 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 22nd April.

IT IS STATED THAT 91-DAY INTER-MEDIATE Treasury bills will be sold from 17th April to 20th April at Rs. 99.426 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 10th April to 13th April, amounted to Rs. 3.75 lakhs.

ACTIVE NOTES ROSE BY Rs. 26.64 crores to Rs. 2,328.23 crores and the total note issue by Rs. 18.89 crores to Rs. 2,336.43 crores, according to the return of the Reserve Bank of India for the week ended 12th April, 1963. The currency expansion was adjusted by increasing rupee securities of the paper currency reserve by Rs. 20 crores to Rs. 1,996.42 crores. This was done by transferring securities from the Banking Department in which investments fell by Rs. 18.93 crores to Rs. 200.17 crores. Deposits of the Government of India declined by Rs. 8.45 crores to Rs. 94.02 crores and other Government accounts by Rs. 3.46 crores to Rs. 4.74 crores. Balances of scheduled banks were Rs. 14.44 crores bigger at Rs. 85.90 crores. Their loans from the Reserve Bank fell from Rs. 48.21 crores to Rs. 47.81 crores, of which advances against

usage bills were Rs. 40.97 crores (Rs. 40.66 crores). Ways and means advances stood at Rs. 52.91 crores, against Rs. 43.26 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 5th April, 1963, shows a rise of Rs. 11.70 crores to Rs. 570.73 crores in total deposits. Investments in Government securities and other authorised investments are up by Rs. 8.21 crores and Rs. 1 lakh to Rs. 218.93 crores and Rs. 7.84 crores, respectively. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have fallen by Rs. 4.65 crores to Rs. 316.75 crores. Cash and balances are, in consequence, shown at Rs. 21.58 crores or Rs. 2.32 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 5th April, 1963, shows Demand and Time liabilities at Rs. 1,039.96 crores (Rs. 29.01 crores on account of borrowings from banks) and Rs. 1,221.57 crores (Rs. 15.84 crores), compared with Rs. 999.83 crores (Rs. 22.39 crores) and Rs. 1,219.62 crores (Rs. 15.58 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have risen by Rs. 1.08 crores and Rs. 1.30 crores to Rs. 52.26 crores and Rs. 75.67 crores, respectively. There is a rise of Rs. 7.05 crores to Rs. 600.33 crores in investments. Advances and bills discounted at Rs. 1,602.85 crores show a rise of Rs. 45 lakhs. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.7 percent and 70.9 percent, against 5.7 percent and 7.2 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 19-4-63.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
19-4-63	22-7-63	2,00.00	Rs. 2.354%
11-4-63	14-7-63	2,00.00	Rs. 2.380%
5-4-63	8-7-63	2,00.00	Rs. 2.370%
29-3-63	2-7-63	2,00.00	Rs. 2.370%
22-3-63	25-6-63	2,00.00	Rs. 2.370%
15-3-63	18-6-63	2,00.00	Rs. 2.370%
8-3-63	11-6-63	2,00.00	Rs. 2.365%
1-3-63	4-6-63	2,00.00	Rs. 2.365%
22-2-63	25-5-63	2,00.00	Rs. 2.365%
15-2-63	18-5-63	2,00.00	Rs. 2.365%
8-2-63	11-5-63	2,00.00	Rs. 2.360%
1-2-63	4-5-63	2,00.00	Rs. 2.355%
25-1-63	28-4-63	2,00.00	Rs. 2.355%
18-1-63	21-4-63	2,00.00	Rs. 2.355%

(Monthly Maturities 000's omitted)	
April 1963	4,00.00
May 1963	8,00.00
June 1963	8,00.00
July 1963	8,00.00
Total	28,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
11-4-63	82,51.42	1,26.67
5-4-63	1,24.14	1,26.67
29-3-63	1,19.02	1,20.80
22-3-63	1,08.11	1,04.41

NATIONAL RUBBER MANUFACTURERS LTD.

HIGHER PROFIT LEADS TO LARGER DIVIDEND

EXPANSION PROGRAMMES COVERING V-BELTS AND FAN-BELTS AND CYCLE TYRES

Chairman's Address by MR. K. N. MOOKERJEE at the Seventeenth Annual General Meeting of the Company held on 11th April, 1963.

Ladies and Gentlemen,

It gives me much pleasure in extending to you all a hearty welcome to the Seventeenth Annual General Meeting of your Company. The Directors' Report and Audited Accounts for the year ended 31st December, 1962 for the year ended 31st December, 1962 have been in your hands for sometime now and with your permission I shall take them as read.

Accounts

You will have noticed from the Directors' Report that your Company's working during the year under review reflected an all-round improvement. Not only sales of the Company's products increased substantially but also there was considerable decline in the finished goods inventory as well as borrowings. The profit for the year after charging depreciation increased by about 66 per cent over that of 1961 and the percentage of net profit on sales registered further improvement. Due to better working results your Directors have recommended higher dividend on Ordinary Shares at 8% as against 6.5% in the previous year.

Industrial Growth

Industrial output in India no doubt improved during the year 1962 but at a slower rate than in previous years chiefly due to shortage of power and transport facilities and imported raw materials and components. Against this background the rubber manufacturing industry reveals encouraging trends, the index of production (with 1956 as the base year) having reached the level of 167.5 for the first 11 months of 1962 as against the general index of 149.6; its progress was striking over the decade upto 1961, output having more than doubled during that period.

Two new units for the manufacture of automobile tyres and tubes are reported to have gone into production in 1962; while certain other rubber manufacturing units effected expansion of their production capacity. The installed capacity relating to rubber footwear, tyres and tubes, hoses, industrial V-belts and fan-belts, transmission and conveyor belting, camel back, foam rubber, etc., registered appreciable increase during the year under review; in terms of volume of production also there was a rise in the manufacture of almost all the major items.

Expansion Programme

You would have noticed from the Directors' Report that major effects of the Company's expansion programme were reflected in its working during the year under review. In fact, the Company's turnover in 1962 exceeded by 17% the target of Rs. 3 crores per annum expected to be achieved through execution of the expansion programme. Your Company have now received a fresh industrial licence from the Government of India for substantial expansion of manufacturing capacity in relation of Industrial V-belts and fan-belts by 6,00,000 Nos. per annum so as to bring the total capacity to 14,40,000

Nos. per annum. A licence to effect substantial expansion of the capacity for cycle tyres is also expected to be received in the near future.

Goodyear Agreement

It is indeed a matter of gratification that throughout the year 1962 your Company received full co-operation and assistance from Goodyear India Limited. The present agreement with them will expire at the end of 1963 and a fresh agreement providing a wider scope for technical assistance to be received from Messrs. Goodyear, the terms of which have been finalised, is awaiting execution.

Managed Company

It gives me great pleasure to announce that General Tyres Limited, of which your Company are the Managing Agents, have made considerable headway. Construction of buildings has been completed. Almost all imported plant and machinery have been received at the factory site and installation thereof, which commenced in July 1962, is almost completed. A team of technical experts has already arrived from Czechoslovakia for putting the plant into operation. The plant for the manufacture of automobile tyres and tubes is expected to go into trial production very soon. Meanwhile, the Government of India have issued a licence permitting General Tyres Limited to effect substantial expansion of their production capacity by 6,00,000 kgs. of tyre retreading materials and by 1,20,000 Nos. each of tyres and tubes per annum so as to raise the aggregate licensed capacity to 3,00,000 Nos. each of tyres and tubes per annum.

Exports

The rubber manufacturing industry forged ahead during the year under review with its export programmes and

consequently exports of rubber products from India reached a level of Rs. 95.1 lakhs as against Rs. 78.5 lakhs in 1961, representing a rise of more than 21%. Your Directors pursued a policy of contributing to the country's export drive. Towards the end of 1962 your Company made an on-the-spot survey of export possibilities in a number of countries in the Middle East and East Africa. These as well as South East Asian regions offer fair prospects for export of Indian rubber products including those of your Company provided both prices and quality thereof are effectively competitive with those of products imported from other countries. The proposed tax rebate of 2% on the export turnover of manufacturing companies including exports by first purchasers from such companies as per the Finance Bill 1963, will, I am sure, give some though not adequate incentive for export promotion.

Raw Materials

A carbon black plant has already gone into production in India and the first synthetic rubber plant is scheduled to commence production shortly so that supplies are expected to be available from these indigenous sources in the near future. Meanwhile, it is disquieting to note that raw material cost for the rubber manufacturing industry is sure to go up in 1963 as a result of the increases in the basic rates of import duty on rubber, carbon black, etc., the imposition of a general 10% surcharge on all import duties as well as the additional Central excise levies on a number of items as per the Central Government's budget for the year 1963-64.

Budget Proposals

The additional levies provided for in the Finance Bill, 1963 are likely to retard the pace of industrial development in India including that of the

rubber manufacturing industry. I have already referred to the impact of the Central Budget on raw material cost. Transport costs will also go up appreciably. Even on a conservative estimate all these levies are likely to impose an additional burden to the extent of 6 to 7%. Besides, the rates of Central sales tax are going to be raised and the duty on industrial consumption of electric power in West Bengal will go up. The 20% surcharge on excise duty relating to tyres and tubes as well as rubber products like camel back and foam rubber will cause further hardship. No industry could possibly bear such heavy imposts. Therefore, it would be rather unrealistic to expect that there would not be any upward movement of the price line.

Higher rates of import duty on machinery, spare parts and tools will raise the capital cost of expansion projects as well as new industrial ventures. Perhaps the heaviest blow will be dealt by the super profit tax which would very seriously affect the capacity of companies to maintain dividend and/or to build up reserves and also their ability to repay borrowed capital. Such a situation in its turn is sure to discourage investment and restrict ploughing back of earnings in the corporate sector and also deter in-flow of foreign capital and know-how. It is, therefore, considered essential that an objective view of the whole situation should be taken and substantial modifications in the budget proposals particularly those relating to the Super Profit Tax should be made with a view to not only maintaining but also accelerating the tempo of industrialisation in order to achieve our twin objects of defence and development.

Acknowledgments

Before I conclude, I am sure, you will join me in expressing our sincere gratitude to all dealers, customers and suppliers of the Company for their ready co-operation and valuable support during the year under review. On behalf of the Board of Directors and on my own, I take this opportunity of expressing our warm appreciation of the cordial relations maintained between the management and labour and the loyalty and devotion of officers, and staff of the Company throughout the year 1962.

NOTE: This does not purport to be a record of proceedings of the Annual General Meeting.

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Modern construction projects, require scaffolding of far greater strength and safety than bamboo tied with coir.

Unaffected by rot, fungus and termites, Mills tubular scaffolding has a versatile use—storage racks, temporary buildings, open-air auditoriums or bridges—apart from its normal use as a construction aid.

The special spring-steel fittings quickly secure the tubes—with a ½" spanner as the only tool needed. The greater the load the firmer the grip of the fittings, since they are designed on the 'shackle grip' principle.

All fittings are made from special quality spring steel, by Guest, Keen, Williams, Ltd. and the tubes are manufactured by The Indian Tube Company (1953) Limited.

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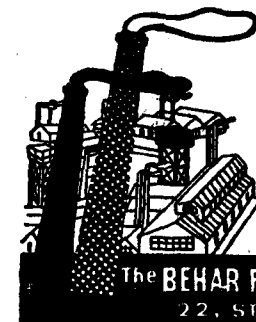
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NATIONAL AND GRINDLAYS BANK LIMITED—Cont'd.
BALANCE SHEET OF INDIAN BRANCHES AS AT 31st DECEMBER, 1962—Cont'd.

BALANCE SHEET OF INDIAN BRANCHES AS AT 31st DECEMBER, 1962—Cont'd.

[illegible]

H. D. CAYLEY,
Deputy General Manager

J. F. STEWART,
Chief Accountant

REPORT OF THE AUDITORS

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. In our opinion proper books of account as required by law have been kept by the Bank so far as appears from our examination of the records in London and proper returns adequate for the purposes of our audit have been received from the branches in India, none of which has been visited by us. We have examined the above balance sheet and annexed Profit and Loss Account which are in agreement with the said records and returned to us in our opinion and to the best of our information and according to the explanations given to us the said accounts give the information required by the Companies Act, 1906 (India) as amended by the Indian Companies (Amendment) Act, 1960 and the Indian Companies Act, 1949 (India) as amended up to 31st September, 1962, and by the Companies Act, 1956 (India) as amended by the Indian Companies (Amendment) Act, 1960 and the Indian Companies Act, 1949 (India) as amended up to 31st December, 1962, and the Profit and Loss Account gives a true and fair view of the state of the affairs of these branches as at 31st December, 1962 and the year ended on that date.

COOPER BROTHERS & CO.

London, 22nd March, 1963.

COOPER BROTHERS & CO.,
W. A. BROWNE & CO.,
Chartered Accountants.

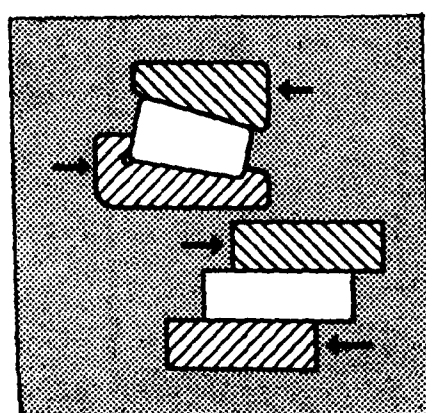
PROFIT AND LOSS ACCOUNT OF INDIAN BRANCHES FOR THE YEAR ENDED 31st DECEMBER, 1962.

EXPENDITURE		1961		1962		INCOME (less provisions made during the year for Bad and Doubtful Debts and other usual or necessary provisions)		1961		1962	
		Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.
1.	Interest Paid on Deposits, Borrowings, etc. ...	2,53,67,172.34	...	2,83,62,677.66	...	1. Interest and Discount ...	...	6,07,80,320.00	...	6,71,02,377.10	...
2.	Salaries and Allowances and Allowances of Chief Manager (including Salary and Allowances) (1961 Rs. 88,522). India Rs. 95,690)	2,60,26,312.17	...	2,90,39,870.33	...	2. Commission, Exchange and Brokerage ...	...	1,08,33,698.98	...	1,91,04,230.90	...
3.	Directors' and Local Committee Members' Fees and Allowances	NH	...	NH	...	3. Rents	...	74,618.72	...	75,223.09	...
4.	Rent, Taxes, Insurance, Lighting, etc. ...	1,39,18,649.57	...	1,28,57,434.33	...	4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	...	5,10,751.30	...	7,93,620.60	...
5.	Law Charges ...	5,36,352.82	...	5,82,577.69	...	5. Net Profit, on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	...	NH	...	NH	...
6.	Postage, Telegrams and Stamps ...	NH	...	NH	...	6. Income from Non-Banking Assets, and Profit from Sale of or Dealing with such Assets	...	NH	...	NH	...
7.	Auditors' Fees ...	7,33,303.51	...	7,15,599.44	...	7. Other Receipts ...	...	NH	...	NH	...
8.	Depreciation on and Repairs to the Banking Company's Property ...	20,03,646.50	...	24,59,813.58	...	8. Loss ...	...	NH	...	NH	...
9.	Stationery, Printing, Advertisement, etc. ...	NH	...	NH	...						
10.	Loss from Sale of or Dealing with Non-Banking Assets	54,01,359.64	...	73,94,298.90	...						
11.	Loss from Other Expenditure, including proportion of Head Office expenditure ...	60,98,542.97	...	62,45,782.47	...						
12.	Balance of Profit ...	Rs. 8,02,01,299.00	...	Rs. 8,70,75,651.69	...			Rs. 8,02,01,299.00	...	Rs. 8,70,75,651.69	...

Note	(1961)	1962
Other Emoluments of Chief Manager for India :—	(12,540)	17,670.00
Contribution to Provident and Superannuation Funds ...	(11,400)	11,400.00
Bonus	(11,158)	16,863.21
Monetary value of perquisites		
	<u>(Rs. 35,098.00)</u>	<u>Rs. 45,933.21</u>

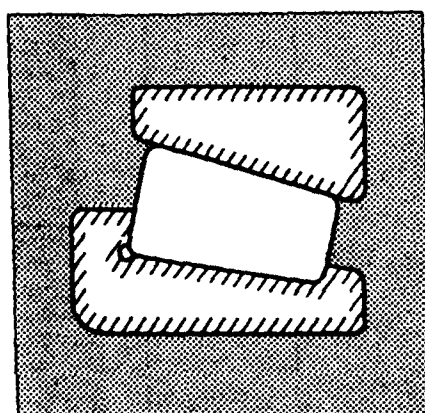
J. A. BROUGH,
Chief Manager for India

Eight reasons why Timken bearings provide long life... assure minimum maintenance:



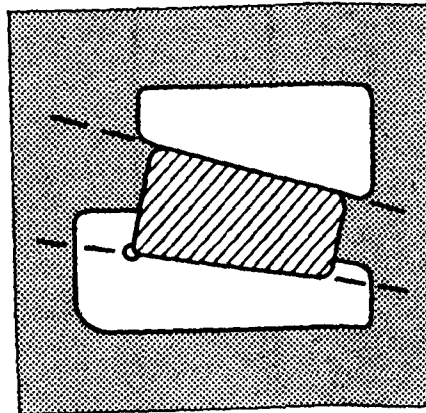
1 TAPERED DESIGN

Timken Bearings are tapered to take thrust and radial loads—or any combination. They eliminate extra thrust devices.



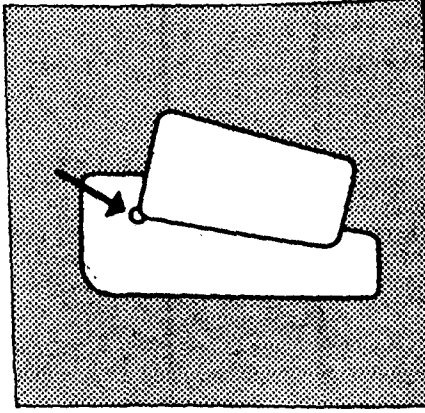
2 CASE HARDENED

The races and rollers of Timken bearings are case-carburized for wear-resistant surfaces and shock-resistant cores.



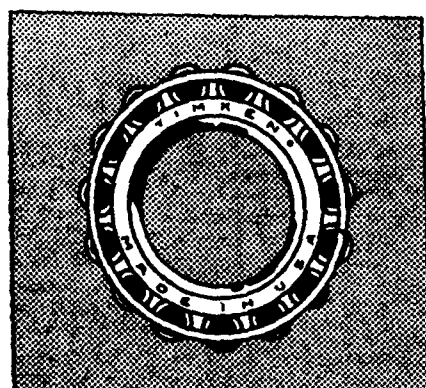
3 FULL LINE CONTACT

Timken bearings carry loads along the full length of rollers for greater load-carrying capacity.



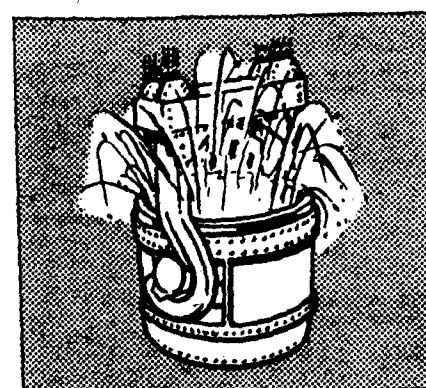
4 POSITIVE ALIGNMENT

Wide area contact between roller and cone rib (arrow) keeps Timken bearing rollers in positive alignment. Soft steel cage spaces rollers.



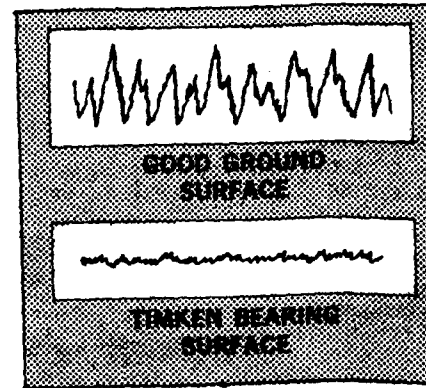
5 EXTRA ROLLERS

A full complement of rollers—in many cases more than competitive bearings—gives Timken bearings extra capacity.



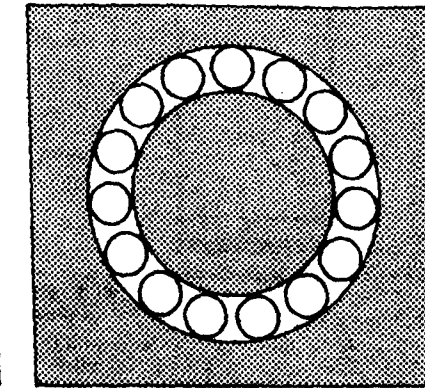
6 SPECIAL ALLOY STEEL

Timken bearings are precision-made from fine alloy steel extra rich in nickel for uniformly high quality and resistance to wear.



7 SMOOTH FINISH

Run-out tolerances on some Timken bearings are held to within 75 millionth of an inch. To measure surface smoothness, we use a profilograph.

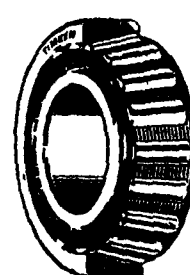


8 PRECISE ROLLER MATCH

Rollers of Timken bearings are matched in size within .000125 (125 millionth) of an inch to share the load, increase capacity.

The Timken Roller Bearing Company, Canton, Ohio, U.S.A. Cable: "TIMROSCO". Timken bearings manufactured in Australia, Brazil, Canada, England, France and U.S.A.

Representative:
MULLER & PHIPPS (INDIA) PVT. LTD.
Bombay • Madras • New Delhi
Exclusive Industrial and Railway Distributor:
WILLIAM JACKS & COMPANY LIMITED
Bombay • Calcutta • Madras • New Delhi



QUALITY TURNS ON
TIMKEN
REGISTERED TRADE MARK
TAPERED
ROLLER BEARINGS

NATIONAL CL 2-351 5063A

ESTIMATES BODY CRITICISES STATE OIL REFINERIES

(FROM OUR NEW DELHI CORRESPONDENT)

IN India, members of Parliament do not devote adequate time and attention to scrutinising financial estimates, so they are passed as a pure formality. The Public Accounts Committee and the Estimates Committee of Parliament are charged with scrutinising the estimates and the audited accounts of State enterprises. But scant attention is paid to their reports, and Parliament does not always adequately consider them. In pre-independence years, reports of the Public Accounts Committee were elaborately discussed by the Central Legislature.

The Estimates Committee, for example, has presented its report on the Indian Oil Company and the Indian Refineries Ltd almost on the eve of the discussion on the Budget demand for grants of the Central Oil Ministry. Referring to the Indian Refineries Ltd, the report says that "during the evidence, the Secretary to the Central Ministry of Mines and Fuel agreed with the suggestion that it would be desirable to have one organisation for both refining and marketing of petroleum products" instead of two separate organisations as at present.

"Such a merger will not only lead to better co-ordination and understanding between the two wings of the same industry, but will also result in economy of overheads. The managing directors of the Indian Refineries Ltd and the Indian Oil Co. Ltd also shared the views expressed by the Secretary of the Ministry.

"During discussion, it had transpired that the third oil refinery in Koyali, Gujarat, would be run by the Oil and Natural Gas Commission. The managing director of the Indian Refineries Ltd stated that organisationally, it would be better if all the oil refineries were put under one company." The Estimates Committee also recommended that the fourth refinery in south India "should be under the integrated organisation suggested by it."

"During the visit of a study group of the Estimates Committee to the Nummati refinery in July 1962, the managing Director informed the Committee that the setting up of the refinery inland, as opposed to a coastal location like Calcutta, had involved an extra expenditure of about Rs. 60 lakhs in the movement of materials from Calcutta to Nummati.

"During evidence, the managing director stated that due to heavy floods in the river Brahmaputra, the production in the refinery had also been affected partially. He added that if the location of the refinery was to be based on technical grounds, it should not have been located in Nummati on account of the difficulty in transporting the finished products from there. It was stated that this and other difficulties had stood in the way of working the refinery to its full throughput resulting in a loss of Rs. 70 lakhs during last year.

"The Committee regrets to note that changes had to be made in the pattern of production of the refinery due to the change in the specification of the crude oil. It understands that the changes in the characteristics of crude oil are not uncommon and should have been taken into account at the time of preparing the project report for the refinery by consultants and

before deciding the original pattern of production."

The Barauni Refinery

As for the Barauni refinery the committee says: "During evidence, the managing director stated that the Government desired that the refinery should be located on the north bank of the river Ganges. The managing director also stated that the location of the refinery at the present site had added about Rs. 2.17 crores extra to the cost of the refinery made up as follows: earth work Rs. 1.27 crores, heavier foundation Rs. 20 lakhs, and on seismic consideration Rs. 70 lakhs, totalling Rs. 2.17 crores.

"Of this amount, the location of the refinery on the north bank of the river necessitated extra expenditure. This could have been avoided if the refinery had been sited elsewhere. It transpired during evidence that the Russians had recommended further investigations for locating other possible sites along the alignment of the Nahorkatiya-Barauni crude oil pipeline and were not happy over the present site.

"The Indian Refineries Ltd has pointed out that Oil India Ltd must guarantee the minimum supplies of 2.75 million tons of crude oil a year in order to feed the Nummati and Barauni refineries to their rated capacity. Oil India Ltd found it difficult to give such a guarantee in view of some unpredictable factors like the drying of wells, etcetera. They have been insisting that they could supply to the Indian Refineries Ltd only what the oilfields were capable of producing.

"The crude oil available in the Nahorkatiya and Moran oilfields is at present estimated at about 44.5 million tons which is just sufficient to feed the Nummati and Barauni oil refineries for a period of 15 years. It is understood that if, as projected, the present capacity of the two refineries is increased from 2.75 million tons to 4 million tons a year, the supplies will last only for about 11 years. This will mean that unless new oilfields are located or crude oil is imported from other countries, the refineries will cease to operate after 11 years.

Heavy Losses

As for the Indian Oil Company, the Estimates Committee says that it "has been incurring losses since its inception. The losses in three years were as follows:

Year	Loss (Rs.)
1959-60	28,808
1960-61	260,714
1961-62	1,395,528

The Committee was informed that if the Indian Oil Company incurred the same expenses towards administration and distribution as prescribed in the Damle Committee's report and the products were sold at the ceiling selling prices fixed by the Government, it would earn a profit element of 56p a kilo litre on H.S.D. and Rs. 17 a kilo litre on superior kerosene. On this basis, the Company should have made a profit of Rs. 29.53 lakhs on its transactions up to 1961-62. It is rather surprising that instead of making any profit, the Company incurred a loss. The committee feels

that there is no justification whatsoever for a distributing oil company to incur such heavy losses.

The committee also says that "the past performance of the company in achieving the object of meeting the full requirements of Government organisations has not been quite encouraging. It regrets to observe that its future plans in this direction are also vague as neither complete information on the estimated requirements of petroleum products of all Government organisations, has so far been collected and compiled nor any detailed plans and targets formulated to meet them progressively."

These are the findings of a committee of Parliament, namely, the Estimates Committee, whose chairman is a senior and respected member of the Congress Party. But during the discussion on the Budget demand for grants for the Central Ministry of Oil, there was no reference to the weighty observations made by the Estimates Committee. It was the officials of the Central Oil Ministry who had approved or advocated the suggestion to amalgamate the refinery and distribution wings of their Ministry. Instead of replying to the points raised against his Ministry, the Minister for Mines and Fuel, Mr. K. D. Malaviya, said that "socialism is a question of life and death with us. It is not a luxury or a question of preaching doctrines and giving lectures, dilating on the ethics of socialism. I have no doubt that in the present state of things, there is no other way, which can save the nation from disaster, poverty and future chaos." But people who require air-conditioned rooms, security guards, expensive furniture and occasional air travel, to mention some of the perquisites enjoyed by Central Ministers, are hardly qualified to talk of socialism. Mr. Malaviya, incidentally, did not explain why the poor taxpayer's money was wasted, as was pointed out by the Estimates Committee.

E.C.M.

Prospects Reviewed

The president of the European Common Market Commission, Dr. Walter Hallstein, gave two lectures here last week. His subject was "Europe and the World". Referring to India, Dr. Hallstein said:

"Already, Europe's record vis-à-vis your great country is not negligible. For the combined years 1961 to 1962 and 1962 to 1963, the contributions of the E.C.M. countries to the so-called Aid-India Club total \$498 million—just over half the U.S. contribution, and a good deal more than that of the World Bank. As far as trade is concerned, 64 percent of the European Economic Community's imports from India already come in duty-free; and in the Dillon negotiations, although ultimately we did not negotiate directly with India, the Community was able to offer concessions amounting to \$8.5 million worth of goods. On cotton textiles and jute, it is true, we have more to answer for: but on the former, under the long-term agreement which came into force in October 1962, the Community countries will by 1967 have enlarged their im-

port quotas to 12,000 tons, against just over 6,000 tons in 1962.

"When one looks at the overall trade balance, it is true that the Community still has an export surplus vis-à-vis India; but this now stands, in 1962, at just over \$143 million, against just over \$327 million in 1958. Community exports to India over the same period have dropped from nearly \$430 million to just over \$298 million; while India's exports to the Community have been climbing steadily from nearly \$103 million in 1958 to over \$155 million in 1962.

"I say this not to claim that we have fulfilled all imaginable obligations, but to show that we have made a start. Obviously, however, there is much more to be done. This became especially clear during the negotiations with Britain which were suspended in January 1963."

Speaking at a Press conference, Dr. Hallstein favoured a comprehensive trade agreement between India and the European Common Market. He added that although the intellectual exercises done to meet India's particular case in the course of negotiations with Britain could not become the basis, they would have a definite place in any fresh negotiations with India. He did not, however, favour any bilateral negotiations between India and the members of the European Common Market largely because of the common external tariffs.

Dr. Hallstein did not see much scope for the international division of labour, since in that case the Common Market countries are to give up manufacturing such items as diesel engines in order to stimulate exports from the developing countries. His view was that such a division of labour could not be a one-way traffic. It is idle to ask western Europe to give up manufacturing certain categories of goods when developing countries are aiming at self-sufficiency in certain categories of goods, irrespective of their natural unsuitability to manufacture them. Dr. Hallstein showed some concern about the price structure of the basic commodities, but defended the arrangement of the European Economic Community had made with some African countries.

INDUSTRIAL LICENCES

Cases of Revocation

As many as 407 licences were revoked during 1962, against 676 in the nine years ended December 1961. In the 14 weeks ended 6th April, 88 industrial licences were revoked, 27 in January, 24 in February, 25 in March and 12 during the week ended 6th April. Some of the licences revoked this year related to synthetic pig iron, glass wool, grey iron castings, steel structurals, cast iron castings, steel ingots, sulphuric acid, jute carpets and writing and printing paper. One regrettable feature of the present situation is that few applicants are coming forward to fill the gap created by the revocation of licences. Foreign collaborators, on the whole, are sitting on the fence to see if there is any appreciable change in the pattern of taxation. The licensing policy followed during the first 18 months of the third plan has killed the public-sector project for manufacturing basic chemicals and intermediates in collaboration with a consortium of West German consultants. The latter included the well-known firm of Bayer. The total cost of the project was estimated at Rs. 19 crores, including Rs. 6.70 crores in foreign exchange. Licences have been issued for manufacturing several intermediates in the private sector, so the German consortium which was to finance the foreign exchange component of the project no longer finds it an economic proposition. It is, therefore, no longer interested in the project. This is not an isolated in-

stance in the sphere of industrial licensing, it is pointed out.

JUTE

Price Support Programme

The Government of India has decided that the current operational price for jute of Rs. 30 a maund, f.o.r. Calcutta, for Assam Bottoms, should be maintained for 1963-64 also and that buffer stock operations and purchase by the State Trading Corporation and the National Agricultural Co-operative Marketing Federation should continue. The corresponding differentials for the lower grades of jute will also continue. Mr. Manubhai Shah, Central Minister for International Trade, announced this in the Lok Sabha last week.

The Minister said: "As a result of price support operations, we have

now been able to build up buffer stock of raw jute to the extent of 750,000 bales in addition to normal stocks held by the industry. The industry itself is holding stocks of more than 5 million bales. As the demand for jute goods abroad and in the country is continuously expanding, the jute industry has been able to register production at the maximum level. Our requirements of raw jute are now at the level at which full production and further expansion can be maintained.

"After making a review of the above position, the Government has decided that the buffer stock operations and purchase operations by the State Trading Corporation and the National Agricultural Co-operative Marketing Federation (N.A.F.E.D.) should continue, and the operational price of Rs. 30 a maund, f.o.r. Cal-

cutta, for Assam Bottoms should be maintained for 1963-64, namely, at the levels decided upon for the current season of 1962-63; the corresponding differentials for the lower grades of jute will also continue.

"The jute industry is now producing proportionately larger quantities of better quality fabrics, namely, carpet-backing cloth and hessian. On the side of sacking, we are facing severe competition from Pakistan whose mills can draw on raw jute supplies at lower prices. In the resultant situation, our jute industry will require a larger proportion of better quality jute if they have to withstand competition. I would, therefore, request the growers to whom we want to give support, to ensure that superior and better varieties of jute are grown, and lower and inferior qualities like B Bottoms and

CAPITAL 18th April, 1963.

Cross Bottoms are grown less and less.

"It is, therefore, necessary to discourage the growth of lower and inferior quality jute. It is also necessary that inferior quality jute is not passed off as better quality and, for this purpose, the grading arrangement should work satisfactorily. The Agricultural Marketing Advisor of the Central Ministry of Food and Agriculture will shortly institute a phased programme for providing facilities for the grading of jute. At present, the differentials between the price for the Assam Bottom and B Bottom is Rs. 2 a maund and the next additional differential for Cross Bottom is Rs. 3 a maund or Rs. 5 below the price for Assam Bottom. We are not disturbing these differentials.

"Over a long period, we should also arrange to supply and grow larger quantities of better quality seeds to growers of jute who will otherwise grow lower grades of jute. The Central Ministry of Food and Agriculture is, therefore, taking up all these related points to multiply better seeds and to supply the same to growers.

"The Government will, therefore, continue to undertake all the necessary operations for stabilising raw jute prices at adequate levels in the interest of growers, in the interest of the jute industry, and in the interest of our foreign exchange earnings."

STEEL

Raising Retention Price

The Central Minister for Steel, Mr. C. Subramaniam, said in the Lok Sabha last week that the question of the future price policy and the manner in which steel prices should be determined are being reviewed by the Government. The Minister said that the retention prices for 1960-62 had been fixed at Rs. 522.50 a ton. The Government had decided that the prices so fixed could be applicable provisionally for the period beyond 1st April, 1962, subject to escalations necessitated by statutory increases in the prices of raw materials and railway freight. The question of allowing an increase in the steel retention price due to the rise in railway freight and royalty on minerals, implementation of the interim wage board's award and incidence of the war risk insurance premium, is at present being considered. An announcement will be made soon, the Minister said.

Mr. Subramaniam added that all the public-sector steel plants were on their way to attaining their full rated capacity. Whatever target was fixed for them is being achieved. The general managers of the plants had been told at their last meeting that production costs should be brought down by about 15 per cent.

DURGAPUR

Steel Output Rises

The Durgapur steel plant shows a rapid increase in production during the past six months. From 46,073 tons in September, the figures rose to 58,735 tons in October, 62,049 tons in November, 77,225 tons in December, and to 83,529 tons in January. The figure of 78,105 tons in February showed an annual rate of 1.08 million tons. The blast furnace output from September onwards also showed a sharp rise. From 78,948 tons in September, production rose to 94,009 tons in October, 97,312 tons in No-

CAPITAL, 18th April, 1963.

ember, 109,134 tons in December, and to 118,123 tons in January 1963. In February, the production of pig iron was 102,427 tons.

After exceeding the ingot production target in February 1963, the Durgapur steel plant touched 100 per cent of its rated capacity in March. The steel-making plant produced 91,028 metric tons of steel during the month. The output of coke in March was 139,737 metric tons and of pig iron 120,401 metric tons.

The foundry industry will benefit greatly by the increase in pig iron production. The output is now 140 per cent of the designed capacity of the plant.

COAL

Achieving Production Target

The Central Minister of Mines and Fuel, Mr. K. D. Malaviya, said in the Lok Sabha last week that the public sector, as a whole, will produce about 11.70 million tons of coal, against the target of 12.65 million tons in 1962-63. The production target for the private sector during the year was fixed at 49.33 million tons, against which production is expected to amount to 52.18 million tons.

Mr. Malaviya explained that proportionately, a greater number of collieries in the public sector have to be developed from scratch in almost virgin areas in fairly inaccessible regions. So production from these collieries could not be increased as rapidly as from those which were already in production. The foreign exchange difficulties are also hampering the development of further production capacity.

FOREIGN CURRENCY

Amount Repatriated

The foreign currency holdings repatriated last year according to the orders of the Director of Enforcement amounted to Rs. 1.99 lakhs and foreign currency confiscated under his orders was of the value of Rs. 17,108. In addition, foreign exchange amounting to about Rs. 2.50 lakhs is yet to be repatriated by the parties in terms of the orders of the Director of Enforcement passed during the same period. Cases of alleged foreign exchange offences involving Rs. 101 lakhs (approximately) are awaiting adjudication.

During 1962, 4,328 applications were received by the Reserve Bank for the release of foreign exchange for business travel abroad, of which 4,100 were sanctioned. During this period, Rs. 1.12 crores was released for business travel. The maximum amount permitted to one individual was Rs. 16,025.

COASTAL SHIPPING

Acquiring More Vessels

The Singh Committee has recommended that 12 specially designed shallow draft vessels of about 10,800 deadweight tons each and a service speed of 12.5 knots should be acquired since the existing coastal ships, including Liberty ships, cannot carry coal to their full capacity due to shallow draft.

AUSTRALIA

Proposed Visit by T.T.K.

The Central Minister for Economic and Defence Co-ordination, Mr. T. T. Krishnamachari, will be visiting Australia for a few days from 23rd April, 1963. During the visit, Mr. Krishnamachari will avail himself of the opportunity to exchange views on the general situation and discuss matters of common interest to both

the Governments. The Minister will be accompanied by Mr. S. S. Kherra, Secretary to the Central Cabinet.

U.K.

New Loan for India

In the course of his Budget speech on 3rd April, 1963, the U.K. Chancellor of the Exchequer, Mr. Reginald Maudling, announced that the British Government was about to make a loan of £3.5 million to the Government of India for purchasing steel plates and other steel products. The loan agreement was signed in Delhi last week. The loan is for a period of 25 years, but repayments of the principal do not begin until after the first seven years. Orders arising under the loan agreement will be placed with British firms by the middle of 1963.

This loan is additional to the British aid totalling £95 million which has been made available so far for India's third five year plan. The steel will be used for a number of important projects in both public and private sectors, including power-house construction and for meeting the requirements of heavy engineering factories, of the heavy electricals project in Bhopal, and for manufacturing railway wagons, ships and road vehicles.

U.S.A.

Grants for India

India has been awarded U.S. grants to finance research and studies on insect nutrition, certain plant diseases, and for the development of new starch products from cereals, the U.S. Department of Agriculture announced last week. A five-year grant of about \$37,925 will finance studies at the Indian Institute of Science in Bangalore, on the specific nutritional requirements of insects which feed on plants, with special emphasis on their need for vitamins and amino acids. This research—employing silkworms as test insects—is expected to lead to the development of an artificial diet for silkworms and other species of plant-feeding insects.

A grant of about \$9,113 was made to Sri Venkateswara University College in Tirupati, for studies on the effects of anti-biotic substances and soil micro-organisms on important plant pathogenic fungi. Data from the three-year project will be used to develop agents from soil organisms to help control plant diseases.

A five-year grant to the Department of Zoology, Loyola College, Madras, will finance a systematic and biological study of Indian thrips to supplement data from U.S. research on this serious agricultural insect pest. This grant is equivalent to \$51,055 in rupees.

A grant equivalent to \$37,199 in rupees will finance the investigation on the preparation and characterisation of new copolymers of cereal starch. This research is to be conducted by the Ahmedabad Textile Industry's Research Association.

The U.S. Department of Agriculture has also announced a five-year grant, equivalent to \$131,100 in Egyptian pounds, to the animal and poultry breeding department of the U.A.R. Ministry of Agriculture, to enable its scientists to evaluate cross-breeding and closed-flock breeding as a means of improving egg production in chickens.

EXPORT-IMPORT BANK

Credit for Hind Aluminium

The U.S. Export-Import Bank announced last week the authorisa-

tion of a \$5 million credit in favour of the Hindustan Aluminium Corporation (Hindalco) of Bombay. The bank president, Mr. Harold F. Linder, said that the credit would be used to purchase machinery, materials, equipment, and related services in the United States with a view to constructing an aluminium fabricating plant in Renukoot, northern India. The new plant will be integrated with an existing aluminium reduction plant which the U.S. Export-Import Bank helped the Company to finance with a \$13.5-million credit in 1960. The new facility will help process ingots into redraw rod, extrusions, and flat and coiled products at a rate of 15,000 metric tons a year.

The total cost of the new plant is estimated at over \$11 million. The \$5-million U.S. Export-Import Bank credit will cover the costs of U.S. aluminium melting, casting and fabricating machinery as well as the engineering design of construction to be undertaken by the Kaiser Engineers Overseas Corporation. The Kaiser Aluminium and Chemical Corporation owns about 25 per cent of Hindustan Aluminium stock with the balance held by Birlas and the Indian public.

GOA

Developing New Industries

The following schemes for setting up new industries in Goa are in various stages of consideration:

Large-scale industries (public sector):

(1) An iron and steel project with a capacity of 300,000 tons to 500,000 tons a year or a steel plant with a capacity of 1 million tons a year.

Private sector:

(1) Two textile mills with 25,000 spindles each, one of them with 500 automatic looms.

(2) Two projects for pelletisation of iron ore fines, each with a capacity of 1,000 tons a day.

(3) A sintering plant for the utilisation of iron ore fines with a capacity of 1,000 tons a day.

(4) A stainless steel manufacturing plant with an investment of about Rs. 3 crores.

(5) A pig iron plant with a capacity of 100,000 tons a year at an approximate cost of Rs. 4 crores.

(6) Two breweries with an investment of about Rs. 30 lakhs each.

Small-scale industries: About 250 schemes for small-scale and cottage industries have been approved. A few of the important approved schemes are as follows: Bakeries, rice and flour mills, strawboard, plywood, paints and varnishes, canning, breweries, printing ink, storage batteries, rice bran oil, zip fasteners, mango flakes, repairing and other workshops, foundries, biscuits, soda water, floating hotel, coconut, husking, nuts and bolts, soap, tyre retreading, bricks, cotton embroidery, saw mills, fishing nets, printing presses, hosiery, fluorescent tubes, salt works, pharmaceuticals, pesticides, fuel injection servicing, mechanical toys, chemicals, macassu oil, rubber products and contraceptives, thick-walled bearings, engine valves, tufted carpets, ghamellas, electroplating, forging plant, sodium silicate, polyurethane, hair solutions, and cosmetics.

Two industrial estate co-operative societies have been registered. They have been given matching share capital contribution to the extent of Rs. 1.50 lakhs. Besides, a society for salt manufacture has been registered

in Diu, and a loan of Rs. 10,000 has been granted to the society.

ROURKELA

Demag Tender Accepted

The Government has decided to accept the tender of Messrs Demag of West Germany for the supply of the electrical sheet mill included in the expansion programme of the Rourkela steel plant. The mill will be capable of producing about 50,000 tons of hot rolled electrical steel sheets a year. The contract will be concluded only after the agreement with the West German Government in relation to the credit for expansion of the Rourkela plant is finalised and some other related matters are settled.

The Government of India proposes to sign an agreement with the West German Government for a loan of 450 million deutschmarks to expand the Rourkela steel works. The actual amount of the loan is 400 million deutschmarks, but in addition 50 million deutschmarks is available from an earlier loan of the West German Government. These two amounts are expected to cover the entire foreign exchange cost of the expansion of the Rourkela steel plant from its present capacity of 1 million ingot tons to 1.8 million ingot tons. The main terms of the loan are that it is for a period of 20 years at the rate of interest of 5½ per cent with a grace period of five years. The loan will be used for making payments to suppliers of plant and equipment from West Germany and Austria in connection with the expansion scheme, and will also cover the cost of any technical personnel which may be needed during the period of construction.

CEMENT

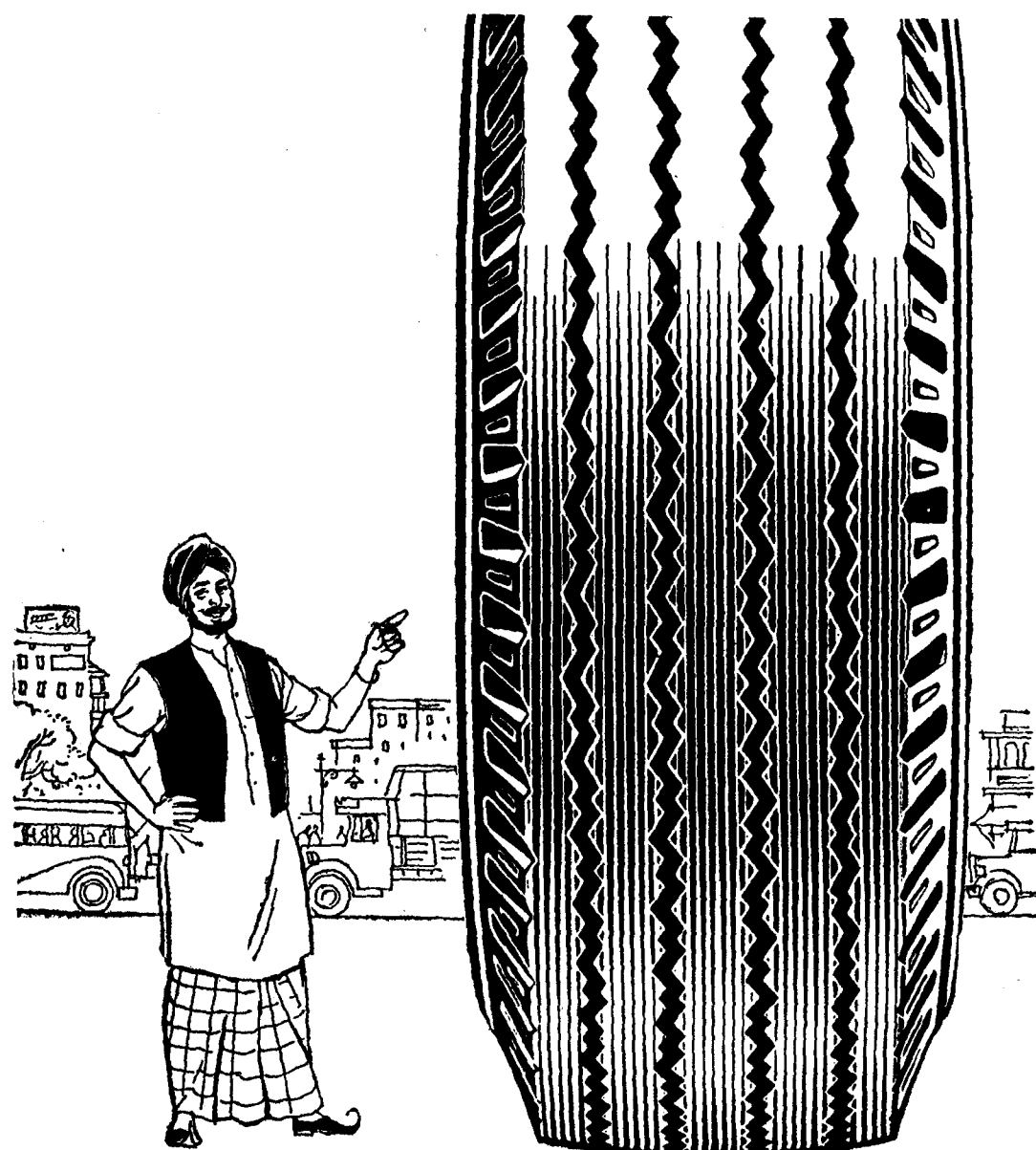
Licences Issued

During the period from 1st January, 1958, to date, 21 licences were issued to private industrialists for manufacturing cement; nine of these were for setting up new factories and 12 were for the expansions of the existing factories. Of these, one new factory has been set up and the expansion programme of one completed. Five licences, four for expansions and one for setting up a new unit, have been revoked. In the case of ten licences, six for new factories and four for expansions, the dates for completion stipulated in the licences have not yet expired. In the case of four licences, one for a new unit and three for expansions, the dates for completion stipulated in the licences, namely, 29th November, 1960, 5th November, 1962, 31st March, 1963, and 24th March, 1963, have expired. The Government is considering the question of revocation or suitable amendment of the licences.

JAPAN

Kubota Power Tillers

A five-man delegation from the Kubota Iron and Machinery Company of Japan recently visited India for setting up a factory to manufacture power tillers. It had discussions with the Governments of Bihar, Orissa and West Bengal and others concerning the import or manufacture of the Kubota power tillers in India. Even before the delegation's visit to India, a private firm had submitted an application for the manufacture of this make of tiller. This application, along with similar other applications, is being considered by the Government.



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A TORY PLAN FOR EXPANDING U.K. EXPORTS

(FROM OUR LONDON CORRESPONDENT)

MR. MAUDLING'S first Budget as Chancellor of the Exchequer has met with a surprisingly good reception, even the trade unions going so far as to accord it the distinction of being in conformity with the needs of the U.K.'s economy today. Indeed, the approval with which it is regarded everywhere would be complete but for what is equally generally regarded as its most serious deficiency, namely, the granting of incentives to industry to expand exports.

The Chancellor's approach to this question has been meticulously correct. Direct incentives to exporters would create difficulties in many quarters; with G.A.T.T. countries, for instance, and with our E.F.T.A. partners, quite apart from the fact that they could prove a stumbling block if there was any question in future of Britain becoming a member of the Common Market. Then again, what effect would any such moves have on the U.K.'s past pro-

tests against those countries which have directly subsidised exports in the past and have as a result been persuaded to abandon these practices—Japan, for example.

Instead of direct export subsidies, therefore, Mr. Maudling has preferred to depend on achieving a similar result by indirect means. The creation of an expanding home market is one such move, the extension of the credit facilities of the Export Credits Guarantee Department another. Indeed, the whole Budget may be said to aim at creating a climate in which exports might be expected to improve of their own volition. It is evident that the Budget was framed with the need for export incentives very much in mind, but Mr. Maudling may well have been deterred in giving a more definite shape to his thoughts on the subject by the fact that it has been very much to the fore in Conservative policy thinking for some time. Perhaps the Chancellor felt he could

not hope to satisfy the varying views of all his supporters in the party ranks.

The Prime Minister's contention that "exporting is fun" is discarded by a group of his Conservative supporters in a report sponsored by the Junior Carlton Club political council. It is full of suggestions on the more mundane theme that "exports must be profitable to the exporter." "We have had," the report says, "some proof of irritation among overseas buyers at having to waste time meeting representatives of British firms who are nice chaps, but uninformed on the technicalities of their firm's product." What pays best, it appears, is to appoint an agent carrying a minimum of other lines and look on him as "part of the British company's family."

Best Alternative

The best alternative is a representative on the spot who knows the needs of the people to whom he is selling, their language, and also his own industry at home. Among the suggestions made are:

New firms prepared to aim at a certain export target and reach it within two or three years should be given the incentive of special grants for factory extension and machinery, or special facilities for renting factories cheaply.

Britain should consider adopting, within the rules of G.A.T.T. and E.F.T.A., the "value-added" tax, as used by the Common Market.

The Inland Revenue should be "generous with overseas expenses and tough on home expenses."

The appointment of a special Minister for overseas trade would appeal to industry and help to make the public export-conscious.

A central organisation is required to provide the small man with an easy means of getting his packaging designed to suit overseas markets.

Trade associations should be obliged, by law if necessary, to undertake basic market research.

As distinct from "inadequate diplomats," commercial attaché with business flair should be kept in their posts for longer than the usual tour of duty, or even permanently.

There should be recruitment for such posts from outside the Civil Service and more realistic commercial training within it.

A university might set up a faculty to train commercial diplomats.

Because export selling is arduous and unsettled, overseas commercial representatives should have special tax-free allowances from their firms.

The report complains that Britain has had "too much feather-bedding" in its home markets. "What we must do is to initiate a vital drive on the progressive cultivation of markets by top-grade market research, salesmanship, prompt delivery and after-sales service."

The report concludes that time is short, but if Britain can hold the line on exports in the next two or three years, and be energetic in expanding and re-equipping her productive resources and selling skill, she will find opportunities for more trade everywhere. And finally, the report suggests that the City of London should make its facilities better known to British manufacturers outside London. Every en-

couragement should be given to British industry to invest in the E.C.C. countries, "even if this means some loss of production at home."

The study group, which was led by Mr. Kenneth Lewis, M.P. for Rutland and chairman of the Conservative Party's Labour Committee, relied partly on the experience of its members and partly on answers to questions sent to overseas buyers asking where they thought British industry was failing. It reports some proof of irritation among overseas buyers at having to waste time meeting representatives of British firms "who are nice chaps, but uninformed on the technicalities of their firm's product." The views of the study group commit neither the Club nor the party.

A startling new idea about exports, on the other hand, is put forward in another Conservative Party booklet, *The Expansion of Exports*, issued by a group of Conservative Members of Parliament. The thesis is that the Government has been wrong trying so hard to encourage a multitude of small manufacturers to enter the export business. The group, whose chairman is Sir Edwin Leather, insists that, with few exceptions, the small manufacturer simply has not the resources of management, experience and finance to break into export markets successfully. Attempts to do so almost invariably end in loss and disillusion, the argument runs.

For such firms, the traditional export merchants of the City of London are described as the "best channel." On the other hand, firms which are exporting already—and they are predominantly large firms—should be more vigorously encouraged and assisted. As evidence, the group quotes a recent Board of Trade survey which shows that in a large number of industries, the firms which export a high percentage of their output are almost invariably large companies. But, presumably, even the giants are not yet doing as much as they can.

"Poor delivery performance," the authors say, "is probably the most widely heard criticism of British exporters, and in our experience, the most widely justified." They also suggest that exporting companies could greatly improve their performance by raising the standards of their export staffs and this means, of course, paying higher salaries for good men, making sure that they get good training and giving the export managers greater authority.

Market Research

There is a good deal of truth in the criticism that even the large firms, which have the resources to organise a successful export campaign, do not always compare well with their foreign competitors in the quality of market research, salesmanship, and service. Whether the booklet's suggestion that the N.E.D.C. might be given the job of general market research is practicable may well be doubted. Some years ago, the Board of Trade tried to set up such a service for exporters, but it had only limited success.

As for the small exporters, there are too many individual success stories to drop the effort to interest a wider section of industry in international trade. No doubt, there are many small family firms where a senior member regards the annual overseas trip more as a pleasant holiday than as a serious attempt to get orders. But to suggest that this is the rule is defeatist. British prices are only just beginning to become competitive. If they can be held down while those on the Continent are rising fast, the business of exporting may soon become profitable again, and then it will be worth encouraging any firm that can contribute.

RETALIATION AGAINST EXPORT SUBSIDY IN PAKISTAN

THE Indian jute industry and trade have been anxiously awaiting the report of the Shrivastava Committee which was submitted to the Government in January. The report is now being examined by the Central Ministry of International Trade and a special committee of the Board of Trade. The Shrivastava Committee, it is said, has made some important observations and recommendations affecting the industry and the trade. Present indications, it says, are that a good world demand for jute goods is likely to emerge, justifying a "bold and expansionist" policy for the Indian jute mills.

The committee is reported to have declared that India may be justified in adopting "retaliatory measures" against the "extraordinary and unpermissible" subsidies offered by the Pakistani Government to boost the country's jute goods exports. Such "retaliatory" subsidies or incentives, the committee thinks, should be financed by the industry rather than the Government. It is also necessary to adopt two other concurrent measures, namely, invoking the protection offered by the G.A.T.T. and the I.M.F. regulations prohibiting the type of subsidy offered by the Pakistani Government.

The committee is reported to have advocated direct negotiations between the two Governments to end this cut-throat competition. For every Rs. 100 worth of jute goods shipped out of Pakistan, the exporter gets Rs. 20 worth of free foreign exchange for importing any consumer goods he likes. This blank authorisation is a lucrative source of income to the exporter, since it helps him to earn much more by selling the imported goods in the open market. The blank permit also accentuates the vicious circle of the movement of contraband goods within the country and promotes a thriving smuggling trade across the frontier. The Pakistani Government of late has tried to modify the subsidy scheme. But the exporter is still left with sufficient financial incentive to undercut Indian jute goods prices in the overseas market.

The Shrivastava Committee is reported to have recommended a "critical review" of the working time agreement under which a sizable percentage of looms in the Indian jute mills remained sealed. Referring to raw jute, it has pointed out that the production of fibre has been sharply increased through the diversion of land under foodgrains and not through the increase in productivity. In view of the chronic foodgrains shortage, no further addition to jute acreage should be allowed. So any increase in the production of fibre has to be achieved through the introduction of better farming practices and the use of improved seeds and mixed fertilisers.

I.J.M.A. Output Figures

The latest I.J.M.A. production figures show a 10.6 percent increase in output—from 94,400 tonnes in February to 104,500 tonnes in March.

Of this, hessian constitutes 44,400 tonnes (42.4 percent), against 40,700 tonnes (43.1 percent), sacking 42,700 tonnes (40.9 percent), against 39,800 tonnes (42.2 percent), and other goods 17,400 tonnes (16.6 percent), against 13,900 tonnes (14.7 percent). The total number of hours worked has increased by 24 to 208 in March. The percentages of various goods pro-

duced show a fall of 0.7 percent in hessian and 1.3 percent in sacking, which was compensated by a rise of about 1.9 percent in other goods. In March 1962, the number of working hours was 200, with a total output of 97,800 tonnes—comprising 38,400 tonnes (39.2 percent) of hessian, 45,200 tonnes (46.2 percent) of sacking and 14,200 tonnes (14.5 percent) of other goods.

U.S. Burlap Consumption

Jute circles in Calcutta are not perturbed over the slight fall in the U.S. burlap consumption in March from the peak figure reached in February. January was a lean month with a low intake due to the U.S. dock strike which left a considerable quantity of jute goods afloat. The pent-up demand during that month was satisfied in February after the dock strike ended. U.S. burlap consumption has fallen by 5.2 million yards from 89.9 million yards in February to 84.7 million yards in March, but shows a rise of 16.7 million yards over January. The January-March consumption totals 242.6 million yards. End-March stocks remain unchanged at 304 million yards. At last month's rate of consumption, stocks could last three-and-a-half months.

Jute Prices in Pakistan

In a desperate bid to stabilise raw jute prices, the Pakistani Government has introduced a scheme for restricting acreage in 1963-64. The Government has advised the growers to produce the right quantity of jute to keep with the demand. This, it says, will ensure a fair return to it, and check the wide price fluctuations resulting from a glut of jute. Announcing the latest measure, a Press note says that so far Pakistan has enjoyed the advantage of offering quality jute in the world market. But of late, the average quality has deteriorated; an abundance of sub-standard fibre has created a problem for disposal and has depressed the prices to uneconomic levels. Due to higher production during the last two seasons, large jute stocks have accumulated. In order to assist the growers to get a reasonable price, the authorities introduced the minimum price scheme for the internal market. Since the offer a permanent solution to the complicated problem of price fluctuations, the Government has decided that the proportion of acreage in 1963-64 in relation to the basic 1940 acreage should be 50 percent in Dacca, Mymensingh, Kishoreganj, Comilla and Rajshahi; 31 percent in Faridpur; 22 percent in Noakhali; 44 percent in Bogra and Barisal; 44 percent in Pabna and Kustia; 25 percent in Jessore; and 16 percent in Khulna. As for Sylhet, the same acreage should be sown this season as in 1962. Besides, the growing of jute has been banned along the border belt with some minor exemptions. The measure is intended to reduce the chances of large-scale smuggling of Pakistani fibre to India across the long land frontier.

Jute Goods Exports Up

There was an all-round rise in jute goods exports during the first seven months of the 1962-63 season, according to the statistics recently released by the Indian Jute Mills Association. During the seven-month period, total exports of hessian rose from 261,400 tons in 1961-62 to 346,500 tons in

1962-63. Sacking exports rose from 172,000 tons to 180,000 tons. At 526,500 tons, total exports during the period showed an increase of 93,100 tons over the figures for the corresponding period of the previous year.

Among western countries, the U.S.A. raised her hessian offtake from 123,700 tons in July-January 1961-62 to 159,100 tons in the same period of 1962-63. In Europe, the U.K. consumed 5,000 tons more at 21,300 tons. The offtake in Africa rose by 800 tons to 19,100 tons and that of Australia by 1,900 tons to 11,000 tons.

As for sacking, there was a setback in the U.K.'s consumption from 4,500 tons to 2,900 tons. The U.S.A. also registered a lower offtake at 1,500 tons, against 3,400 tons and New Zealand 6,000 tons, against 8,200 tons. But Africa's consumption improved from 62,300 tons to 63,000 tons.

Satisfactory Showers

Satisfactory April showers have fallen during the past week over all the jute-growing areas of West Bengal, Assam, Bihar and Orissa. These have helped the sprouting of seedlings in the sown areas and in the preparation of soil in the hitherto dry zones. If the weather is favourable, the prospects for a satisfactory jute crop during the season will improve.

THE JUTE MARKETS

Manufactured Goods: Trading was interrupted in the raw jute and jute goods markets by the Easter and the Bengali New Year's Day holidays during the past week. In the absence of fresh developments, and because of less working days, the turnover declined to a trickle, although sentiment remained firm in the manufactured goods market due to the absence of selling pressure. There were scattered overseas enquiries and a small volume of business was transacted in ready and near-delivery goods. Towards the close, sentiment was stimulated by reports of satisfactory burlap consumption in the U.S.A. during March. This offset the bearish impact of a rise in Indian jute goods output during that month and also the prospects of a further rise in production during April and May at the present level of maximum production. In spite of the slender business, mills were reserved and shippers keen on squeezing a lower price for covering their positions. The prices of both hessian and sacking, however, registered a modest rise for ready and near positions. The undertone was steady at the close.

Quotations on Wednesday were as follows:

	April	May	June	July	Oct.
40in. 7/oz.	34.85	34.90	34.90	35.00	35.00
40in. 8oz.	37.65	—	—	—	—
40in. 10oz.	46.35	46.40	46.45	46.50	46.25
B Twills	111.85	112.50	112.55	112.65	112.50
Corn sacks	114.50	115.00	115.25	115.25	115.00
Heavy Cees	111.50	112.50	112.55	112.65	112.50
A Twills	135.00	135.00	135.00	136.00	136.50
Liverpools	127.50	127.00	126.50	126.50	126.50

Raw Jute: Sluggish conditions prevailed in the raw jute market during the past week due to the reluctance of mills to purchase low-grade fibre at present prices. Sellers were keen on liquidating their stocks even at a discount. Sentiment was also disturbed by reports of widespread showers all over the jute-

growing areas helping the sowing operations. Transactions were of a routine nature in small lots of selected grades at lower than the prescribed minimum rates around Rs. 27 a maund, basis Assam Bottoms, for ready delivery, f.o.r. Calcutta. In the upcountry markets, daily arrivals declined to around 15,000 or 20,000 maunds due to the gradual depletion of stocks with farmers. Buyers were holding out while sellers were evincing a keen desire to dispose of their holdings at lower prices. So prices tended to sag further to around Rs. 25.50 a maund, basis Assam Bottoms.

A quiet trend also prevailed in the futures market in sympathy with the spot market. Upper Assam White Bottoms for June declined from the previous closing rate of Rs. 30.24 to Rs. 30.16 after fluctuating narrowly between Rs. 30.32 and Rs. 30.16 on alternate bouts of short-covering and profit-taking. The turnover was moderate and the undertone hesitant at the close.

Quotations on Wednesday were as follows:

	Landed at Mills (Basis Bottoms)		T.D.S.	
	Current Rs. A Ql.	Minimum Rs. A Ql.	Rs. A Ql.	Rs. A Ql.
Assam-Agartala	73.68	27.50	80.38	30.00
Jute	73.68	27.50	79.04	29.50
Northern Jute	73.68	27.50	79.04	29.50
Western Desal	69.66	26.00	73.68	27.50
Jute	69.66	26.00	73.68	27.50
Selected Daissee	87.07	32.50	85.74	32.00
Assam-Agartala	84.39	31.50	83.05	31.00
Tossa	84.39	31.50	83.05	31.00
Mesta:				
Assam-Northern	66.98	25.00	72.34	27.00
Local Daissee	66.98	25.00	72.34	27.00
Bihar Dist.	61.62	23.00	66.98	25.00
Pakistani N. C.	88.00	a bale.	April-May	

THE U.K. JUTE MARKETS

FIBRE REMAINS WEAK

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market was quieter in Pakistan during last week and a further reduction in E.P.C. values took place. The official rates for the medium and higher grades of both white and Tossa jute have been reduced by £1 to £5 a ton. The lower grades remain unchanged, as they have been at minimum export prices throughout the entire season.

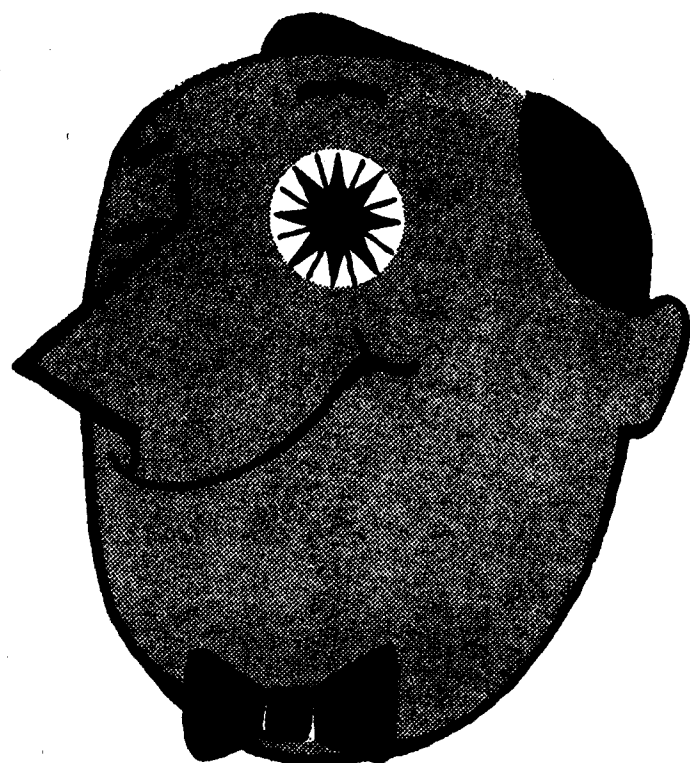
The lower E.P.C. values in force have made little or no difference to the position in Dundee as sellers have been discounting the market for some time. Offers of the better qualities of jute have been very scarce, and only small quantities are available.

The spot market in Dundee was rather weak, and the fact that Pakistan has reduced E.P.C. values, did not help the position. Some movement was taking place in ex-warehouse parcels, but the prices paid were well under current shipment rates. It will still take some time before all the spot jute in Dundee is taken up by spinners.

There were reports that rain had fallen in some of the jute-growing areas in Pakistan, and this should allow sowing of the new crop to proceed. There were sellers of new crop, but the prices quoted were irregular. Mill Lightnings were named at £107 and Mill Hearts at £92, but less was accepted for the latter for August-September shipment. The quantity of new crop jute purchased this year was much smaller than usual, and this appeared to be due to sellers being willing to accept less than minimum prices for the lower grades of the current crop.

Prices of old crop were lowest at £112 for Mill Lightnings, at £91 for Mill Hearts and at £77/10 for Grade Hearts, c.i.f. U.K., or April-May shipment. Grade Tossa-2/3 was rather

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scarce with prices ranging from £123/10. Grade Tossa-4 was quite freely offered at the ruling minimum level of £106/10. Outport Tossa-2/3 ranged from £94 and Outport Tossa-4 from £85, April-May. Cuttings were also quiet with S.N.C. at £54 and N.C. at £43/10s.

The Siam market was about unchanged, but no buying interest was shown by spinners here. Grade A was at £72, grade B at £66 and grade C at £61, delivered mill Dundee for April-May shipment.

The Calcutta goods market was quiet and prices became easier after it was known that stocks held by the mills at the end of March were increased by approximately 8,400 tons. Quotations were at 70s for 40in. 10oz. and at 52s 6d for 7½oz. a 100 yards f.o.b. Calcutta for April shipment, and at 69s 9d and 52s 6d May-June and also July-September. B Twills were at 168s 9d, 169s 3d and 170s for the respective shipment periods. A

request by the Indian mills for lower minimum prices for raw jute was rejected by the Indian Government.

The jute industry in Dundee is busy, and orders are being received for forward delivery. The quantities are not large but sufficient to maintain production at maximum levels. Some fair orders have been placed for sackings and tarpaulins. Prices have been firm and producers are refusing to accept lower rates.

A pay rise granted by the Wages Council comes into force on 3rd May, and the 14,000 jute workers in Dundee and district will benefit. The extra annual cost to the industry will be £197,000, bringing the wage bill up to £6.25 million.

U.K. JUTE AGREEMENTS HELD AGAINST PUBLIC INTEREST

The Restrictive Practices Court in Edinburgh decided recently that

the seven price agreements in the British jute industry are contrary to the public interest. The respondents were the British Jute Trade Federal Council. The reading of the judgment took almost two-and-a-half hours. Lord Cameron, Scottish judicial member and chairman of the Court, said that the respondents had failed to overcome the presumption that the seven agreements were contrary to the public interest. He said the Court had been left with the impression that the average standard of efficiency in the industry had not been proved to be in any marked degree lower than it would have been without the restrictions.

They thought the seven registered agreements were inter-related and produced a fixed system of prices. From the figures which had been produced it seemed that the protection offered by the uniform prices had very much less importance than

the respondents attached to it. It was not proved that the apprehended consequences of the emergence of a "jute controller's gap" would be likely to follow removal of the restrictions, said Lord Cameron.

The respondents had failed to establish that large-scale speculation in imported goods would be likely to follow removal of the restrictions. The respondents had failed to show that the removal of the restrictions would be likely to have a serious effect on the level of employment in Dundee. This, he said, was sufficient for the disposal of the case. The issues of benefits and detriments were not live issues. After the decision, a spokesman for the British Jute Federal Council said: "The whole industry will be very disappointed by the Court's decision. We remain convinced that the agreements which were 'registered under the Act are indispensable.' Successive post-war Governments had adopted and operated the system, he said. It met the special need of the industry for protection against abnormal competition and safeguarded employment. Now that the agreements have to be abandoned, a difficult situation will certainly be created. The Board of Trade has acknowledged obligations to maintain its safeguards and the employment in the industry and the area. The Court has assumed that the Board of Trade will continue to do this. They will no doubt have to examine the new situation immediately and consider how to maintain and complete the safeguards."

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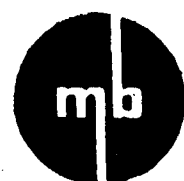
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I.J.M.A. PRODUCTION FIGURES FOR MARCH

The Indian Jute Mills Association reports the total production of jute goods for March as follows:

Description	Quantity
1. Gunny Bags	
(a) Hessian	(5,823 tons)
5,916 tonnes	
1,66.69 thousand metres	(1,82.3 lakh yds.)
1,30.2 lakh nos.	
(b) Sacking	
41,486 tonnes	(40,831 tons)
9,05.56 thousand metres	(9,90.3 lakh yds.)
4,48.2 lakh nos.	
2. Gunny Cloth	
(a) Hessian	
38,494 tonnes	(37,886 tons)
13,20.77 thousand metres	(14,44.4 lakh yds.)
(b) Sacking	
1,247 tonnes	(1,227 tons)
26.70 thousand metres	(29.2 lakh yds.)
3. Other Manufactures	
17,402 tonnes	(17,121 tons)
4. Total Production	
(All Kinds)	
1,04,545 tonnes	(1,02,894 tons)

Summary

	(000 metres and 00,000 yds.)	Mar. '63	Feb. '63	Mar. '62
Hessian	14,87.46	13,79.84	13,33.09	
	(16.27)	(15.09)	(14.58)	
Sacking	9,32.26	8,66.79	9,77.41	
	(10.20)	(9.48)	(10.89)	
(000 tonnes and tons)				
Hessian	44.4	40.7	38.4	
	(43.7)	(40.1)	(37.8)	
Sacking	42.7	39.8	45.2	
	(42.1)	(38.2)	(44.5)	
Others	17.4	13.9	14.2	
	(17.1)	(13.7)	(14.0)	
Grand Total	1,04.5	94.4	97.8	
	(1,02.9)	(98.0)	(98.3)	
Hours worked	208.0	184.0	200.0	

N.B.—These statistics are based on replies received and represent all members of the Association and Gagalbhai with estimates for two non-member mills. The figures in brackets are in British units.

Commodity Markets

Falling Trend in Tea Prices

(BY A SPECIAL CORRESPONDENT)

WEATHER reports from all tea-growing districts in north India state that climatic conditions are too hot and dry and rain is badly wanted. Rain has since been reported and the outlook should be more seasonable. But another late start to the 1963-64 plucking season looks likely, and as last year's world crop figures are expected to be lower than in the previous season, while some additions to consumption is expected, it remains difficult to understand why tea prices show a tendency to fall. One could reason that buyers expect the higher excise levy will reduce internal consumption in India and thus make more tea available for export.

Crop figures from the major producing countries for 1963 do not indicate any startling change in output. In spite of the lower crop from north India in 1962, 218.7 million lbs have been shipped to the U.K. The figure for the previous year was 209.17 million lbs. Total shipments from Calcutta port were 341 million lbs in 1962 and 337.38 million lbs in 1961.

There does not appear to be much wrong with the industry apart from the cost of production spiral. A puzzling problem is if consumption is going ahead on the lines indicated by the chairman of the Indian Tea Board, why do not commodity prices respond, for there is no surplus tea in sight? Exports have improved slightly to most destinations apart from Canada, the Sudan, the Persian Gulf and Turkey. The losses to these countries are quite appreciable, totalling round 5 million kilograms worth about Rs. 2½ to Rs. 3 crores. It is good to note that the figures for the U.S.A. justify recent optimism. Despatches from north India were: this season 15,465,000 lbs, 1961-62 14,888,000 lbs and 1960-61 only 12,194,000 lbs.

As already reported, Russia is buying more of Ceylon teas. In 1961, Russia took only 3.19 million lbs from there. In 1962, it is believed, about 5 million lbs were imported, and for 1963, it is stated, Russia will purchase 6 million lbs.

For some reason not clarified so far tea is not included among the exportable commodities to benefit by an additional rebate on income tax for exports which will apply to jute, textiles, plywood, iron ore, plastics, etcetera. No doubt, the authorities will reason that abolition of the tea export duty should satisfy the trade, but that benefit has been neutralised by the levy of a 20 percent surcharge on excise duty. The Tea Board is doing fine work, but the cause of India's loss of markets is due to high costs, and Ceylon, Indonesia and east Africa have an advantage in this matter.

The Indian Tea Board will soon inaugurate a Tea Centre in London. The Board is making a good effort to stop further cutting into India's tea exports, and it has been reported that at forthcoming fairs in Moscow and Geneva, Darjeeling tea will be served. That sounds all right, but is it? Darjeeling district produces the finest teas with its second flush and later on in the autumn. But the district also manufactures a large proportion of fairly ordinary teas. Which is to be used? Surely, a good strong India blend might be a better advertisement. What about blends to suit the local water which can make quite a difference to tea brewing?

COMPANY AND PUBLIC NOTICES

Situations Vacant

RESERVE BANK OF INDIA

APPLICATIONS are invited for the following posts in the various departments of the Reserve Bank of India:—

(A) POSTS AND SCALES OF PAY:

(i) Deputy Chief Officers: Rs. 1275-75-1575

(ii) Banking Officers

(iii) Research Officers

(iv) Industrial Finance Officers

Rs. 375-55-815 EB-55-925-60-1045.

(v) Probationary Assistants for Economic Department

Rs. 250-25-450 EB 25-650.

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

In addition to pay, the selected candidates in all categories mentioned above will be eligible to draw local pay (at centres where it is admissible) and house allowance at rates prescribed from time to time. Dearness Allowance is not admissible to category (i).

(B) QUALIFICATIONS:

(i) Deputy Chief Officers, Department of Banking Operations: Applicants should have a minimum of 15 years commercial banking experience out of which not less than five years should be in a responsible position. Preference will be given to applicants with high academic qualifications who have made a special study of Economics, Banking, Commerce or Accountancy.

(ii) Banking Officers, Department of Banking Operations: Applicants should (a) have a minimum of five years' commercial banking experience out of which not less than three years should be in a responsible position. Preference will be given to applicants with high academic qualifications who have made a special study of Economics, Banking, Commerce or Accountancy or

(b) be Chartered Accountants with a minimum standing of five years.

(iii) Research Officers, Economic Department: Applicants should possess first or high second class Master's degree in Economics or Commerce of an Indian or foreign University or a Doctorate degree in Economics of an Indian or foreign University, and a period of research work in one or more of the following subjects: (a) Monetary Economics, (b) Banking Theory and Practice, (c) International Trade and Finance, (d) Agricultural Economics and (e) Planning and Development. Applicants are expected to be proficient in economic analysis. A period of practical banking training will be an additional qualification in respect of applicants with specialisation in (a), (b) and (c) above and experience of agricultural surveys in respect of (d) above.

(iv) Research Officers, Department of Statistics: Applicants should possess (i) first or high second class M.A./M.Sc. in Statistics/Mathematics of an Indian or foreign University, M (Stat) of Indian Statistical Institute, Calcutta or an equivalent qualification, (ii) experience in the application of statistical methods to economic problems, (iii) Research experience in one or more branches of applied statistics like sampling, econometrics, etc. A doctorate in Statistics, experience in handling of official statistics, etc. will be considered as additional qualifications.

(v) Industrial Finance Officers, Industrial Finance Department:

Applicants should have a minimum of 3 years' experience in a commercial Bank or a term lending institution in a responsible position. Preference will be given to applicants with high academic qualifications who have made a special study of Economics, Banking, Commerce or Accountancy.

(vi) Probationary Assistants, Economic Department: Applicants should possess a first or high second class Master's degree in Economics or Commerce of an Indian or foreign University. A period of research work done in one or more of the following subjects, namely, (a) Planning and Development, (b) International Trade and Finance and (c) Econometrics will be considered as an additional qualification.

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

(C) AGE LIMITS AS ON 1ST APRIL, 1963:

(i) Deputy Chief Officers: Candidates should not be over 45 years of age.

(ii) Banking Officers, Research Officers and Industrial Finance Officers: Candidates should not ordinarily be over 35 years of age but the age limit may be slightly relaxed in the case of candidates with exceptionally good qualifications and/or experience of value to the Bank.

(iii) Probationary Assistants: Between 21 and 25 years. The maximum age limit is relaxable but not beyond 30 years in the case of:—

(i) Candidates possessing special qualifications and experience of value to the Bank;

(ii) ex-employees of banking institutions whose services had to be terminated for reasons of economy or as a result of the banks going into liquidation;

(iii) personnel retrenched from Government offices after at least one year's service applying through Employment Exchanges; and

(iv) candidates belonging to the Scheduled Castes or Scheduled Tribes.

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

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

4. Applications in the candidate's own handwriting in the prescribed forms obtainable from the Reserve Bank's offices at Bombay, Calcutta, Kanpur, New Delhi, Nagpur, Madras, Bangalore, Hyderabad, Trivandrum, Lucknow and Patna accompanied by copies (originals should not be sent) of certificates regarding age and

educational qualifications, statements of marks secured in the Graduate and Post-graduate degree examinations and two testimonials should be forwarded to the Secretary, Central Recruitment Board, Reserve Bank of India, Central Office, Post Box No. 406, Bombay No. 1 so as to reach him on or before the 18th May, 1963.

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

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

7. Candidates must be prepared to serve in any office of the Bank in India or group of departments to which they are posted, and to undertake tours when required.

8. Selected candidates will have to appear for interview/s before the Selection Board at any of the Bank's Offices.

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

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

11. Canvassing in any form will be regarded as disqualification.

BURN AND COMPANY LIMITED

NOTICE is hereby given that the Registers of Members and Share Transfer Books for 6% and 7% Preference Shares in the Company will remain closed from the 24th to the 30th April, 1963, both days inclusive for the purpose of payment of Preference Dividends for the half-year ending 30th April, 1963, on or after the 10th May, 1963, to those Preference Shareholders whose names appear on the Company's Registers of Members for 6% and 7% Preference Shares on the 30th April, 1963, or to their mandates.

By Order of the Board.

MARTIN BURN LTD.,

F. G. LIVERSEDEGE,

Managing Director,

Managing Agents.

Registered Office:

12, Mission Row,

Calcutta-1.

11th April, 1963.

THE BRITISH INDIA CORPORATION LIMITED

NOTICE is hereby given that the Share Transfer Books of the Corporation will be closed from the 10th May, 1963 to 8th June, 1963, both days inclusive.

By Order of the Board,

R. P. MATHUR,

Dy. Secretary.

Sutherland House,

Kanpur,

15th April, 1963.

For a nominal charge, "Capital's Statistical Department can provide you with a certificate of share prices."

INDUSTRIAL INVESTMENT TRUST LIMITED

NOTICE is hereby given that the Thirtieth Annual General Meeting of Industrial Investment Trust Limited will be held at the Registered Office of the Company at 61, Apollo Street, Fort, Bombay, on Monday the 13th day of May, 1963 at 4 P.M. (S.T.) to transact the following business:

Ordinary Business

- To receive and adopt the Directors' Report and the Audited Statements of Accounts for the year ended 31st December, 1962.
- To declare a dividend.

- To appoint a Director in place of Mr. Kishore M. Premchand, who retires by rotation and being eligible for reappointment offers himself for re-election.

- To appoint a Director in place of Mr. Jal H. Mehta, who retires by rotation and being eligible for reappointment offers himself for re-election.

- To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Special Business

- To consider and, if thought fit, to pass with or without modification the following resolution as an ordinary resolution:—

"RESOLVED that subject to the right of the Board of Directors of the Company to appoint additional Directors under Section 260 of the Companies Act, 1956, the number of Directors of the Company be Eight."

- To appoint a Director in place of Mr. S. K. Handoo who was appointed an Additional Director on the 5th day of April, 1963, and who holds office only upto the date of this Meeting and in respect of whom notice in writing has been received from two members signifying their intention to move the following resolution proposing him as a candidate for the office of Director.

"RESOLVED that Mr. S. K. Handoo be and he is hereby appointed a Director of the Company."

NOTICE is also hereby given that the transfer books of the Company will remain closed from Monday the 22nd day of April, 1963 to Monday the 13th day of May, 1963, both days inclusive.

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

By Order of the Board,
KISHORE M. PREMCHAND,
Director.

Registered Office:
61, Apollo Street,
Fort,
Bombay, dated 5th day of April, 1963.

Notes:—1. The dividend when declared will be made payable at the State Bank of India, Bombay, on and after the 14th day of May, 1963. The dividend warrants will be posted to those shareholders whose names stand on the Register on the 13th day of May, 1963.

2. Change of address, if any, should be notified to the Company immediately.

A copy of this notice and the Explanatory Statement required to be annexed thereto are being circulated to the Members.

THE PUNJAB NATIONAL BANK LTD., NEW DELHI

NOTICE

NOTICE is hereby given that the next Annual General Meeting of the Shareholders of the Punjab National Bank Limited, New Delhi, will be held at the Registered Office of the Bank, Parliament Street, New Delhi, on Friday, the 10th May, 1963, at 4-00 P.M. Notice of the Meeting setting out the ordinary and special business to be transacted thereat and the Explanatory Statements attached therewith are being sent by post to the Shareholders at their registered addresses.

By Order of the
Board of Directors,
R. L. TULI,
General Manager.

New Delhi,

Dated 10th April, 1963.

N.B.

- The transfer Books and the Register of Members of the Company will remain closed from 17th April to 30th April, 1963 (both days inclusive).

- A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Such proxies on the form should reach the Registered Office of the Company at least 48 hours before the time fixed for the Meeting.

- The dividend when declared will be made payable, subject to the provisions of the Articles of Association of the Company, at the Registered Office of the Company on or after 11th May, 1963, to those shareholders whose names stand on the Register of Members as on 30th April, 1963, and in respect of the shares standing in their names as on that date.

- Shareholders are requested to intimate the change of address, if any.

DUNCAN BROTHERS & COMPANY LIMITED

REGD. OFFICE: 31, NETAJI SUBHAS ROAD, CALCUTTA.

NOTICE

RIGHTS ISSUE OF EQUITY SHARES

SHAREHOLDERS are hereby informed that in accordance with a resolution passed by the Board of Directors of the Company on 11th April, 1963, 18,000 new Equity shares of Rs. 100/- each will be issued at a premium of Rs. 10/- per share and such shares will be offered to those members of the Company whose names appear on the Company's Share Register on 1st May, 1963 in the proportion of one new Equity share of Rs. 100/- for every five existing Equity shares then held by such members.

The Register of members and Share Transfer Books of the Company will be closed from 29th April, 1963 to 1st May, 1963, both days inclusive. Letter of Rights together with the relevant forms will be posted to the Shareholders in due course.

DUNCAN BROTHERS & CO., LD.,
S. K. MITRA,
Secretary.
16th April, 1963.

CAPITAL, 18th April, 1963.

THE BENGAL PAPER MILL CO. LTD.

IT is hereby informed that Notice of First Call of Rs. 5/50 nP per share on 1,80,000 Partly Paid Equity Shares have been sent to the Holders of these shares individually. Any Shareholder, who has not received the Call Notice may obtain a copy from the Company's Registered Office. Last date of payment of Call Money is 30th April, 1963.

THE BENGAL PAPER MILL CO. LTD.,

H. P. DHANUKA,
Director.

Registered Office:
14, Netaji Subhas Road,
Calcutta-1.
Dated 16th April, 1963.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.I. Hours
Bombay Dyeing and Manufacturing Co. Ltd.	18-4-63	4-30 p.m.
Dunlop Rubber Co. (India) Ltd.	24-4-63	11 a.m.
Indian Aluminium Co. Ltd.	26-4-63	11-30 a.m.
Bombay Burmah Trading Corp. Ltd.	26-4-63	4 p.m.
Rampooria Cotton Mills Ltd.	27-4-63	1 p.m.
Jessop and Co. Ltd.	29-4-63	11 a.m.
Raza Buland Sugar Co. Ltd.	30-4-63	10-30 a.m.
Punjab National Bank Ltd.	10-5-63	4 p.m.
Industrial Investment Trust Ltd.	13-5-63	4 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Cawnpore Sugar Works, Ltd.—Nil; Cawnpore Textiles, Ltd.—50nP (o), per share, subject to tax; Bharat Commerce & Industries Ltd.—15 p.c. (o), subject to tax; Dunlop Rubber Co. (India) Ltd.—15 p.c. (o), subject to tax.

SHELLAC DULL

During the week ended 16th April, the market was dull. The range of quotations was as follows:

	Rupees a package
Pure Buttonlac	Rs. 102 value
Lemon One Shellac	Rs. 102 value
Lemon Two Shellac	Rs. 90 value
Standard One	
Shellac	Rs. 80 value
Pure TN Shellac	Rs. 70 value
Golden Kusmi	
Seedlac	Rs. 102 value
Kusmi One Seedlac	Rs. 86 value
Golden Bysack	
Seedlac	Rs. 74 value
Manbhumi Fine Bysack	
Seedlac	Rs. 58 value
Fine Bysack	
Seedlac	Rs. 52 value
Genuine Bysack	
Seedlac 5%	Rs. 40 value
Grade One Class B	
Seedlac	Rs. 62 value
Grade Two Class B	
Seedlac	Rs. 44 value

Shipments during April until the 2nd were 1956 packages.

BOOKS RECEIVED

Corporate Investments under the Companies Act, 1956. By S. C. Mehta. (Published by M. C. Bhandari for the Association of Company Secretaries and Executives, 134/1 Mahatma Gandhi Road, Calcutta 7. Price Rs. 2, pages 30.)

Managerial Remuneration under the Companies Act. By B. S. Kothari. (Published by M. C. Bhandari for the Association of Company Secretaries and Executives, 134/1 Mahatma Gandhi Road, Calcutta 7. Price Rs. 2, pages 46.)

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

BANKS

Wednesday, 17th April, 1963.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		17-4-63	10-4-63	A year ago		1959	1960	1961		17-4-63	10-4-63	A year ago
Allahabad Bank P.	18	18	18	100	277/00	398/00	329/00	Indian Overseas Bank	12	14	14	100	148/00	148/00	179/00
Bank of Baroda	14	17	17	50	86/00	85/50	115/00	Industrial Finance Corpn.	..	..	..	50	..	..	..
Bank of India	16	20	20-20*	50	107/00	105/00	120/00	National & Grindlays Bank	12½	13½	14	sh. 15	sh. 31/3	sh. 41/4½	sh. 32/6
Central Bank of India	17-1/5	20 2/5	..	25	56/00	53/00	67/00	Punjab National Bank	20	20	20	10	19/12	18/37	21/62
Chartered Bank	15	15	15	21	sh. 61/-	sh. 61/-	h. 55/1½	Union Bank of India	..	..	..	5	6/48	6/48	8/32
Hindustan Commercial	Nil	Nil	Nil	50	14/00	14/00	19/37	United Bank of India	4.3	4.3	6	10	7/62	6/50	6/68
Hindustan Mercantile	Nil	Nil	Nil	50	12/87	15/62	17/62	United Commercial Bank	11	12	12	50	71/00	71/50	96/22
Hong Kong & Shanghai	23	23½	23½	HK\$2½	£17½	£16½	180/00								
Indian Bank	15	15	..	100	174/50	174/50	180/00								

*1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share per	Latest Market Quotations as available until		
					17-4-63	10-4-63	A year ago						17-4-63	10-4-63	A year ago
	1960	1961	1962	Rs.	Rs.	Rs.	Rs.	1960	1961	1962	Rs.	Rs.	Rs.		
Agarpara P.	10	2½	2½	10	10/19	9/56	12/31	Hukumchand P.	28½	28½	26½	7½	18/00	18/00	28/12
Alexandra P.	44	15	..	100	305/00	305/00	305/00	India	14	12	8	12½	17/69	17/62	16/87
Alliance P.	6	Nil	10	100	110/00	110/00	134/00	Kamarhaty P.	5	Nil	..	100	148/00	148/00	188/00
Anglo-India P.	20	7	10	100	201/00	201/00	228/00	Kankarnarab P.	Nil	Nil	..	100	124/00	119/00	163/00
Auckland P.	2½	12	Nil	100	150/00	150/00	183/00	Kelvin P.	15	15	5	100	170/00	165/00	189/00
Bally P.	30	25	25	100	257/00	235/00	304/00	Khardah P.	20	5	12½	10	16/50	16/50	17/12
Barnagore P.	20	10	10	25	176/00	172/00	183/00	Kinnison P.	20	7	Nil	100	140/00	140/00	175/00
Bengal P.	5	..	..	10	10/25	10/25	10/31	Lansdowne P.	Nil	Nil	Nil	100	85/00	85/00	149/00
Birsa P.	15	15	15	10	27/75	26/00	36/75	Lawrence P.	12	15	10	100	101/00	101/00	170/00
Budge Budge P.	10	Nil	..	100	169/00	169/00	141/00	Megha P.	12	12½	Nil	10	13/25	13/25	13/44
Calcutta P.	..	..	..	100	8/00	8/00	9/50	Nahatu P.	..	..	..	100	81/00	81/00	106/00
Caledonian P.	12	5	..	100	205/00	205/00	203/00	Naskarpara	..	..	..	10	9/06	9/06	12/25
Champdany P.	10	5	Nil	100	134/00	134/00	140/00	National P.	7½	Nil	..	10	22/69	23/37	24/00
Cheviot P.	Nil	5	..	10	22/19	21/44	24/31	Nellimaria P.	3	6	15	10	10/50	12/25	12/31
Chitavalah P.	6	Nil	6	10	11/00	11/00	12/62	New Central P.	15	15	Nil	10	12/81	12/82	12/82
Clive P.	..	..	..	10	7/62	7/75	9/85	Northbrook P.	30	30	20	10	29/00	29/00	35/25
Dalhousie P.	1	1	Nil	100	145/00	145/00	138/00	Nudde	6	6	5	50	49/50	49/50	78/50
Delta P.	7½	Nil	12½	10	141/00	141/00	192/00	Presidency	8	6	10	5	4/81	4/81	5/94
Empire P.	12½	7½	12½	10	14/00	15/31	19/50	Rameswara P.	Nil	Nil	Nil	10	9/44	9/44	9/62
Fort Gloster P.	25	10	12½	100	389/00	389/00	454/00	Reliance P.	Nil	Nil	Nil	10	7/37	7/37	7/50
Fort William P.	22½	22½	10	10	23/44	26/00	26/50	Sannugur P.	6	Nil	..	21	10/50	10/50	10/50
Ganges P.	10	10	15	10	12/69	12/69	14/56	Shree Ambica P.	25	25	..	10	25/00	25/00	40/12
General Industrial	40	10	..	10	17/00	17/00	17/00	Socrah P.	6	Nil	..	21	16/75	16/75	23/84
Gourapore P.	30	25	20	100	487/00	487/00	505/00	Flagabur P.	6	Nil	..	21	10/50	10/50	10/50
Hastings P.	6	6	6	100	128/00	128/00	122/00	Union P.	25	6	Nil	100	146/00	146/00	180/00
Hoochly P.	10	..	..	10	20/00	20/00	27/25	Victoria P.	6	Nil	..	21	10/50	10/50	10/50
Howrah P.	12½	10	Nil	10	17/50	19/00	21/25	Waverley P.	30	30	60	1	5/50	5/50	6/12

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		17-4-63	10-4-63	A year ago		1960	1961	1962		17-4-63	10-4-63	A year ago
Amalgamated	10	12½	15	10	21/00	21/00	22/00	Mundulpur	..	..	..	10	2/89	2/89	2/82
Bengal P.	25	21	..	100	262/00	262/00	339/00	Nazira	..	..	..	10	5/12	5/12	6/87
Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48	New Beerbhoom P.	10	10	..	10	17/62	17/62	21/00
Bengal Nagpur	10	26	..	10	22/00	22/00	20/19	New Manbhoom	7½	9	12	10	13/00	13/00	13/62
Bhaigora	..	..	..	10	5/00	5/00	4/50								
Bharat Collieries P.	..	..	..	10	3/53	3/53	3/97								
Bhulanbararee	..	..	..	10	12/00	12/00	5/00	North West	20	20	..	10	19/75	19/75	22/06
Bokaro & Ramgur	..	..	..	10	11/19	11/19	14/06					7½	18/00	18/00	30/25
Borra P.	15	15	..	10	23/87	23/87	23/25								
Burrakur P.	13	13	13	10	15/50	15/50	17/25	Ondal P.	6	7½	..	10	12/00	12/00	14/40
Central India	6	10	10	10	10/00	9/94	11/47	Parases P.	11	11	..	10	16/00	16/00	17/88
Central Kurkend P.	6	..	..	10	8/00	8/00	7/00	Pench Valley	10	10	10	10	19/12	19/12	15/75
Churulia	Nil	..	..	4	3/06	3/06	3/06	Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
Dhemo Main	7½	15	20½	10	5/75	5/75	7/06	Raneegunge	15	17	17	10	14/25	13/00	14/62
East Indian	15	10	..	10	32/00	29/00	37/12	Rewa	20	20	..	10	28/50	28/50	30/00
Equitable P.	Nil	Nil	Nil	10	25/62	25/62	27/50								
Ghusick & Musalia	..	..	..	10	13/50	13/50	14/00	Samla	10	..	..	10	10/03	10/03	8/87
Gurdar Kajora	..	..	..	10	2/03	2/03	2/00	Searsole	Nil	Nil	Nil	2½	1/94	1/94	9/78
Hurliadib	..	..	..	10	8/12	8/12	14/37	Seebport P.	42 8/7	42 6/7	..	7	45/00	45/00	47/00
								Sendra	5	3½	..	10	5/00	5/00	7/44
Karanpura Developer	5	5	..	100	11/00	11/00	16/00	South Karanpura	24	Nil	..	10	8/25	7/87	8/50
	15	15	..	10F				Standard	15	10	..	10	16/00	16/00	15/50
								Union	..	..	..	10	10/37	10/37	10/00
Karanpura Collieries P.	7½	10	10	10	16/00	16/00	19/04	Western Bengal	7½	7½	9	10	9/19	8/75	8/87
Katra Jherlah	95	40	25	10	37/75	48/75	49/00	West Jamuria	Nil	Nil	..	10	4/12	4/12	9/37
Khas Kajora P	..	..	..	10	18/70	18/70	18/70								

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		17-4-63	10-4-63	A year ago		1959	1960	1961		17-4-63	10-4-63	A year ago
Basanti P.	..	..	..	10	12/75	12/75	7/37	Elgin P.	11 1/2	17 1/2	17 1/2	10	20/69	20/69	22/00
Bansa Luxmi	..	..	..	40	28/00	28/00	28/00	12 1/2	..	..	..	10	13/06	12/50	21/37
Bengal Nagpur P.	Nil	..	..	10	3/00	3/00	3/75	J. K. Cotton (Rayon) P.	10	10	..	10	14/62	14/81	17/37
Bharat Commerce	5	15	..	10	21/87	20/75	27/62	Jay Shree	..	..	..	100	135/05	135/00	146/00
Birla Cotton	10	20	20	10	26/75	26/75	27/00	Muir P.	Nil	Nil	..	10	1/62	1/62	10/19
Bowreah P.	10	20	..	10	23/50	21/44	41/00	New Victoria P.	Nil	Nil	..	10	12/00	12/00	11/00
Cawnpore Textiles	7-1/5	10	..	5	6/25	6/25	8/94	Orissa Textiles P.	Nil	Nil	Nil	1	2/00	2/00	2/00
Delhi Cloth & Genl. P.	12	13	13	25	44/87	43/87	61/50	Rampur Cotton	5	..	..	100	11/50	11/50	11/50
Dunbar	20	20	..	10	26/87	26/87	34/00	Swadesh (Kanpur) P.	5 1/2	..	..	100	7/00	7/00	8/50

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		10-4-63	9-4-63	A year ago		1959	1960	1961		10-4-63	9-4-63	A year ago
Ahmedabad Advance P.	7	18	..	100	170/00	170/00	216/50	Indiyan	..	..	..	250	761/25	761/25	..
Apollo	Nil	Nil	..	100	2/02	1/94	2/56	Indore Malwa United	7	8 1/2	10	100	170/00	185/00	180/00
Beharilal Ramcharan	Nil	Nil	..	100	82/50	82/50	72/50	Khatav (Wakani) P.	16	8 1/2	..	100	360/00	355/00	488/75
Bombay Dyeing etc.	14	14	14	25	62/00	63/50	70/00	Koninor	9 1/2	15	18	100	285/00	281/00	313/50
Bradbury P.	10	10	25	50	150/00	150/00	210/00	Lakshmi Vishnu P.	Nil	5 1/2	6	100	103/75	107/50	650/00
Century	..	..	..	100	488/00	475/00	638/00	Morarijee Goudas P.	21 1/2	21 1/2	24-24 1/2	100	410/00	450/00	422/00
Central India P.	Nil	Nil	Nil	100	95/00	105/00	152/00	Mysoore Sps. & Mls. P.	10	14	14	50	46/00	46/00	66/00
Coorla	..	..	..	100	150/00	150/00	157/50	New City of Bombay	..	..	..	100	142/50	142/50	181/00
Dawn	20	30	30	50	142/00	142/00	168/00	New Great Eastern P.	..	..	..	100	270/00	270/00	293/50
Edward Textiles	9	9	..	200	325/00	325/00	365/00	Phoenix	..	..	..	100	194/00	206/00	277/00
Elphinstone P.	14	18	22	50	93/00	93/00	129/00	Sassoon & Alliance	Nil	Nil	..	10	13/00	13/00	13/00
Finlay	..	..	..	100	306/00	325/00	342/00	Sassoon Spinning	25	17	20	10	43/25	43/75	67/00
Gokak	..	..	..	100	174/00	174/00	230/00	Simplex	10	15	Nil	50	128/00	128/50	175/50
Hindustan	..	..	..	250	810/00	810/00	..	Shree Niwas P.	15	18	20	100	248/00	248/00	296/00
India United	..	..	..	10	23/00	22/60	23/60	Syndesh P.	14	17	..	100	300/00	300/00	375/00
	..	..	..	100	2/54	2/58	3/92	Swadeshi	..	..	..	25	58/00	57/20	81/70
								Western India	..	..	..	250	760/00	760/00	802/50

* 1962

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		16-4-63	9-4-63	A year ago		1959	1960	1961		16-4-63	9-4-63	A year ago
CEMENT															
Associated Cement	11	12½	12-12*	100	140/50	140/00	160/25	British India General	..	..	..	10	11/52	11/60	12/00
ELECTRIC LGT. POWER															
Ahmedabad Electricity	6½	7	6	100	90/50	91/30	93/50	Jupiter General P.	..	..	..	15	12/52	12/52	13/00
Andhra Valley Power P.	5	5½	5-5*	1000	982/50	1,005/00	1,020/00	New India	..	..	..	15	60/00	59/00	67/00
Bombay Suburban Elec.	..	..	..	100	100/00	101/00	102/25	Vulcan	..	..	..	10	16/40	16/40	17/12
Tata Hydro Elec. Power P.	5	5½	5-5*	100	101/00	104/00	112/75	MISCELLANEOUS							
Tata Power P.	5	5½	5-5*	1000	1,042/50	1,035/00	1,115/00	Belapur Sugar	..	..	..	50	174/00	200/00	238/00
ENGINEERING & METAL															
Alcock Ashdown	..	..	..	100	312/00	307/00	334/00	Bombay Burmah Trading	10	30	33-33*	125	645/00	655/00	662/50
Jost's Engineering	10	8	10-10*	50	98/00	98/00	98/00	Hindustan Lever	24	26	26-26*	10	236/25	237/50	268/75
Larsen & Toubro P.	12½	12½	18-14*	10	23/24	23/40	39/50	Industrial Invt. Trust	6	6½	6½	100	45/00	45/00	73/30
Mckenzie	12½	..	..	100	140/00	140/00	148/75	Kemur (Chemists)	..	..	..	200	305/00	305/00	315/00
Premier Construction P.	..	..	..	300	131/50	132/00	175/25	National Rayon	22	22	..	100	348/00	353/00	562/00
Tata Eng. & Locomotive P.	9.9	12½	14½-14½*	100	265/00	277/00	357/50	Scindia Steam Navign.	6½	3	3-3*	20	10/40	10/48	13/26
Tata Iron & Steel P.	9.1	9.1	10.35-10.36*	750	122/00	120/50	141/25	Shivrajpur Synd.	60	80	Nil	10	20/52	21/00	39/00
								Tata Chemicals P.	7½	6	6½-6½*	10	15/08	14/84	17/84
								Tata Oil P.	13	23	23-23*	25	56/70	56/70	85/50
								Volta	13	13	14-14*	100	254/00	256/00	287/50
								Western India Match	16	16	16	100	262/00	255/00	311/00

* 1962

TEA COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		17-4-63	10-4-63	A year ago		1959	1960	1961		17-4-63	10-4-63	A year ago
ASSAM GARDENS															
Anandabag	15	Nil	10	10	20/00	20/00	25/94	Brooke Bond P.	12½	15	10-7½	10	11/00	11/00	15/37
Ambeekie P.	17½	30	32½	10	33/25	33/25	30/25	Dejoo Valley	40	15	20	10	49/25	49/25	49/25
Bamuniar	15	Nil	15	10	18/50	18/50	21/62	Dessa & Purbuttia	Nil	Nil	10	100	140/00	141/00	155/00
Bamuniar Tea	Nil	Nil	..	6	8/50	8/50	8/50	Dhelakhat	20	12½	..	10	19/50	19/50	22/00
Bamuniar	80	85	25	10	27/25	27/25	26/50	Dhunsari P.	23	20	15	10	15/00	15/00	15/12
Batal	80	80	..	8	18/00	18/00	18/87	Dibrugarh	80	40	40	10	32/50	32/50	31/00
Beljan	25	40	45	10	32/62	32/62	28/44	Dimakusi P.	80	25	20	10	21/87	21/87	22/00
Bishnauth	13	13	13	10	15/87	15/87	23/00	Dufflaghur	85	25	25	10	27/87	27/87	30/00
Bokakhat	6	Nil	10	10	13/70	13/70	13/70	East India	40	Nil	Nil	10	13/00	13/00	20/00
Bornab Jan P.	12½	15	15	10	16/12	16/12	15/37	Gillapukri	25	25	20	10	25/44	25/44	25/44
Bor Pukhuri	Nil	Nil	Nil	10	11/75	11/75	10/87	Gohpur	10	Nil	..	10	13/31	13/31	14/81

* 1962

TEA COMPANIES - Contd.

NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until A year ago			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until 17-4-63 10-4-63 A year ago		
	1959	1960	1961		Ra	Ra	Ra		1959	1960	1961		Ra	Ra	Ra
Grob	14	6	6	5	7/12	7/12	9/69	Singell	Nil	Nil	Nil	100	36/75	36/75	37/25
Hoograjuli (Assam)	25	20	20	10	27/12	27/12	24/44	Singtom	6	2	..	10	3/50	3/50	4/62
Hoolungoree	20	10	7 1/2	100	185/00	185/00	155/00	Soom	30	50	40	10	31/00	31/00	45/00
Jutibari	10	30	80	10	32/00	32/00	32/00	Sungma	10	15	15	10	12/75	12/75	13/12
Kingsley Golaghat P.	35	35	..	100	212/00	212/00	210/00	Teesta Valley	Nil	Nil	6 1/2	10	11/00	11/00	13/19
Kotamullai P.	Nil	Nil	Nil	5	10/31	10/31	10/37	Tukvar	..	..	..	10	6/00	6/00	7/00
Krishnabehari	10	15	8	10	8/08	8/08	8/08	DOOARS							
Kyana Tea	Nil	Nil	..	10	17/25	17/25	14/12	Banarhat P.	32 1/2	22 1/2	21	100	255/00	255/00	262/00
Ledo	7 1/2	10	7 1/2	10	14/81	14/81	15/00	Baradighi	25	30	25	10	23/00	23/00	27/00
Maud Tea & Seed	15	5	14	10	18/50	18/50	19/62	Bhatkawa	10	15	15	10	15/50	14/75	19/94
Methoni	10	Nil	..	10	11/50	11/50	11/50	Birpara P.	22 1/2	17 1/2	12 1/2	100	149/00	149/00	145/00
Moheema	25	30	30	100	507/00	507/00	507/00	Caron	15	20	5	100	145/00	145/00	145/00
Mothola	25	5	15	10	26/50	26/50	26/50	Choonashuti P.	30	32 1/2	20	100	210/00	210/00	262/00
Murphulan (Assam)	25	10.63	20.63	10	28/75	28/75	28/25	Ellenbarrie	5	5	5	100	184/00	187/00	178/00
	5	10	10	10	22/69	22/69	20/37	Enga	Nil	00	30	100	136/00	136/00	136/00
Naga Hills	16	12	..	10	14/56	14/56	14/00	Khetbari	Nil	5	5	10	13/12	13/12	9/19
Namburnadi	Nil	Nil	Nil	100	302/00	302/00	103/00	Gairkhata	12 1/2	25	20	10	21/50	21/50	25/12
New Cinnatollah	35	40	21/37	10	21/37	21/37	22/37	Gopalpur	9 3/4	12	2	25	19/50	19/50	20/00
Rajgarh	20	22 1/2	20	10	21/67	19/87	18/50	Hasinara P.	12 1/2	15	5	100	103/00	103/00	124/00
Sapoi	17 1/2	22 1/2	15	10	21/12	21/12	22/87	Hudibari	22 1/2	17	18 1/2	10	12/12	12/12	31/25
Seajuli	25	25	10	10	27/75	27/75	27/25	Jayburpara	12 1/2	22 1/2	19 7/8	10	13/00	13/00	12/00
Telotian	17 1/2	30	30	10	35/00	35/00	35/00	Killeoti	1 1/2	25	15	10	11/06	11/06	14/06
Pengpani	20	20	12 1/2	10	15/25	15/25	16/00	Manabarrie	5	10	5	10	16/25	16/25	18/69
Tezpor P.	Nil	Nil	..	10	6/50	6/50	6/44	New Doonars P.	17 1/2	25	15	100	59/50	59/50	56/37
Tongani	Nil	10	15	10	34/37	34/37	38/00	Oodlabari	32 1/2	35	20	100	141/00	134/00	177/00
Tytoon	30	10	15	10	34/37	34/37	38/00	Phaskowa	Nil	12 1/2	7 1/2	10	258/00	258/00	296/00
CACHAR								Rajabhat	Nil	Nil	Nil	100	129/00	129/00	127/00
Arcuttipore	Nil	Nil	..	10	7/00	7/00	7/00	Ranicherra	10	15	15	10	12/12	12/12	12/75
Baitakhal	5	5	..	100	73/00	73/00	75/50	Rydat	30	25	20	10	18/75	18/75	18/56
Central Cachar	Nil	Nil	..	10	4/12	4/12	2/75	Sarugaon	60	40	40	10	27/31	27/31	28/62
Eastern Cachar	6	6	..	100	87/00	87/00	86/00						36/25	36/25	36/00
Kalinugger Khoreel	Nil	Nil	..	10	9/44	9/44	11/25	TERAI							
Katikhrine	Nil	Nil	..	10	6/30	6/00	3/94	Atal	10	5	..	10	6/75	6/75	8/00
Kanchenpore	Nil	Nil	..	10	4/37	4/37	3/94	Belgachi	20	20	..	10	20/50	20/50	21/62
Loobab	30	30	20	100	114/00	114/00	205/00	Gungram	15	20	12 1/2	100	117/00	117/00	153/00
North Western	Nil	Nil	..	10	7/50	7/50	7/50	Hansqua	17 1/2	20	15	10	20/00	20/00	16/31
Pathemara	Nil	Nil	..	10	13/62	13/62	12/00	New Chumta	15	15	12 6/75	10	24/62	24/62	33/50
Roopacherra	7 1/2	6	5	50	50/00	50/00	55/50	New Terai	15	22 1/2	..	10	36/00	36/00	36/00
Rungamtee	Nil	Nil	..	10	9/12	9/12	9/12	Pahargoomiah	25	20	..	10	31/12	31/12	31/06
Sonal River	Nil	Nil	..	10	8/12	8/12	8/12	Putinbaree	28	14	..	10	45/00	45/00	45/00
DARJEELING								Turribannab P.	30	40	..	10	49/00	49/00	49/00
Bloomfield	Nil	Nil	..	10	3/25	3/25	3/75	CHITTAGONG							
Chamong	Nil	Nil	..	100	9/00	9/00	10/25	Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Darjeeling Tea & Chin.	Nil	30	10	100	197/00	197/00	164/00	Kornafull	Nil	Nil	..	10	13/06	13/06	13/06
Diharam	5	8	..	100	102/50	102/50	102/50	Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
Gielie	12 1/2	15	10	10	11/69	11/69	11/44	SYLHET							
Longia P.	14	12 1/2	..	10	14/56	14/56	14/56	Chundeecherra	Nil	Nil	..	10	23/00	23/00	24/00
Longview	10	15	15	10	11/00	11/00	11/00	Kaliti	15	22 1/2	22 1/2	10	7/31	7/31	7/08
Margaret's Hope	10	22 1/2	20	100	191/50	191/50	191/50	New Samanbagh P.	Nil	Nil	..	10	10/00	10/00	9/25
Mim	20	30	25	10	27/00	27/00	25/44	Patrakola	40	32 1/2	40	100	18/37	18/37	20/75
Nagri Farm	32 1/2	25	25	100	598/00	598/00	600/00	Rajnagar	Nil	Nil	..	10	120/00	120/00	138/00
Okayti	10	10	10	10	7/50	7/50	7/50	Tellapara	17 1/2	22 1/2	32 1/2	100	9/56	9/56	9/56
Paabok	Nil	Nil	..	10	8/87	8/87	7/75						98/00	98/00	112/00
Poobong	Nil	Nil	..	10	386/00	386/00	386/00								
Pussimbong P.	10	35	20	100	8/50	8/50	8/56								
Runglee Rungliot	15	15	..	10											
Seeyok															

MISCELLANEOUS COMPANIES - Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until					
	1960	1960	1961		17-4-63	10-4-63	10-4-63	10-4-63		1960	1960	1961		17-4-63	10-4-63	10-4-63	10-4-63		
ENGINEERING & METAL																			
Arthur Butler (Muzaffarpore) P.	..	..	..	10	14/50	14/50	14/06	J K Synthetics	..	..	8	10	11/62	10/62	..	7/75	8/75		
Bharati Electric Steel	15	10	10	10	13/62	13/19	11/12	James Wright P.	..	..	..	50	14/18	4/73	..	00/48	00/48		
Braithwaite India	22 1/2	25	25	10	33/06	33/06	57/25	Jardine Henderson Ltd P.	8	7	7-6*	100	83/00	75/00	80/50	19/50	19/50		
Bridge & Root	30	30	30	10	52/25	52/25	52/25	Jay Shree Industries P.	14	14	12 1/2	10	14/75	14/75	12/18	12/18	12/18		
Britannia Building & Iron P.	6	NII	NII-NII*	10	3/65	3/65	3/50	Kesoram Industries P.	21	8	12-12 1/2*	10	22/25	20/25	7/37	7/37	7/37		
Britannia Engineering P.	10	10	10	10	10/37	9/56	13/09	Macfarlane & Co.	..	..	..	100	7/00	7/00	2/53	2/53	2/53		
British India Electric Cons.	25	45	20	10	33/12	33/12	42/52	Macneil & Barry Ltd P.	7	8	8	100	83/50	83/50	93/00	93/00	93/00		
Burn P. (Engineering)	28 1/2	28 1/2	28 1/2*	100	438/00	438/00	651/00	Martin Burn Ltd P.	27 1/2	27 1/2	27 1/2-25*	10	25/50	23/75	29/37	29/37	29/37		
Calcutta Steel	5	15	15	10	11/37	13/69	..	McLeod & Co P.	15	15	15	1000	215/00	210/00	215/00	215/00	215/00		
Dalmia Iron	..	10	10-10*	10	13/00	10/87	11/69	Meta Box Co of India Ltd P.	10	10	10	1000	42/75	42/00	59/50	59/50	59/50		
Quest, Keen, Williams	24	16	14	10	32/75	30/69	40/62	National Insulated Cable P.	17 1/2	25*	25*	10	24/37	24/37	30/25	30/25	30/25		
Hooghly Docking	12	NII	NII	50	102/00*	102/00	111/00	National Pipe & Rubber P.	15	20	20-20*	10	27/06	27/06	30/25	30/25	30/25		
Indian Iron & Steel P.	10	15	16-16*	10	21/60	20/10	24/90	National Rolling & Steel Ropes	10	13	13-15*	10	10/75	10/75	12/25	12/25	12/25		
Indian Malleable Casting	6	NII	..	50	6/00	6/00	6/00	National Rubber P.	16	18	18	10	10/62	10/62	16/12	16/12	16/12		
Indian Standard Wagon P.	28 1/2	28 1/2	28 1/2-28 1/2*	10	28/56	30/37	..	National Tobacco P.	8.7	8.7	..	75	65/00	65/00	55/25	55/25	55/25		
Indian Steel & Wire Products	16 1/2	23	24-23*	100	39/00	49/00	48/00	Octavius Steel P.	12 1/2	10	..	100	25/25	25/25	35/19	35/19	35/19		
Industrial Containers	..	NII	10	10	22/00	22/00	..	Philips India	12	12	12	10	26/19	26/19	24/75	24/75	24/75		
Jay Engineering	12	17 3/20	17 1/2-15*	10	24/25	24/25	..	Publicity Society	37 1/2	10	75-75*	4	100	130/00	130/00	155/00	155/00		
J. K. Steel P.	12 1/2	20	20-10*	10	15/25	15/25	19/87	Rallis India P.	NII	4	81-81*	100	11/69	11/69	13/31	16/62	16/62		
Jessop & Co P.	8.58	8.58	8.58	10	23/31	22/25	25/19	Rohas Industries P.	15	20	10-8*	10	8/25	8/25	10/37	10/37	10/37		
Kumardhubi Engineering P.	10	10	11 1/2	8	7/31	6/87	7/87	Sirslip P.	..	NII	..	10	14/00	14/00	20/06	2			
Marshall Sons (India)	10	NII	NII	2	2/97	2/75	3/75	Sen Raleigh Industries P.	8	8	8-8*	10	14/00	14/00	20/06	2			
National Iron and Steel	61	NII	NII-NII*	10	4/12	4/12	5/81	Shaw Wallace P.	15	15	15	10	17/00	17/06	23/12	2			
Saran Engineering	7 1/2	8 1/2	10-12 1/2*	4	8/00	8/00	9/37	Spencer's Hotel	14	24	24	8	0/84	0/84	51/00	2			
Steel Containers	..	30	20	10	19/75	19/75	..	Union Carbide	18	18	18	10	41/25	29/00	61/00	2			
Textile Machinery	30	10	10	10	22/70	20/95	21/81	Walford Transport	15	30	30	10	2/25	2/25	2/69	4/06			
SUGAR BREWERIES ETC.																			
Bairampur Sugar	8	8	8-4*	2 1/2	2/19	2/19	2/50	Concord of India	20	20	20	5	10/25	10/25	10/50	2			
Belanda Sugar	18 1/2	18 1/2	10	7 1/2	8/50	8/50	9/37	Hercules	20	22 1/2	28 1/2	10	25/00	23/00	24/25	2			
Bharat Sugar P.	..	..	..	10	13/00	13/00	13/06	Hy Ruddy General	10	10	13 1/2	8	9/06	9/06	8/84	4			
Carew (Sugar) P.	NII	NII	NII-NII*	10	12/50	12/50	12/87	Standard General	..	..	..	10	6/00	6/00	5/44	10			
Cawnpore Sugar P.	NII	NII	NII	10	10/62	10/62	13/62	Triton	45	45	50	25	132/00	132/00	133/00	10			
Champanan Sugar	15	15	12-NII*	10	15/87	15/87	18/25	Bengal	45	40	25	10	34/25	34/25	38/62	10			
Durbhanga	30	4	NII	10	7/12	7/25	10/50	Delhi P.	..	..	..	10	14/00	14/00	14/00	10			
Oyer Meakin (Breweries)	16	25	30	8	25/75	28/50	49/00	Ganesh P.	12 1/2	..	..	12 1/2	15/75	15/75	19/00	10			
New Javan Sugar and Gur	..	..	..	10	3/62	5/62	5/19	Hooghly	27 1/2	15	NII	10	19/75	19/75	19/75	10			
Purbapour Sugar P.	NII	..	..	10	11/50	11/50	11/25	United	52 1/2	35	10	10	30/00	30/00	38/00	10			
Samnugger Cane & Sugar E.	213/7	30	35-30*	10	30/37	30/37	31/75	OIL COMPANIES											
Raze Buland	12 1/2	12 1/2	10	10	10/25	9/50	9/81	Attok Oil	13 1/2	13 1/2	13 1/2	21	sh. 32/8	sh. 32/9	sh. 25/00	10			
Ryam Sugar P.	..	..	..	10	5/75	5/75	8/06	Burmah Oil P.	..	9-2/5	..	21	sh. 49/6	sh. 49/6	sh. 34/6	10			
Samastipur Central Sugar	..	..	..	10	9/62	9/62	10/06	Indo-Burmah Petroleum P.	25	30	25	10	23/00	23/00	28/25	10			
Shree Krishna Gyanoday Sugar P.	15	15	..	10	7/00	7/00	9/34	Tide Water Oil	22	30	35	10	26/75	26/75	24/25	10			
Shree Sitaram Sugar	..	..	..	10	7/12	7/12	7/12	PAPER MILLS											
Sitalpore Sugar	NII	4	NII-NII*	10	6/12	6/12	6/62	India Paper Pulp	32	32	27*	10	29/50	28/75	33/25	10			
United Provinces								10	15	13-12*	10	16/69	16/12	21/25	10				
Upper Ganges Sugar P.								72 1/2	72 1/2	72 1/2-72 1/2*	10	34/00	31/95	42/15	10				
MISCELLANEOUS								10	25	22-28*	10	24/50	21/50	25/37	10				
A Firpo (Restaurant)	3 1/2	7 1/2	..	10	5/90	5/90	5/90	Orient Paper P.	6 1/2	15	22 1/2-22 1/2*	10	34/00	31/95	42/15	10			
Aluminium Corporation P.	10	12	12-12*	10	14/00	13/12	18/19	Sreen Gopal Paper P.	17 8/7	17-8/7	17-8/7	10	24/50	21/50	25/37	10			
Anderson Wright Ltd P.	10	11 1/2	..	10	11/50	11/50	11/50	Sirpur P.	6 1/2	6 1/2	8 1/2	10	10/12	11/44	15/31	10			
Anglo Broa	20	25	22-28*	10	22/37	21/75	20/50	Star Paper P.	3	NII	..	10	10/06	10/06	11/06	10			
Assam Match	18	18	20	10	28/75	28/75	25/25	PRESSING COMPANY											
Assam Saw Mills & Timber	NII	NII	NII	3	2/50	2/50	2/50	Camperdown	11	11	11	100	104/00	104/00	101/00	10			
Associated Battery	40	25	15-15*	10	25/87	24/44	32/56	REAL PROPERTY STORAGE											
Associated Hotels of India P.	NII	NII	10-10*	10	10/31	10/31	10/31	Bengal Bonded Warehouse	8	11	8-8*	100	8/00	8/00	7/25	10			
Balmer Lawrie & Co.	25	25	25	100	257/00	257/00	277/00	Calcutta Safe Deposit	..	..	..	100	11/00	11/00	11/00	10			
Bararoe Coke	NII	NII	NII-15*	10	24/37	24/00	16/31	Humayun Properties P.	..	..	..	100	11/00	11/00	11/00	10			
Birds Investments P.	11	9 1/2	10-10*	10	10/00	10/00	12/62	Midnapore Zemindary P.	NII	NII	NII-NII*	85	9/25	9/25	9/56	10			
Britannia Biscuit P.	14	25	30-25*	10	41/37	43/87	45/25	TRAMWAYS & STEAMER											
British India Corporation P.	NII	4	8	10	9/12	9/15	10/62	Bengal Assam Steamship P.	3	7 1/2	7 1/2	100	106/00	106/00	118/50	10			
British Paints	10	12 1/2	12 1/2	10	20/50	20/50	25/62	Calcutta Landing & Shipping	3 1/2	3 1/2	..	10	30/00	30/00	12/37	10			
Calcutta Silk Manufacturing P.	NII	NII	NII	10	7/15	7/15	7/15	Calcutta Steam Navigation	10	10	NII-NII*	10	10/00	10/00	11/15	10			
Clive Row Investment	10	8	7 1/2	10	8/25	8/19	8/50	Calcutta Tramway P	8 1/2	..	..	21	11/08	11/08	10/00	10			
Duncan Brothers & Co Ltd P.	14	14	14	100	125/00	135/00	152/00	India General Nav. Railway P	NII	NII	..	10	10/00	10/00	10/00	10			
Dunlop Rubber Co. (India) P.	21 1/2	21 1/2	20	10	35/25	32/12	43/50	India Steamship P.	10	10	NII-NII*	10	5/94	6/12	7/25	10			
Eastern Investments Ltd. P.	14	14	14-12*	10	129/00	129/00	153/00	Port Shipping	NII	NII	..	10	11/69	11/69	11/69	10			
Electric Construction	8	10	10-10*	10	12/75	12/62	34/50	A500 1050/00 1050/00 565/00											
French Motor Car	12 1/2	20	20	20	35/12	35/12	34/50	B82 135/00 135/00 68/93											
Ganges Rope	17	17 1/2	..	100	236/00	236/00	231/00	C10 122/00 122/00 87/00											
General Investments Trust P.	3 1/2	5	5-4*	10	43/00	43/00	43/00	D12 14/15 14/15 12/14											
Gillanders Arbuthnot & Co Ltd P.	10	10	11-11*	10	13/81	13/81	14/75	E 8/00 8/00 7/25											
Gladstone Lyall & Co Ltd P.	NII	9 1/2	4 1/2	10	33/25	33/25	31/00	F 11/00 11/00 11/00											
Godfrey Phillips (India) P.	26	40	40	10	241/00	241/00	240/00	G 2/15 2/15 2/15											
Great Eastern Hotel	6	9	..	250	241/00	241/00	240/00	H 9/25 9/25 9/56											
Hindustan Aluminium P.	..	NII	..	10	14/25	13/50	..	I 10/00 10/00 10/00											
Hindustan Motors P.	..	..	12-12 1/2*	10	17/25	16/06	19/81	J 10/00 10/00 10/00											
Hindusthan Pilkington	12	..	..	10	17/87	17/87	21/87	K 10/00 10/00 10/00											
Hindusthan Pyroclors P.	..	NII	NII-NII*	10	14/69	14/25	16/62	L 10/00 10/00 10/00											
Hoare Miller & Co Ltd	..	8	8	10	4/75	5/75	7/12	M 10/00 10/00 10/00											
Imperial Tobacco	..	8	9-9*	10	10/87	10/86	38/81	N 10/00 10/00 10/00											
Indian Aluminium Co. Ltd P.	12	22	15	10	32/50	32/00	35/63	O 10/00 10/00 10/00											
Indian Cable P.	18	18	15-12*	10	28/75	28/75	38/37	P 10/00 10/00 10/00											
Indian Oxygen	18	15	15-12*	10	28/75	28/75	38/37	Q 10/00 10/00 10/00											
Indian Rubber Manufacturers P.	18	20	30-36*	10	21/05	21/06	20/25	R 10/00 10/00 10/00											
Indian Wood Products	28	30	30-30*	10	31/25	31/25	33/25	S 10/00 10/00 10/00											
Isaac Holdens	..	..	NII	10	15/12	14/25	17/50	T 10/00 10/00 10/00											
Investments and Finance P.	..	7 1/2	7 1/2*	100	55/00	55/00	55/00	U 10/00 10/00 10/00											



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S. P. T. CHANGES: SHARES UP, BUT CAUTION RETURNING

THE stock markets seem to have completed the first—and possibly not the last—phase of their celebrations over the changes in the Budget proposals announced by the Finance Minister, Mr. Morarji Desai, during the past nine days. The prices of ordinary shares have risen quite rapidly. The bears have been covering the large short positions they had built in spite of the stock exchanges' trading restrictions, and investors with a speculative instinct have been moving in to make modest replacement purchases. The stock exchange authorities are beginning to get worried about the rapidity of the rise in prices—in contrast to earlier worries centring on the slump which began seven weeks ago. Special measures have, therefore, been taken to discourage the bulls so as to keep the technical position healthy.

nearer equity values get to their pre-Budget levels, the more necessary will it be for genuine investors to become cautious. They may draw some consolation from the fact that Rs. 20 crores or Rs. 25 crores would have gone from companies anyway—if not through the super profits tax, then through a straight increase in the corporation tax. They can say that the disincentives to efficiency and expansion have been reduced, so there may not be any fundamental change in company plans. Finally, they can argue, doubtfully, that the super profits tax is going to be a temporary measure which will be scrapped after one, two or three years. But, after all is said and done, there is no escape from the fact that the proof of the pudding will be in the eating.

The feature of the past week's trend is that "blue chips" have led the recovery. The fact is understandable considering that shares in this category were the ones to suffer the most originally. The shares represent companies with a high rate of profitability derived from efficient management, and often also companies with ambitious expansion plans. The Super Profits Tax Bill, as first presented, would have been disastrous for these companies. The amendments now made reduce the damage. Investors, therefore, assume that the incentives to increase profits, to improve efficiency and to expand have in the process been partially restored. But certain major doubts remain. The first is that the revenue of Rs. 20 crores which the Government expects from the super profits tax is likely to prove a very substantial under-estimate; even if it is not, the sum is large enough to affect companies quite badly in so far as it is equivalent to an increase of around 10 percent in the revenue from corporation tax. The second doubt is that the prospects for dividends on ordinary shares might not have improved. The inclusion of development rebate reserve in the capital-reserve base will increase the distributable surplus from after-tax-profits—for companies which do have a development rebate reserve. But the exemption of 10 percent of before-tax profits, for the purposes of the super profits tax, most probably will not increase that surplus, since the exemption is allowed only for certain purposes, and those purposes do not include the payment of ordinary dividends. Finally, the thought remains that if the Government is going to get Rs. 20 crores or more, the money must come from somewhere. The indications are that most of it will come from the amounts which would otherwise have been distributed to ordinary shareholders.

If the dividend prospects for ordinary shareholders are unpromising, their main hopes will inevitably centre on the scope for capital appreciation. The unsatisfactory trend of dividends might itself reduce the scope for such appreciation considerably to begin with. Thereafter, if the appreciation is to occur, it will tend to be selective, and will be based on the expansion plans of the companies in question. It will be some time before the many concerns which have put their expansion plans on the shelf during the past seven weeks will take them down again and give them a fresh look-over. Until they do, and until their decisions are known, there is no reason to assume that a grand boom of industrial expansion is imminent. Different companies will react differently; some may not think much of Mr. Desai's assurance that the super profits tax (or the compulsory deposits scheme) will be scrapped when he is convinced it ought to be.

To the extent that the stock markets are celebrating the Budget changes, therefore, the celebrations cannot be based on the view that ordinary dividends can be increased, or even maintained. The welcome, if anything, is a negative one: the prospect is not going to be as dismal as it might have been. This, in essence, is at the root of the recovery in share prices—they are merely making an upward readjustment after a sharp slump. Any assumption that a boomlet is round the corner, and would be justified, would be premature. The

The crucial factor, as ever, will be the reaction of foreign investors, since they will have to provide much of the foreign exchange without which expansion in the private sector will be seriously retarded. The first reaction to the Budget was that a host of plans involving foreign investment in India went straight into cold storage. Nobody can say for certain yet how many of these plans are going to be brought out and implemented. Mr. Desai has undoubtedly done something to reassure foreign investors, but the initial psychological damage caused by the Budget will take a long time to repair. Many investors abroad may decide that if Mr. Desai can wait to see if the super profits tax does any harm, they in turn can wait to see if the super profits tax is going to be abolished. Some may even take the view that if investment continues on the same scale as before, the case for abolishing the tax will to that extent be weakened. Mr. Desai's argument that the super profits tax is an unconventional measure necessitated by the emergency is unlikely to carry much conviction. Investors may reply that the emergency only requires that a certain amount of revenue be raised, not that risky fiscal experiments be undertaken. If the Finance Minister has retreated from his original super profits tax proposals, there is no reason to assume yet that the retreat has gone far enough to restore investment confidence even to the point existing just before the Budget.

FACE-LIFT FOR THE SUPER PROFITS TAX

By K. C. Khanna

THE formidable list of amendments to the Super Profits Tax Bill confirms earlier impressions that the original Bill was a half-baked measure which did not correctly portray the Finance Minister's intentions. The fact that even the revised version of the Bill is expected to yield revenue almost equal to, if not more than, the original estimate of Rs. 25 crores (the figure of Rs. 20 crores given by the Finance Minister being again an underestimate), leads to the inevitable conclusion that most of the changes now announced are only by way of filling in the gaps and omissions in the original Bill. Some of the modifications, no doubt, mitigate to a certain extent the hardships of the new levy but it is a fallacy to regard the amendments in the nature of tax concessions for the term "concession", strictly construed, can only mean an abatement or relief from an existing levy and not a reduction in a proposed additional impost. While it is admitted that certain amendments, like the inclusion of development rebate reserve in the capital-reserve base and the exclusion of dividend income from the scope of super profits tax, will confer definite benefits, the basic inequities contained in the Bill remain; and the aggregate burden on the corporate sector will, in spite of the improvements, still be of such a high order as to inhibit capital formation and growth.

A major change, which relates to the computation of chargeable profits, provides for the exclusion from the total income of a sum equal to 10 percent of the amount of total income computed under the Income Tax Act, as reduced by the amounts referred to in clauses (i), (ii) and (iii) of Rule 1 of the First Schedule. Broadly speaking, the effect of this change is that unless a company makes a gross taxable profit of over 15 percent of its capital and reserves, it will not be liable to super profits tax. This may be illustrated by the following figures:

Total capital and reserves	100
Gross total profits	15.0
Less 10% thereof	1.5
Balance of total income	13.5
Less income tax and super tax on total income at 50%	7.5
Chargeable profits	6.0
Deduct Standard deduction at 6% of capital and reserves	6.0
Net chargeable profits	Nil

Another effect of the exclusion referred to above is to enhance the basic exemption or standard deduction from 6 percent to 7.5 percent of the capital-reserve base and to prescribe, in a broad sense, a variable standard deduction, varying with the profitability of a company. Thus, for every increase in the gross taxable income equal to 10 percent of capital and reserves of the company, the standard deduction will rise by 1 percent as shown by the following figures:

Total income as percentage of capital and reserves	Basic exemption as percentage of capital and reserves
15	7.5
25	8.5
35	9.5
45	10.5
55	11.5
65	12.5
75	13.5
85	14.5
95	15.5

and so on.

The effective rate of corporate taxes, including super profits tax, will vary between 50 percent and 70 percent, depending upon the profits made. The figures below show the combined impact of income and super profits taxes on a company with reference to the percentage of total income on capital and reserves.

Total income as percentage of capital and reserves	Effective rate of corporate taxes as percentage of total income
15	50
25	58
30	60½
40	64
50	66
60	67½
80	69
100	70

The above analyses are based on the assumption that the total income does not include any items exempt from super profits tax, and that standard deduction at 6 percent of the capital-reserve base exceeds Rs. 50,000. For the benefit of small companies, an amendment has been made which fixes the standard deduction at 6 percent of capital and reserves or Rs. 50,000, whichever is greater. Thus, in addition to the basis outlined above, a further provision has been made which has the effect of removing from super profits tax liability those companies whose paid-up capital and reserves are less than Rs. 8½ lakhs or whose chargeable profits do not exceed Rs. 50,000.

The deduction of 10 percent of total income, as stated above, will be allowed to all companies, excepting banking and electric supply companies, subject to certain conditions. These conditions will apply only from the assessment year 1964-65; for the assessment year 1963-64, namely, the current year of assessment, no condition will be imposed. The conditions stipulate that an amount equivalent to the 10 percent deduction should be spent during the previous year (a) on the repayment of money borrowed or debts incurred by the company for the acquisition of capital assets; or (b) for the acquisition of any capital assets in India for the purpose of the company's business; or (c) for the payment of dividends on preference share capital of any sum exceeding 6 percent of such capital; or (d) for the creation of a reserve for a period of five years to be used only for any of the above-mentioned purposes.

The conditions are not cumulative and the fulfilment of any one of them will meet the statutory requirements. The drafting of the provision leaves much to be desired; and the purport of the second condition, which lays down that the amount represented by the deduction allowed can be spent only for "acquisition of any capital assets in India for the purpose of its business" is not quite clear. Does this mean that the capital asset must be acquired in India besides being used for the purpose of the business in India? The possible intention is that the asset may be acquired anywhere but it must be used in a business in India. This should be clarified. It is, however, clear that the amount can be used for the replacement and modernisation of existing capital assets and it is not necessary that the acquisition must result in "the creation of additional fixed assets" as stated by the Finance Minister.

The reserve to be created shall either be equal to the amount of the 10 percent deduction referred to above or, if any amount has been spent during the previous year for any of the purposes listed above, then an amount equal to the sum by which the amount already spent falls short of 10 percent of total income. If any part of the reserve is utilised for purposes other than those mentioned earlier, then the exclusion of 10 percent of total income from the charge to super profits tax shall

be deemed to have been wrongly made and the assessment shall be rectified. It is, however, not understood how the condition of the reserve being utilised for specific purposes will be regulated. A reserve is used in a business for its various purposes and it is normally not kept as a separate investment or in cash for that would be an uneconomical way of using the company's resources. It would appear that as long as the reserve is maintained for the prescribed period or is available for specified purposes, it would be immaterial in which form the investment is kept. But the point needs clarification.

In the case of a banking company, the amount to be deducted in arriving at the chargeable profits will not be equal to 10 percent of the total income but it will be equal to the higher of the following two sums: (a) any sum transferred by it during the previous year to any reserves in India, including hidden reserves, if any, to the extent that the sums so transferred are attributable to income chargeable to tax under the Income Tax Act and have not been allowed as a deduction in computing its total income under the Act and in so far as the aggregate of such sums does not exceed the highest of the aggregate of such sums, if any, so transferred during any one of the three years prior to the previous year; or (b) any sum which during the previous year is transferred by it to a reserve fund under Section 17(1) of the Banking Companies Act, 1949, or is deposited by it with the Reserve Bank of India under Section 11(2) of that Act, subject to the maximum permitted under the said provisions. An electric supply company, it seems, will get a straight deduction of 10 percent of its taxable income from the chargeable profits without the imposition of any conditions!

As has been stated before, the basic exemption or standard deduction will increase with every rise in the profits of the company. But in case the profits in a particular year are less than those of the earlier year, the standard deduction too will come down, notwithstanding the fact that capital and reserves employed in the business remain at the same figure, and that the decline in the profits may be due to circumstances beyond the control of the company. It is wrong to prescribe a standard deduction based on a percentage linked to the capital and reserves and the future profits of the company. A more equitable base would have been the past performance of the company averaged over a number of years, say three to five, and it is unfortunate that "valuable suggestions" made in this respect have not been accepted.

The next important modification relates to the exclusion of certain other items, besides the 10 percent exclusion referred to above, from the total income while computing chargeable profits. These items include the following:

- Profits on fixed assets sold, discarded or destroyed.
- Profits and gains derived from a new industrial undertaking.
- Interest on tax-free securities.
- Donations to approved charities or the National Defence Fund.
- Dividends from an Indian company.
- Royalties received from the Government or a local authority or any Indian concern.
- Interest or fees for technical services received from the Government or a local authority or an Indian concern by a non-resident company.
- Tax relief on profits derived from exports.

The exemption from the charge to super profits tax of the above-mentioned items is of considerable benefit and foreign companies, in particular, will be relieved to learn of the exclusion from chargeable profits of interest on loans, fees for technical services, royalties and dividend income because these mainly represent the various forms of income derived by foreign investment in India.

To provide for the above exclusions, the necessary provisions of the First Schedule have been recast and the basis of computation of chargeable profits has been revised. The amended basis lays down that after excluding

items (a) to (h) listed above, in addition to capital gains, compensation moneys, profits of life insurance business and the 10 percent deduction already discussed, from the total income as computed under the Income Tax Act, the balance of the total income shall be reduced by the amount of income tax and super tax payable by the company on its total income under the Income Tax Act, after making allowance for any relief, rebate or deduction in respect of income tax and super tax to which the company may be entitled under the provisions of the Income Tax Act or the Finance Act. The ambiguity which prevailed in respect of calculation of taxes deductible from the total income has been removed and it has now been made clear that the tax to be deducted is the tax payable by the company and not the tax chargeable at a notional rate. It would appear that, in arriving at the figure of chargeable profits, both the income exempt from super profits tax and the income tax or super tax payable thereon will be deducted, with the exception of incomes under the head capital gains, compensation and profits of life insurance business, the amount of tax payable in respect thereof being excluded from the total tax payable. The provisions of the First Schedule are somewhat complicated and may be illustrated by the following example (tax calculations shown herein are approximate only):

XXX MANUFACTURING CO., LTD.

	Rs.	Rs.
Capital and reserves as at 1st January, 1962		5,00,00,000
Total income as computed under the Income Tax Act for the accounting year ended 31st December, 1962		2,50,00,000
1. Interest on tax-free securities	1,00,000	
2. Profits of Business	2,30,00,000	
(These include Rs. 20,00,000 profits from a new industrial undertaking of the company entitled to exemption under Section 84. The company has contributed Rs. 10,00,000 to the National Defence Fund and has obtained tax relief of Rs. 30,000 on profits from exports).		
3. Dividends from a subsidiary Indian company formed before 1st April, 1961	16,00,000	
4. Capital Gains	3,00,000	
	2,50,00,000	
Chargeable profits will be computed as under:		2,50,00,000
Total income as per Income Tax Act		
Exclude:		
(a) Capital gains	3,00,000	
(b) Interest on tax-free securities	1,00,000	
(c) Profits of new industrial undertaking	20,00,000	
(d) Dividends	16,00,000	
(e) Contributions to the National Defence Fund	10,00,000	
(f) Tax rebate on export profits	30,000	
(g) 10% of total income excluding capital gains	24,70,000	
		75,00,000
Balance of total income		1,75,00,000
Less		
Income tax and super tax payable on total income of Rs. 2,50,00,000 after taking into account rebates, reliefs and deductions allowable, say	1,08,40,000	
Deduct		
Tax on capital gains	90,000	1,07,50,000
Chargeable profits		67,50,000
Standard deduction at 6% of Rs. 5,00,00,000		30,00,000
Net chargeable profits		37,50,000
Super profits tax at 50% on an amount upto 4% of Rs. 5,00,00,000 (that is, Rs. 20,00,000)		10,00,000
Super profits tax at 60% on balance of Rs. 17,50,000		10,50,000
Total super profits tax		20,50,000

Note: The above example should not be taken as representative of the total super profits tax liability; it has been compiled mainly

to clarify some of the new provisions and amendments.

An exemption from super profits tax has been granted on the amount of profits and gains derived by a company from an industrial undertaking on which, under Section 84 of the Income Tax Act, income tax is not payable. But this exemption is not likely to be of much use because most of the companies hardly make "super profits" during the early period of their life. And when they start making profits after the period of five years, the super profits tax imposed will be at a rather high figure because no new company will by then have accumulated sufficient profits to create substantial reserves, with the possible exception of development rebate reserve. As stated earlier, development rebate reserve is now specifically included in the capital-reserve base by virtue of an amendment to the Second Schedule, but only such amounts as have been credited to the reserve in accordance with the statutory provisions will be so included. The period of five years' tax holiday is too short for the purposes of the super profits tax levy and this should have been increased to, say, a period of 10 years.

Other changes introduced include exemption from super profits tax of donations to approved charities and funds, interest on tax-free securities and the tax rebate allowed on profits from exports. The total saving of tax in respect of these items is not likely to be substantial.

The new provision in respect of "deficiency" is welcome but this again is a half-hearted measure. Whereas a "deficiency" can be carried forward to be set off against future profits, there is no provision for the set-off of the deficiency against earlier super profits in case the company fails to make super profits in years subsequent to the year of loss. Take the case of a tea company which makes good profits in the year 1963-64 and pays super profits tax thereon. In the year 1964-65 it incurs a huge loss and in the two subsequent years its profits are not sufficient even to absorb the minimum standard deduction allowable for the year 1964-65. The company will suffer an irrecoverable loss, because it will not be allowed to set off the deficiency of the year 1964-65 against the super profits tax paid for the year 1963-64. The Business Profits Tax Act allowed such a set-off and granted relief by repayment of tax already paid. Why should the super profits tax not contain a similar provision? Secondly, the limit for the carry-forward of deficiency over a period of three years is too rigid. When ordinary losses can be carried forward for a period of eight years, there is no justification for limiting the period to three years only in the case of a deficiency of super profits.

In spite of strong representations to the effect that super profits tax should not apply to profits made during the previous year 1962-63 and that, in any case, profits earned prior to November 1962 should not be liable to super profits tax, the retrospective operation of the Act has been retained. The principle of progressive taxation on corporate incomes has also been maintained and no reduction has been made in the penal rates of the tax. Loan capital is still excluded from the computation of the capital-reserve base. The 10 percent of total income allowed as deduction from chargeable profits is regarded as a panacea for all ills of the super profits tax levy. It is, however, obvious that the changes announced do not go far enough and the net effect of the various improvements, although beneficial in some respects, will not be sufficient to restore investors' confidence. In the case of companies subject to a minimum statutory distribution of profits, the further obligation to reserve 10 percent of total income for specific purposes, in addition to the existing statutory development rebate reserve, will hardly leave any balance for the other requirements of their business. It has been clarified that super profits tax payable by such companies for any assessment year shall be deductible from the total income for that assessment year while computing the distributable income for the purposes of the Income Tax Act.

In spite of numerous changes made, the super profits tax still remains an wholly inequitable and unfair piece of fiscal legislation. It is true that the Finance Minister has given an assurance that

if the effect of the super profits tax is to retard development and the growth of the corporate sector, he would be the first person to ask for a repeal of the provision. But is not prevention better than cure? A fiscal ailment can soon turn into a chronic malady causing irreparable damage before remedial treatment can prove

GETTING MORE UNTIED AID

NEW Delhi has given no indication so far of the proposals that the Indian delegation is carrying to Washington for the meeting of the Aid-India Club to be held next week. It may safely be assumed, however, that the Club members will be requested both to increase the amount of aid and to offer a larger share as non-project assistance. In his Budget this year, Mr. Morarji Desai has taken credit for Rs. 462 crores of foreign loans, against Rs. 376 crores actually available last year. The details furnished in the *Explanatory Memorandum* on the Budget show that Rs. 347 crores out of the total are assumed to come from the Rs. 1,556 crores of authorised assistance outstanding at the beginning of this year, and only Rs. 115 crores from new credits. Even these new credits need not necessarily come from fresh commitments that the Aid-India Club may make this year because some Rs. 305 crores have still to be authorised from the pledges given at earlier meetings of the Consortium in June 1961 and July 1962.

From this statistical picture, it is reasonable to conclude that the emphasis of Indian proposals will fall not so much on the immediate requirements (except in relation to the breakdown between "tied" and "untied" aid) as on the long-term needs. The delegation is reportedly taking with it a list of new projects that New Delhi wishes to sponsor with the aim of strengthening the economy to meet the Chinese challenge or to push up growth in key sectors like fertilisers and special steels where the lack of private foreign capital has held up progress. Foreign exchange requirements for these projects will not arise until some time after India is enabled to plan for them with the confidence that their import needs will be met.

Quite apart from the new schemes, the task of obtaining aid to balance the third plan's foreign exchange budget is still only half-done. Up to January this year, the total assistance secured for the plan, including the carryover of Rs. 700 crores from the second plan period, was Rs. 1,556 crores. Even adding Rs. 305 crores still to be authorised out of Consortium assistance of the last two years, the balance to be found to bring external assistance up to the target of Rs. 3,200 crores assumed in the plan is of the order of Rs. 1,300 crores. While considering these broad magnitudes, one may note that the foreign exchange gap of Rs. 3,200 crores assumed in the plan may itself be an underestimate. On this point, the Reserve Bank's recent study of India's balance of payments has valuable comments to offer. After comparing the actual position obtaining in 1961-62, the first year of the plan, with the assumptions made earlier, it notes several disquieting features. Invisibles, excluding official donations, were estimated by the planners to yield a surplus of Rs. 22 crores in 1961-62, against which the actual position was a net payment of Rs. 19 crores. The Reserve Bank fears that the size of net payments may "substantially" increase during the rest of the plan in view of the rising liability on account of foreign investments and debt service. From a net liability of Rs. 13.5 crores for private investments at the beginning of the second plan, this rose to Rs. 29 crores in 1961-62, and will go up further in coming years. The assumption made for the five-year plan period that the inflow on invisibles will balance the outgo now appears certain to be falsified.

More serious in its effect upon the balance of payments is the large underestimation of the economy's maintenance requirements which account for three-fifths of the total import bill. To cite only one example, total imports of steel required during 1961-66 were estimated at Rs. 230 crores, against which the actuals in the last two years will be close to Rs. 200 crores. Similar over-optimistic assumptions about the import-saving ability of new industries, still to get into stride, have been made in many other instances. The result is

effective. It is regrettable that the Finance Minister should have thought it fit to retain on the statute book a piece of fiscal legislation of extremely doubtful value. It is to be hoped that if the measure has to be retained for any length of time, the suggestions made above will be adopted before its final enactment.

that the plan formulations about the country's overall exchange gap have gone completely haywire. This is now being keenly realised in New Delhi, and the *Economic Survey* speaks, therefore, of the availability of non-project assistance to meet these larger maintenance requirements as the "main" factor in preserving India's external viability.

Judging from the past record, getting such non-project assistance is not going to be easy. In the case of the United States, which has provided more than half of the aid from all sources, 60 percent of the assistance comes in the form of surplus agricultural commodities offered for sale against payment in rupees. While food imports under P.L. 480 have undoubtedly been useful in enabling India to resist inflationary pressures and in increasing the amount of savings available for capital formation, their rôle in promoting or maintaining industrial activity is only marginal. (A study by the Institute of Economic Growth, Delhi, shows that the share of U.S. aid earmarked for food imports rose from 44.8 percent in the first plan to 64.6 percent in the second.) Imports of industrial raw materials out of aid proceeds account for just over 4 percent of the total so far used, the bulk going into purchases of steel and fertilisers.

According to a Reserve Bank analysis, 57.9 percent of the aid authorised up to March 1962 was tied to specific projects, more than half of this being tied further to purchases in specified currencies; 38.9 percent of the aid was tied only to purchases in the donor country, but this suggests greater flexibility than what actually obtained since included here are such aid agreements as the U.S. and Canadian wheat loans. The proportion available for importing capital goods and industrial materials at India's discretion is not specified either in this analysis or in the separate one carried out by the Delhi Institute. It is, however, known that the bulk of British and West German loans were freely usable for developmental purposes, some from the latter country being available for purchases anywhere in the world. This factor of flexibility is sufficient to explain the high rates of utilisation of credits from these two countries, particularly from West Germany. Japanese credits, except the one specifically earmarked for ore development, were also freely usable, but no one has explained why two-thirds have remained unused. Is it because Japanese capital equipment and other supplies were not popular either with the public or the private sector? Assuming that this was so, the resistance is now disappearing under pressure of necessity and yen credits are to be used for the alloy steels plant in Durgapur and the heavy machine tool factory in Ranchi.

It is likely that the Indian delegation will press the Aid-India Club to make more assistance available on the flexible pattern of the British and West German credits. The ground for this is already laid as one would conclude from the \$240-million

non-project assistance which the U.S.A. gave last year. Whether the U.S.A. can be persuaded to increase the amount of such aid remains to be seen, but the Indian delegation will undoubtedly point out that any shortfall in essential maintenance needs cannot but result in a cut in industrial output which will have the effect of widening the foreign exchange gap. The delegation will also be urging the Club to note that each aided project gives rise to certain residual requirements which cannot be met out of the exchange specifically earmarked for it. These residual requirements have so far been met out of "free" exchange but this has meant cutting down on imports needed by existing industries, or using uncommitted aid for such purposes or making a draft on currency reserves. In the case of the three new State steel plants, for example, aid specifically committed to the projects has met only 44 percent of the total foreign exchange expenditure in Durgapur, 56 percent in Rourkela and 70 percent in Bhilai. These figures may be exceptional but they point to the nature of the problem that India faces in executing even projects for which aid is assured.

With foreign aid and private capital inflow already paying for 30 percent of the economy's import requirements, against only 5 percent in 1951-55, the question may well arise whether it is safe to go on piling debt upon debt. In 1961-62, the ratio of investment payments to total exports had already risen to 8.7 percent from about 1.1 percent in the first plan period. While the ratio is still below the danger line (10 percent was reportedly regarded as the cut-off point by the World Bank in considering its investments), anxiety about repayment liabilities is fully justified both here and among the aiding nations. The point the delegation will perhaps be stressing is that the present phase is one of transition when payments deficits have reached a hump. As the new industrial capacity built over the past ten years gets into gear, greater viability should follow, especially when new industries begin to make some contribution to the export effort. The related problem of securing admittance of Indian exports into western markets may not be discussed in Washington but there is no denying that the issue has great relevance in any discussions on the long-term outlook.

It would be equally relevant to support the plea for reorientation in aid-giving so as to bring repayment and interest obligations in accord with the capacity of developing nations. In the case of the Rourkela plant for example, the 660-million deutschmarks credit granted in 1958 at an interest of 6.3 percent was for as short a period as three years. This entailed repayment liabilities of over Rs. 61 crores up to March 1963, even before the plant reached full production. Taking all loans and deferred payment arrangements together, India will have to repay over Rs. 500 crores during the third plan period, of which Rs. 170 crores are on account of interest alone. But even after these repayments are made, the total outstanding debt will be reduced by only 30 percent, as the Delhi Institute study points out. The problem this represents is not India's alone; it is shared by many countries in Asia, Africa and Latin America, including such relatively prosperous nations as Brazil. World opinion is veering towards a more understanding approach to the problem of development, as evidenced by the setting up of the I.D.A. by the World Bank. The campaign to extend this understanding may not be launched in Washington next week but vigorous efforts will have to be begun fairly soon.

made several public statements over the past few months which left hardly any room for doubt about a substantial increase in the floor price of cotton. But the increase in the latter has no practical significance because nobody really imagines cotton prices declining to anywhere near the new floor level in view of the continuing lack of balance in the demand and supply position of cotton. Production has been persistently lagging behind the steadily growing demand of the cotton textile industry. The short-

age of cotton might easily have precipitated a crisis if the Government had not been able to arrange large imports over the past few years causing a considerable strain on the country's scarce foreign exchange resources. The average annual consumption of domestic and imported cottons by the industry was 5,240,000 bales during 1956-62. Indian cotton production during this period averaged only 4.7 million bales. The cotton import bill has increased when cotton textile exports have been gradually declining year after year.

The cotton floor price has been raised in order to encourage farmers to grow more cotton. But over the past few years, cotton prices have been keeping nearer the ceiling than the floor price and often they have been fetching sizable premiums. It will, therefore, be naïve to suggest that higher floor prices can act as an incentive for growing more cotton. If the Government thinks that higher prices can help raise cotton production without upsetting the overall pattern of agricultural production, it might as well consider doing away with price control over cotton. After all, cotton is in no way more important than foodgrains and oilseeds, and there is no control over their prices. One may argue that higher cotton prices will make Indian cotton textiles still more uncompetitive in foreign markets. But it could also be argued that the cost of subsidising cloth exports might be much smaller than the cost of importing cotton. It may be pointed out here that India spent as much as Rs. 81.74 crores and Rs. 62.65 crores on cotton imports in 1960-61 and 1961-62, respectively. Against this, exports of cotton textiles fetched Rs. 57.55 crores in 1960-61 and Rs. 40.40 crores in 1961-62.

The plain truth, however, is that the incentive in the form of higher prices—it is the "ceiling" rather than the "floor" which really matters here—cannot bring about any material increase in production, certainly not without upsetting the overall pattern of agricultural output. Time was when Indian cotton was about the cheapest in the world, but it is the other way round now. Excepting a few varieties like Deshi, cotton prices in India are now quoted higher than the world parity. India has the largest area under cotton in the world, but the yield an acre is about the lowest around 100 lbs, compared with 200 lbs to 500 lbs an acre in other cotton producing countries. The low yield in India is attributable mainly to the poor standard of crop husbandry. Cotton production can be raised only through intensive cultivation which implies increased irrigation facilities, more fertilisers, better seeds and necessary technical and financial assistance. An all-India on-the-spot survey of cotton areas by the Government, which has recently been completed, shows that none of the plan's special agricultural schemes for raising cotton production has been implemented by the States. The much-talked about package programme does not seem to have gone beyond the blueprint stage. Considering the importance of the cotton textile industry in India, the question of raising cotton production needs to be tackled urgently.

Worries of Cotton Mills

Speaking at the annual general meeting of the Millowners Association, Bombay, Mr. Pratap Bhogilal, chairman, referred to the inadequate and uncertain cotton supplies. The situation appears to be deteriorating as a result of the steady increase in the industry's consumption of cotton without any corresponding rise in domestic production. Mr. Bhogilal's view that the cotton problem should be tackled urgently both in relation to quantity and quality will be widely endorsed. India can ill-afford to import large quantities of cotton indefinitely to make good the shortfall in the industry's requirements, especially when the latter is unable to earn sufficient foreign exchange to pay for such imports, let alone making any net contribution to the country's foreign exchange earnings. The chairman complained about the inadequate quota for the import of cotton this year—more particularly of the extra long staple cotton—because, apart from nor-

mal demand, defence requirements for such cotton had also been sizable.

But considering that cloth production has been virtually static—it is, in fact, slightly down—over the past many months, the industry has apparently been meeting defence needs only by diverting supplies from the civilian sector. Defence needs, therefore, can hardly be put forward as an argument for importing larger quantities of cotton from abroad. The lack of balance between demand and supply has pushed the prices of Indian cotton above world parity. The relative cheapness of home-grown cotton, which had always been of decisive advantage to the industry in its export drive, has now disappeared almost entirely, making export promotion extremely difficult. Cotton is certainly the single major item of cost, accounting for more than 50 percent of the industry's production costs. But there has been a substantial increase in other production costs also. While costs have been mounting up, prices of cloth have remained stationary because of voluntary price control, with the result that the industry's profit margins have been gradually shrinking. Mr. Bhogilal has, therefore, urged a suitable revision of cloth prices.

On the much-discussed subject of cloth exports, Mr. Bhogilal said that it was only wishful thinking to suppose that by merely reiterating the export goal, India would be able to achieve it now or in the years to come. Export aspirations are bound to remain utopian unless the mills are equipped with up-to-date machines and are able to produce goods which can compete in the world market both in price and quality. But the difficulties faced by the industry in the matter of modernisation are stupendous. Domestic production of textile machinery is still limited while imports are becoming increasingly difficult because of the foreign exchange shortage. Taking into account the current prices of machinery as well as new taxes on them, the mill sector, according to Mr. Bhogilal, will have to find as much as Rs. 1,000 crores for rehabilitation and modernisation—a staggering sum indeed. While finance is the single largest obstacle in the way of modernisation, compulsory transfer to textile machinery manufacturers of machinery entitlements earned under the export incentive scheme is another problem. The diversion of entitlements, Mr. Bhogilal says, is coming in the way of the modernisation programme of the mills. He has urged the Government to do away with the compulsory transfer and make separate arrangements for the textile machinery manufacturers to import whatever components and raw materials they need by making adequate foreign exchange available to them.

Mr. Bhogilal made a pointed reference to the need for market research. It is no longer possible for the industry to take the consumer, domestic or foreign, for granted. The study of market conditions is particularly urgent for export promotion. In a keenly competitive world market, exports can be increased only if the industry is able to offer to overseas buyers the goods they require and in a manner attractive to them. A carefully drawn-up scheme, based on market research, will go a long way in stimulating the demand for Indian goods abroad. Mr. Bhogilal said that along with other 20 less-developed countries, India has put forward a seven-point programme for the consideration of the G.A.T.T. secretariat. Important among these points are that no new tariff or any other barriers should be imposed against products supposed to be of particular interest to the underdeveloped countries; and that industrialised countries should prepare a schedule for the reduction and elimination of tariff barriers on exports of semi-processed products from the less developed countries, providing for a reduction of at least 50 percent of the present duties over the next three years.

Referring to the question of staple fibre, Mr. Bhogilal said that before any extensive use of staple fibre for replacing cotton was advocated, an expert study should be made on four basic aspects which were of paramount importance from the consumer's point of view, namely, the utility of fabrics made out of staple fibre, their wearable life, cost of conversion of such fabrics into garments and the cost of maintenance of such garments. One should have thought that

the Indian Cotton Mills Federation had made a careful study of all these aspects when it recommended to the Tariff Commission the import of large quantities of staple fibre to make good the continued shortfall in the industry's raw cotton requirements.

Expanding Refinancing Facilities

The decision of the Refinance Corporation for Industry to expand and diversify its activities is welcome since the shortage of term finance is likely to increase in the coming months. Although commercial banks have started the business of industrial term financing, their activities may shrink because their resources have been heavily used in offering short-term advances. Meanwhile, industry has been experiencing an acute shortage of medium and long-term capital, since it has become difficult to obtain finance in the open market. Under the circumstances, trade and industry have been forced to rely on financing institutions for their requirements.

Commenting on the Corporation's activities in his chairman's address at the annual general meeting in Bombay last week, Mr. P. C. Bhattacharyya predicted that its activities would increase steadily in the near future. An encouraging factor is that the Corporation is likely to use about Rs. 26 crores, which has been earmarked from P.L. 480 funds for this purpose, before the end of the current year. The chairman foresees the need for more funds. Effects are being made to obtain them soon.

Since the State Financial Corporations have been authorised to avail themselves of the refinancing facilities, they are expected to borrow more from the Corporation. Their borrowings have been encouraged by the fact that the Corporation has decided to extend its long-term loan facilities for up to ten years. The State Financial Corporations have, meanwhile, taken steps to increase their advances, especially to medium and small industries. In view of the emergency, attention is being given to promoting the growth and development of small industries, especially for defence production. Commercial banks, which have hitherto been chary of advancing money to these industries, will, it is hoped, take greater interest in financing them under the Government guarantee scheme. Since the Government has devised a similar guarantee scheme for loans to the coal industry, the demand for refinancing facilities is expected to increase from this source. The industry has not yet taken the full advantage of the World Bank loan amounting to about Rs. 17 crores because several collieries have not been able to obtain the required rupee finance. In order to encourage the financing institutions, especially banks, to extend term loans to the industry, the Government has decided to encourage the grant of advances by sharing the risk with the financing institutions. A good portion of the loans given to the industry are likely to come up for refinancing from the Corporation.

The Corporation has also decided to extend its refinancing facilities to export credit. It will refinance medium-term credits, ranging from six months to five years, granted by eligible financing institutions to exporters. So the move will help the financing institutions to extend term-credit to exporters and thus help the export drive. During recent years, the Indian exporter has not always been able to sell in foreign markets because of his inability to offer deferred payment terms to foreign buyers.

Incentives for Oil Exports

The oilseeds export trade has every reason to feel happy over the Government of India's recent decision to extend the export incentive scheme to linseed oil and castor oil and to allow the facility of *ad hoc* rebate on excise duty on all exports of vegetable non-essential oil and vegetable products made up to 15th May. The facility of *ad hoc* rebate on excise duty is aimed at overcoming the inconvenience and hardship arising from the fact that certain quantities of duty-paid oils and vegetable products made from duty-paid oil are still awaiting shipment. Unprocessed vegetable non-essential oils have been exempt from the whole

Current News and Comment

Cotton Floor Price Raised

The Government of India has at last raised the floor price of cotton by Rs. 100 a candy of 784 lbs for the 1963-64 season. This raises the minimum price for Moglai fine 25/32in., which forms the basis of the hedge contract in Bombay, from Rs. 600 to Rs. 700 a candy. The official announcement on the higher floor price has come as no surprise because responsible Government officials, including Central Ministers, had

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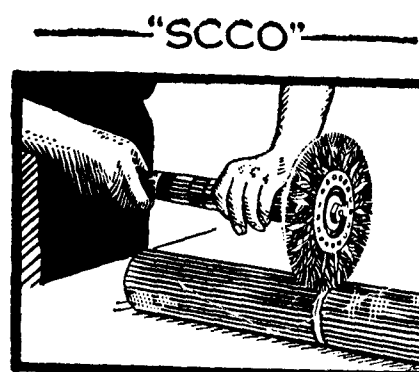
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which still confuse people in the East, but it is questionable whether he is not replacing them with something much worse. The acceptance of a spiritual god, however imperfect, is to my mind better than the worship of technical achievement and material possession. And I have never been one to subscribe to the theory that the scientist makes a better priest than the theologian. I suppose the primitive reason for religion arises from the need to compensate for personal inadequacy in the face of destructive and ungovernable nature, and that when man can control his environment he does not feel the same compulsion to turn to god. If so, then I suspect he is not only exaggerating his own powers, but under-rating the continued importance to himself of living at peace with his own fundamental emotions. When the alternative to religion is the psychiatrist's couch, then we need more religion. But with it we do not need sectarian quarrels and conflicting denominational loyalties. Thus, to a layman like myself, the unity of these two Christian churches seems a good idea. So, eventually, would be a union between Anglicans, Greeks and Romans, or even between Christianity itself and the many other forms of religion there are in this world. Perhaps then religion could serve to unite mankind instead of, as it has so often done in the past, tending to divide, embitter and antagonise.

REFERRING TO MY REMARKS ON THE SUBJECT LAST week, a correspondent writes: I see nothing but wisdom in President Kennedy's reported decision that the "hot line" between White House and the Kremlin will be a teletype rather than a telephone. Reason: a few heated words over a hot-line phone might lead to war. A cartoonist, Abu in the *Observer* I think, found another reason, almost as good. He showed an agitated Mr. Kennedy tearing his hair and an equally excited Mr. Khrushchev—no, not tearing his hair; look at his shiny pate—walking up and down, while Mrs. Kennedy is chattering away calmly with Mrs. Khrushchev at the other end, perhaps about the latest Paris fashions. Neither husband can get at the telephone to discuss war and peace! Lines of communication between the two wielders of super-power should certainly be the best and fastest and mostest that modern science can offer; but elimination of voice seems an elementary precaution. The slightest inflexion can make a difference between life and extinction not only for the gentlemen concerned but for all mankind. Yet I doubt that teletype is fool-proof, for I have some experience of teletypewriters. It has happened to me to wait for hours for a mutilated message to be re-created; and typographical errors come by the dozen, especially in Calcutta during the monsoon. The Indian Posts and Telegraphs Department looks after these machines in India; it has a monopoly, while in West Germany and elsewhere many newspapers own and run their own teletypes. Thanks to extensive theft of copper wires, to say nothing of the inadequacies of P. & T. men, lines break down only too often; and business houses know what losses this may entail. (Airlines and newspapers are perhaps the worst sufferers.) But then I have no business to assume that the line between Washington and Moscow will not be more competent; countries that communicate with satellites can perhaps be trusted to manage things better.

A LAWYER WAS DEFENDING A PARTY TO A MOTOR accident, and was cross-examining a girl who was undeniably beautiful.

"Have you any idea what caused this accident?" asked the attorney.

"I think so," sweetly replied the girl.

"Then tell the court what happened," said the lawyer.

"Well," said the girl, "I was standing at the corner. That man turned to look at me and ran into the other car."

"Ah!" snapped the lawyer. "He turned to look at you. That makes you an accessory before the fact, madam."

"Actually, I think it was my accessories he was looking at," she murmured in reply.

THE DITCHER

Guide for Investors

COAL SHARES RISE, BUT SUPPORT STILL SELECTIVE

(BY A SPECIAL CORRESPONDENT)

THE broadening support for coal shares during the past few days has stemmed partly from the general improvement in the stock market and partly from the special incentives given to the industry. Burrakur, for instance, have gained from Rs. 14.87 to Rs. 17.69, Bengal from Rs. 265 to Rs. 304, East Indian from Rs. 29 to Rs. 34.12 and Central India from Rs. 8.75 to Rs. 10.69 over the past month. The investment climate in general has taken a turn for the better due to the concessions Mr. Morarji Desai has announced in relation to the super profits tax. Since companies will be able to deduct a sum equal to 10 percent of the total income before the payment of any tax prior to calculating the super profits, they are expected to have a bigger disposable profit after paying all taxes. The provision to carry forward the deficiency in profits to set off against the super profits of three succeeding years, is expected to benefit the jute and tea industries in particular, whose fortune fluctuates from year to year.

In addition to these general concessions, the coal industry has been given two important privileges. Firstly, the development rebate for the industry has been increased from 20 percent to 35 percent. Secondly, the import duty on machinery and equipment to be purchased by the coal and fertiliser industries from abroad will be cut. These incentives have obviously been given with a view to increasing the production of coal. Since the output during 1962-63 has been the highest ever, the Government is keen on maintaining the upward trend. The increased development rebate will be of great help to the industry, especially at a time when it has made preparations to invest heavily in fixed assets in order to expand and mechanise production. Considering that some collieries have been forced to resort to deep mining for raising production, the increase in development rebate should be a useful incentive. Collieries have invested heavily in stowing in recent years. The resultant costs have not been fully made good by the Government subsidy. So the increase in development rebate is likely to be regarded as a relief by collieries. As for the cut in import duty on plant and machinery, the benefit will depend on the amount of reduction. Since the duty has raised the prices of equipment, the production costs have sharply increased. As the price of coal has been statutorily held down to an uneconomic level, it was extremely necessary to cut the import duty for keeping the production costs down.

Nobody questions the beneficial effects of these concessions and incentives, but they do not by themselves give sufficient grounds for taking an optimistic view about coal shares. Investors have, therefore, been discriminating in buying these scrips. Investment in the coal industry is more risky than in other industries because the commodity is a wasting asset. In addition, the return on investment in the industry has been poor, compared with that in other industries. Except for a few first-class collieries, the industry, by and large, has found it very difficult to make profits. So several coal companies have either paid no

dividends or have declared only nominal dividends in many years. Even the dividends paid by some first-grade companies have rather been moderate. Under the circumstances, the dividend outlook needs to be assessed carefully. This apart, the industry's dividend-paying capacity has further been affected by the super profits tax. There is no doubt that the expanding companies have installed, and it is expected to improve the quality of output. Estimates for the current 1963 season have been framed for a crop of 1,100 quintals.

This is not to belittle the importance of the industry's expansion prospects which have now improved due to the timely measures adopted for ensuring a bigger flow of funds to the industry. The World Bank sanctioned a loan of about Rs. 17 crores for the industry's expansion some time ago. But a fair part of it has not been used since many collieries have found it difficult to secure the matching rupee finance. In order to encourage the financing institutions, especially banks, to lend medium and long-term funds to the industry, the Government has announced a guarantee scheme under which the risk of loans will be shared by the Government and the financing institutions. The incentive to lend has further been promoted by the decision of the Refinance Corporation for Industry to offer refinancing facilities against the advances given to the industry. As a result of these measures, the collieries are expected to overcome the shortage of rupee finance to an appreciable extent.

It is difficult to assess whether the present prices of coal shares have discounted these concessions and incentives. It is nevertheless almost certain that investors will be cautious until the price of coal is suitably raised. Investors have not apparently been impressed by the verbal assurance of the Central Mines and Fuel Ministry that the price of the commodity will soon be raised and that it will henceforth be fixed on a more scientific basis. The past increases in the price were disappointing, since they did not even compensate the producers for the rise in production costs. Unless the price is fixed at a remunerative level, it will be difficult to attract investors to coal shares.

Mim Tea Pays More

THE Mim Tea Co. Ltd (a Darjeeling garden) has increased the taxable ordinary dividend from 20 percent to 27.5 percent for the year ended December 1962. The dividend absorbs Rs. 43,725 and offers a yield of 14.4 percent at the present price of Rs. 191.50 a share of Rs. 100 each. The profit has risen from Rs. 77,616 to Rs. 1,54 lakhs, after providing Rs. 20,885, (against Rs. 20,732) for

depreciation. Taxation absorbs Rs. 81,000 (against Rs. 31,000) and general reserve Rs. 25,000 (against Rs. 15,000), leaving a carry-forward of Rs. 17,193, against Rs. 14,563 brought in.

The crop at 1,088 quintals shows an increase of 69 quintals, compared with that in 1961. The average sale price rose from Rs. 8.21 to Rs. 8.99 a kilogram. A Rotorvane has been installed, and it is expected to improve the quality of output. Estimates for the current 1963 season have been framed for a crop of 1,100 quintals.

New Asiatic Skips Dividend

THE New Asiatic Insurance Co. Ltd has derived its income mainly from interest, dividends and profits on the sale of investments during the year ended December 1962. After making adjustments and transferring further sums to reserve for bad and doubtful debts, the outstanding loss has been reduced by Rs. 13,311. The dividend has again been passed. The Company has not yet received the sanction from the Controller of Insurance for transacting business other than insurance, but the directors hope to get the necessary permission soon.

W.I.M.C.O. Pays the Same

THE Western India Match Company Ltd reports encouraging results for 1962. As against an increase of 4 percent in the gross sales from Rs. 18.04 crores to Rs. 18.76 crores, the gross profit is up by about 9.4 percent from Rs. 1.66 crores to Rs. 9.82 crores. The ratio of gross profit to sales works out to 9.7 percent, against 9.2 percent in 1961. The improvement in the profit margin is due to economies in expenses and raw material costs, although the wage and salaries bill was higher. The Company contributed to the Central exchequer as much as Rs. 10.65 crores by way of excise duty alone, against Rs. 10.09 crores in the previous year.

The total tax provision, including the amount set aside for the proposed super profits tax, works out to 67.4 percent of the pre-tax profit. Shareholders' share at Rs. 44 lakhs works out to only 24 percent of the gross profit of Rs. 1.82 crores. After providing Rs. 21.87 lakhs (against Rs. 20.52 lakhs) for depreciation, Rs. 68.60 lakhs (against Rs. 57.10 lakhs) for taxation and deducting other charges the net profit amounts to Rs. 78.27 lakhs, compared with Rs. 74.37 lakhs in 1961. With Rs. 5.11 lakhs brought forward from the previous year and taking into account the tax refund of Rs. 3.75 lakhs for previous years, the disposable surplus amounts to Rs. 87.13 lakhs.

The directors have set aside Rs. 6.50 lakhs for additional tax liability for 1961 and 1960, and a large sum of Rs. 25.50 lakhs is being earmarked for the anticipated liability on account of the proposed super profits tax. Allocation to the general reserve has been drastically reduced from Rs. 10 lakhs to Rs. 3 lakhs, and development rebate reserve gets Rs. 1.35 lakhs, against Rs. 1.46 lakhs.

The provision for gratuity, however, is higher at Rs. 5.96 lakhs, against Rs. 3.23 lakhs. No provision has been made for gratuity which receive Rs. 15 lakhs in 1961. The proposed dividend of 16 percent (the same absorbs Rs. 44 lakhs, leaving a surplus of Rs. 82,645 to be carried forward).

The directors state in their report that the Company's match factories worked well during the year, and their production was fully disposed of. Demand for matches in the country continues to increase and as the industry's output was not sufficient to meet the increased demand, marked shortages occurred at various points. The Company could not meet many complaints of shortages due to the Government ban on any addition to the Company's installed capacity. The paper mill worked satisfactorily but suffered from cuts in imported pulp supplies. The management is negotiating to obtain supplies from indigenous sources. It has decided to go ahead with the project for the extraction of salt and other chemicals from the sea. The Company hopes to get land on lease from the Madras Government shortly. The project is being undertaken to meet the Company's requirements of potassium chloride which is in short supply in the country and it is difficult to obtain licences for its import. Consequently, the Company has not been able to expand its potassium chloride factory. The manufacture of potassium chloride from sea water cannot be undertaken as such without first producing salt. The balance-sheet position of the Company as at the end of December 1962 is sound. Its paid-up capital of Rs. 2.75 crores—all in equity shares—is supported by free reserves amounting to Rs. 2.08 crores. The Rs. 100-paid share is currently quoted around Rs. 243 cum-dividend, offering a gross return of a little over 7 percent.

Mahindra and Mahindra Earns More, Pays Less

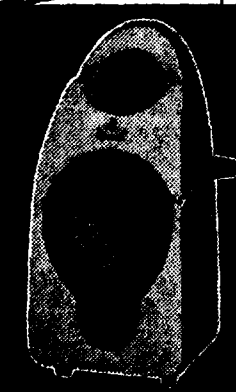
THE directors of Mahindra and Mahindra Ltd have recommended a gross dividend of 12½ percent (Rs. 1.25 a share on 1.32 million shares) on old shares for the year ended October 1962, against 15 percent, including a cash bonus of 2½ percent, for the previous year. They have also recommended a pro rata distribution (26p on 660,000 new shares) on the partly-paid shares issued during the year 1961-62. The total distribution of dividend works out to Rs. 18.22 lakhs, against Rs. 19.80 lakhs. The preliminary figures about the Company's working results show that it has fared better than in the preceding year; in spite of a 10 percent fall in the sales from Rs. 15.42 crores to Rs. 13.38 crores, the gross profit is up by nearly 11 percent from Rs. 1.11 crores to Rs. 1.23 crores.

The shareholders might feel somewhat disappointed with the directors' decision not to repeat the previous year's dividend along with the bonus in spite of improved working results. But this is due mainly to the sharp increase in the tax liability and high bonus payment. While recommending the dividend, the directors have expressed awareness of the burden which the latest Budget proposals have imposed on the corporate sector, particularly for growth companies like Mahindra and Mahindra. They are at the same time fully conscious of their responsibilities both for providing a reasonable return to shareholders and for discharging their obligations to the employees. They feel that in continuing to pursue a growth policy for the Company, they will be fulfilling both these responsibilities in spite of the adverse currents which

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have been set in motion by the new tax measures.

Allocations of the year's profit include depreciation Rs. 15.79 lakhs (against Rs. 15.38 lakhs), development rebate reserve Rs. 3.87 lakhs (against Rs. 60,000), bonus to staff Rs. 24.02 lakhs (against Rs. 21.54 lakhs), taxation Rs. 55.65 lakhs (against Rs. 21.54 lakhs) and general reserve Rs. 3.50 lakhs (against Rs. 10 lakhs). No provision has been made for research and development fund which received Rs. 50,000 in 1960-61. The directors have transferred Rs. 1.39 lakhs (against nil) from taxation and development rebate provisions no longer required. Preference dividend absorbs Rs. 4.49 lakhs (the same) and ordinary dividend takes away Rs. 18.22 lakhs (against Rs. 19.80 lakhs) leaving a sum of Rs. 80,000 to be carried forward, against Rs. 2.55 lakhs brought in.

The directors state that the Company was able to show improved results during 1961-62 due to the exercise of rigid control on costs and increased efficiency. The production of jeans during the year was slightly higher, but sales were lower due to the freezing of stocks at the close of the year by the Government following the Chinese invasion and the declaration of national emergency. The Rs. 10-paid share of Mahindra and Mahindra is currently quoted around Rs. 17.52.

Alembic Glass Disappoints

THE Alembic Glass Industries Ltd reports disappointing results for the year 1962 and the dividend has had to be reduced from 30 percent to 25 percent. Against a 7.8 percent fall in the sales from Rs. 2.17 crores to Rs. 2.01 crores, the gross profit is down by as much as 37 percent from Rs. 92.90 lakhs to Rs. 58.55 lakhs. The poor working results are attributed to the numerous jerks, trippings and stoppages of power supply and competition from new units. The directors explain in their report that glass manufacturing is a continuous process requiring the maintenance of specific temperatures in the various stages of production. Any sudden stoppage of power not only stops production during the period of the power stoppage, but it also spoils all the work that is under process. Further, it takes a considerable amount of time and expense to re-start the jobs.

Unfortunately, the Company experienced as many as 144 such jerks during 1962. The loss to the Company due to loss of production time and due to spoil material was considerable. The emergence of competition from the new units set up in the country was, however, not unexpected. While the Company could maintain its sales at about the same level as in the preceding year, it could do so only at reduced profit margins. The directors expect better working results during the current year in spite of competition because of the improved electric supply.

After providing Rs. 11.04 lakhs (against Rs. 12.77 lakhs) for depreciation and Rs. 20 lakhs (against Rs. 33 lakhs) for taxation, the net profit amounts to Rs. 23.83 lakhs, compared with Rs. 42.13 lakhs in 1961. Appropriations include development rebate reserve Rs. 1.10 lakhs (against Rs. 3.25 lakhs), provision for super profits tax Rs. 7.50 lakhs (against nil), additional provision for taxes for 1961 Rs. 4.50 lakhs (against nil), general reserve Rs. 2 lakhs (against Rs. 24 lakhs), and gratuity reserve nil (against Rs. 2 lakhs). After providing for the proposed dividend which absorbs Rs. 12,12,142

(against Rs. 12,74,170), there remains a small surplus of Rs. 10,248 to be carried forward, against Rs. 4.38 lakhs brought in.

The directors state in their report that all the import licences for the plant and machinery for the Company's new factory in Bangalore are now received and orders worth Rs. 27 lakhs have been placed. The work on the factory building will be completed during the current year. Orders have been placed for machinery for the manufacture of insulators at the Baroda factory. The Baroda Dies and Tools Corporation in which Alembic Glass is a partner and has invested a sum of Rs. 7,500 by way of capital has not yet started activities except to the extent of renting factory premises. It hopes to acquire machinery on hire purchase. The Company has a paid-up capital of Rs. 54.31 lakhs, which is supported by reserves and surplus amounting to Rs. 95.49 lakhs.

W.H. Brady Results Unsatisfactory

THE drastic cut in the dividend of W. H. Brady and Co. Ltd for 1962 from Rs. 52 to Rs. 31 a share (Rs. 150-paid), less tax, follows the sharp decline of 49 percent in the Company's gross profit from Rs. 37 lakhs to Rs. 18.85 lakhs. The profit is down in spite of a modest increase in the sales from Rs. 1.94 crores to Rs. 1.96 crores. The directors point out in their report that the Company's trading operations resulted in a small fall in the profit, but this was more than made up by the substantial increase in the commission earned on the indenting side of the business from Rs. 9.68 lakhs to Rs. 12.96 lakhs.

The managing agents' commission earned from managed companies fell from Rs. 10.28 lakhs to Rs. 7.33 lakhs, due mainly to the steep fall in the profits of one of the managed companies—Belapur Company. There was, however, a substantial increase in the income from trade investments from Rs. 39,000 to Rs. 3.24 lakhs due not only to the higher dividends declared by some of the Company's subsidiaries, but also to the inclusion in the year of account of dividend received from the Belapur Company for its year ended September 1961, which could not be included in the previous year's accounts. The Company's subsidiaries generally showed satisfactory results. It has been appointed secretaries and treasurers of Special Steels Ltd since 28th April, 1962. The Company has invested Rs. 10 lakhs in the equity capital of that Company and also given a loan of Rs. 5 lakhs.

After providing Rs. 53,000 (Rs. 36,000) for depreciation and Rs. 8.50 lakhs (against Rs. 13.50 lakhs) for taxation, the net profit for 1962 amounts to Rs. 9.85 lakhs, compared with Rs. 23.15 lakhs in the preceding year. After taking into account Rs. 2.85 lakhs brought forward from the previous year's account, Rs. 2,250 by way of profit on sale of fixed assets, Rs. 49,570 being profit on the sale of investments, Rs. 25,937 being the amount written off on investments in previous years relating to those sold during the year and transferring Rs. 6.76 lakhs from gratuity provision, the disposable surplus amounts to Rs. 20.23 lakhs. Out of this, the directors have set aside Rs. 20,000 for contribution to superannuation (pension) scheme, Rs. 2.67 lakhs for taxation reserve and Rs. 7.50 lakhs for general reserve. After providing for the proposed dividend which absorbs Rs. 9.30 lakhs (against Rs. 15.60 lakhs) and making minor adjustments, there remains a small balance of Rs. 5,668 to be carried forward

Against its paid-up capital of Rs. 45 lakhs—all in equity shares—the Company's free reserves total Rs. 87.2 lakhs. At its current quotation of about Rs. 350, the share offers a gross return of about 9.7 percent on fresh investment. In 1962, the Company suffered a loss of Rs. 2.41 lakhs due to embezzlement in its Kanpur branch.

Punjab National Bank Fares Well

THE working of the Punjab National Bank during 1962 shows all-round progress, with deposits, advances, investments and gross income improving appreciably. Only the profit is down, although only slightly and this is due, as in the case of the other banks, to the increase in expenses resulting from the Desai award, higher interest rates on deposits and the introduction of the compulsory deposit insurance scheme. Although the dividend has only been maintained at 20 percent, less tax, it involves a substantially larger distribution because of the increased capital.

The bank's deposits rose during the year by 11.2 percent from Rs. 150.68 crores to Rs. 167.52 crores; advances were up by 6.78 percent from Rs. 93.22 crores to Rs. 99.54 crores; investments moved up by 22.7 percent from Rs. 45.53 crores to Rs. 55.88 crores and the gross income increased by 12.4 per cent from Rs. 9.16 crores to Rs. 10.30 crores. The balance-sheet total has gone up from Rs. 205.12 crores to Rs. 223.96 crores. The increase in deposits is shared by all categories of deposits. Fixed deposits are up from Rs. 71.59 crores to Rs. 78.48 crores, savings bank deposits from Rs. 40.89 crores to Rs. 47.44 crores and current and contingency accounts have risen from Rs. 37.73 crores to Rs. 41.16 crores. Because of the smaller increase in advances compared with deposits, the credit ratio fell a little from 61.8 percent to 59.4 percent. Investment-deposit ratio, on the other hand, rose from 30.2 percent to 33.4 percent.

Income from interest and discount increased from Rs. 7.32 crores to Rs. 8.37 crores; commission, exchange and brokerage fetched Rs. 1.75 crores, against Rs. 1.63 crores. Interest paid on deposits and borrowings increased from Rs. 3.71 crores to Rs. 4.27 crores; the salary bill rose from Rs. 3.27 crores to Rs. 3.76 crores, and other expenses increased by Rs. 13 lakhs to Rs. 1.13 crores. As a result of the higher expenses, the bank's profit fell from Rs. 1.19 crores to Rs. 1.14 crores. After bringing in the surplus of Rs. 10.38 lakhs (against Rs. 4.23 lakhs) from the previous year, the directors have transferred Rs. 25 lakhs (against Rs. 45 lakhs) to the reserve fund, Rs. 40 lakhs (against Rs. 37.50 lakhs) to the staff bonus account and Rs. 4 lakhs (against Rs. 1 lakh) to the charity and donation account. The dividend of 20 percent on the increased capital absorbs Rs. 40 lakhs (against Rs. 28.75 lakhs), leaving a surplus of Rs. 15.21 lakhs to be carried forward.

Kohinoor Mills Maintains

ALTHOUGH the total dividend has been maintained at Rs. 18 a share less tax, the working results of Kohinoor Mills Company for the year 1962 have risen impressively over those of the previous year. As against an increase of only 5.7 percent in the sales from Rs. 7.20 crores to Rs. 7.60 crores, the gross profit is up by as much as 41 percent from Rs. 50.20 lakhs to Rs. 83.87 lakhs. This

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indeed is an excellent performance as the cotton mill industry is known to have had a difficult time last year because of the all-round increase in production costs.

After providing Rs. 18.52 lakhs (against Rs. 17.02 lakhs) for depreciation and Rs. 12.62 lakhs (against Rs. 15.68 lakhs) for taxation, the net profit amounts to Rs. 49.98 lakhs, compared with Rs. 22.71 lakhs in 1961. The directors have set aside Rs. 4.99 lakhs (against Rs. 4.90 lakhs) for development rebate reserve, and a huge sum of Rs. 36.71 lakhs has had to be provided for employees' bonus for the years 1957, 1959, 1960 and 1961. The balance of the profit is not sufficient for payment of dividend which absorbs Rs. 18 lakhs. Accordingly, the directors have transferred Rs. 10 lakhs from machinery reserve. After making various appropriations, there remains a surplus of Rs. 29,116 to be carried forward, against Rs. 1,555 brought up.

The directors state that trading conditions during the first quarter of the year were reasonably good. But conditions thereafter began to deteriorate gradually due to high incidence of excise duty. Various adverse factors led to the accumulation of huge stocks with the mills towards the end of the year. Yarn stocks, however, were lower as most of the production was diverted to defence requirements. New machinery worth Rs. 32.51 lakhs was received by the Company and machinery erected during the year totalled Rs. 33.39 lakhs. Machinery on order is placed at Rs. 28.04 lakhs. The Company has a total paid-up capital of Rs. 1 crore—all in equity shares of Rs. 100 each—and it is supported by free reserves amounting to Rs. 1.02 crores. At its current market price of Rs. 294 cum-dividend—final dividend is Rs. 11 a share—the share offers a gross return of about 6.4 percent.

Precision Bearings Share Offer Soon

PRECISION Bearings India Ltd is a new Indo-U.S. venture for undertaking the manufacture of anti-friction ball and roller bearings and components. It will shortly enter the market to raise Rs. 28 lakhs—all in equity shares—through public subscription. The Company has been promoted by Kamlashankar P. Joshi and Company, and the East Asiatic Company (India) Private Ltd in collaboration with the world-renowned Norma-Hoffman Bearings Company of Stanford, U.S.A., which recently merged with the parent Company—Universal American Corporation, New York. Precision Bearings has been licensed to manufacture 800,000 bearings a year on a single shift basis.

The factory will be located in Makarpura, near Baroda, where the Company has already acquired 22 acres of land. The factory and other buildings, it is expected, will be ready by the end of this year, and production, it is expected, will start early in 1964. The Company will produce ball bearings of different sizes, varying from 8 millimetres to 100 millimetres internal bore diameter with all components including steel balls manufactured from the start. It is claimed that the Company will be the first in India to manufacture straight roller bearings. It has entered into a collaboration agreement with Universal American Corporation which provides for the supply of technical information, engineering data, know-how, lay-out of the plant and service facilities for a period of ten years. The collaborator has also assumed responsibility for the management of the project for this

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period. For all this, the foreign collaborator will be paid a research fee at 2 percent net, clear of all taxes, on the sale price within the country and at 3 percent net on all exports. In addition, equity shares of the value of \$150,000 will be allotted for initial technical know-how, drawings and designs.

The entire project is estimated to cost Rs. 2.27 crores. This will be met by a share capital of Rs. 1.05 crores, medium-term loans from financial institutions for Rs. 90 lakhs and short-term bank borrowings to the extent of Rs. 32 lakhs. The International Finance Corporation, Washington, has granted a loan of \$520,000 (equivalent to Rs. 25 lakhs) carrying interest at 7 percent a year, and repayable in 20 instalments starting from October 1965. The Industrial Credit and Investment Corporation of India has also sanctioned a rupee loan of Rs. 25 lakhs, and a foreign currency loan of Rs. 10 lakhs. The Company has also arranged for an unsecured loan of Rs. 30 lakhs from the Agency for International Development. The foreign exchange requirements of the project which are estimated around Rs. 75.50 lakhs, are being met from foreign exchange loans, capital participation of the U.S. collaborators and the International Finance Corporation. This is perhaps the first time that the International Finance Corporation is participating in the equity capital of a Company in India, although in another instance, it has reserved its right to participate in the equity capital of that company.

The authorised capital of the Company is Rs. 2 crores in equity shares of 100 each. The issued capital will be Rs. 1.05 crores, of which the promoters will take up Rs. 24 lakhs. The foreign collaborators will subscribe for Rs. 30 lakhs, and the I.C.I.C.I. will take up Rs. 5 lakhs. The International Finance Corporation has agreed to subscribe for Rs. 28 lakhs. The balance of Rs. 28 lakhs will be offered for public subscription some time in May. The entire public issue has been underwritten. The board of directors includes Mr. Palle Duchwald (chairman), Dr. Harry M. Day, Mr. Donald E. Lee, Mr. Tage Woldike Schmith, Mr. Kamlashankar P. Joshi, Dr. Chunibhai S. Patel, Mr. Mahendra K. Joshi and Mr. Charles Dean Alexander (managing director).

I. I. Trust Pays the Same

AFTER providing Rs. 3.34 lakhs, against Rs. 2.61 lakhs for taxation, Rs. 1.446 (against Rs. 745) for depreciation, and Rs. 1.85 lakhs (against nil) as net loss on the sale or redemption of investments, the working results of the Industrial Investment Trust Ltd for 1962 show a net profit of Rs. 4.43 lakhs, compared with Rs. 6.78 lakhs in the previous year. In order to maintain the dividend of Rs. 6.50 a share, the directors have been obliged to transfer Rs. 1.10 lakhs from the investment reserve and after taking credit for unclaimed balances being written off and refund received on 1959 taxes, the disposable surplus amounts to Rs. 6.53 lakhs. The proposed dividend absorbs Rs. 6.50 lakhs, leaving a sum of Rs. 3,254 to be carried forward, against Rs. 30,418 brought in.

Income by way of dividends on shares and interest on debentures and securities is down from Rs. 11.37 lakhs to Rs. 10.93 lakhs. The investment portfolio of quoted securities has been reduced from Rs. 1.23 crores to Rs. 1.03 crores while that of unquoted securities is up from Rs. 20.33 lakhs to Rs. 21.22 lakhs. The approximate valuation of the

Company's investments, at market quotations as on 31st December, 1962, or in the case of unquoted investments at the book value, was higher than the total book value by nearly 23 percent, compared with 23.70 percent at the end of 1961. Since December 1962 up to 8th April 1963, the Company has received Rs. 6,000 by way of redemption of debentures. Investment in shares amounting to about Rs. 1.72 lakhs has been made during this period. During the year, the Company undertook the work of registrars and transfer agents of the Modella Woollens Ltd and also rendered "issue house" services to them. The Company has also rendered "issue house" services to Sandvik Asia and Arlabs for their public issues.

Indore Malwa Mills Cuts Dividend

THE cut in the dividend by the Indore Malwa United Mills Ltd for the year 1962 from 10 percent to 7 percent follows the steep fall in the Company's profit from Rs. 30.52 lakhs to a mere Rs. 13.85 lakhs. The gross profit is down by about 120 percent, even though the sales are up by about 14.5 percent from Rs. 3.38 crores to Rs. 3.97 crores. The directors attribute the fall in the profit to the year-end sales of cloth at uneconomic prices. In order to meet the export obligations and also to keep stocks at the minimum, the Company sold its products in an unfavourable market and incurred heavy losses. The working of the yarn section, however, was satisfactory, although the target of realisation of Rs. 80 lakhs could not be reached. In view of the raw cotton shortage, the Textile Commissioner refused to renew permission for running 3,800 extra spindles.

The directors state that the implementation of the renovation and modernisation programme is in full swing. About Rs. 1.68 lakhs were spent on additions and extensions to the existing buildings. New machinery worth Rs. 34.28 lakhs was received in 1962, of which the textile machinery accounted for Rs. 22.03 lakhs. Most of this has been installed. In addition, electrical equipment worth Rs. 11.97 lakhs was also received and installed during the year. Negotiations with the State Bank of India have been finalised for a medium-term loan of Rs. 50 lakhs for financing the Company's expansion schemes. Out of this, a sum of Rs. 38.5 lakhs has already been used.

Out of the year's gross profit of Rs. 13.85 lakhs, the directors have provided Rs. 6.26 lakhs (against Rs. 4.55 lakhs) for depreciation. Rs. 3 lakhs (against Rs. 1.10 lakhs) for development rebate. The provision for taxation is substantially lower at Rs. 1 lakh, against Rs. 12.75 lakhs in the previous year. No provision has been made for the general reserve and dividend equalisation reserve, which received Rs. 2 lakhs and Rs. 5 lakhs, respectively, in 1961. The proposed dividend absorbs Rs. 3.75 lakhs (against Rs. 5 lakhs), leaving a balance of Rs. 8,880 to be carried forward, against Rs. 26,590 brought in. The Rs. 100-paid share of Indore Malwa Mills is quoted around Rs. 180.

Sarangpur Cotton Profits Down

THE Sarangpur Cotton Manufacturing Co. Ltd, Ahmedabad, has fared badly in 1962, with both sales and gross profit recording substantial declines from the previous year's figures. The total distribution to the shareholders has, however, been maintained—in fact, it is slightly

higher—although the dividend is reduced from 33.2 percent to 26.8 percent. The capital was increased last year by a one-for-four bonus issue. Sales are down from Rs. 4.95 crores to Rs. 4.60 crores and the gross profit has declined from Rs. 109.21 lakhs to Rs. 71.97 lakhs.

After providing Rs. 3.51 lakhs (against Rs. 5.67 lakhs) for managing agents' commission, Rs. 29.20 lakhs (against Rs. 26.67 lakhs) for depreciation and Rs. 22.20 lakhs (against Rs. 35.23 lakhs) for taxation, the net profit amounts to Rs. 17.06 lakhs, compared with Rs. 41.64 lakhs in the previous year. The directors have set aside Rs. 1.01 lakhs (against Rs. 93,000) for donations and Rs. 7.74 lakhs (against Rs. 5 lakhs) for development rebate and rehabilitation reserve, leaving a surplus of Rs. 8.31 lakhs which is insufficient for the payment of the proposed dividend. The directors have, therefore, withdrawn Rs. 5.75 lakhs from the dividend reserve to meet the shortfall in the dividend distribution which absorbs Rs. 13.35 lakhs, against Rs. 13.23 lakhs for 1961. In 1961, the directors had allocated as much as Rs. 21.16 lakhs to reserves. The Rs. 250-paid share of Sarangpur Cotton is quoted nominally around Rs. 1,590.

Rights Share Issue by Madras Rubber

MADRAS Rubber Factory Ltd has sought the sanction of the Controller of Capital Issues to issue rights shares at par in the ratio of one share for every two held. Announcing this at the recent shareholders' annual general meeting, the chairman, Mr. K. M. Cherian, said that besides providing the necessary additional funds for expansion and working, the increase of issued

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capital by Rs. 62-1/2 lakhs would stabilise the capital base of the Company and create a proper balance between the share capital and the loan capital. The chairman also stated that the Company had overcome all the teething troubles and the regular production of tyres had started at the factory. The tyres from the main plant have been introduced in all the principal cities in India, and they had been well-received both by the trade and consumers.

The Company has received a licence for substantial expansion for the manufacture of an additional 60,000 tyres and tubes a year, and necessary steps have already been taken to achieve the increased production capacity by installing the second high-speed Banbury and three more giant mixing mills. The Company has also received permission from the Government for the import of special army type moulds required for the manufacture of tyres to meet the defence needs. The chairman added that the Company's foreign collaborators, Mansfield Tire and Rubber Company, had the experience of having worked with the U.S. Defence Department for the evolution of highly centralised tyres, such as bullet-proof combat tyres during the second World War.

Mr. Cherian has suggested that the Government of India should stop

further licensing of rayon cord manufacture and create some capacity for nylon tyre-cord manufacture in view of the fact that nylon-tyres are more economical than rayon tyres. Besides, the tyres made out of nylon cord are tougher and are not hygroscopic as the rayon tyres. He has also suggested that modern highways should be constructed on the pattern of autobahns of the Continent and the turnpike roads of the U.S.A. This, he said, would result in a saving of about 25 lbs a tyre of costly raw materials which are mostly imported at present. Nearly 15 to 25 percent of the tyres manufactured in India are said to meet with premature failure because of the bad conditions of roads. Mr. Cherian assured shareholders that the Company looked forward to better results in the years to come.

India United Mills Pays Less

THE directors of India United Mills Ltd. have reduced the dividend on the ordinary shares for the year 1962 from 14 percent to 11 percent (i.e. from Rs. 1.40 a share to Rs. 1.10 a share). The dividend on the deferred shares has been reduced from 37.25 percent to 25.25 percent (i.e. from Rs. 37.25 to Rs. 25.25 a

share). The proposed cut in the dividends gives little indication of the company's disappointing performance during the year.

The preliminary figures about the company's working released along with the dividend announcement show that the gross profit is down by about 52 percent from Rs. 181.60 lakhs to Rs. 86.62 lakhs. The provision for depreciation has been reduced from Rs. 14.92 lakhs to Rs. 13.54 lakhs and tax liability is also substantially lower at Rs. 15 lakhs compared with Rs. 62 lakhs in 1961. The net profit is shown at Rs. 58.08 lakhs against Rs. 104.68 lakhs. After bringing in a surplus of Rs. 4.20 lakhs (against Rs. 9.70 lakhs) from the previous year, including Rs. 12.90 lakhs being excess provisions made in previous years and writing back the provision for bonus for 1959 and 1960 amounting to provided Rs. 3.26 lakhs (against Rs. 13.75 lakhs, the directors have provided Rs. 3.26 lakhs (against Rs. 4.97 lakhs) for development rebate reserve. They have also set aside Rs. 46.22 lakhs for payment of bonus for the years 1959 and 1960 and to meet the short provision for bonus for 1961, against an ad hoc provision of Rs. 35 lakhs made out of the 1961 profits. A sum of Rs. 82,607 has been set apart for taxation for the previous year. Last year, the provision for taxation included

Andhra Bank Repeats

THE working of the Andhra Bank Ltd during the year ended December 1962, has resulted in a net profit of Rs. 8,34,052.71, after meeting all expenses and after providing Rs. 2,38,972.13 for depreciation, leaving Rs. 2,38,972.13 for depreciation. The net profit for the previous year was Rs. 10,97,044, after providing Rs. 1,00,226 for depreciation. With the amount of Rs. 12,941.76 brought forward, and with a sum of Rs. 250.40 being the excess dividend provided for 1961, the total amount available for appropriation comes to Rs. 8,47,244.87.

Out of this, the directors have transferred a sum of Rs. 2,10,000 to reserve fund under Section 17 of the Banking Companies Act, 1949. The provision for taxation amounts to Rs. 3,00,000. The directors have recommended the payment of a dividend of 8 percent subject to tax, the same as in the previous year. This dividend will absorb Rs. 3,34,000. The balance of Rs. 3,244.87 is carried forward. The directors state that the progress of the bank was satisfactory during the year. The net profit is, however, lower consequent on the revision of pay scales under the award of the National Tribunal and the payment of the deposit insurance premium. Deposits as on 31st December, 1962, stood at Rs. 18,17,52,527, against Rs. 15,78,89,865 on the same date last year. Advances stood at Rs. 10,25,31,990, against Rs. 9,09,12,950.

New Capital Issues

FOUR companies have been authorised to raise capital amounting to Rs. 3.26 crores. Three will issue equity shares and one rights shares. One bank is raising further capital. The consent in all cases is valid for 12 months. The following are the details:

In supersession of the consent accorded previously for the issue of capital to the value of Rs. 2.5 crores, **Lakshmi Machine Works Ltd.**, Madras, has been allowed to issue equity capital of Rs. 2.50 crores for cash at par. Out of this, shares of a value of Rs. 28.11 lakhs (equivalent to Swiss francs 2.6 million) will be offered to Reiter Machine Works Limited, Switzerland.

In supersession of consent given previously for issue of capital of Rs. 4,37,500 (nominal), the **Mysore Lamp Works Ltd.**, Bangalore, has been authorised to issue capital of Rs. 6,30,520 (nominal) in 63,052 equity shares of Rs. 10 each for cash at a premium of Rs. 25.07 a share to the General Electric Company, U.S.A.

The **Bank of Maharashtra Ltd.**, Poona, is to issue further capital to the value of Rs. 50,00,000 divided into 100,000 equity shares of Rs. 50 each to be fully paid up for cash at par on rights basis.

The **Tamilnad Cardboards and Paper Mills Ltd.** Madras, will issue further equity capital of Rs. 20 lakhs in shares of Rs. 100 each for cash at par.

Rs. 8 lakhs for previous years. No provision has been made for the general reserve which received Rs. 15 lakhs in 1961. The proposed dividends—ordinary and deferred—absorb Rs. 34.62 lakhs against Rs. 46.62 lakhs. After making all these appropriations there remains a surplus of Rs. 3.99 lakhs to be carried forward. The Rs. 10-paid share of India United Mills is currently quoted around Rs. 22.72.

The Stock Markets

PRICES RECOVER ON BROAD FRONT IN CALCUTTA

Wednesday Evening.

THERE has been a substantial improvement in the Calcutta stock market during the past week. Prices, especially of clearing shares, have hardened on a broad front due to frantic short-covering, combined with replacement purchases. Sentiment has taken a turn for the better after the Central Finance Minister, Mr. Morarji Desai, announced the various tax concessions last week. Operators have been particularly cheered by the modifications in the super profits tax. In its present frame of mind, Lyons Range seems to forget that the levy will hit the corporate sector hard in spite of the concessions. It is doubtful whether the operators are justified in taking the view that the levy might be scrapped if it is found to retard industrial expansion. Judging from experience, it looks as if any tax measure is difficult to abolish once it has been imposed. Anyway, investors have little cause for jubilation since the concessions will do little to help the companies maintain the dividends, not to speak of increasing them. Although the expanding and more profitable companies will benefit somewhat from the concessions, it remains to be seen whether the various expansion schemes will be proceeded with as freely as before the Budget.

The rise in share prices during the past few days has been so sharp that the authorities have been greatly disturbed, lest the health of the market should deteriorate. The following table shows the extent of the improvement before and after the concessions were announced:

	Prices on 24-4-63	Prices on 11-4-63
Indian Iron & Steel	22.40	20.45
Guest, Keen, Williams	34.50	31.00
Textile Machinery	23.65	21.25
Indian Copper	4.39	4.23
Indian Aluminium	33.50	31.31
Dunlop Rubber	35.44	33.31
Hindustan Motors	17.50	16.19
Indian Cable	32.62	32.00
Kesoram Industries	24.00	20.69
Orient Paper	35.15	32.30
Burrakur Coal	17.00	15.50
Birla Jute	29.69	28.25

The speculative fraternity, in particular, has been cheered by the prospect that the Government may again permit free forward trading as before because of the recovery. Since the Government is keen on maintaining stability in the stock exchanges, it is hoped that it will permit forward trading subject to proper restrictions. It must be remembered that the improvement which has occurred so far has been largely due to speculative activity. In spite of some replacement buying, investors have remained cautious. Since the rise has taken place very quickly, it is doubtful whether the gains have been consolidated. In the circumstances, the authorities should concentrate their attention on ensuring that the health of the market is not affected by speculation. This apart, it is time to consider to what extent forward trading in shares should be permitted. As long as forward trading is done on the basis of actual delivery of shares, there can be little objection. But trading in clearing shares, as it is generally done, constitutes what is called a futures contract. It is more often than not

closed by paying the difference in prices. Whether a futures contract in shares is necessary under the present circumstances must be considered carefully.

Steel shares have been fancied since it is thought that these companies will suffer less from the S.P.T. It is also hoped that the Government may soon increase the retention price of steel to compensate the producers for rises in royalty, wages and other production costs. The optimism, however, seems to have been exaggerated since the shareholders are not directly benefited by the increase in the retention price. Besides, the Government was very niggardly in raising the retention price in the past. Indian Iron have closed at Rs. 22.40, after touching Rs. 22.70. Among engineering shares, support has been confined to Guest, Keen, Williams, Jessop, Texmaco and Burn. The various concessions given to the coal industry have helped induce support for selected coal shares. Burrakur, Bengal, East Indian and Central India have improved.

The prices of selected miscellaneous shares have risen all-round. The clearing shares in particular have met with strong support but sellers have been reserved. Among new shares, attention has been concentrated on Hindustan Tywofords, India Carbon, Phillips Carbon and Asiatic Oxygen. In the paper section, Orient, Titagur and Sirpur have been prominent. Bank shares have been sluggish.

Satisfactory dividends paid by the Andrew Yule group of jute companies have helped maintain steadiness in jute shares. Support has been extended to Birla, Budge Budge, Cheviot, Delta, Megna, Ganges, Northbrook, Union and India. Among cotton mill shares, Bharat Commerce, Dunbar and J. K. Rayon have recovered. Sugar shares have been neglected. Turnover has been small in tea shares since this industry will suffer greatly from the S.P.T.

Government securities have been steady but turnover has been small.

Scattered business has been done in short and medium-dated securities. The 3-percent Conversion loan 1986 has been quoted at Rs. 63.15. State Government loans have been generally quiet. Scattered interest has been taken in selected preference shares.

Bombay

BUOYANT CONDITIONS IN DALAL STREET TAX CONCESSIONS HELP SENTIMENT

Wednesday Evening.

BUOYANT conditions have prevailed in the Bombay stock market during the past week and share prices have gone up on sustained support, combined with short-covering. The tax concessions announced by the Central Finance Minister, Mr. Morarji Desai, have given the stock market a shot in the arm. The optimism has stemmed from the belief that the super profits tax is a temporary measure and would be scrapped if it retarded economic development. Operators were especially cheered by the thought that the Tata Iron and Steel Company would be exempted from the super profits tax in view of its accounts position. Since the concessions will benefit companies with greater profitability and those having substantial development rebate reserves, the support was concentrated on blue chips. Considering that there was a sharp fall in share prices after the Budget, the recovery was quick as soon as sentiment took a turn for the better in response to the tax reliefs. Towards the close, there has been a modest reaction due to profit-taking. Several bulls, who could not lighten their commitments so long, have started selling their

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holdings, but all offers have been absorbed without much difficulty. Operators have also been encouraged by the prospect that the authorities might soon introduce forward trading on a normal basis.

Tata ordinary have improved to Rs. 131.25 and Indian Iron to Rs. 22.32. Among engineering shares, Tata Locomotive have gained at Rs. 295, Premier Construction at Rs. 146.50 and Larsen and Toubro at Rs. 24.24. Mukand Iron have been supported up to Rs. 18.76. Among motor-vehicle shares, Hindustan Motors jumped to Rs. 18.08 and Premier Automobiles to Rs. 113. Prices of cotton mill shares have recovered on a broad front because of short-covering, combined with replacement buying. The prospect of an improvement in the internal cloth offtake has also helped induce support for these scrip. Century have gained at Rs. 554 on repeating a taxable ordinary dividend of 30 percent, despite a small decline in profits. Kohinoor have been supported at Rs. 308, Bombay Dyeing at Rs. 63, Svadeshi at Rs. 260, Khatau at Rs. 430 and India United ordinary at Rs. 21.

Miscellaneous shares have improved in sympathy with the general trend. In the cement section, Associated Cement have recovered to Rs. 146 and Digvijay to Rs. 170. Among sugar shares, Belapur have been absorbed at Rs. 184 and Phalton at Rs. 79. Mining shares have been quiet, and Shivrampur Syndicate have been sold freely down to Rs. 21. In the shipping section, Scindia Steam have recovered to Rs. 10.80 on short-covering. Chemical shares have been steady, and support has been extended to Tata Chemical at Rs. 15.36 and to Indian Dyestuff at Rs. 415. After a long interval, National Rayon have improved to Rs. 373 on bear-covering. Bombay Burmah have been higher at Rs. 674. Interest has been taken in Voltas at Rs. 271 and in Gwalior Rayon at Rs. 47.

Bank shares have met with scattered support because of the special concessions they have been given in calculating the super profits tax. Bank of India have been transacted at Rs. 109.50 and Central Bank at Rs. 59. Among insurance shares, New India Assurance have been bought up to Rs. 59.50 on prospects of a bonus issue. In the electric supply section, Ahmedabad have met with scattered interest at Rs. 90 and Tata Hydro at Rs. 100.

Madras

MARKET SENTIMENT IMPROVES SCATTERED INTEREST IN PLANTING SHARES

Tuesday Evening.

THE Madras stock market has improved during the past week in response to higher advices from the Calcutta and Bombay stock markets. Selling pressure has abated considerably and replacement buying has taken place on a modest scale. Investors have welcomed the concessions given in the super profits tax; however, they have been cautious and are still busy examining the full implications of the concessions. Operators have extended their commitments in clearing shares rather slowly in view of the shortage of credit, which has also become more costly.

Government securities have been quiet and several State Government loans have been offered at attractive prices. In the banking section, Indian

Overseas have recovered to Rs. 152 and Indian Bank to Rs. 174.50. Among electric supply companies, support has largely been confined to Vellore at Rs. 13.60 and to West Coast at Rs. 18.37. Selected sugar shares have met with renewed support. E.I.D. have recovered to Rs. 38.50 and Deccan to Rs. 9. Kothari have been bought up to Rs. 7.85.

Investors have shown scattered interest in selected planting shares on the view that the planting companies need not pay super profits tax on that portion of their income which is considered agricultural in nature. Savamalai have declared a taxable ordinary dividend of 15 percent. Blue Mountain have been transacted at Rs. 2.48, Cochin Malabar at Rs. 6, Consolidated Coffee at Rs. 17.25 and Ouchterlony at Rs. 3.83. Support has been extended to Periakaramalai up to Rs. 3.08.

Interest has revived in selected textile shares after a long interval. South India Viscose have recovered to Rs. 149 and Travancore Rayon have been wanted at up to Rs. 24.50. Madura have been firm at Rs. 33. Turnover has increased in miscellaneous shares and prices have hardened selectively. Aluminium Industries have recovered to Rs. 18.60 and their rights have met with support. Ashok Leyland have been done up to Rs. 7.65, Dalmia Cement at Rs. 12.25, India Cement at Rs. 5.90 and Metturr Chemical at Rs. 11.92. Seshasayee Paper have been firm at Rs. 8.10 and Parry's Confectionery have gained at Rs. 3.19.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES	
Birla Jute—Rs. 28/50—30/00—28/00—29/68—(37/37).	
Burrakur Coal—Rs. 16/06—17/87—16/06—17/00—(18/00).	
Dunlop Rubber—Rs. 35/75—36/00—35/19—35/44—(44/62).	
Guest, Keen, Williams—Rs. 33/00—35/12—32/81—34/50—(40/47).	
Hindustan Motors—Rs. 17/31—17/87—17/06—17/50—(19/94).	
Howrah Jute—Rs. 18/25—18/62—18/19—18/62—(21/31).	
Indian Aluminium—Rs. 33/44—34/25—33/31—33/50—(39/37).	
Do. (New)—Rs. 14/37—16/00—14/37—15/25.	
Indian Cable—Rs. 32/62—32/62—32/62—32/62—(38/12).	
Indian Copper—Rs. 4/37—4/43—4/32—4/39—(5/10).	
Indian Iron & Steel—Rs. 21/80 s.t.—22/77—21/80—22/40—(25/84).	
J. K. Cotton Spg. & Wvg.—Rs. 13/87—13/87—13/31—13/44—(22/00).	
Jaipur Udyog—Rs. 11/37—11/37—11/06—11/06—(14/06).	
Kesoram Industries—Rs. 22/31 s.t.—24/37—22/31—24/00—(32/62).	
Orient Paper—Rs. 35/00—35/00—34/90—35/15—(43/45).	
Orissa Cement—Rs. 15/25—15/37—14/44—14/62—(18/81).	
Rohas Industries—Rs. 11/53 s.t.—11/56—10/87—11/31—(17/12).	
Shree Gopal Paper—Rs. 24/12—24/25—23/44—23/56—(25/81).	
Textile Machinery—Rs. 23/00—23/80—22/90—23/65—(23/30).	
GOVERNMENT SECURITIES	
3 % Loan (1986)—Rs. 63/30—63/30—63/30—63/30.	
3 % " (1966-68)—Rs. 96/15—96/15—96/15—96/15.	
3 % Govt. Paper—Rs. 62/50—62/50—62/00—62/05.	
3 % Loan (1963/65)—Rs. 99/70—99/70—99/70—99/70.	
3 % " (1970-75)—Rs. 85/90—85/90—85/90—85/90.	
3½ % " (1967)—Rs. 97/80—97/80—97/80—97/80.	
3½ % " (1968)—Rs. 97/65—97/65—97/65—97/65.	
3½ % " (1974)—Rs. 95/75—95/85—95/75—95/85.	

3½ % " (1965)—Rs. 99/05—99/10—99/05—99/10.	
3½ % " (1966)—Rs. 98/90—99/05—98/90—99/05.	
4 % " (1972)—Rs. 98/95—98/95—98/95—98/95.	
4 % West Bengal (1963)—Rs. 99/70—99/70—99/70—99/70.	
4½ % Loan (1985)—Rs. 100/05—100/05—100/05—100/05.	
4½ % West Bengal (1970)—Rs. 98/45—98/50—98/45—98/50.	
4½ % Orissa (1974)—Rs. 96/40—96/50—96/40—96/50.	
4½ % U.P. (1974)—Rs. 96/40—96/47—96/40—96/47.	
4½ % West Bengal (1974)—Rs. 98/06—98/10—98/06—98/10.	
U.P. Zemindary Rehabilitation Grant Bond (8 Collected)—Rs. 33/40—33/40—33/40—33/40.	
BANKS	
Allahabad—Rs. 277/00—277/00—277/00—277/00.	
Punjab National—Rs. 20/00—20/00—19/56—19/75—(21/75).	
United Bank of India (Rs. 10 paid)—Rs. 7/37—7/37—7/22—7/31—(6/75).	
RAILWAY	
Dehri Rohtas—Rs. 14/12—14/50—14/12—14/50—(19/12).	
COTTONS	
Bharat Commerce—Rs. 22/50—22/87—22/50—22/69—(27/06).	
Bowreah—Rs. 24/12—24/19—23/87—24/00—(41/87).	
Dunbar—Rs. 27/56—27/56—27/56—27/56—(34/50).	
Elgin—Rs. 19/50—19/50—18/87—18/87—(21/44).	
Jagatjit—Rs. 15/12—17/00—15/12—17/00.	
Jay Shree—Rs. 15/06—16/00—15/06—15/81—(16/31).	
Muir—Rs. 106/00—106/00—106/00—106/00—(146/00).	
New Victoria—Rs. 1/37—1/47—1/37—1/47—(1/50).	
Svadeshi (P.O.)—Rs. 6/75—6/75—6/75—6/75—(8/80).	
Do. (Pref.)—Rs. 68/75—69/50—68/75—69/50.	
COALS	
Amalgamated—Rs. 22/75—23/56—22/75—23/56—(21/69).	
Bengal—Rs. 285/00—310/00—285/00—303/00—(362/00).	
Bhulanbararee—Rs. 11/94—11/94—11/94—11/94—(5/00).	
Central India—Rs. 10/25—11/19—10/25—10/75—(12/75).	
Central Kurkend—Rs. 3/00—3/00—3/00—3/00—(7/00).	
East Indian—Rs. 34/00—34/12—34/00—34/12—(40/62).	
Karanga Collieries—Rs. 16/50—17/00—16/50—17/00—(19/04).	
New Manbhoom—Rs. 14/50—15/00—13/94—15/00—(13/62).	
New Beerbhoom—Rs. 20/12—20/12—20/12—20/12—(21/25).	
Raneengunge—Rs. 15/00—17/00—15/00—16/00—(15/00).	
South Karanpura—Rs. 8/87—9/62—8/37—9/25—(8/62).	
Standard—Rs. 12/62—12/62—12/62—12/62—(15/50).	
Sendra—Rs. 5/50—5/31—5/12—5/31—(6/37).	
Western Bengal—Rs. 9/31—10/19—9/06—9/50—(9/44).	
JUTES	
Agarpara—Rs. 10/25—10/25—10/25—10/25—(12/31).	
Alexandra—Rs. 300/00—300/00—300/00—300/00—(305/00).	
Alliance—Rs. 90/00—90/00—90/00—90/00—(141/00).	
Auckland—Rs. 139/00—139/00—139/00—139/00—(181/00).	
Bally—Rs. 275/00—280/00—270/00—280/00—(316/00).	
Barnagore—Rs. 180/00—181/00—179/00—181/00—(178/50).	
Budge Budge—Rs. 155/00—156/00—155/00—156/00—(147/00).	
Cheviot—Rs. 22/50—24/00—22/50—24/00—(24/12).	
Clive (A) Pre—Rs. 62/00—62/00—62/00—62/00—(62/00).	
Chitavalasah—Rs. 11/06—11/06—10/75—10/75—(13/00).	
Caledonian—Rs. 192/00—192/00—192/00—192/00—(220/00).	
Empire (Pref.)—Rs. 90/00—90/00—90/00—90/00—(90/00).	
Fort William—Rs. 25/00—25/00—25/00—25/00—(25/94).	
Fort Gloster—Rs. 375/00—378/00—375/00—378/00—(451/00).	
Ganges—Rs. 13/25—13/87—13/19—13/62—(14/84).	
Do. (Pref.)—Rs. 104/50—106/00—104/50—106/00—(106/00).	
Gondalpara—Rs. 15/50—16/00—15/50—16/00—(44/50).	

CAPITAL, 25th April, 1963.

Hukumchand—Rs. 20/25—20/75—20/25—20/75—(27/00).	
Howrah (A) Pref.—Rs. 90/50—90/50—90/00—90/00.	
Hooghly (Pref.)—Rs. 10/00—10/00—10/00—10/00—(21/56).	
India—Rs. 18/25—18/25—17/69—17/69—(17/75).	
Kinnison (Pref.)—Rs. 90/00—90/50—90/00—90/50.	
Kankannarrah—Rs. 128/00—129/00—127/50—129/00—(170/00).	
Lawrence—Rs. 100/00—100/00—100/00—100/00—(171/00).	
Megna—Rs. 13/25—13/56—13/25—13/50—(14/06).	
New Central—Rs. 12/44—12/56—12/00—12/00—(17/94).	
Nellimarla—Rs. 10/87—11/25—10/75—11/25—(12/56).	
Presidency—Rs. 5/00—5/09—5/00—5/09—(6/31).	
Reliance—Rs. 8/62—8/62—7/25—7/25—(7/69).	
Rameshwara—Rs. 8/62—8/62—8/50—8/50—(10/31).	
Do. (Pref.)—Rs. 12/50—12/62—12/50—12/62.	
Soorah—Rs. 21/00—21/00—20/94—20/94—(24/50).	
Union—Rs. 142/00—142/00—142/00—142/00—(191/00).	
Waverley—Rs. 6/50—6/56—6/37—6/56—(7/00).	
MININGS	
Assam Sillimanite—Rs. 8/06—8/31—8/06—8/31.	
Chrestien Mica (Pref.)—Rs. 38/25—38/25—38/25—38/25.	
Metal Corp.—Rs. 8/75—8/75—8/56—8/56—(12/31).	
Orissa Minerals—Rs. 27/87—28/50—27/87—28/37—(42/60).	
CEMENTS	
Ashoka—Rs. 7/25—7/25—6/94—7/12—(8/81).	
Bengal Potteries—Rs. 4/75—5/69—4/75—5/50—(7/00).	
Dalmia (Bhatat)—Rs. 13/25—13/31—13/19—13/19—(13/56).	
Do. (Pref.)—Rs. 8/62—8/62—8/62—8/62—(8/62).	
Sone Valley—Rs. 4/47—4/56—4/31—4/44—(5/47).	
CHEMICALS	
Alkali & Chemical—Rs. 32/50—33/50—32/00—33/50—(43/62).	
Do. (Pref.)—Rs. 86/00—86/00—86/00—86/00—(86/00).	
ELECTRICS	
Calcutta—Rs. 14/44—14/50—14/25—14/25—(15/00).	
Do. (Pref.)—Rs. 8/28—8/28—8/12—8/19.	
Patna—Rs. 10/50—10/56—10/50—10/56—(10/87).	
ENGINEERINGS	
Bharat Ball Bearing—Rs. 14/56—14/87—14/37—14/37.	
Britannia Eng.—Rs. 10/25—10/56—10/25—10/37—(12/81).	
Bhartia Electric Steel—Rs. 13/87—13/87—13/69—13/69—(11/44).	
Braithwaite & Co.—Rs. 33/00—33/00—33/00—33/00—(54/75).	
Do. (Pref.)—Rs. 107/50—107/50—106/50—106/50.	
Calcutta Steel—Rs. 13/81—13/81—13/69—13/69—(17/25).	
Hindustan Wire—Rs. 10/37—10/37—10/37—10/37—(12/31).	
Indian Iron & Steel (Pref.)—Rs. 85/00—85/50—84/50—85/00—(84/75 x.d.).	
Indian St. Wagon—Rs. 29/00—29/25—29/00—29/25.	
Indian Steel & Wire Products—Rs. 39/25—40/50—39/00—40/50—(48/00).	
J. K. Steel—Rs. 15/37—15/50—15/37—15/37—(19/62).	
Jessop & Co.—Rs. 22/75—22/87—22/37—22/50—(25/12).	
Kumardhubi—Rs. 7/37—7/75—7/37—7/75—(7/81).	
Marshalls—Rs. 2/94—3/06—2/94—3/03—(3/66).	
Machinery Mfg.—Rs. 18/87—18/94—18/87—18/87.	
Do. (Pref.)—Rs. 50/00—50/25—50/00—50/25.	
Raymon—Rs. 4/00—4/00—4/00—4/00—(4/00).	
Wellman Incandescent—Rs. 6/19—7/06—6/19—7/06.	
INSURANCES	
New Asiatic—Rs. 7/87—8/06—7/87—8/00—(7/50).	
Ruby General—Rs. 8/94—8/94—8/69—8/82—(8/87).	
Triton—Rs. 131/00—132/00—129/00—132/00—(133/00).	
MISCELLANEOUS	
Aluminium Corp.—Rs. 14/25—14/37—13/87—14/00—(18/06).	

CAPITAL, 25th April, 1963.

American Refrigerator—Rs. 8/87—8/87—7/37—8/00.	
Asian Refractories—Rs. 7/25—7/75—7/25—7/75.	
Angelo Brothers—Rs. 22/44—23/19—22/44—23/19—(21/56).	
Asiatic Oxygen—Rs. 9/56—9/81—9/50—9/75.	
Albion Plywood—Rs. 9/12—9/12—9/06—9/06.	
Airways (India)—Rs. 4/25—4/31—4/00—4/00.	
Associated Battery—Rs. 25/00—25/00—25/00—25/00—(32/25).	
Britannia Biscuits—Rs. 41/75—42/12—41/62—41/62—(45/81).	
British India Corp.—Rs. 9/19—9/19—8/94—9/00—(10/62).	
British Paints—Rs. 20/19—20/75—20/19—20/69—(25/87).	
Bharat Nidhi—Rs. 5/85—5/87—5/69—5/75—(9/06).	
Balmer Lawrie—Rs. 245/00—248/00—245/00—248/00—(276/00).	
Clive Row Investment—Rs. 8/12—8/31—8/06—8/19—(8/60).	
Dunlop Rubber (1st Pref.)—Rs. 106/00—106/00—106/00—106/00.	
Duncan Brothers—Rs. 143/00—147/00—125/00—147/00—(152/00).	
Electric Construction—Rs. 13/00—13/31—13/00—13/31—(15/12).	
East Anglia Plastics—Rs. 10/50—10/50—10/25—10/37—(20/00).	
General Tyres—Rs. 8/50—8/56—8/31—8/44—(6/94).	
Gwalior Rayon—Rs. 44/25—44/37—44/25—44/37.	
Goodyear India—Rs. 36/87—37/12—36/50—36/50—(42/50).	
Hindustan Aluminium—Rs. 14/37—14/62—13/62—13/62—(16/12).	
Hindusthan Gas—Rs. 23/69—24/00—23/44—23/75.	
Hindusthan Pilkington Glass—Rs. 14/81—14/81—14/00 s.t.—14/00 s.t.—(21/50).	
Hoare Miller—Rs. 6/00—6/19—6/00—6/19—(7/50).	
Hindustan Lever—Rs. 42/25—42/25—42/00—42/00—(70/25).	
Hindusthan Twyford—Rs. 14/50—14/50—14/50—14/50—(16/37).	
Imperial Tobacco—Rs. 11/12—11/12—10/87—11/06—(11/87).	
Indian Oxygen—Rs. 29/00—30/12—29/00—30/12—(44/12).	
Indian Wood Products—Rs. 29/50—29/50—29/37—29/37—(31/00).	
Isaac Holdens—Rs. 13/50—15/00—13/50—14/87—(16/75).	
Indian Tack & Nail—Rs. 12/62—12/74—12/62—12/74—(18/25).	
Jardine Henderson—Rs. 82/00—85/50—73/00—84/00—(79/50).	
J. K. Synthetics—Rs. 11/69—12/06—11/62—11/87—(16/19).	
Jayshree Tea Industries—Rs. 15/69—16/06—15/69—16/06—(19/87).	
Kesoram Industries (2nd Pref.)—Rs. 91/00—92/00—91/00—92/00.	
Do. (1st Pref.)—Rs. 107/25—107/25—107/25—107/25.	
Kusum Products—Rs. 26/00—26/00—26/00—26/00.	
Martin Burn—Rs. 26/12—26/25—25/75—26/25—(29/00).	
Metal Distributors—Rs. 4/94—5/19—4/87—5/15.	
Madras Rubber—Rs. 18/87—18/87—18/87—18/87.	
McLeod & Co.—Rs. 206/00—206/00—206/00—206/00—(215/00).	
National Rolling & Steel Ropes—Rs. 19/94—20/00—19/81—19/81—(22/50).	
National Insulated Cable—Rs. 25/00—25/00—24/44—24/44—(44/25).	
National Pipes & Tubes—Rs. 27/25—27/25—27/25—27/25—(30/37).	
National Tobacco—Rs. 11/50—12/50—11/37—12/50—(16/00).	
Do. (1st Pref.)—Rs. 66/00—66/50—66/00—66/50.	
Phillips Carbon—Rs. 18/87—19/12—18/87—19/12—(25/87).	
Rallis India—Rs. 116/00—128/00—116/00—127/50—(152/00).	
Spencer & Co.—Rs. 21/37—21/37—21/37—21/37.	
Sirsilik—Rs. 8/56—8/62—8/37—8/44—(10/12).	
Sen-Raleigh—Rs. 14/00—14/00—14/00—14/00—(19/50).	
Shaw Wallace—Rs. 17/00—17/00—17/00—17/00—(22/81).	
Union Carbide—Rs. 41/12—41/50—41/00—41/50—(49/62).	
Universal Electric—Rs. 8/37—9/56—8/37—9/37—(5/19).	
Universal Cables—Rs. 10/37—10/87—10/37—10/37—(5/12).	
Usha Martin Black—Rs. 15/12—15/12—15/00—15/00—(14/58).	
Walford Transport—Rs. 3/37—3/56—3/31—3/44—(4/06).	

Do. (P.O.)—Rs. 2/25—2/44—2/25—

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
		(In 000's of Rupees)	19-4-63	12-4-63
Liabilities—				
Notes in Banking Dept.	...	...	19,75.56	8,20.60
Notes in Circulation	...	...	23,17,22.03	23,28,22.56
Total Notes Issued	...	...	23,36,97.59	23,36,43.16
Assets—				
A Gold Coin and Bullion	...	...	1,17,76.10	1,17,76.10
Foreign Securities	...	...	1,05,08.43	1,05,08.43
Total of A	...	...	2,22,84.53	2,22,84.53
B Rupee Coin	...	...	1,17,70.91	1,17,16.48
Rupee Securities	...	...	19,96,42.15	19,96,42.15
Total	...	...	23,36,97.59	23,36,43.16

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	...	5,00.00	5,00.00
Reserve Fund	...	...	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	...	61,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund	...	...	7,00.00	7,00.00
Deposits—				
(a) Central Govt.	...	...	63,40.22	94,02.09
(b) State Govts.	...	...	3,97.65	4,73.61
(c) Banks—	...	...	78,56.39	85,90.68
(i) Scheduled Banks	...	...	4,03.76	2,73.06
(ii) State Co-operative Banks	...	...	5.16	2.37
(iii) Other Banks	...	...	1,69,20.63	1,69,72.25
(d) Others	...	...	26,92.72	28,37.17
Bills Payable	...	...	68,92.67	66,40.43
Other Liabilities	...	...	5,68,09.42	6,03,91.68
Total	...	...	19,75.55	8,20.60
Assets—				
Notes	...	...	1.64	2.00
Rupee Coin	...	...	2.78	2.75
Small Coin	...	...	...	4.03
National Agricultural Credit (Long Term Operations) Fund				
(a) Loans and Advances to—	...	...	27,17.26	27,14.51
(i) State Govts.	...	...	8,85.21	8,93.99
(ii) State Co-operative Banks	...	...	...	...
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	...	2,81.88	2,84.88
National Agricultural Credit (Stabilisation) Fund				
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. treasury Bills	...	...	61,57.39	94,05.89
Balance Held abroad	...	...	8,98.93	9,05.93
Loans and Advances to Govt.	...	...	60,12.08	52,90.88
Loans and Advances to—				
(i) Scheduled Banks	...	...	30,23.30	47,80.70
(ii) State Co-operative Banks	...	...	1,11,23.95	1,14,76.65
(iii) Others	...	...	1,90.20	2,00.40
Investments	...	...	1,98,83.25	2,00,16.87
Other Assets	...	...	36,52.99	35,95.63
Total	...	...	5,68,09.42	6,03,91.68

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		12-4-63	5-4-63	13-4-62
(I) Demand Liabilities—				
(a) Demand Deposits	...	...	...	...
(i) From Banks	...	...	...	...
(ii) From others	...	...	...	...
(b) Borrowing from Banks	...	...	...	...
(c) Others	...	...	...	...
(II) Time Liabilities—				
(a) Time Deposits	...	...	...	...
(i) From Banks	...	...	...	...
(ii) From others	...	...	...	...
(b) Borrowing from Banks	...	...	...	...
(c) Others	...	...	...	...
(III) Borrowing from State Bank—				
(a) Demand Liabilities	...	...	...	...
(b) Time Liabilities	...	...	...	...
(iv) Borrowing from Reserve Bank	...	...	...	...
(v) Cash	...	...	...	...
(vi) Balances with the Reserve Bank	...	...	...	...
(vii) Balances with other Banks in current account	...	...	...	...
(viii) Money at call and short notice	...	...	...	...
(ix) Investment in Central and State Govt. Securities	...	...	...	...
(x) Loans, Cash credits and Overdrafts	...	...	...	...
(xi) Due from Banks	...	...	...	...
(xii) Inland Bills purchased and discounted	...	...	...	...
(xiii) Foreign Bills purchased and discounted	...	...	...	...
(xiv) Total of X, XI and XII	...	...	...	...

Money

THE CALCUTTA MONEY MARKET

MODERATE DECLINE IN ADVANCES

Wednesday, 24th April.

THE general level of advances in the Calcutta money market showed a moderate decline during the past week. The decline is explained by the slight fall in the advances to the jute and sugar, and the iron, steel and engineering industries. There is no change in the advances to cotton and woolen mills and the foodgrains and seeds trade. In the interbank market, conditions have been somewhat easier, the call rate being 4½ percent.

The local exchange market is quiet. The supply of gunny and tea bills has been poor. The demand for remittance has been low. Sterling has suffered fractional losses in relation to all the important currencies, with the exception of the Danish kroner.

NARROW FLUCTUATIONS IN READY silver marked trading in the Calcutta bullion market during the past week. The price closed at Rs. 278 for ready delivery. There was no transaction in forward. The London and New York prices were 110½d. and 127.50 cents. Trading in gold continues to be suspended.

DURING THE WEEK ENDED 19TH APRIL, Government of India Treasury bills for Rs. 149,14,75,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 23rd April. The total amount offered was Rs. 2.05 crores. Tenders at Rs. 99.415 percent and above were accepted in full and those at Rs. 99.410 percent were allotted approximately 95 percent. The total amount accepted was Rs. 2 crores. The average rate of acceptance was Rs. 2.349 percent a year approximately. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 28th April.

IT IS STATED THAT 91-DAY INTER-mediate Treasury bills will be sold from 24th April to 27th April at Rs. 99.431 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 17th April to 20th April amounted to Rs. 34 lakhs only.

A DECLINE OF Rs. 11.01 CRORES TO Rs. 2,317.22 crores in active notes was a notable feature of the return of the Reserve Bank of India during the week ended 19th April while the total note issue was Rs. 55 lakhs larger at Rs. 2,336.95 crores. Notes held in the Banking Department consequently rose by Rs. 11.55 crores to Rs. 19.76 crores. Deposits of the Government of India fell by Rs. 30.62 crores to Rs. 63.40 crores and those of State Governments by Rs. 76 lakhs to Rs. 3.98 crores. Balances of scheduled banks at Rs. 78.56 crores showed a fall of Rs. 7.34 crores. Their loans from the Reserve Bank declined from Rs. 47.81 crores to Rs. 30.23 crores, of which advances against usance bills were Rs. 27.76 crores (Rs. 40.97 crores). Ways and means

advances to the Governments stood at Rs. 60.12 crores, against Rs. 52.91 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 12th April, 1963, shows a drop of Rs. 7.17 crores in total deposits. Investments in Government securities are down by Rs. 4.70 crores to Rs. 214.23 crores, while other authorised investments remain unchanged at Rs. 7.84 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have increased by Rs. 2.62 crores to Rs. 319.37 crores. Cash and balances are, in consequence, shown at Rs. 20.48 crores, or Rs. 1.11 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 12th April, 1963, shows Demand and Time liabilities at Rs. 1,030.89 crores (Rs. 25.96 crores on account of borrowings from banks) and Rs. 1,229.44 crores (Rs. 13.05 crores), compared with Rs. 1,039.96 crores (Rs. 29.01 crores) and Rs. 1,221.57 crores (Rs. 15.84 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 1.18 crores and Rs. 3.81 crores to Rs. 53.44 crores and Rs. 79.48 crores, respectively. There is a drop of Rs. 5.49 crores to Rs. 594.84 crores in investments. Advances and bills discounted at Rs. 1,609.39 crores show a rise of Rs. 6.54 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.9 percent and 71.2 percent, against 5.7 percent and 70.9 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 26-4-63.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
26-4-63	29-7-63	2,00.00	Rs. 2.349%
19-4-63	22-7-63	2,00.00	Rs. 2.354%
11-4-63	14-7-63	2,00.00	Rs. 2.360%
5-4-63	8-7-63	2,00.00	Rs. 2.370%
29-3-63	2-7-63	2,00.00	Rs. 2.370%
22-3-63	25-6-63	2,00.00	Rs. 2.370%
15-3-63	18-6-63	2,00.00	Rs. 2.370%
8-3-63	11-6-63	2,00.00	Rs. 2.365%
1-3-63	4-6-63	2,00.00	Rs. 2.365%
22-2-63	25-5-63	2,00.00	Rs. 2.365%
15-2-63	18-5-63	2,00.00	Rs. 2.365%
8-2-63	11-5-63	2,00.00	Rs. 2.360%
1-2-63	4-5-63	2,00.00	Rs. 2.355%
25-1-63	28-4-63	2,00.00	Rs. 2.350%
(Monthly Maturities 000's omitted)			
April 1963		2,00.00	
May 1963		8,00.00	
June 1963		8,00.00	
July 1963		10,00.00	
Total		28,00.00	

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
10-4-63	80.29	1,23.77
11-4-63	82.51	89.75
5-4-63	1,24.14	1,26.67
29-3-63	1,10.02	1,20.90

THE DUNLOP RUBBER CO. (INDIA) LTD.

MR. M. L. BEXON'S ADDRESS

The following is the speech delivered by Mr. M. L. Bexon, M.C., Managing Director of The Dunlop Rubber Co. (India) Ltd., at the 37th Annual General Meeting of the Company held in Calcutta on the 24th April, 1963.

I have much pleasure in welcoming you to the 37th Annual General Meeting of the Company. The Directors' Report and Accounts have been in your hands for some time, and with your permission I should like to take them as read.

The Year's Trading

During the year under review, our sales of all categories of tyres continued at a satisfactory level, constituting the highest yet achieved, which resulted in our factories not only working to full capacity but also extra days to meet the urgent defence requirements.

We continued to supply a major share of the vehicle manufacturers' Original Equipment tyre requirements and we were able to maintain our position in the Replacement field with the aid of our widespread dealer organisation which has been built up over the years. Supplies to State Transport Organisations increased during the year in line with the expanding transport networks throughout the country.

Since the emergency, we have had to divert additional supplies for Government purposes but this has been accomplished without a significant effect on the retail trade.

Sales of our large Earthmover tyres continue to make a worthwhile contribution to our turnover in addition to the important part in the National Projects which are so vital for development and industrial progress.

The popularity of the Dunlop Cycle tyre has been maintained and we lead the market in this field with our sales limited only by capacity.

In the Industrial Rubber Products field demand continued to outpace production in most of our items.

In the case of Conveyor Belting, demand during the year did not show any appreciable rise over the 1961 figure. With the expansion recently implemented in our Sahaganj factory, we are in a position to manufacture belts up to 1524 mm width. We feel that the capacity now available in the country is fully adequate to meet the all-India demand and that a ban on imports is warranted, particularly having regard to the large-scale influx of belting from Rupee payment countries.

As an addition to our existing range of Conveyor Belting, we have now developed a range of cotton/nylon ducks, which we are confident will find a wide acceptance in Heavy Industrial Projects. We are already manufacturing our first order for 6,000 metres of this belting for a Mining Project.

Dunlopillo sales were strictly limited by our production capacity. There has been a marked increase in the usage of latex foam cushioning for industrial applications, and it would therefore be a misnomer to rate latex foam cushioning as a luxury product.

Exports

Further progress was made in the export field and with the help of our Associates abroad, we were able to increase our export achievement for the year to a substantial figure. The value of this amounted to over two and a half times the equivalent figure for 1961. New markets were developed, and I am

pleased to say that we are now selling our products in Asia, Africa, Europe, North America, South America and Australasia.

Cycle tyre exports again showed a substantial increase and registered an improvement of over 60% on sales in the previous year.

Our efforts to expand our export business met with a sharp setback towards the end of the year, when an export ban was imposed by Government on most types of tyres. Whilst appreciating the circumstances which brought this about, I must tell you that we were placed in a very difficult position with our customers overseas through having to cancel offers that had been made and withdraw delivery promises. Although the ban has been gradually relaxed, it has made an impact on our relations with foreign buyers and time will be needed to rectify the position.

Raw Materials

I am glad to report that we were able to obtain raw materials during 1962 to maintain full production at both factories, although the delay in receipt of import licences caused us some worry.

We are playing a full part in supporting indigenous production of a number of raw materials required by us, and are already obtaining our entire requirements of cycle rim strip and cycle valves from local sources. During 1963 we shall be taking large quantities of indigenous rayon, carbon black and synthetic rubber, although their higher costs will have a serious impact on our cost of production.

A most important point is that all our raw materials should be fully up to specification and we are engaged on a planned test programme to ensure that this transition to indigenous materials is carried through without endangering the quality of our finished products.

Recent increases in Excise and Import duties will substantially enhance raw material costs, and these, together with a change to the Letter of Commitment method for AID items, will throw a heavy strain on our finances.

Productivity

Although productivity was affected by power cuts, it is pleasing to record that at both factories the year's output was a record.

At Sahaganj, severe power cuts were experienced but the co-operation of the labour force in altering hours of work and the close team work between management and labour have minimised losses which would otherwise have occurred. Targets for increased production have been set for 1963 and we are hopeful of achieving these with the co-operative effort of all concerned with corresponding reward to our workers.

At Ambattur productivity has improved considerably, although the power shortage in Madras State caused by the late arrival of the rains affected the middle of 1962. I am glad to tell you that output has now risen by about 15% following successful negotiations for increased incentive rates.

It is a source of satisfaction that the principle of increased productivity for increased wages has been accepted by our factory Unions and the results of this co-operative approach are apparent in the increased output being achieved at both factories.

The history of your Company's operations in 1962, then, shows higher pro-

ductivity, higher sales and higher profits—up to this point a sound and satisfactory year's trading. But now I must turn to the Budget proposals. No one doubted the necessity for enhanced revenue to meet defence requirements and, indeed, some additional taxation was anticipated. The original Budget proposals, however, went far beyond all our worst expectations and imposed a crippling levy on efficient and expanding companies such as yours.

The proposed super-profits tax is bad in theory and worse in practice and although some relief has now been given which we welcome it is still a heavy burden, particularly following the higher tax imposed by the Finance (No. 2) Act 1962. These increased taxes are a direct drain on liquid funds required by companies to support new expansion, increased productivity arising from improved efficiency, and the financing of increased costs arising from enhanced Import and Excise duties.

The effect of the new tax has been stagnation on the Stock Exchanges and a pause for further consideration on the part of companies with substantial expansion plans. We ourselves must review our own expansion schemes and for that reason I am not in a position to give you any positive report on their progress at this time.

Profit and Loss Account

The profit for the year after providing for depreciation and interest was Rs. 3,30,38,375, an increase of approximately Rs. 53,00,000 over the corresponding figure for 1961.

Taxation estimates are, however, higher by approximately Rs. 1,12,00,000 of which Rs. 63,00,000 represents the super-profits tax contained in the original 1963 Budget proposals. However, this is now some Rs. 24,00,000 in excess of what will be required as a result of the later amendment to the Budget and this amount if confirmed will be brought to credit in 1963. The Finance (No. 2) Act 1962, promulgated after our 1961 Accounts had been approved by the shareholders, resulted in extra tax on 1961 profits of Rs. 18,00,000 which has had to be included in the 1962 taxation provision, together with an under-provision of Rs. 7,00,000 in respect of the previous year.

Excise duty continues to absorb an ever increasing amount of working capital and to date we have found no ready-made solution for this unremunerative burden on the Company's finances.

Contributions to Provident and other Funds are up by approximately Rs. 10,00,000, the main reason being that the Company introduced during 1962 a non-contributory Pension Scheme for officials.

Advertising was less than in the previous year, which had included our expenses in connection with the Indian Industries Fair.

The net profit for disposal after tax, Rs. 95,59,317, is lower than last year by approximately Rs. 69,00,000.

The compulsory transfer to Development Reserve is only Rs. 3,00,000 for the year.

The proposed transfer to General Reserve is Rs. 20,00,000 as compared with Rs. 62,50,000 last year.

The Directors recommend a dividend for 1962 of 15% subject to tax as opposed to 20% paid in respect of 1961. This reduction is very much regretted

but is entirely due to the heavy impost of additional taxation.

Balance Sheet

On the Assets side both Inventories and Debtors are higher, this being in line with the higher level of output and sales. Advances Recoverable in cash and in kind show a substantial increase, the main reason being amounts advanced in respect of the new depot premises at Calcutta and Madras.

The Capital and Liabilities require no special comment.

Employee Relations

The improvement in labour relations mentioned last year was maintained. At Sahaganj a two-unit level Workers' Education Scheme has been started and the results have been very gratifying. At the Union's request, the factory worked on two holidays, the entire wages paid for these days at overtime rates being presented to the National Defence Fund.

In the Ambattur factory, the past four years' experience of joint consultations have proved successful, and relations are good. This is of particular interest as the factory was started with a new and young labour force with little or no industrial experience, and the results achieved reflect great credit on all concerned. This factory also worked extra days to aid the Defence effort and the overtime earnings were also contributed to the National Defence Fund.

The Head Office and Depots continued to operate satisfactorily.

I am sure that you would like to join the Directors in thanking the employees for their loyalty and hard work, which has contributed to the successful year's trading.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.



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SHORTCOMINGS IN THE POLICY FOR INDUSTRIAL LICENSING

(FROM OUR NEW DELHI CORRESPONDENT)

THE Prime Minister has made a statement in Parliament this week about the controversy raised by the Minister for International Trade, Mr. Manubhai Shah. Mr. Shah had complained that the industrial licensing policy followed by the Ministry of Commerce and Industry since he left his former Department is frustrating the socialistic objective of preventing the concentration of the means of production in fewer hands. The criticism has surprised many here, since Mr. Shah, as Minister for International Trade, is a Minister of State who is supposed to function under the supervision, direction and control of the Central Cabinet Minister for Commerce and Industry.

Meanwhile, the Government has made an analysis of the licences issued to leading business houses in India during 1960 and 1961. According to this analysis, the Birlas have been granted 37 licences, Tatas 30, the Shri Ram group 15, Surajmall Nagarmall 14, the Kasturbhai Lal-bhai group 13, the Walchand group 12, J. K. Singhania ten, the Bangur (Somani) group eight, Imperial Chemical Industries seven, Sahu Jains seven, the Seshasayee group seven, Martin Burn five, Dalmia enterprises five, the Chinai group four, the Jardine Henderson group three, the Goenka group two, the Andrew Yule group two, W. H. Brady and Nowrosjee Wadia group two, Killicks one, B.I.C. one, Macneill and Barry one, and Shaw Wallace one. All this was done during the stewardship of Mr. Shah. It should, however, be presumed that the allocations were made to further the socialistic objectives so dear to the Minister concerned.

As already reported in these columns, practically all the foreign exchange allocated for industries in the third five year plan was exhausted during the first 18 months of the plan by the Minister who is now criticising his colleagues. The licensing was done so hastily that as many as 407 licences had to be revoked during 1962 and 88 in the first three months of 1963. As for "socialistic objectives," the licensing has even affected certain public-sector projects. As reported last week, because of some licences granted to the private sector, the West German consortium including Bayers has lost interest in the public-sector project to manufacture intermediates for chemicals. This is one example, according to New Delhi sources, of how "socialistic objectives" were kept in the forefront by the Minister for International Trade when he was in charge of industries.

Mr. Shah might think that one criterion for judging the tempo of industrialisation is speech-making. But the fact is that the tempo cannot be maintained because Messrs Reddy and Kanungo find that the resources are lacking. India is desperately short of foreign exchange. Due to the emergency and the new taxation policy, fresh applicants are not readily coming up to fill the gaps created by the revocation of licences. In addition, there are shortages of raw materials, transport and power. Industrialisation has so far been on a faulty basis. Instead of building an engineering base with specialisation, "independent republics" have

been created through units making equipment for, say, the sugar, cement or paper industries. A process of rationalisation to avoid duplication and prevent the growth of idle capacity is now on. Small-scale industries depend heavily on imports of raw materials from abroad. No attempt has been made to co-ordinate their working with that of big industries, for example, by getting small-scale industries to produce ancillary items for big industries. This defect is also now being remedied.

As far as the main allegation is concerned, many here feel that the Prime Minister should refer this case

also to the Attorney-General. The latter can examine impartially who has been favouring whom in building so-called industrial empires. The enquiry into the working of the Development Wing, now in progress, should throw much light on the controversy.

AGRICULTURE

Reasons for Failure

The deputy chairman of the Planning Commission, Mr. Gulzarilal Nanda, has been unhappy about the

progress of agriculture in this country. Being deputy chairman of the Planning Commission, he is naturally concerned about the targets which have been fixed by common consent but are not being reached. Being also the Minister for Labour and Employment, he should be worried about the targets for employment, which are not being reached either.

The Central Ministry for Agriculture has a case. It is dealing with a subject which was transferred to the States in 1921. It has neither land nor irrigation under its control. Even in the case of fertilisers, their procurement is entrusted to one agency and distribution to another—both outside the control of the Ministry for Agriculture. In the States, the resources for developing agriculture, such as irrigation, agricultural credit, fertilisers and seeds, are all in the hands of departments other than agriculture. The Agriculture and Co-operative Departments work at cross-purposes, often, almost without knowing it. The Co-operative Department handles at least three of the most important items of agricul-



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tural operations—credit, fertilisers and seeds.

The *kisans*—those who are members of the primary co-operatives which cover about half the farmers—get credit at the exorbitant interest rate of 8.75 percent. It is pointed out that a State co-operative bank, which is the apex body for rural financing, gets short-term loans from the Reserve Bank at an interest rate of 2 percent. But in passing the loans on to primary producers through the intermediate agencies—the district co-operative bank and the primary co-operatives—the rate of interest rises to 8.75 percent. In this context, it has to be noted that since the abolition of the *zamindari* system, *kisans* have acquired proprietary rights in their lands and are entitled to *taccavi* loans which work out at 6 percent interest. But since the Government's policy is to boost co-operatives, *taccavi* loans, which are given by the Revenue Department, are discouraged and are not easily available. That this works to the disadvantage of agricultural production, especially as nearly half of the *kisan* population is not covered by co-operatives, is recognised but not remedied because of the Government's policy.

It is further pointed out that there is no check to ensure that loans from co-operatives are used by *kisans* for agricultural operations. Often, they are used for other purposes, such as marriages, births, deaths and family ceremonies. Fertilisers can play a major part in increasing agricultural production, but their distribution too is handled by the co-operatives. Then comes the "miracle-making" Ministry of Community Development and Panchayati Raj. More than one State Government has written to say that, instead of helping agriculture, the Ministry had been busy collecting contributions for the National Defence Fund. It is also engaged in

training a village defence force to combat Chinese aggression.

Meanwhile, the country is systematically being denuded of its forests. This process will before long affect rainfall in many areas and create deserts. The Dandakaranya project has necessitated the cutting down of forests. Many power projects are implemented at the cost of extensive forest areas. Land is given freely to people in the hills, such as Himachal Pradesh, although every bit of land so given means less forests.

The National Forest Policy Resolution of 1952 lays down that India as a whole should aim at maintaining one-third of her total land area under forests. As an insurance against denudation, however, a much larger proportion of land, about 60 percent, is to be kept under forests for their protective function in the Himalayas, the Western Ghats and the Eastern Ghats and other mountainous tracts liable to erosion. In the plains, where the ground is flat and erosion is normally not a serious factor, the proportion to be attained is placed at 20 percent. The resolution states that an even distribution of forests in all physical regions is as important as the overall proportion, and that forest areas in excess of the indicated proportion, if any, should not be sacrificed.

While the discretion of State Governments to regulate the details of forest administration in the respective territories is left unfettered, it is laid down that the general principles of the policy should, in the national interests, be observed by them in framing their policies and legislation for the conservation of their forest resources; that the forest policy of every State should be so framed that it does not impinge adversely on the general economy and physical plans of an adjoining State; and that it should be in consonance

with the general principles underlying the forest policy.

From the available data, it is found that except in Assam, Maharashtra, Kerala, Madhya Pradesh, Orissa, the Andaman and Nicobar Islands, Himachal Pradesh, Manipur, Tripura and N.E.F.A., the area under forests is appreciably below the standards laid down in the forest policy. According to the available statistics, the area under forests went down from 277,232 square miles in 1950-51 to 271,634 square miles in 1955-56, or by about 2 percent. One of the factors responsible for the reduction in the forest area in recent times is the submergence of vast tracts under river valley projects. This aspect has been examined by the Central Board of Forestry at its earlier meetings, and recommendations have been made to the effect that equivalent areas should be brought under forests to compensate for the loss. It is, however, not known how far the losses have been made good. Besides, there have been demands on forest areas for cultivation, and for the rehabilitation of displaced persons.

TRADE

Commonwealth Talks

The Commonwealth Trade Conference meeting in London shortly will discuss the after-effects of the breakdown of the Brussels talks on U.K. entry into the European Economic Community. It will also discuss the possibilities of increased intra-Commonwealth trade. The proposed World Trade Conference might be another topic for discussion.

COAL

Buying Mining Machinery

The Cheddi Lal Mission, which has been visiting Poland, France and

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Belgium to purchase coal-mining machinery, will now visit the U.K. also.

U.K. AID

Long-term Credit

Reference was made in these columns to the British plan to give long-term credits ranging from ten to 20 years to finance certain exports to India. The items now being discussed under the proposal are textile machinery, steel pipes and even aeroplanes.

SUGAR

Controls Reintroduced

The Central Minister for Food and Agriculture, Mr. S. K. Patil, made a statement in Parliament, reintroducing certain controls over sugar. He said: "It is quite clear in the context of recent developments that the system of regulating prices through releases to the market would no longer avail us in dealing with the situation. I have, therefore, decided to impose certain regulations simultaneously with the release. Orders are being issued under the Defence of India Rules to prescribe quotas for the various States and to secure that these quotas are released by the factories at ex-factory prices determined having regard to the estimated cost of production according to the Tariff Commission's formula, with adjustments in relation to increased costs and the ex-factory prices prevailing during the appropriate time between 1st January and 31st March, 1963.

"We have deliberately excluded from our calculations the periods subsequent to 1st April in view of the abnormal situation that prevailed on the price line since then. The State Governments would be empowered

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to prescribe, in accordance with our instructions, the margins of the wholesale trade, and will also be in a position as before to ensure that within the quotas allotted there is equitable distribution at reasonable prices within their jurisdiction. The quantity that would be released this month with these regulations would be 200,000 metric tons, which is roughly the average of the monthly releases for internal consumption since 1st November.

"I am aware that the industry is trying to come to an arrangement with the trade with a view to maintaining a certain level of prices and that some State Governments, particularly Maharashtra, had formally or informally discussed with the industry ways to maintain a certain level of prices. We have found, however, that these levels are generally in excess of what is justified with reference to the considerations that I have mentioned above, and that the territorial coverage of the various schemes would not be adequate to meet the needs of the entire country. In the circumstances, there was no escape from the regulations that we have settled upon. I am convinced that we have devised a scheme of regulations that would be fair to the industry, trade and the consumers."

Following this announcement, sugar, according to local newspapers, has disappeared from the market, although many units of the industry operate wholesale and retail shops. Mr. Patil has not explained why sugar exports were allowed when the Government knew of the poor cane crop. The consumer is taxed far too heavily when he buys sugar. He has to pay a heavy subsidy for exports, which give only the emotional comfort of earning foreign exchange. He also has to pay perhaps the highest price in the world for this commodity.

LATIN AMERICA

Promoting Exports

The Minister for International Trade, Mr. Manubhai Shah, has explained in Parliament that there are various difficulties in stepping up Indian exports to Latin America. Some of these are the long distances, the comparable economies of India and these countries, language problems, and keen competition from nearer countries such as the U.S.A. and Japan. Efforts are being made to develop contacts between Indian exporters and their counterparts in Latin America. Some of the difficulties, such as those concerning language and competition, are faced by almost every country, and not by India alone. They have been successfully overcome by Japan, a country mentioned by the Minister. The main obstacle for India's exports is that the home market is unsatisfied and growing. The lack of export houses is another difficulty. The organisations set up by industries to promote exports can hardly meet the requirements of the export trade. Lastly, the schemes for incentives or subsidies are faulty.

ROYALTIES

Coal and Bauxite

The Government does not intend to revise the existing rate of royalty on coal. For bauxite the question of revising the royalty rate is being considered and a decision will be taken shortly.

FOREIGN LOANS

Servicing Liabilities

The following statement shows the estimated liabilities of the Govern-

ment of India, on account of repayment of principal and payment of interest charges for the years 1963-64 to 1965-66, on foreign loans contracted up to the end of the second plan period (in crores of rupees):

	1963-64		1964-65		1965-66		1963-64 to 1965-66	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
(A) Repayable in foreign currency	32.93	25.99	32.32	25.83	37.87	24.60	103.12	76.42
(B) Repayable in rupees in the first instance, the rupees being utilised for the purchase of Indian goods	1.08	2.59	10.67	4.07	19.63	5.29	31.38	11.95
(C) Repayable in rupees without the rupees being tied to exports	9.00	15.42	10.54	17.34	11.75	18.05	31.29	50.81
Total A+B+C	43.01	44.00	53.53	47.24	69.25	47.94	165.79	139.18

This statement does not include (1) drawings from the International Monetary Fund and foreign loans repayable by public-sector autonomous bodies and private-sector parties.

NEYVELI

Steel for Thermal Station

The Neyveli Lignite Corporation is importing 1,174 metric tons of steel from Russia for the 50 MW unit (sixth unit) of the Neyveli thermal expansion scheme at 115.20 roubles, or roughly Rs. 609.20, a ton, c.i.f. Madras port. The steel is being supplied under the 337.5 million rouble Russian credit of September 1959, and will be delivered within the first half of 1963. The supply of steel for the 100 MW unit (seventh unit) will be on terms which are to be mutually agreed upon between the Corporation and the Russian organisation after the project report for the expansion scheme is received and accepted.

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U.K. BODY STRESSES NEED FOR AN INCOMES POLICY

(FROM OUR LONDON CORRESPONDENT)

AS a sequel to its preliminary report justifying the suggestion for an annual growth rate of 4 per cent, and as a prelude to its first real "business" meeting at the start of its second year next month, the National Economic Development Council has issued another report—*Conditions Favourable to Faster Growth*. This emphasises the country's principal economic need as being an incomes policy, and helps to clear the ground for this to be discussed. It is unlikely to achieve more than that, however, for although the report carries the support of all the members, its carefully non-committal wording indicates beyond doubt that the T.U.C. representatives at least retain certain misgivings.

Unless costs and prices go up "considerably more slowly" than in the past, the report points out, it is unlikely that Britain can maintain its competitive position in world markets. "There will thus be a need for policies to ensure that money incomes (wages, salaries, and profits) as a whole rise substantially less rapidly than in the past." But it stresses that if its target of a 4 per cent annual rate of growth is achieved, real incomes will rise much faster than in the past.

On its estimates, real incomes would in that case double in 20 years and even in 10 years would be up by nearly 40 per cent. These figures foresee an increase of real income a head of 3½ per cent a year. The Council warns that "a policy for prices and money incomes can only succeed if those concerned are convinced that it is a necessary part of a wider programme for growth of real incomes and that restraint by one section will not merely result in a gain by others."

Wage Problems

The Council recognises that the implementation of an agreement on a general price and income objective will create difficult problems for

management and trade unions. But, it comments, "there is opened for both the prospect of a new and more constructive rôle in the formulation of national economic policy." This is the sum of what the Council has to say about an incomes policy after discussions which have stretched over several months. The report adds: "The Council regards the solution of the difficult problems involved as a necessary part of its task."

Agreement on a growth objective involves the Government in a commitment to give it a high priority in policy. In the last resort, the Council says, the Government is responsible for ensuring that sectional interests do not frustrate the achievement of the objective. Restrictive practices introduced in conditions of bad trade and unemployment have no place in favourable conditions of employment and economic expansion, it goes on. Changing this depends on both managers and workers. "The problems of communication are aggravated by the complexity of trade union structure, by weaknesses in union workshop representation and by negative managerial attitude towards joint consultation."

The report argues that it cannot be expected that the export target of an increase of 5 per cent a year will be achieved unless "at the least," Britain's export prices do not rise in relation to those of its competitors. They may well have to fall relatively. Even if measures such as import control, financial assistance to exporters, control of overseas investment or the use of reserves were adopted, the effect on the country's external position would be only temporary or once for all. If the trends were unfavourable, there would be no easy way of improving the balance of payments, the Council believes. "Of the measures which could have a substantial effect, only the reduction of the rate of increase of costs and prices is free from serious disadvantages as far as international considerations are concerned."

Demand Level

The report casts doubt on the once popular argument that a low level of demand at home benefits the balance of payments. Studies by the Council's "office"—its staff of economists—"lend little support to the view that a higher pressure of demand discourages exports by attracting potential exports into the home market or by driving away potential customers." Similarly, the office has found no clear tendency for the growth of productivity to be faster with high or with low unemployment. The Council agrees that a sudden increase in demand can cause severe short-term strains, but it continues: "If the economy is run permanently at a higher rather than a lower level, the balance of payments will not necessarily suffer and may benefit if growth in productivity is thereby speeded up."

It agrees that the immediate risks for the balance of payments are smaller if demand is maintained at around its present level. But the long-term results could be less favourable, it comments. Its conclusion is clear, if not precise: "It is thus desirable to aim at a level of employment in 1966 substantially above the level of 1962. It is hard at present to say exactly what that level should be or to lay down the exact path to it."

In a section on redundancy, the Council says that measures will have to be taken to facilitate mobility of labour and avoid hardship. "Unless these measures are taken, the fear of redundancy will make workers oppose change and employers will be less willing to release unnecessary labour for employment elsewhere." The measures discussed include the provision of houses, increased transfer and resettlement allowances, better training facilities, and larger

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financial provision for redundant workers. The Council wants a special "industrial mobility" housing subsidy to local authorities to be considered to provide houses for transferred workers. Similarly, it says, there is a case for relieving a worker willing to transfer the financial burden involved and even giving him a financial incentive to move.

Unemployment benefits, it states, are much too low in relation to earnings to give adequate financial protection against redundancy. But with flat-rate contributions and benefits, the cost of raising the benefits to a level satisfactory to higher paid workers is too heavy. "There seems much to be said for the replacement of the existing National Insurance Scheme by a comprehensive wage-related contribution and benefit scheme. The higher level of benefit in relation to earnings, which would then be practicable, would substantially reduce the financial hardship of unemployment," the report comments. For higher grade staff, non-transferable pension rights were a serious obstacle to mobility. The Council asks for consideration to be given to making the preservation of pension rights on transfer of employment a condition of approval of a pension scheme by the Inland Revenue.

High Unemployment Areas

As for areas of high unemployment, the Council believes that the rate of return on Government money invested in encouraging firms to set up there is at least 100 per cent. It calculates this by comparing the capital assistance given with the extra annual output resulting from extra employment. "Even if the cost of production to a firm were somewhat higher in the less prosperous regions, the national output might be increased very considerably if it established itself there rather than elsewhere. A subsidy might thus be justified from a national point of view."

The report discusses sympathetically three types of measures to strengthen the positive inducements to firms to expand in areas of high unemployment. Two of these are an increase of financial incentives and higher spending on local facilities. This section was written before changes on these lines were made in the Budget. The third is that the Government might direct its efforts to those places which have obvious potential for growth inside larger areas of high unemployment.

The report is hopeful that the high unemployment areas may become self-sustaining after an interim period. But if they were allowed to run down, the problems in five years might be even more difficult to solve than it is now. It believes that industrial development certificates for controlling expansion in congested areas will continue to be necessary for some years. But its summary is again impressive. "The real regional issue is hardly the choice of two extremes: taking the work to the workers or the workers to the work. Both will certainly be necessary to national growth and both will happen." Where the balance will be struck, it adds, "it is not possible to predict."

On the shortage of skilled man power, the Council says that the gains from economic expansion are too valuable to be jeopardised by avoidable bottlenecks in the supply of well-trained workers. It warns "If the boards which are to be set up in individual industries to supervise industrial training do not tackle their task quickly enough, more radical solutions will have to be sought."

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Jute

SHORTAGE OF ELECTRIC POWER CAUSES ANXIETY

OCCASIONAL load-shedding due to the electric power shortage during the summer months from April to June in the Calcutta area has been worrying industries in general and the jute industry in particular. The jute mills have been working to full capacity; the threat of power cuts tends not only to dislocate production schedules but also to push up the costs through wastage of capacity and labour-hours. As power-shedding may be resorted to during any part of the day, the working shifts cannot always be easily staggered according to schedule. Already the electricity authorities have enforced some cuts in the power supply to engineering establishments and certain sections of the jute mills during peak hours, namely, 6 p.m. to 8 p.m. The working hours of the weaving sections, which were working two shifts only, have been adjusted suitably.

The notice issued by the Calcutta Electric Supply Corporation to H.T. and L.T. consumers last week produced an immediate reaction in the jute goods market. The C.E.S.C. and the D.V.C. are trying their best to avoid power cuts. But it seems that the difficulties in running the power stations at their rated capacities during the summer months are acute. Since Saturday, there has been no load-shedding, and the power supply position is reported to have improved appreciably since Monday. With an adequate supply of better quality coal, the C.E.S.C. has reached its full rated capacity of 280 MW. The D.V.C. is also said to be supplying to the C.E.S.C. 137 MVA, which is 32 MVA higher than the contracted load. Some relief is expected when the two new 75 MW generating units of Durgapur Projects Ltd are commissioned by October.

Progress of Sowing

With adequate rainfall all over West Bengal, Bihar and Orissa, jute sowing operations are reported to have been completed in the growing areas. In the lowlands, the seedlings have already reached a height of six to nine inches, while in the midlands and uplands, they have germinated well. The cyclonic storm over parts of Cooch Behar and East Pakistan has not caused any damage to the new plants. With the floor price of jute fixed at Rs. 30 a maund for Assam Bottoms, f.o.r. Calcutta, for the next season, farmers are reported to have sown jute extensively. Weather conditions remaining normal, there is a chance of a second crop in the low-lying areas. It is believed that the acreage under the fibre in India during 1963-64 will at least be equal to that in 1962-63, if not higher, since the farmers seem happy over the return they have got from the current season's crop.

Reports from East Pakistan point out that the recent measures adopted by the Government of Pakistan to restrict the jute acreage have been announced long after the commencement of sowing in that country. Vast areas have been put under jute, and the plants are already 9 to 12 inches high. Jute circles in both Pakistan and India doubt whether the authorities will succeed in their efforts to ban the cultivation of the fibre along the long land frontier. Reports reaching Calcutta say that even before the announcement of the restrictions, the farmers sowed jute along the border areas in all the districts,

presumably with a view to availing themselves of the opportunity of feeding the Indian market with better Pakistani fibre, which fetches a higher price.

THE JUTE MARKETS

Manufactured Goods: Trading was thin in the manufactured goods market during the past week. Early in the week, sentiment suffered a setback on reports about the lower offtake of jute goods during March. Even the rise in exports did not have a bullish impact. Overseas business remained a trickle, while enquiries were few and far between. During midweek, there was hectic activity on covering by shorts for the ready and near positions on the announcement of intermittent power-shedding by the C.E.S.C. Later, there were some rumours of fresh business with Russia in sacking. D.W. flour bags

were in fair demand for internal consumption. Besides, there were some Government tenders for A Twills and B Twills for ready and April-May delivery. Mills were reserved and avoided entering into commitments. So, except for a short-lived rally, prices softened and the week closed with a marked decline in prices for all positions.

The futures market presented a similar trend. Sentiment eased on reports of heavy unloading by a prominent bull during midweek. Except for stray covering at the lower levels, transactions were of a routine nature. The turnover was moderate and the undertone hesitant at the close.

Raw Jute: Dull conditions prevailed in the raw jute market. With enough stocks in their warehouses, mills took only limited interest in lifting small lots of selected grades for blending purposes. Sentiment

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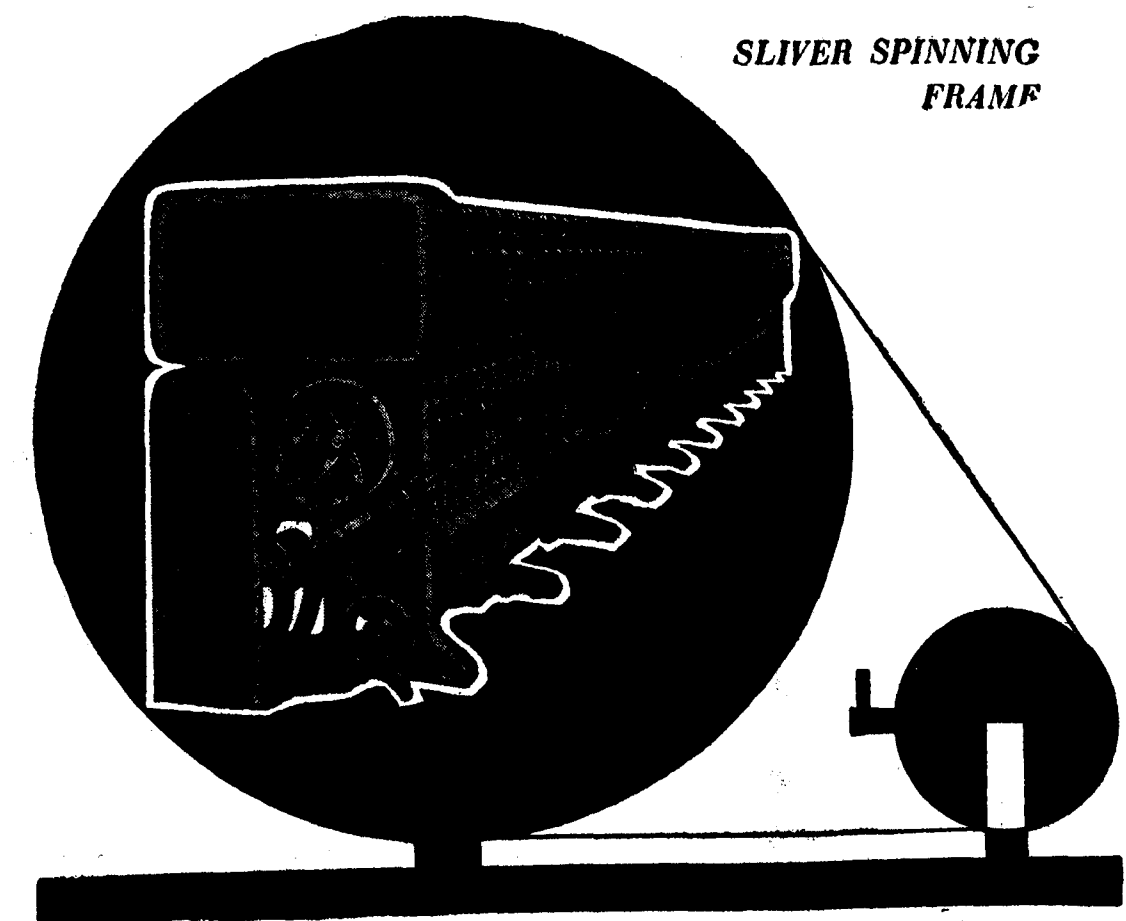
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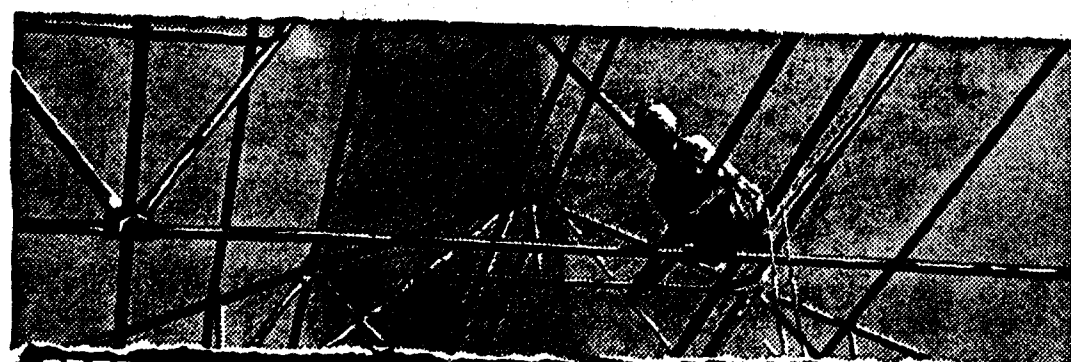
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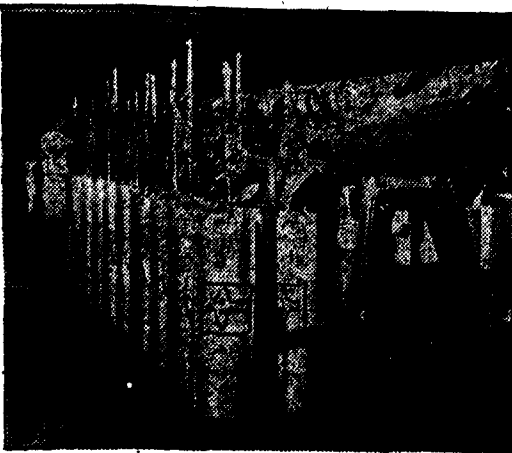
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was depressed by reports of exten-
sive sowing in the jute-growing
areas, following widespread showers
during April. Sellers were keen to
dispose of their holdings of inferior
fibre at discounted rates. Routine
transactions were reported in selected
grades on the basis of Rs. 27 a
maund for Assam Bottoms, ready
delivery f.o.r. Calcutta. The upcountry
markets were quiet. Buyers
were sitting out, while sellers with
limited stocks of low-grade fibre made
frantic efforts to clear them even at
cut rates. Daily arrivals came down
further to about 15,000 maunds.
Prices ruled unchanged around

Rs. 25.50 a maund, basis Assam Bot-
toms for ready delivery.

Quotations on Wednesday were as
follows:

	April	May	June	July- Sept.	Oct.- Dec.
40in. 7oz.	34.75	35.00	35.00	35.15	35.15
40in. 8oz.	37.50				
40in. 10oz.	47.00	46.95	46.95	47.00	46.65
B Twills	111.00	112.40	112.45	112.65	112.50
Corn sacks	114.00	114.75	115.00	115.15	115.00
Heavy Ceas (Plain)	111.50	112.40	112.45	112.65	112.50
A Twills	135.00	135.50	136.00	136.00	136.50
Liverpools	128.00	127.00	127.00	126.50	126.50

In the futures market, Upper
Assam White Bottoms for June
opened weak with a loss of 2nP at
Rs. 30.14. Rates fluctuated within a
narrow range between Rs. 30.20 and
Rs. 30, closing quiet at the latter
level. Turnover was modest and the
undertone hesitant at the close.

Quotations on Wednesday were as
follows:

Landed at Mills (Basis Bottoms)	Current	T.S.D. Prices	Minimum Prices
	Rs.	Rs.	Rs.
A Q. A. M. d.	A Q. A. M. d.	A Q. A. M. d.	A Q. A. M. d.
Assam-Agartala			
Jute	75.02	28.00	80.38
Northern Jute	73.68	27.50	79.04
Western Desal			
Jute	71.00	26.50	73.68
Selected Daissee	87.07	32.50	85.74
Assam-Agartala			
Tossa	84.39	31.50	83.05
Mesta			
Assam-Northern	66.99	25.00	72.34
Local Daissee	66.98	25.00	72.34
Bihar Dist.	61.62	23.00	66.98
Pakistan N. C.	88.00	a bale.	April-May.

THE U.K. JUTE MARKETS

RESTRICTED ACTIVITY
IN FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market has been
quiet in Pakistan, and prices being
quoted for both old and new
crop have been very irregular.
Evidently, shippers are anxious to
dispose of their present holdings be-
fore entering seriously into new crop
business. Demand from Dundee spin-
ners was of a very small size, and
was mainly confined to spot parcels
during last week. The prices being
paid for ex-warehouse jute was well
below current shipment values, and
this was making the local market
very weak. Although there is still a
substantial quantity of jute in Dun-
dee unsold to spinners, estimated to
be at least 75,000 bales, all the better
quality parcels have already been
taken up.

Offers of new crop jute were being
more freely made, and some business
took place. Mill Lightnings ranged
from £105 and Mill Hearts from £92,
c.i.f. U.K., for August-September
shipment. Grade Tossa-4 was named
at £105 and Outport Tossa-2/3 at
£96 for October-November shipment.
Although these prices looked attrac-
tive, spinners were in no hurry to
buy for forward shipment.

The lowest offers being made for
the present crop were at £112 for Mill
Lightnings, at £90 10s for Mill Hearts
and at £77 10s for Grade Hearts, c.i.f.
U.K. for April-May shipment. Grade
Tossa-2/3 was at £123 10s and Grade
Tossa-4 at £106. Dacca Tossa-5 was
named at £126 and Dacca Tossa-6 at
£108 10s. Outport Tossa-2/3 ranged
from £93 and Outport Tossa-4 from
£85 April-May. Cuttings remained
quiet at £54 for S.N.C. and at £45 10s
for N.C.

There was again a slightly easier
trend in the prices of Siam jute.
Grade A was at £71, grade B at £65
and grade C at £61, with cuttings
named at £46, delivered mill Dundee
for April-May shipment. The qua-

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lity of some parcels which have
arrived here has been very poor.

The Calcutta goods market was
steady, and some buying interest was
shown in the U.K. Quotations were
at 70s for 40in. 10oz. and at 53s for
7oz. a 100 yards f.o.b. Calcutta for
any shipment period April to Septem-
ber. B Twills were at 170s 6d April
at 171s 3d May-June and at 171s 9d
July-September.

Mills and factories in Dundee have
been busy and a good demand is be-
ing shown for many descriptions.
Linoleum hessians were very quiet
and deliveries of orders already
placed have slowed down. However,
on the other hand, the carpet trade
is taking regular deliveries of both
yarns and cloth. More buying inter-
est was again shown in sackings and
tarpaulins, and the heavy-end of the
trade was busy.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption last month
was 4.6 million yards less than
during February 1963, but 10.1 mil-
lion yards more than March a year
ago. The average consumption for
the first three months is slightly high-
er than the comparable period a year
ago. Last month's bag cut-up was
62.3 million yards and piecegoods
deliveries 22.4 million yards, com-
pared with 57.7 million yards and
16.9 million yards, respectively, in
March 1962. U.S. spot stocks and
floats increased by 400,000 yards.
At 304 million yards, 160.4 million
yards were spots and 143.6 million
yards were float. Both spot and
float stocks are larger than normal,
possibly due to the heavy buying at
the time of the Chinese-Indian crisis.
Appearing below are two tables
which include the March figures—(1)
based on member reports to the Tex-
tile Bag Manufacturers Association,
and the Burlap and Jute Association,
and (2) projected to represent the
estimated consumption and stocks
for the entire industry. (All figures
in millions of yards.)

U.S. Burlap Con- sumption (as report- ed to T.B.M.A.)	1963	1962	U.S. Burlap Con- sumption (estimated Industry total)	1963	1962
Jan.	61	82	Jan.	68	88
Feb.	78	69	Feb.	89	78
Mar.	75	67	Mar.	85	75

Total	214	281	Total	242	241
Mo. Av.	71	73	Mo. Av.	81	80

Apr.	62	Apr.	70
May	64	May	73
June	56	June	61
July	57	July	69
Aug.	65	Aug.	73
Sept.	64	Sept.	71
Oct.	69	Oct.	75
Nov.	70	Nov.	77
Dec.	66	Dec.	74

Total	791	Total	878
Mo. Av.	66	Mo. Av.	73

U.S. Burlap Stocks (as reported T.B.M.A.)	1963	1962	U.S. Burlap Stocks (estimated Industry total)	1963	1962
Jan.	266	200	Jan.	306	241
Feb.	256	215	Feb.	304	264
Mar.	261	222	Mar.	304	259

Apr.	213	Apr.	250
May	199	May	234
June	207	June	241
July	204	July	237
Aug.	207	Aug.	243
Sept.	204	Sept.	236
Oct.	203	Oct.	249
Nov.	223	Nov.	261
Dec.	239	Dec.	277

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Commodity Markets

PRICE OF RAW CASHEWNUTS RISES SHARPLY

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE cashew market is almost in
a stalemate due to an unwork-
able raw nut price. There has been
a sharp increase in the price of raw
cashewnuts recently with the latest
quotation from Quilon for imported
African nuts being at Rs. 675 a ton.
African nuts were available at Rs.
540 a ton some time ago when the
kernel price was 42 cents a lb. The
price has improved by only 2 cents,
the latest New York offer being 44
cents a lb. According to a spokes-
man of the cashew processor's as-
sociation in Quilon, the small rise in
the kernel price justifies only an in-
crease of Rs. 50 a ton at the most in
the price of raw nuts. According to
him, anything above Rs. 600 a ton
for raw nut is an "unworkable price"
for the present U.S. offer of 44 cents
a lb for processed kernels.

The ostensible provocation for the
"unhealthy" increase in the raw nut
price is the report that the Indian
crop will be 50 percent down this
year. The crop is late, and there
were recently few showers also in
the cashew producing areas on the
west coast of India. It is believed
that the crop has thus been damaged,
but there is no agreement among
buyers concerning the extent of the
damage. Many of the processors in
Quilon, who are the principal buy-
ers of the commodity, refuse to give
full credence to the report that the
crop will be 50 percent down. In
their opinion, this is an exaggerated
report. They do not anticipate a
loss of more than 10,000 tons in the
Indian crop, the normal size of which
is 60,000 tons to 65,000 tons.

Paradoxically, there are proces-
sors who are willing to pay a hand-
some price in order to stock raw
nuts. Speculative buying by a sec-
tion of processors, it is said, was
responsible for the recent sharp in-
crease in the raw nut price rather
than any other factor, including the
possible shortage in supply. Specu-
lation has been the bane of the
cashew processing industry, and it
had to face several crises in the past
due to this. It appears that the bulls
in the market are eager to rig up
kernel prices.

Meanwhile, there are complaints
from labour that the owners of some
cashew processing factories in Kerala
are making a calculated bid to
escape from the statutory obligations
to their workers including contribu-
tions to the recently introduced pro-
vident fund scheme. They are re-
ported to be disengaging the work-
ers on the pay rolls of the factories.
At the same time, they are said to
have opened several small cottage
type processing units which will not
come under the purview of the Fac-
tories Act and other labour legisla-
tion. After receiving several repre-
sentations from the trade union
organisations, the State Government
is now exploring the possibilities of
checking the tendency for disintegra-
tion in one of Kerala's largest labour
intensive industries. It is worth
remembering in this connection that
the Government was not able to
arrest a similar tendency in the coir
manufacturing industry.

Tea Output Up

There is a feeling that the tea plan-
ting industry in south India has en-
tered a phase of overproduction.
Last year, south India produced over
81 million kilograms of manufactur-
ed tea, showing a marginal rise over

the 1961 crop. A larger volume of
medium-grade teas were produced.
Until the Chinese aggression and the
strike of the Joint Steamer crews
distorted the markets, buyers in
Cochin were unwilling to pay for
these teas. Consequently, the aver-
age price realised by export teas at
the Cochin auctions fell by 10nP a
kilogram. Dust was heavily dis-
counted—particularly very brown
residual types—and the average price
was about 70nP a kilogram below
that of 1961. Quality teas at the same
time realised very good prices. The
average for high-grown teas exceed-
ed the 1961 figure by some 32nP a
kilogram. In their desire to com-
pensate for the increasing cost of pro-
duction, the tea gardens produced a
larger volume of tea. In doing so,
they were not able to pay proper at-
tention to quality. The manufactur-
ing facilities at their disposal were
limited, and they were not in a posi-
tion to cope with the larger crop.
The 1962 results were not encourag-
ing, so the producers are said to be
reviewing their production pro-
gramme. Improving quality even at
the risk of reducing the quantity
might be a better production policy
under the present circumstances.

Rubber Production Rises

The production of natural rubber
registered a 16-percent rise in 1962
over that of the previous year. The
actual quantity produced in 1962

was 31,357 tonnes, according to the
estimate of the Rubber Board. This
was a welcome and encouraging re-
cord in view of the country's fast
growing need for more raw rubber.
It is said that if the weather does
not become unfavourable, produc-
tion this year will also register a
similar improvement. The chair-
man of the Rubber Board, Dr. Rama
Varma, told a recent meeting of the
Board that the importance of small
holders was steadily increasing. So
the Board will have to reorientate
its policy in order to be of real assis-
tance to them. Referring to the
future planting of rubber, the chair-
man said that according to new rules
licences would be issued only to
planters with approved planting
material. This year it had been pos-
sible to get the maximum foreign
exchange released to import seeds
from Malaya. The chairman pointed
out that in Malaya, replanting had
become a regular estate practice. It
is being done at the rate of 3 percent
of the planted area every year.
Unless some such measures are taken
here, a situation may arise when
only a few enterprising estates will
complete their replantings while
others will continue to remain as un-
economic units. This will create
serious economic and social problems
and will defeat the purpose of the
subsidised replanting scheme spon-
sored by the Rubber Board in India,
the chairman said.

The Rubber Board's delegation
which visited Malaya in October last
has stressed the need for research
and advisory service in India too. In
its report the delegation has drawn
a lengthy comparison between the
conditions in Malaya and India and
has said that India has many things
to learn from the Malayan rubber
planting industry. The cost of pro-
duction in India, compared with

Malaya, is very high. The Malayan
worker gets a higher wage, and this
is possible due to higher productiv-
ity. The delegation has recom-
mended that in developing new
rubber estates in places like the
Andaman and Nicobar Islands block
planting schemes should be tried.
The report says that the Madras
Government should be requested to
establish a seed garden in the Gov-
ernment plantations in Kanyakumari
district. The import of germinated
seeds from Prang Besar and Chemara
Gardens should also be taken up, it
says.

Exporting More Tea to Australia

(BY OUR NEW DELHI CORRESPONDENT)

A DELEGATION which recently
visited Australia and New
Zealand has made the following
recommendations for improving tea
sales in that region:

AUSTRALIA:

(1) Besides joint promotion, the
delegation has recommended a uni-
national campaign, which could take
the form of setting up a tea centre
in Sydney and tea bars in the big
cities.

(2) India should launch pure
Indian packs depending on the re-
sponse to the unnational campaign.

(3) Steps should be taken in India
to make Indian tea more attractive
in the Australian market.

(4) The Tea Board should organise
and finance a sampling service to
established Australian buyers, large
and small, with a view to presenting
a wider field of Indian teas suitable

contributing to the country's
industrial and
commercial growth...

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in quality and price, for the Australian market.

(5) The tea buyers and blenders of prominent firms in Australia should be invited to visit India so that they may have an opportunity of visiting tea areas and auctions in India.

NEW ZEALAND:

(1) A substantial improvement in Indian exports could be attained by introducing the Tea Board sampling service along the lines recommended for the trade in Australia.

(2) With a view to improving the buyer's knowledge of the very large variety of teas available from India, invitation to the trade to visit India will give an ample opportunity for

pushing up Indian teas in that market.

SINGAPORE:

(1) With a view to overcoming the reluctance to trade with India, samples of Indian teas, carefully chosen for suitable quality and competitive prices, should be distributed to the local tea merchants' associations, to Indian traders and to the large British firms.

(2) With a view to pushing up quality packet tea trade among the well-to-do in Singapore, it is necessary to get in touch with a few large quality stores in Singapore to stock a fair range of Indian tea packets. The Indian enterprises should push up their packet exports to such

chain stores with advertising materials.

A Tea Council of Australia has been formed recently in which Australian trade has agreed to participate with Ceylon and India. Action has been initiated for introducing sampling service for the Australian and New Zealand trade.

Rising Costs in Tea Industry

(BY A SPECIAL CORRESPONDENT)

TEA competes with jute for the lead in earning foreign exchange. The industry is also among the

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largest contributors to railway revenue in the form of freight. In addition, it employs approximately 1 million workers and remains a supporter of many ancillary industries pertaining to agriculture, fertilisers, and machinery and engineering industries. There is no question about the value of tea production to the Indian economy, and there is equally no difference of opinion on the importance of reducing the cost of tea, especially for the overseas buyer. Therefore, the exclusion of tea from the list of industries entitled to concessions in railway freight in the recent Budget has caused some disappointment to the trade.

The cost problem baffles solution, for in addition to taxation, workers'

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wages continue to increase and so do prices of all other items. Government policy is naturally keen on higher exports, and the abolition of export duty was a sound move. Having regard to the general expectation of increasing supplies from all producers in the world, the increase in excise on teas used internally seems a decision of questionable value. It may, however, be reasoned that the armed forces will require ever-increasing poundage for all branches of the services.

The emergency risks insurance is also expensive, although it may be noted that as from 1st April, 1963, rates have been reduced on factories and goods from 25nP and 15nP to 15nP and 10nP.

The Board of Assam Agricultural College in Jorhat has decided to introduce a special course on tea. The Tea Board, it is understood, will be contributing a grant of Rs. 3,70,000 (non-recurring) plus a recurring grant amounting to Rs. 30,500.

The Central Government's call for more and more tea for export is only sensible on the basis of more exports and more foreign exchange, but unfortunately, that has not worked out in practice over the past three seasons. This was brought out by the figures published in these columns in the 28th March issue. They demonstrated a record output sold at lower rates. In other words, the larger crops, after paying cost of plucking, manufacturing, packing, despatching and selling charges brought no more profit to the manufacturers than the smaller crops in the 1960-61 or in the 1962-63 season.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Indian Aluminium Co. Ltd.	26-4-63	11-30 a.m.
Bombay Burmah Trading Corp. Ltd.	26-4-63	4 p.m.
Rampooria Cotton Mills Ltd.	27-4-63	1 p.m.
Jessop and Co. Ltd.	28-4-63	11 a.m.
Raza Buland Sugar Co. Ltd.	30-4-63	10-30 a.m.
Punjab National Bank Ltd.	10-5-63	4 p.m.
Industrial Investment Trust Ltd.	13-5-63	4 p.m.
United Commercial Bank Ltd.	24-5-63	4 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Mim Tea Co. Ltd.—27½ p.c. (Gross); Kohinoor Mills Co. Ltd.—Rs. 11 per share (o), subject to tax; New Asiatic Insurance Co. Ltd.—Nil; Murphulani (Assam) Tea Co. Ltd.—Rs. 2.50 per share (o), (Gross); Budge Budge Jute Mills Co. Ltd.—Rs. 6 per share (o), less tax; Cheviot Mills Co. Ltd.—Rs. 1.76 per share (o), less tax; Delta Jute Mills Co. Ltd.—Rs. 8 per share (o), less tax.

BOOKS RECEIVED

Central Committee for Co-operative Training: Review of Activities, 1953-62. (Published by V. Sivaraman for the Reserve Bank of India, Agricultural Credit Department, Bombay. Price Rs. 2, pages 147.)

Planning in Uttar Pradesh. By P. N. Masaldan. (Published by K. K. Vora, Vora and Co. Publishers Private Ltd. 3 Round Building, Kalbadevi Road, Bombay 2. Price Rs. 3, pages 49.)

Calcutta Productivity Council Newsletter Annual, 1962. (Edited and published by Subhayu Das Gupta, for the Calcutta Productivity Council, 9 Syed Amir Ali Avenue, Calcutta 17. Pages 158.)

Community Development in India. By V. T. Krishnamachari. (Published by the Director, Publications Division, Government of India, Delhi 6. Price Rs. 1.50, pages 192.)

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to March 1963. As compared with February, the March indi-

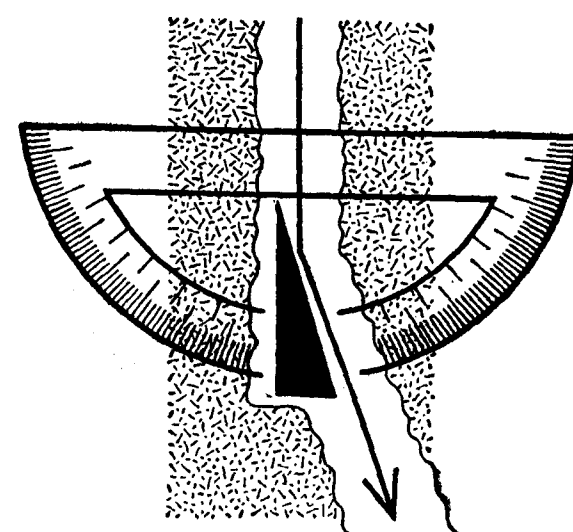
ces for Food, Fuel, and Lighting and Miscellaneous show rises of 10 points, 8 points and 3 points, respectively, while that for Clothing remains unchanged at 598 points.

Combining all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living increased by 6 points during March 1963.

Middle Class Cost of Living Index Number for Calcutta. Prices in August, 1939=100

Groups	Weights	GROUP INDICES												
		Mar., 1962	Apr., 1962	May, 1962	June, 1962	July, 1962	Aug., 1962	Sept., 1962	Oct., 1962	Nov., 1962	Dec., 1962	Jan., 1963	Feb., 1963	Mar., 1963
Food	53.6	538	547	548	551	555	563	568	573	573	562	550	553	563
Fuel and Lighting	4.4	291	291	291	291	299	299	299	299	299	299	299	299	307
Clothing	12.4	588	592	592	592	592	596	598	598	598	598	598	598	598
Miscellaneous	29.6	309	310	310	310	310	311	311	311	311	311	311	311	314
Combined Index	100.0	466	471	471	473	476	481	484	487	487	481	474	476	482

Compiled and constructed by the Statistical Department of "Capital"



TURNING THE CORNER

Although great care is taken to drill wells as vertical as possible, some wells are deliberately drilled at an angle in order to tap oil deposits inaccessible by vertical drilling. This technique is known as directional drilling. By means of a series of deflections of the drilling bit, drillers can bend a hole in a broad arc until its direction deviates 20, 30 or more degrees from the vertical. The tool used for this operation is the whipstock, a long thin wedge of steel which

fits tightly into the hole at the required depth. The drilling bit cannot force its way into the steel, so it takes the alternative course, is deflected from the path it had been following, and then goes where the driller wants it to go.

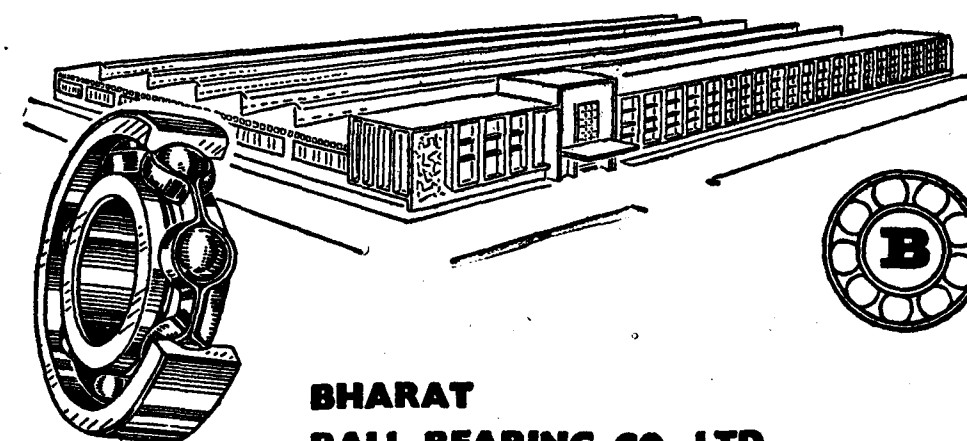
Many ingenious devices have been invented to help the oil prospector tap deposits concealed in awkward places, but their effective use always depends on the skill and experience of the driller.



THE BURMAH GROUP OF OIL COMPANIES

the
ball
is
set
rolling

... the modern plant equipped with the latest machinery and up-to-date know-how, has gone into production making quality Ball Bearings of the FAFNIR tradition



BHARAT BALL BEARING CO. LTD.
49/1, GARIAHAT ROAD,
CALCUTTA - 19.

COMPANY AND PUBLIC NOTICES

THE UNITED COMMERCIAL BANK, LIMITED

Registered Office: 2, India Exchange Place, CALCUTTA-1.
NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of THE UNITED COMMERCIAL BANK, LIMITED, will be held at the Registered Office of the Bank at 2, India Exchange Place, Calcutta, on Friday, the 24th May, 1963 at 4 P.M. to transact the following business:—

1. To receive and adopt the Report of the Directors and the Audited Balance Sheet as on 31st December, 1962 and

SOUTHERN BANK LTD. (SCHEDULED BANK)

Head Office
24, NETAJI SUBHAS ROAD, CALCUTTA.
Phone 22-5988, 22-5989.

BRANCHES: BURESBABAI, SHYAMBAZAR, SHOWANPUR, BASIRHAT & KHULNA.

LOAN GRANTED ON APPROVED

SECURITIES

All Sorts of Banking Business Transacted
S. N. BANE, JEE, M.A.,
General Manager.

Profit & Loss Account for the year ended 31st December, 1962;

2. To declare a dividend;
3. To appoint two Directors in the place of Mr. G. D. Kothari and Mr. M. R. Ruia who retire under Article 92 of the Articles of Association of the Bank and, being eligible, offer themselves for re-appointment;
4. To appoint a Director in the place of Mr. G. L. Bangur who retires under Article 92 of the Articles of Association of the Bank but does not seek re-appointment and, if thought fit, to pass the following resolution of which due notice in writing as required by Section 257 of the Companies Act, 1956 has been left at the office of the Bank:

"Resolved that Mr. Rang Nath Bangur be and is hereby appointed a Director of the Bank in the place of Mr. G. L. Bangur."

5. To appoint a Director in the place of Mr. M. L. Shah who retires under Article 92 of the Articles of Association of the Bank but does not seek re-appointment and to

consider and, if thought fit, to pass the following resolution of which due notice in writing as required by Section 257 of the Companies Act, 1956 has been left at the office of the Bank:

"Resolved that Mr. Govardhandas Binani be and is hereby appointed a Director of the Bank in the place of Mr. M. L. Shah."

6. To appoint Auditors for the current year and to fix their remuneration.

AS SPECIAL BUSINESS:

7. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution of which due notice in writing as required by Section 257 of the Companies Act, 1956 has been left at the office of the Bank:

"Resolved that Mr. Shrenik Kasturbhai be and is hereby appointed a Director of the Bank."

8. To consider and, if thought fit, to pass the following as a Special Resolution:

"Resolved that Mr. G. H. Wandrek, a relative of a Director, who is already in the employment of the Bank, be and is hereby put on the time scale Rs. 300-25x6-450-30x5-600 with Dearness Allowance, House Allowance and such other allowances and benefits as may be applicable to the

CAPITAL, 25th April, 1963.

officers as per Bank's rules from time to time and the Board of Directors or a Committee thereof be and they are hereby authorised to grant a higher increment in the scale at their discretion."

Note:

1. A Member entitled to attend and Vote at the Meeting is entitled to appoint a proxy to attend and Vote instead of himself and the proxy need not be a member.

2. (a) The transfer books of the Bank will be closed from Monday, the 6th May, 1963 to Friday, the 24th May, 1963, both days inclusive. (b) The dividend, if sanctioned, will be payable on and after the 25th May, 1963, to those Members whose names appear on the Company's Register on the 24th May, 1963.

- (c) Dividend warrants will be posted to the Members at their registered addresses or in accordance with their mandates. Members are requested to advise change in their addresses, if any.

Explanatory Statement Required by Section 173 of the Companies Act, 1956.

ITEM No. 7.

The Bank has been fortunate in securing the services of Mr. Shrenik Kasturbhai who agreed to join your Bank as a Director and he was appointed as an Additional Director under Article 84 of the Bank's Articles of Association. Mr. Shrenik Kasturbhai vacates his office at the forthcoming Annual General Meeting by operation of the said Article and Section 260 of the Companies Act, 1956 and the approval of the members in General Meeting will be necessary for his appointment to the Board. Your Directors feel that it is in the interests of the Bank that the Board should receive the benefit of Mr. Shrenik Kasturbhai's experience and able guidance.

ITEM No. 8.

Mr. G. H. Wandrek is a relative of Mr. M. L. Dahanukar, a Director of the Bank. His employment in the Bank was approved by a Special Resolution passed at the meeting held on the 28th March 1956. His present salary is Rs. 380/- plus the usual allowances and benefits applicable to his grade as per Bank's rules. It is now proposed to put him on a time scale which attracts the provision of Section 314 of the Companies Act, 1956.

By Order of the Board,
S. T. SADASIVAN,
General Manager.

Calcutta,
22nd April, 1963.

The Company meetings and dividends table appears on page 619.

DALMIA CEMENT (BHARAT) LIMITED

DALMIAPURAM

NOTICE is hereby given that the Registers of Members and Share Transfers will remain closed from the 16th May till 31st May, 1963, both days inclusive, except for recording the share transfers received before the closure of the Registers. The dividend for the year 1962, when declared, will be payable to those shareholders whose names would appear in the Register of Members as on 31st May, 1963.

By Order of the Board,
S. C. AGGARWAL,
Secretary.

Dated: 25th April, 1963.

"CAPITAL" STOCK AND SHARE LIST THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Wednesday, 24th April, 1963.

BANKS

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

Paid-up Capital Ordinary	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.	Rs.			1959	1960	1961	Rs.	24-4-63	17-4-63	A year ago
											Rs.	Rs.	Rs.
67.50.000	1,23,75.000	27,37,97.908	22,49,414	6,09,614	12	Allahabad Bank P.	18	18	18	100	277/00	277/00	329/00
1,50,00,000H	1,81,24,560	33,09,58,958	67,63,195	3,02,553	12	Bank of Baroda	14	17	17	50	86/00	86/00	114/50
4,05,00,000H	4,11,50,000	43,81,96,153	1,11,53,496	13,09,847	12	Bank of India	16	20	20-20*	50	107/00	107/00	117/00
2,62,86,350H 52,50,000	5,10,34,368	86,24,48,298	1,79,95,826	93,249	12	Central Bank of India	17-1/5	20-2/5	20-20*	25	56/00	56/00	64/50
26,600,000	27,150,000	1,141,890,310	2,990,238	2,540,648	12	Chartered Bank	15	15	15	21	sh. 60 10 1	sh. 61/-	sh. 55/6
1,25,00,000H	10,00,000	3,70,50,489	9,68,909	17,401	12	Hindustan Commercial	Nil	Nil	Nil-Nil*	50	14/00	14/00	19/37
50,00,000H	2,85,000	94,21,680	1,88,130	28,888	12	Hindustan Mercantile	Nil	Nil	Nil	50	12/87	12/87	17/62
HK\$79,046,125	215,000,000	2165,691,749	HK\$43,315,459	HK\$2,340,534	12	Hong Kong & Shanghai	23	23 1	23 1	HK\$25	217 1	217 1	217 1
71,79,795 16,60,000	75,44,583	20,13,31,335	15,25,151	143,787	12	Indian Bank	15	15	15-14*	100	174/50	174/50	180/00
75,00,000	78,36,660	14,65,60,072	43,80,498	2,22,933	12	Indian Overseas Bank	12	14	14	100	148/00	148/00	177/00
5,00,00,000	74,41,264	2,23,84,659	7,80,776	21,25,000	12	Industrial Finance Corpn.	..	..	..	50	..	..	..
25,703,000	25,250,000	1,21,505,208	2,714,730	2,316,941	12	National & Grindlays Bank	12 1	13 1	14-14*	sh. 15	sh. 31/-	sh. 31/3	sh. 31/1 1
1,99,36,910	2,10,93,691	69,22,46,887	1,18,39,595	10,37,738	12	Punjab National Bank	20	20	20	10	19/75	19/12	21/75
60,00,000	60,00,000	1,52,610,719	18,13,132	1,45,390	12	Union Bank of India	11-2/5	11-2/5	11-2/5	5	6/48	6/48	8/28
2,68,87,461	95,00,000	27,07,57,575	21,20,312	3,28,006	12	United Bank of India	4.3	4.3	6-6*	10	7/31	7/62	8/75
2,00,00,000	2,35,00,000	36,83,34,071	72,60,557	2,07,428	12	United Commercial Bank	11	12	12	50	71/00	71/00	92/55

† Excluding taxation

* 1962

JUTE MILLS

Paid-up Ordinary Capital	No. of Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.		Rs.	Rs.	Rs.	Rs.	Rs.			1960 1961 1962	Rs.	24-4-63 Rs. 17-4-63 Rs. A year ago Rs.
60,00,000	879	99,19,361	66,42,500	3,92,646	59,794	79,587	3	Agarpara P.	10 21 21	10	10/25 10/19 12/31
6,00,000	446	28,70,981	16,59,900	4,22,325	2,57,931	1,40,179	12	Alexandra P.	44 15 15	100	300/00 305/00 305/00
30,00,000	1,264	48,84,147	8,04,850	5,70,976	11,43,880	58,837	6	Alliance P.	6 Nil 10	100	90/00 110/00 141/00
49,20,700	2,561	1,04,15,434	69,25,000	63,22,587	20,60,933	2,75,227	3	Anglo-India P.	20 7 10	100	201/00 201/00 234/00
40,00,000	810	61,70,400	26,57,703	4,56,210	5,54,726	5,02,872	3	Auckland P.	27 12 Nil	100	139/00 150/00 181/00
20,00,000	959	57,59,081	35,02,335	12,05,050	13,67,235	60,074	3	Bally P.	25 25 25	100	280/00 257/00 318/00
2,275,000	1,889	2,410,570	2,928,859	2,53,073	2,89,216	2,104,2	3	Barnagore P.	30 10 10	25	181/00 176/00 178/50
45,00,000	600	29,61,854	15,46,700	8,93,663	5,85,851	1,33,355	6	Bengal P.	5	10	10/25 10/25 10/75
1,59,58,210	1,313	6,25,85,505	3,35,31,987	90,84,701	98,65,712	1,08,070	3	Birga P.	15 15 15	10	29/69 27/76 37/37
36,00,000	991	51,27,514	10,40,080	1,47,854	9,36,084	8,90,684	10	Budge Budge P.	10 Nil ..	100	156/00 169/00 147/00
7,47,380	622	12,59,648	4,17,958	1,73,320	61,970	48,461	6-12	Calcutta P.	15	10	8/00 8/00 7/12
18,00,000	616	35,26,710	25,17,862	36,75,352	1,72,990	11,777	11	Caledonian P.	12	100	192/00 205/00 220/00
59,18,400	1,530	1,01,67,080	82,28,226	2,49,069	25,39,624	24,02,338	3	Champdany P.	10 5 Nil	100	134/00 134/00 143/00
38,56,250	530	65,15,022	52,20,094	2,47,272	18,01,287	1,21,444	11	Cheviot P.	Nil 5 ..	10	24/00 22/19 24/12
30,15,000	500	53,11,479	40,65,400	13,38,874	12,49,444	61,455	7	Chitavalasah P.	5 Nil ..	10	10/75 11/00 13/00
18,00,000	959	13,80,489	12,25,433	1,35,556	1,51,574	18,647	3	Clive P.	.. ..	10	7/62 7/62 9/00
31,49,200	706	52,19,772	12,23,514	3,57,222	61,738	62,456	3	Dalhousie P.	1 1 Nil	100	145/00 145/00 137/00
56,00,000	779	1,24,93,462	51,26,787	3,06,994	9,12,181	8,96,549	11	Delta P.	7 1 Nil	100	141/00 141/00 184/00
13,00,000	300	35,23,149	39,20,700	9,41,963	7,63,955	40,327	7	Empire P.	12 1 12	10	14/00 14/00 19/31
63,00,000	1,800	1,68,88,474	87,06,518	7,82,017	26,14,782	14,839	3	Fort Gloster P.	25 10 12	100	378/00 399/00 451/00
21,00,000	1,014	48,31,660	24,94,369	12,66,910	4,99,648	7,033	3	Fort William P.	22 1 10	10	25/00 23/44 25/94
94,32,100	1,109	1,20,88,547	40,98,282	5,26,122	41,38,028	1,89,764	3	Ganges P.	10 10 15	10	13/62 13/25 14/84
45,20,000	605	62,13,502	35,56,215	58,515	6,51,478	1,87,506	12	General Industrial	40 10 ..	10	16/00 17/00 44/50
24,00,000	1,394	1,02,44,325	74,30,537	45,41,712	12,24,172	49,818	3	Gouropore P.	30 25 20	100	487/00 487/00 505/00
40,00,000	1,720	70,85,967	9,23,473	33,86,439	5,66,002	1,01,636	3	Hastings P.	6 6 6	100	128/00 128/00 124/00
16,80,000	720	28,41,307	25,26,234	12,67,575	9,69,386	38,329	3	Hooghly P.	10	10	20/00 20/00 27/25
65,62,500	1,940	72,72,179	42,62,842	8,05,642	10,94,477	13,61,553	3	Howrah P.	12 1 10	10	18/62 17/50 21/31
62,50,000	2,212	1,31,00,000	58,55,000	23,48,290	27,19,471	57,366	3	Hukumchand P.	28 28 28	7 1/2	20/75 18/00 27/00
67,30,000	790	63,28,345	38,24,567	36,11,862	7,44,969	3,18,900	3	India	14 12 8	12 1/2	17/69 17/69 17/75
43,20,000	1,791	56,25,250	27,20,329	6,75,226	13,75,188	17,20,761	12	Kamarhaty P.	5 Nil ..	100	148/00 148/00 188/00
54,00,000	1,327	58,65,106	9,43,776	5,58,686	13,35,527	30,80,212	12	Kankarnarah P.	Nil Nil ..	100	129/00 124/00 170/00
28,00,000	703	53,93,372	56,73,800	13,28,826	45,353	47,758	5	Kelvin P.	15 15 5	100	170/00 170/00 210/00
54,00,000	1,530	85,81,995	26,08,764	5,41,356	16,20,587	59,933	3	Khardah P.	20 5 12 1/2	10	16/50 16/50 17/25
49,00,000	1,250	70,14,861	46,11,711	24,80,797	22,59,826	21,89,282	3	Kinnison P.	20 7 Nil	100	140/00 140/00 173/00
24,48,000	931	33,87,827	Nil	3,63,702	15,64,671	6,84,149	3	Landsdowne P.	Nil Nil Nil	100	85/00 85/00 156/00
23,00,000	840	22,22,256	1,36,90,180	42,99,026	7,57,111	1,58,282	3	Lawrence P.	7 15 10	100	100/00 101/00 171/00
31,65,200	1,294	1,26,96,079	34,55,037	3,47,488	17,83,515	4,26,297	3	Magna P.	12 12 Nil	10	13/50 13/25 14/08
29,98,900	615	78,99,875	12,04,575	2,94,487	10,35,634	13,08,719	3	Nalhati P.	.. ..	100	81/00 81/00 113/00
20,00,000	425	10,79,854	15,55,000	26,11,420	3,36,343	17,616	4-10	Naskarpura	.. ..	10	9/06 9/06 10/50
35,00,000	832	95,53,012	48,90,518	8,25,999	6,51,518	10,778	10	National P.	7 1 Nil		
26,25,000	516	34,46,238	15,71,072	10,72,888	14,01,865	61,184	7	Nellimarl P.	3 6 15	10	11/25 10/50 12/56
2,56,00,000	1,765	8,08,96,118	2,42,19,122	26,20,231	18,53,066	15,530	3	New Central P.	15 15 Nil	10	12/00 12/81 17/94
16,79,880	667	51,13,896	51,70,911	4,86,781	10,14,322	32,186	3	Northbrook P.	30 30 20	100	29/00 29/00 35/50
66,79,500	1,092	1,00,63,618	42,63,296	5,77,179	4,25,754	65,041	3	Nuddea	8 6 5	50	49/50 49/50 77/25
25,00,000	400	26,00,000	12,61,704	7,07,186	7,54,830	37,324	7	Presidency	6 6 10	5	5/09 4/81 6/31
20,00,000	305	44,84,547	2,99,013	1,14,563	8,36,262	3,60,856	3	Rameshwara P.	Nil Nil Nil	10	8/50 9/44 10/31
49,50,000	1,276	67,32,330	Nil	24,98,321	7,31,817	23,40,699	3	Reliance P.	Nil Nil Nil	10	7/25 7/63 7/50
2,600,000	2,002	2,182,320	21,182,334	2,270,476	2,77,715	2,47,766	12	Samaggar P.	6 Nil ..	21	10/50 10/50 10/50
14,00,000	911	47,47,618	15,81,656	1,37,338	2,13,122	3,184	3-9	Shree Ambica P.	9 6 ..	10	25/00 25/00 35/00
30,00,000	401	23,26,975	15,86,900	14,20,912	5,57,563	18,168	12	Soorah P.	25 25 ..	10	20/94 18/75 24/50
2,800,000	1,794	21,331,626	2,998,938	2,355,522	2,97,609	2,618	12	Titagurh P.	6 Nil ..	21	10/50 10/50 10/50
35,98,000	1,326	37,69,632	37,88,568	11,91,543	1,70,129	18,317	3	Union P.	25 6 Nil	100	142/00 146/00 191/00
2,400,000	1,381	21,326,471	2,747,577	2,198,161	2,92,489	24,814	12	Victoria P.	6 Nil ..	21	10/50 10/50 10/50
2,50,000	465	6,47,472	8,20,000	6,95,642	8,79,756	66,272	5	Waverley P.	30 30 60	1	6/56 5/50 7/00

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	Managing Agents etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.				1959	1960	1961	Ra.	Ra.	Ra.	A year ago
CHEMICAL INDUSTRIES															
62.00,000A	5,93,45,653	1,96,10,273	4,78,066	71,72,056	1,37,284	9	121	Alkali & Chemical Corpn. of (I)	9 1/2	12	15-15*	10	33/50	30/87	43/62
45,00,000A	18,48,048	15,681	5,958	-2,50,346	-8,53,536	12	442	Bathgate & Co. Ltd. P.	Nil	Nil	..	5	0/84	0/84	0/62
20,00,000	76,41,344	68,84,605	21,11,440	18,06,053	1,30,717	3	245	Bengal Chemical & Pharm. P.	7	7	10	100	98/00	98/00	105/00
15,00,000A	38,34,102	22,82,883	19,49,050	12,04,892	6,978	6	377	Calcutta Chemical P.	18	18	18-18*	10	18/00	18/00	17/75
11,08,900A	99,022	Nil	41,554	72,146	2,560	2	129	Frank Ross P.	..	..	..	6	3/25	3/25	3/25
22,54,700B	11,71,084	16,07,251	9,33,133	11,80,256	92,801	6	191	Smith Stanistreet P.	25	25	25-25*	5	12/81	12/81	16/37
15,00,000	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
4,95,000	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
20,00,000	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
ELECTRIC LIGHTING, POWERS															
19,99,600	1,15,72,761	51,20,883	27,74,219	4,56,810	52,889	3	32	Agra Electric Supply	10	11	11-11*	100	120/00	120/00	125/00
8,00,000	29,33,899	15,51,802	8,09,008	2,00,631	25,023	3	32	Bareilly Electric Supply	10	11	11-11*	10	14/37	14/37	11/75
17,00,000	1,03,03,450	52,28,411	19,58,483	4,34,454	47,298	3	32	Benares Electric Supply	10	11	11-11*	10	12/44	12/44	12/00
5,91,360	15,65,473	807,902	2,70,659	1,36,558	41,730	3	202	Bhagalpur Electric Supply	5	8	10-8*	8	6/00	6/00	6/03
£4,262,646	£21,040,641	£10,815,240	£173,696	£1,589,019	£100,524	3	90	Calcutta Electric Supply	7	7	7 1/2-7 1/2*	£1	14/25	14/12	15/00
8,80,040	22,18,493	1,17,141	32,604	151,465	63,899	3	202	Cuttack Electric Supply	6 1/2	7 1/2	10-10*	10	12/62	12/62	12/62
43,20,000	66,87,445	28,73,446	1,87,140	14,42,862	4,27,783	3	2	Dishergarh Power Supply P.	7 1/2	10	10-10*	100	88/00	88/00	93/00
5,34,640	17,29,086	96,513	95,409	65,283	3,590	3	168	Jhansi Electric Supply	6 1/5	..	..	10	5/90	5/90	6/00
22,49,550	66,50,948	29,21,749	6,35,563	2,89,909	33,302	3	32	Jubbulpore Electricity Supply	9 1/5	10	10-10*	10	11/25	11/25	11/00
4,95,000	6,70,324	2,24,149	1,09,770	46,495	39,015	3	258	Mirzapur Electric Supply	5	..	..	9	12/00	12/00	7/00
5,82,390	24,50,815	6,87,284	3,48,986	2,22,292	22,259	3	202	Muzafferpore Electric Supply	10	12 1/2	12 1/2-12 1/2*	10	12/25	12/25	11/75
6,99,700	13,47,574	1,14,377	2,15,991	83,864	18,988	3	329	Muttra Electric Supply	8	..	..	10	11/12	11/12	10/37
35,07,380	98,50,374	48,67,678	3,95,468	12,96,460	1,27,547	3	202	Patna Electric Supply	7 1/2	10	10-10*	10	10/56	10/56	10/87
9,10,000	8,77,208	2,86,692	3,19,022	1,58,687	17,201	3	202	Shahjahanpur Electric P.	5	6 1/2	6 1/2-6 1/2*	10	7/00	7/00	6/75
16,80,000	24,13,949	16,03,685	9,75,497	458,680	3,975	3	21	Sijua (Jherriah) Electric	7 1/2	10	9-9*	10	8/25	8/25	9/00
56,00,000	2,03,16,819	80,84,613	25,53,868	11,08,426	92,879	3	32	United Provinces Electric	10	11	11-11*	100	110/00	110/00	125/50
6,00,000	21,74,345	14,00,467	7,69,903	1,92,745	33,674	3	82	Upper Jumna Valley Electric	12 1/2	13 1/2	13 1/2-13 1/2*	10	14/06	14/06	14/75
ENGINEERING & METAL															
6,00,000	6,61,485	63,426	1,48,213	8,93,398	-1,52,122	12	300	Arthur Butler (Muzafferpore) P.	..	..	..	10	14/50	14/50	14/06
50,00,000	37,72,507	31,83,221	1,07,272	12,85,503	46,999	12	31	Bhartia Electric Steel	15	10	10	10	13/69	13/62	11/44
1,00,00,000	1,03,33,194	61,14,305	10,96,741	68,11,414	5,914	12	289	Braithwaite & Co. (India) P.	22 1/2	25	25	10	33/00	33/06	54/75
13,00,000	36,81,140	40,28,897	7,66,530	18,96,673	1,82,241	12	24	Bridge & Roof	30	30	30	10	52/25	52/25	52/25
19,88,670	33,56,748	1,09,796	1,86,939	1,80,146	-611,196	12	192	Britannia Building & Iron P.	6	Nil	Nil-Nil*	10	3/65	3/65	3/50
80,00,000	97,94,575	47,45,365	1,14,934	11,48,142	1,11,287	12	165	Britannia Engineering P.	10	10	10	10	10/37	10/37	12/81
15,00,000	12,12,276	14,63,600	14,598	12,02,402	94,447	12	24	British India Electric Cons.	25	45	20	10	33/12	33/12	42/62
84,00,000	3,32,64,561	2,76,84,425	40,25,787	1,39,62,242	1,08,751	4	82	Burn P. (Engineering)	28 1/2	28 1/2	28 1/2-28 1/2*	100	438/00	438/00	659/00
1,00,00,000	59,09,200	12,29,727	651,964	24,04,847	3,67,803	8	437	Calcutta Steel	5	15	15	10	13/69	13/37	..
80,00,000	1,12,20,938	24,09,000	2,06,672	22,94,248	1,09,021	8	434	Dalmia Iron	5	15	10-10*	10	11/00	11/00	11/87
4,00,00,000	6,44,65,941	6,76,06,738	2,02,29,683	1,04,26,284	..	12	227	Guest, Keen, Williams	24	16	14	10	34/50	32/75	40/87
12,50,000	19,90,579	23,85,648	47,073	-20,18,457	..	12	32	Hooghly Docking	12	Nil	Nil	50	102/00	102/00	111/00
12,44,08,990	63,85,01,942	27,24,83,378	2,11,93,832	9,18,78,416	24,72,163	8	32	Indian Iron & Steel P.	10	15	16-16*	10	22/40	21/60	25/84
3,85,000D	11,52,812	14,001	1,82,994	-4,15,836	-4,03,294	8	223	Indian Malleable Casting	6	Nil	..	50	6/00	6/00	6/00
1,54,00,000D	49,44,759	95,69,160	43,31,087	67,96,336	78,603	8	32	Indian Standard Wagon P.	28 1/2	28 1/2	28 1/2-28 1/2*	10	29/25	28/56	..
96,79,740D	3,27,37,933	2,72,79,486	1,63,11,480	39,84,802	2,31,048	3	122	Indian Steel & Wire Products	16 1/2	23	24-23*	100	40/50	39/00	48/00
12,00,070	8,18,350	1,41,916	2,530	6,15,154	45,148	12	24	Industrial Containers	12	17 3/20	17 3/20-15*	10	22/00	22/00	..
1,51,83,863	2,75,25,083	1,27,78,829	11,63,784	5,79,346	9,836	3	443	Jay Engineering	12	17 3/20	17 3/20-15*	10	24/25	24/25	..
40,00,000	59,72,635	35,85,700	10,46,960	20,45,860	86,647	6	132	J. K. Steel P.	12 1/2	20	20-10*	10	15/37	15/25	19/62
2,04,00,000	3,50,50,970	2,30,16,815	78,81,184	1,52,79,678	51,159	10	290	Jessop & Co. P.	8.58	8.58	8.58-8.58*	10	22/50	23/31	25/12
27,64,800	54,66,353	48,98,269	1,31,289	7,79,896	13,379	11	21	Kumardhubi Engineering P.	10	10	11 1/2	3	7/75	7/31	7/81
10,50,000	4,02,051	19,21,798	4,45,599	3,25,891	-5,63,688	8	170	Marshall Sons (India)	10	Nil	Nil	2	3/03	2/97	3/66
49,96,000	61,94,985	13,58,398	3,83,036	2,56,716	-4,42,917	8	192	National Iron and Steel	6 1/2	Nil	Nil-Nil*	10	4/12	4/12	5/56
6,00,000	10,13,254	18,86,375	1,40,370	6,90,089	11,859	8	28	Saran Engineering	7 1/2	8 1/2	10-12 1/2*	4	8/00	8/00	10/00
14,00,070	8,20,458	8,56,154	25,99,99	12,24,473	77,799	12	24	Steel Containers	..	30	20	10	19/75	19/75	..
1,50,00,000	2,73,21,766	61,87,433	13,28,341	62,01,525	62,642	12	22	Textile Machinery	20	10	10	10	23/65	22/70	23/30
SUGAR, BREWERIES, ETC.															
14,00,000	17,29,860	10,85,148	39,573	1,10,785	15,763	6	371	Balrampur Sugar	8	8	8-4*	2 1/2	2/19	2/19	2/56
29,23,537	25,29,299	11,36,627	10,02,614	5,72,506	3,552	9	234	Belsund Sugar	18 1/2	18 1/2	10	7 1/2	8/50	8/50	10/65
32,00,000	5,64,327	13,51,513	18,14,343	1,94,561	2,330	6	316	Bharat Sugar P.	..	..	..	10	13/00	13/00	13/05
32,00,000	45,72,835	43,34,048	27,81,820	33,71,567	3,71,540	1	29	Carew (Sugar) P.	Nil	Nil	Nil-Nil*	10	12/50	12/50	12/55
30,00,000	90,08,963	59,84,997	6,94,584	-21,74,424	-25,45,362	10	25	Cawnpore Sugar P.	Nil	Nil	Nil-Nil*	10	10/62	10/62	13/54
18,00,000	27,85,833	46,06,937	9,09,574	-9,07,232	-9,07,232	6	89	Champanar Sugar P.	15	15	12-12*	10	15/87	15/87	18/00
26,00,000	26,75,847	31,58,180	92,329	-1,36,348	12,948	8	295	Durbhanga	20	4	Nil	10	7/31	7/12	10/65
27,56,355	1,31,89,322	1,76,30,095	24,30,790	1,00,50,837	12,604	8	116	Dyer Meakin (Breweries)	18	25	30	5	28/00	25/75	48/37
11,00,000	8,45,722	3,75,000	10,90,564	98,437	62,206	6	140	New Savan Sugar and Gur	..	..	..	10	3/62	3/82	5/11
9,00,000	19,47,331	23,02,870	2,86,458	4,006	10,000	6	400	Purabpur Sugar P.	Nil	..	..	10	11/50	11/50	11/29
16,59,329	41,29,838	57,22,869	2,532	8,47,183	79,042	8	1	Ramnugger Cane & Sugar P.	21 3/7	30	35-30*	10	30/37	30/37	32/55
55,00,000	49,62,674	39,85,645	14,95,332	4,88,145	34,557	10	92	Raza Buland	12 1/2	12 1/2	10	10	10/25	10/25	10/57
6,00,000	6,07,239	7,72,778	3,77,844	6,24,492	13,204	6	28	Ryam Sugar P.	..	..					

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts Closed	Names	Dividends per cent	Paid-up Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		1960 1961	Rs.	24-4-63 17-4-63 A year ago
MISCELLANEOUS (Contd.)										
60.00.000	6,74,367	66,56,843	95,18,613	12,27,365	2,77,718	12	Octavius Steel P.	12 10	100	25/25 25/25 35/00
2,20,00,000	1,85,84,981	63,93,140	25,36,442	66,19,862	1,43,404	12	Philips India	12 12	10	25/25 25/25 24/75
2,86,200	31,000	5,92,800	2,80,533	4,74,296	82,858	8	Publicity Society	8 10	4	26/19 26/19 152/00
2,25,00,000	86,77,634	14,24,127	1,33,25,576	44,48,355	3,23,563	8	Rallis India P.	8 10	10	127/50 130/00 17/12
6,00,00,000	8,03,38,621	2,87,80,000	1,14,05,040	49,28,459	5,08,029	8	Robtas Industries P.	8 10	10	11/31 11/31 10/12
94,27,380	5,55,88,835	Nil	14,04,497	3,60,253	37,513	9	Sirsilk P.	9 10	10	8/44 8/25 19/50
70,00,000	2,31,09,587	58,67,480	20,33,664	23,36,729	13,552	9	Sen Raleigh Industries P.	9 10	10	14/00 14/00 22/81
75,00,000	1,05,26,889	41,88,000	1,77,92,109	47,78,759	8,97,294	12	Shaw Wallace P.	12 15	15	17/00 17/00 49/62
3,00,000	3,33,174	23,149	90,501	17,483	1,739	12	Shaw Wallace P.	12 15	15	0/94 0/94 1/60
2,30,00,000	5,97,89,163	2,48,69,275	24,48,825	83,20,569	42,35,939	12	Union Carbide	12 18	18	41/50 41/25 2/69
2,10,20,000	5,18,288	24,12,476	10,86,208	13,99,207	3,87,027	12	Walford Transport	12 20	20	2/44 2/23 4/08
8,40,800										
INSURANCE COMPANIES										
13,50,000	6,47,527	54,93,120	1,31,72,690	6,70,637	78,475	12	Concord of India	20 20	20	10/25 10/25 12/00
24,00,000	65,903	82,46,577	1,27,34,400	16,71,905	3,93,680	12	Hercules	20 20	20	25/00 25/00 24/25
32,00,000	7,51,382	1,15,82,907	2,08,14,578	12,75,071	4,95,149	12	Ruby General	10 10	10	8/82 9/06 8/87
8,00,000		21,62,072	27,92,406	51,893	12,241	12	Standard General	10 10	10	6/00 6/00 5/44
5,75,000	25,990	73,52,563	99,05,303	7,07,189	1,85,330	12	Triton	45 45	50	132/00 132/00 133/00
FLOUR MILLS										
12,00,000	4,80,900	26,61,133	10,62,993	7,30,069	1,68,614	12	Bengal	45 40	25	34/25 34/25 38/62
5,80,000	6,51,040	2,47,038	2,17,808	1,05,473	1,26,880	10	Delhi P.	10 10	10	14/00 14/00 14/00
49,90,137	47,18,433	77,72,310	56,85,368	33,61,767	4,07,338	9	Ganesh P.	12 12	12	15/75 15/75 19/50
9,00,000	4,38,798	4,52,392	24,041	6,269	4,336	12	Hooghly	27 15	Nil	19/75 19/75 19/75
5,00,000	2,92,235	6,61,791	3,26,240	1,14,554	10,571	11	United	52 35	10	30/00 30/00 38/00
OIL COMPANIES										
22,800,000	22,383,591	21,700,442	25,07,503	21,073,511	2100,742	12	Attock Oil	13 13	13	sh. 32/9 sh. 32/6 sh. 24/6
282,419,980	255,843,356	212,750,909	213,148,421	218,446,053	2582,961	12	Burmah Oil P.	12 12	12	sh. 50/10 sh. 49/6 sh. 32/6
1,00,00,000	56,10,976	2,56,15,353	3,11,16,346	53,36,353	5,00,220	12	Indo Burmah Petroleum P.	25 30	25	23/00 23/00 29/50
6,00,000	2,79,005	9,89,137	5,10,241	4,10,168	92,708	10	Tide Water Oil	22 30	35	26/75 26/75 24/06
PAPER MILLS										
45,00,000	1,00,03,801	62,77,149	4,73,511	41,43,085	1,40,204	12	Bengal P.	32 32	27	10 29/37 29/50 33/31
88,20,000	1,18,96,097	84,80,934	10,29,515	23,47,414	46,493	3	India Paper Pulp	10 15	13-12	10 17/44 16/69 21/25
1,57,83,688	6,50,00,000	3,92,78,014	59,38,470	1,41,20,011	2,25,579	3	Orient Paper P.	15 22	22-22	10 35/15 34/00 43/45
1,25,51,920	4,31,23,667	1,49,74,373	71,97,860	56,83,929	31,55,667	12	Shree Gopal Paper P.	17 17	17	10 23/56 24/50 25/81
2,18,55,240	4,62,89,369	72,10,000	6,79,140	33,33,898	99,729	6	Sirpur P.	6 8	8	10 12/50 10/12 15/31
90,00,000	3,54,48,618	651,143	4,35,582	703,201	3,97,323	9	Star Paper P.	3 Nil	..	10 10/06 10/06 11/06
10,00,000	4,37,500									
56,00,000	4,96,82,144	3,30,31,629	21,85,432	11,38,443	58,939	3	Titagur P.	10 10	13-13	24/00 3/78 3/78 41/62
66,04,800										
1,50,00,000	4,95,97,051	85,00,000	1,73,732	58,44,196	17,196	6	West Coast P.	25 25	20-10	10/00 16/87 16/25 41/62
PRESSING COMPANY										
4,30,000	1,81,531	1,45,000	5,34,786	65,294	24,928	7	Camperdown	11 11	11	100 104/00 104/00 100/00
REAL PROPERTY STORAGE										
10,00,000	14,75,599	7,71,511	6,55,848	1,14,879	3,609	4-10	Bengal Bonded Warehouse	5 11	8-8	A500 1,050/00 1,050/00 610/00
1,25,000										B621 135/00 135/00 77/25
2,00,000										C100 122/00 122/00 122/00
25,000										D121 14/15 14/15 14/75
7,42,150	11,69,346	4,28,135	33,823	81,259	3,142	8	Calcutta Safe Deposit	.. ..	..	100 8/00 8/00 7/25
1,90,00,000	19,85,068	9,01,590	13,43,272	3,61,779	1,33,593	9	Humayan Properties P.	8 6	..	100 11/00 11/00 11/00
2,00,00,000										1Dd 2/15 2/15 2/15
7,99,00,000	13,373	Nil	13,17,910	85,757	21,89,035	4	Midnapore Zemindary P.	Nil Nil	Nil-Nil	85 10/12 9/25 9/56
TRAMWAYS & STEAMER										
20,00,000	29,74,805	27,13,587	10,28,887	3,59,472	11,765	10	Bengal Assam Steamship P.	3 7	7	100 100/00 106/00 118/50
8,25,000	5,95,186	6,22,000	4,23,387	1,34,197	16,391	10	Calcutta Landing & Shipping	3 3	3	10 34/00 30/00 13/3
12,80,000	29,78,412	13,83,110	42,995	23,490	42,629	8	Calcutta Steam Navigation	10 10	Nil-Nil	10 10/00 10/00 12/3
2,700,000	22,937,716	21,560,862	2,815,662	2,105,509	21,407	12	Calcutta Tramways P.	7 7	..	10 11/06 11/06 11/5
6,04,880	6,97,967	5,56,706	33,440	1,20,096	—387	3	Fraser	Nil Nil	..	10 10/00 10/00 10/00
6,65,580	21,970,808	2,435,896	2,419,913	—280,908	—284,254	8	India General Nav. & Railway P.	Nil Nil	..	10 88/50 68/50 64/0
1,47,50,000	18,80,58,821	1,57,51,783	1,36,10,384	—41,42,006	—41,42,006	8	India Steamship P.	10 10	Nil-Nil	10 6/25 5/94 7/1
14,08,220	13,34,304	74,870	7,851	—62,391	—4,06,480	12	Port Shipping	Nil Nil	Nil	10 12/50 11/69 10/6

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CAPITAL

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75th YEAR OF ISSUE

CALCUTTA, 2nd MAY, 1963.

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BANKS: AN UNDERCURRENT OF ANXIETY

BARELY a year ago, prophecies were being confidently made that the profits of banks in India would be a good deal bigger in 1962 than they had been in 1961. Deposits were increasing at an encouraging pace after the temporary setback suffered in the wake of one or two important bank failures in 1960. The demand for advances was strong, reflecting the expansion of trade and industry and the growing monetisation of the economy. In spite of occasional disputes, the banks were achieving considerable success in their years-old effort to hold down interest rates on deposits while increasing interest rates on advances. The net effect of all these developments, it was thought, would be that the growing prosperity of the banks would be greatly accelerated; India would then have taken a major step forward towards getting herself a sound, vigorous and enterprising banking system. The annual statements made by the chairmen of Indian banks to their shareholders so far this year, however, indicate that the high hopes of early 1962 have not come true. Gross earnings have risen substantially. But operating costs have shot up too. The result is that in most banks, if net profits have increased at all, the increase is only marginal. The brave effort to maintain dividends has not always been successful.

Against this background, it is not very surprising that the feature of the bank chairmen's speeches this year should be a deep undercurrent of anxiety. Mr. V. P. Varde, of the Bank of Maharashtra, has expressed it bluntly by saying that "we have been passing through critical and uncertain days." Sir Homi Mody, of the Central Bank of India, has mentioned that the profitability of the banking industry is being threatened from several directions. In contrast, Mr. Tulsidas Kilachand, of the Bank of Baroda, has been more circumspect: he hopes that his Bank will continue to make the progress which it has striven hard to achieve during the past few years, although he does not clearly state the factors on which his hopes are based. A surprisingly large proportion of the other bank chairmen have offered no forecast at all. They have confined themselves to a rather routine narration of their woes and worries, without being very precise about how these ought to be tackled. It is recognised that the crux of the problem facing banks in India is: (1) to keep their operating costs down; and (2) to garner more deposits in order to increase turnover and profits. But on both these points the bank chairmen's statements reflect a remarkable dearth of fresh ideas. The rise in costs appears to be accepted as more or less inevitable—as something the banks have got to learn to live with. As for the growth of deposits, the general attitude seems to be that it is as much a matter of luck as of the banks' own efforts; all the banks need to do is to keep their doors open four hours a day, in the hope that potential depositors strolling by might one day lose their way in.

The helplessness is in part a by-product of the current economic mood. During the first nine months of 1962, bankers had the pleasure of seeing their deposits grow quite rapidly. Since the

Chinese attack in October last year, the growth has been negligible. But hardly any of the bank chairmen have cared to analyse in detail what the reasons for the slow-down might possibly be. Dr. N. N. Law, of the United Bank of India, rides an old hobby-horse by insisting that deposit rates should not be allowed to rise. Other bankers mourn the shift from current deposits to time and savings deposits (on which interest rates are higher). Yet others pay the customary lip-service to the need for branch expansion. But the basic question remains unanswered as to why, at a time when the currency in circulation has been increasing rapidly due to heavy deficit financing, the growth of bank deposits has suddenly slowed down. It is arguable that the liquidity preference of the public has increased in a period of uncertainty, although the relatively minor scale of speculative hoarding in the commodity markets indicates that the feeling of uncertainty cannot be all that strong. The more important explanation, it has been suggested, may be that the money has found newer and more profitable uses outside the banking system, for example as deposits with trade and industry. In that case, the interest rates which banks offer would have to be improved before deposits again start to grow. The point is one which bankers could usefully have investigated; it might have led them to revise their ideas on deposit rate ceilings.

For the time being, admittedly, the question might appear to be of secondary importance. The stiff new taxes imposed in the Central Budget, combined with the compulsory savings scheme, threaten to stop the growth of deposits altogether, regardless of the deposit rates the banks may offer. The bank chairmen have been noticeably timid in their comments on the possibility, although it is known to be worrying them deeply. Mr. Kilachand has suggested that the services of the banks should be used for collecting compulsory savings, which sounds reasonable. Other reports, however, indicate that the State Bank might be saddled with the herculean and expensive privilege, which it may not welcome with joyous abandon. It seems sensible that, if such a huge draft has to be made on the people's savings, the existing media for those savings should not be embarrassed by a sharp depletion. Under the latest amendments to the compulsory deposits scheme, something has been done for the Life Insurance Corporation and small savings organisations. But the banks, along with these institutions, are still going to be badly hit by the scheme. For the banks particularly, the point is of major importance since the new taxes and the compulsory savings scheme together are likely in the end to affect mainly those classes of people who have traditionally been their best depositors.

The danger is that if deposits suffer, the incentive for banks to go in more vigorously for branch expansion programmes is likely to be reduced. Not only will less money be available for investing in such programmes; the feeling might spread that the draft on private savings has been so great

that there are no deposits left to mobilise. Much of the vigour shown in branch expansion over the past year or two has been inspired by hopes that profits would rise fast enough for financing such expansion. Those hopes are already beginning to be revised since the growth of profits has been sharply retarded. Now the fear is widespread that advances cannot be increased since the advance-deposit ratio is already high enough. Nor can interest rates on advances be raised much further without accentuating the cost inflation in the economy. The expenditure on staff, which has already jumped up sharply during the past year, is likely to increase still more. Finally, the adjustment to the dearer money policy has probably not yet been completed; considerable sums may have to be set apart for covering the depreciation on investments. Above all, there is the dark ogre of the super profits tax which has been threatening to play havoc with banking profits; only later will it be known whether Mr. Desai's amendments are going to reduce the burdens of the super profits tax for all banks appreciably. Present indications are that banks which have been transferring large sums to reserves will be reasonably well off, but others will suffer a considerable additional liability.

For the time being, the effects of a shortage of banking funds may be alleviated by special measures, such as those for the rediscounting of export credits and advances to small-scale industries. But these are minor palliatives, and the longer-term problem of the banks being able to mobilise their own resources remains. Although the fiscal climate is unfavourable, there is still scope for the banks to show greater initiative and enterprise in tackling their problems. The unit cost of staff could be reduced in the process of branch expansion by transferring surplus employees to new areas. Fresh ideas could be devised for attracting customers; among the few such ideas mentioned in the bank chairmen's statements this year are those concerning mobile banks and the credit transfer system. Finally, the range, speed and quality of banking services could be greatly improved. Admittedly, some of these improvements depend on the discipline and efficiency of bank employees. But the wide differences between banks in terms of the quality of the services they provide indicate that in a number of cases the managements themselves are not entirely blameless. In an era of stronger competition for deposits, efficiency may prove to be the pre-condition for expansion.

In his address from the chair at the annual meeting of the Indian Banks Association in Bombay a few days ago, Mr. Tulsidas Kilchand has spoken in some detail about the increase in Bank rate from 4 percent to 4½ percent at the beginning of 1963. He thinks that the rise was agreed to largely because of persuasion from the International Monetary Fund, the World Bank and other international financial authorities. The consequences of the dearer money policy, however, have not been analysed in any detail. The use of the interest rate as an anti-inflationary weapon need not be questioned. But the fact is that the effectiveness of monetary control in India is very limited since a large volume of credit comes from outside the organised sector. The fact that inflation has not been checked in recent years shows that monetary and fiscal measures by themselves cannot produce results. There is no clear evidence that savings have risen in proportion to the increase in interest rates. The growth of voluntary savings in fact is certain to slow down with the heavy financial burdens imposed by the 1963-64 Budget. The adverse effects of a further rise in Bank rate, therefore, need to be properly appraised. This country already has a high-cost economy; the rise in production costs has not only promoted inflation but has also retarded the expansion of exports. This apart, the steady increase in interest rates has led to distortions, in that Government undertakings have to a large extent been insulated from the consequences by being able to get their requirements from the State Bank at concessional interest rates while the private sector has been forced to borrow at far higher rates of interest.

Many wonder whether the Government will this year again raise the rates of interest on its

borrowings in response to the increase in Bank rate. Institutional investors, such as banks, provident funds and the Life Insurance Corporation, might benefit from higher rates of interest since they have been forced to invest substantial sums in Government securities, but the benefit will be reduced by the depreciation in the value of existing investments. The Government will have to increase its borrowings in order to finance development and defence. Since the burden of servicing the public debt is already heavy, it is questionable whether the rate of interest on Government loans can be raised further. The rise in debt servicing charges has already necessitated heavier taxation.

The outstanding weakness of the Government's borrowing programme is that the securities market has been seriously debilitated. In recent years, official flotations have had to be supported heavily by the Reserve Bank itself. If

popular interest in Government securities is to grow, two measures are necessary to revive the market. The first is that the Reserve Bank should operate in the open market more frequently. Along with the State Bank, it should consider lending funds, especially to scheduled banks, against Government securities at Bank rate. The need for such a move is emphasised by the growing pressure on banking resources. Since bank funds are fully employed for financing the legitimate credit requirements of trade and industry, banks have to be offered additional credit if they are to increase their investment portfolios. The second change which is required is that dealers should be able to borrow funds from banks against Government securities by paying concessional rates of interest. If additional funds are provided for buying securities which can be bought and sold freely, institutional investors will be encouraged to put more money in Government loans.

PROBLEMS OF PAPER INDUSTRY

CONSIDERABLE significance attaches to the speech of Mr. I. A. Macpherson, chairman, at the annual general meeting of Indian Paper Makers Association in Calcutta last Friday. Although investors in paper shares have been rewarded sufficiently in the past, they have grounds for taking a cautious view about the future outlook, considering that the development during the past two years has been much slower than was expected. The public has been feeling the shortage of paper since the emergency was declared towards the close of 1932. Not only has the supply fallen far short of the demand during recent months, but the prospects of any big improvement in the near future are also poor. Mr. Macpherson has pointed out that the shortage has arisen because of the increase in Government demand. (A full text of the speech is printed on a later page in this issue of *Capital*.) Since the Government's take of printing and writing paper is substantial, some shortage is expected to continue in the market, at least for the time being.

The most disturbing factor is that the profitability of the industry has been affected by the uneconomic prices of paper which have been statutorily fixed by the Government. Since paper prices were fixed at the beginning of 1960, there has been a steady decline in the support for these shares. In fact, the shares of several new companies have been quoted substantially below their par value. Although paper prices were raised by 60p a kilogram from 21st June, 1962, the increase has not covered the rise in production costs. This apart, the decision of the Government to permit only a return of 12 percent on the capital employed in pursuance of the Tariff Commission's recommendations is regrettable, since such a small return leaves no scope for ploughing back funds into the business for expansion, modernisation and rehabilitation. Furthermore, the return in this industry compares poorly with that of other industries. For 1961-62 the percentage of gross profits to sales in the paper industry has been only 11.4, compared with 11.5 in other industries, whereas the percentage of gross profits to total capital employed amounts to only 8.9, compared with 9.83 in other industries. Again, the profitability of share capital as measured by the ratio of profits after tax to net worth has been well below the average for other industries. For 1961-62 it has amounted to only 7.8 percent, compared with 9.5 percent in other industries. Out

of the total profits of the paper industry for 1961-62, only 20.1 percent has been allocated to reserves, compared with 32.2 percent in 1959-60.

Since the production costs are barely covered by the selling prices, it has become difficult for the industry to fulfil the target set for it in the third plan. At the beginning of the first five-year plan, the production of paper and board was about 137,200 tonnes. It is expected to amount to 400,000 tonnes in 1962-63, but, meanwhile, the demand has also gone up, being estimated at about 579,000 tonnes. Assuming that the rate of production will rise annually by 70,000 or 80,000 tonnes during the next three years, the output at the end of the third plan may be about 550,000 tonnes, which falls short of the target of 711,200 tonnes. Manufacturers cannot plough back sufficient funds into the industry for expansion and modernisation. Since the profitability of the industry is very limited, it has become difficult to attract fresh capital. The new units have been more handicapped, considering that they require a much heavier capital investment a ton of capacity than the long-established mills. The latter have been responsible for the major part of the existing production. The cost of erecting a ton of capacity has been estimated at Rs. 3,000 in the case of a new unit. Thus it will cost nearly Rs. 9 crores to set up a new unit with a capacity of 30,000 tons. The depreciation of such a unit will work out to about Rs. 90 lakhs a year. In the circumstances, a return of only 12 percent on the capital employed is too small. It is not difficult to understand why the expansion of the industry during the past couple of years has fallen below schedule. Judging by current indications, it will call for great optimism to say that the third plan production target will be achieved.

The disappointment of the investors has been the greater because the 1963-64 Budget has placed a heavier tax burden on the industry. Notwithstanding the concessions made in the super profits tax, the impost is bad in principle and may aggravate inflationary tendencies. Mr. Macpherson even hints at the possibility that the total tax burden may convert profits into a debit balance. In any case, several industrial units will find it extremely difficult to meet their loan commitments. There has, meanwhile, been a substantial rise in the cost of borrowed funds because of the dearer money policy. He has also listed the various difficulties facing the industry. Although several types of plant and equipment are manufactured in India they are not generally available on credit. It is time that the domestic producers of plant and machinery considered the possibility of selling their goods on credit terms such as are available from foreign suppliers.

The prices of several raw materials used by the industry have increased considerably. Bamboo has become very expensive and the State Governments concerned have demanded high royalties for the leased areas. The State Governments should consider developing their forests on more healthy and scientific lines in order to promote the supply

of bamboo and other products. Steps should also be taken to ensure the supply of various chemicals to the paper industry at reasonable prices. The cost of coal has moved up because a large part of it has to be transported by road. Besides, the deterioration in its quality has pushed up manufacturing costs. Experiments are being made to

use unconventional raw materials like bagasse, jute sticks and some hardwoods. But it will involve considerable capital expenditure to remodel the existing plant and equipment before any profitable use can be made of these materials. The change-over will also involve considerable foreign exchange expenditure.

NEW GOVERNMENT LOANS

THE borrowing programme for 1963-64 announced by the Central Government on Monday has caused no surprise since it is in accordance with expectations. In fact, the Reserve Bank has been grooming the securities market for the new loans since the beginning of last week. Apart from buying only a few selected short-dated securities, the Bank stopped all open market operations from Tuesday of last week. All switch deals have been suspended but the Bank continues to buy outright the 3½ percent loan 1964 by raising its price from Rs. 99.25 to Rs. 99.40. The increase has been made to bring the purchase price of the Bank in line with the market trend. Considering that good institutional support has been forthcoming for this loan during the past few days because of easier money conditions following the end of the busy season, turnover in this loan has been small in the absence of sellers. The Bank has also been buying the 3 percent loan 1963-65, the 3½ percent loan 1963 and the 3 percent loan 1964. The Government has suspended selling the 4½ percent National Defence Bonds 1972.

Two new loans have now been offered. The 4 percent loan 1969 has been issued at a price of Rs. 99.50 percent and is repayable on 8th May, 1969; the 4½ percent loan 1986 has been issued at the par value of Rs. 100 and is to be repaid on 8th May, 1986. These loans have been offered to the holders of the 3½ percent loan 1963 and the 3 percent loan 1963-65 for converting their holdings. The total sums outstanding are Rs. 116.17 crores on account of the 3 percent loan 1963-65 and Rs. 58.06 crores on account of the 3½ percent loan 1963.

The terms of the medium-dated 4 percent loan 1969 are attractive in that the interest offered is higher than what is available on the existing comparable securities. The running yield of this new loan is 4.02 percent and the redemption yield is 4.10 percent, while the existing 3½ percent loan 1969 gives a running yield of only 3.61 percent and a redemption yield of 4.04 percent at the current price of Rs. 99.50. Hence it is possible that the prices of the existing medium-dated securities will move downwards in order to align themselves with the new medium-dated loan. Since banks, in particular, are interested in securities with short maturities, the new medium-dated 4 percent loan 1969, the terms and conditions are similar to those of the existing comparable securities. During 1962-63, a similar loan—the 4½ per-

cent loan 1985—was issued. The new long-dated loan may suit the interests of the Life Insurance Corporation, provident funds and similar institutions who generally want to derive higher returns by investing in long-dated securities. In any case, the response to the conversion offer is expected to be satisfactory.

The higher interest offered on the new medium-dated security suggests that the Government is determined to continue the dear money policy, at least for some time. Hence the cost of institutional credit is likely to harden in the coming months. Since the pressure of the busy season started wearing off from the middle of April, the supply of interbank money has been easier. The call rate has also moved down. But the benefit of a decline in the call rate is unlikely to be passed on to the ordinary borrowers of institutional funds.

The offer of two loans for conversion at this time of year has obviously been made in view of the fact that the 3 percent loan 1963-65 and the 3½ percent loan 1963 will mature soon. They will be accepted for conversion at par and interest thereon will be paid at 3½ percent and 3 percent a year up to and inclusive of 11th May and 31st May, respectively. The interest on the new loan will be liable to tax under the Income Tax Act. Subscriptions for the new loans will be received from 8th May to 18th May. Since these loans have been offered only for conversion, it is obvious that the Government will issue further new loans later to collect cash subscriptions. A borrowing target of Rs. 400 crores has been set for 1963-64. Of this, a sum of Rs. 100 crores will be raised by the Central Government on behalf of the State Governments, since a combined borrowing programme for the Central Government and the State Governments has been decided upon. Incidentally, it may be mentioned that the State Governments will have to repay loans to the extent of Rs. 38.67 crores during 1963-64. The Central Government will have to repay a sum of Rs. 5.38 crores on account of the 2½ percent Hyderabad loan 1963-63. It is expected to come out with the second tranche of loans for cash subscriptions in a couple of months' time when money market conditions are expected to be easier. The later borrowing programme may include a short-dated loan designed to attract bank funds. In order to suit the Life Insurance Corporation and provident funds, two more loans—one medium-dated and another long-dated—are likely to be offered at the second stage of borrowing.

Current News and Comment

Cloth Output Down, Stocks Up

The output of cloth by Indian mills in March is provisionally placed at 402 million yards, compared with 369 million yards in the preceding month, and 416.97 million yards in March 1962. The March figure brings the total production for the first quarter of the current year to 1,181 million yards, which compares with 1,249 million yards in January-March 1962 and is the lowest for any quarter last year. Yarn production in March is placed at 159 million lbs, compared with 147 million lbs in February and 159.7 million lbs in March last year. The total output of yarn in the first quarter of this year at 466 million lbs is nearly 10 million lbs less than the corresponding figure for 1962, and is also the lowest for any quarter last year. The cotton textile industry's perfor-

mance in the matter of production is far from creditable when viewed in the context of the national emergency. The setback in cloth and yarn output is indeed difficult to appreciate, especially when the cotton supply position is known to be much better than in the previous season. Cloth output in the last quarter of 1962, when the industry was faced with an acute shortage of cotton on the one hand, and huge accumulation of cloth stocks on the other, was higher than in the first quarter of 1963. Can it be that the industry does not find the existing profit margins sufficiently attractive for stepping up its production?

Cloth stocks with the mills, which had registered a substantial decline of 198,700 bales of 1,500 yards each during January and February,

are up again in March by 30,900 bales at 332,000 bales. Unsold stocks have risen from 180,830 bales to 191,000 bales, and there has been an increase of 20,700 bales under "sold but delivery not taken" from 120,300 bales to 141,000 bales. Unsold stocks of yarn have also recorded a sizable increase of 4,800 bales (of 400 lbs each) from 32,800 bales to 37,600 bales.

Shipments of cotton piecegoods from the Bombay port, which usually account for nearly 90 percent of India's total export trade in cotton textiles, are provisionally placed at 44.75 million yards, valued at Rs. 3.4 crores. This compares favourably with 39.52 million yards worth Rs. 2.5 crores in the previous month and 34.59 million yards valued at Rs. 2.8 crores in March last year. The March figure raises the total for the first quarter of the current year to 132.01 million yards, valued at Rs. 9.3 crores, compared with 127.27 million yards worth Rs. 10.2 crores in the corresponding period last year. It is significant to note that while the quantity of cloth exported is larger, the value is lower. The average price realised during the first quarter of this year works out to 70p a yard, compared with 80p a yard in corresponding period last year. The steady fall in prices from about the middle of last year shows that the mills have been compelled to offer their goods at progressively lower prices in order to fulfil their commitments under the compulsory export schemes.

Handloom Fabrics Exports Rise

Exports of handloom fabrics from India during the 11 months ended February 1963, are valued at Rs. 12.4 crores, compared with Rs. 1.2 crores in the corresponding period of last year and Rs. 11.1 crores in the full year 1961-62. The improved performance of handloom fabrics is in marked contrast to the sharp fall in the exports of mill-made cloth during this period. While there was some decline in exports of the former to the traditional markets in 1962, there was a significant increase in exports to the non-traditional markets, namely, the U.S.A. and Continental countries. The setback in exports to traditional markets is due partly to the development of textile industries in these areas and partly to competition from Japan and Hong-kong which produce cheaper quality imitation cloth.

The All India Handloom Fabrics Marketing Co-operative Society, Bombay, has appointed a number of commercial travellers with a view to stepping up the exports of handloom goods to new areas in addition to the emporia already in existence in Aden, Colombo, Kuala Lumpur, Singapore and Jaffna. In order to ensure quality which is essential for export promotion, the Government has introduced pre-shipment inspection and quality marking scheme for handloom fabrics. This is compulsory in the case of "Bleeding Madras" and Etawah bedspreads. The Export Promotion Advisory Committee for handloom goods set up last October, it is reported, has made several useful suggestions for stepping up exports of these goods. Reliable reports indicate that the Government of India is trying to include specific quotas for handloom fabrics in bilateral trade agreements.

Industrial Progress Impeded

The main point of Mr. S. T. Sadasivan's address at the annual general meeting of the Indian Chamber of Commerce, held in Calcutta last week, is that the country will not be able to pursue its defence effort successfully as long as industrial production does not substantially rise. In fact, the international prestige of nations is ultimately judged not by their ideological policies but by their productive power and their economic strength, he emphasised. "The development and maintenance of a modern fighting force involves a tremendous increase in the productive capacity of a country, as also a very large expenditure on that account." He referred to the Prime Minister's statement that in preparing to meet the Chinese threat, the nation cannot afford

India's Resources

are Precious

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the risk of slowing down its economic progress. Yet ideological concepts are still paramount in influencing Government decisions in matters affecting industrial growth, and there is no evidence of new industries coming up. The pace of economic progress has distinctly slowed down.

Already there has been a decline in the rate of increase of the per capita national income, the index number of which rose from 111.9 in 1959-60 to 117.7 in 1960-61, but fell to 117.5 in 1961-62. The index number of national income at 1948-49 prices, which increased from 137.1 in 1959-60 to 147.4 in 1960-61, stood at only 150.5 in 1961-62. Mr. Sadasivan said that this emphasised the need to raise production expeditiously. Shortages have developed in all the key sectors of the economy, and the task of keeping prices under check is becoming increasingly difficult. The solution, however, does not lie in imposing more controls, because controls, far from holding the price line, would lead to corruption and create more unbalances in the economy. The Government should, therefore, concentrate on removing the difficulties which stand in the way of larger production.

Output can be increased by investing more in industries. But the Government's taxation policy continues to discourage capital formation and investment. The additional levies proposed in the 1963-64 Budget will raise the cost of new industries as well as of all expansion projects. Manufacturing costs will continue to increase because of the excise duty on raw materials, import surcharges and higher transport costs. The methods adopted to raise additional revenues strike at the root of the expansion of the corporate sector. The monetary policy of the Government has also been affecting industrial expansion adversely. Restrictions on bank credit have been tightened. The Reserve Bank has, no doubt, to control credit in the interest of stability, but this should be done after ensuring availability of sufficient funds for genuine productive purposes. If the banking system is not able to provide sufficient credit because of inadequacy of deposits, the Reserve Bank should help by making more money available through the bill market scheme, rather than impose overall restrictions on advances.

The Bokaro Impasse

The idea of U.S. aid for Bokaro has run into a curious impasse. As far as is known, India has still to make a formal request for assistance to the Agency for International Aid, for which in any case there has not been much time. The report of the U.S. Steel Corporation team was received only a few days ago in New Delhi, and its examination could hardly have begun at the policy level since Mr. Subramaniam, Minister for Steel and Heavy Industry, was away in Austria and West Germany to sign the credit agreement for Rourkela's expansion. Yet the A.I.D. chief, Mr. David Bell, has announced from Washington that consideration of India's "request" has been "indefinitely" postponed.

But what does "indefinitely" connote? Basing again on published reports, one assumes that negotiations on Bokaro are to commence this month as soon as Mr. William Gaud, head of A.I.D.'s far-east division, can make the time to come to New Delhi. He had earlier been expected in India this week along with Mr. Dean Rusk but is now to come only towards the end of the month. A beginning may, however, be made earlier if Mr. Subramaniam chooses to discuss the issue with Mr. Rusk. Is one, therefore, to assume that "indefinitely" means only until the talks are concluded? If so, "indefinitely" was hardly appropriate, and one can only guess that its choice was prompted by the desire to put Congressional critics off the scent. Ever since General Clay and his committee, consisting of bankers and others of proved probity, took exception to the use of the U.S. taxpayers' money to support the building of socialist edifices like Bokaro, the Administration has been painfully searching for alibis.

First came Professor Galbraith's statement, released simultaneously with the Clay report, that its objections did not really apply to Bokaro because

there was ample room in India for both public and private sector steel plants. Then followed Mr. Bell's own statement to an N.B.C. television network that A.I.D. had been assured by the Indian Government that every encouragement would be given to private sector plants to expand to the limit of their capacity. Just before this television statement, Mr. Galbraith had said in New Delhi that the "only right, responsible, and practical course" was to entrust the construction of Bokaro to an American firm, as also its management for a "considerable" period. Commentators noted at the time that if American control was a pre-condition to aid, this could have been put across more discreetly during the course of negotiations. But then the critics were unaware of the pressures which were presumably at work. An advance assurance of a lucrative contract to the interested American firms was undoubtedly reckoned as an asset in the uphill task which the U.S. Administration faces in getting aid for Bokaro through Congress. Personal predilections of the Ambassador may have pointed in a different direction but he, and the many others interested in seeing Bokaro go through, perhaps considered it prudent to take one step backward to go two steps forward. Apparently, the one backward step has not been sufficient to assuage feelings, and a further retreat has been considered necessary so much so that a bold and indefinite postponement has had to be announced.

Where does this leave us in India? Bokaro, as Mr. J. R. D. Tata said, is an "important" project which the U.S.A. should aid without any hesitation since it would not come in the way of the private sector steel plants. The flat products that Bokaro is to make are indisputably needed by the economy. If the U.S.A. should now drag its feet and there is a long period of wait-and-see before a commitment is made, the delay and the sense of frustration will detract from the impact that this showpiece was intended to achieve.

Prospects for Fruit Preservers

The prospects for the fruit preservation industry have vastly improved following the large army orders for canned foods. But unless official policy towards this enterprise is suitably modified to make allowance for the seasonal character of its products, the industry may not be able to reap the full benefit of the improved conditions. An interesting analysis of the prospects as well as problems of the food preservers in India was made by Mr. K. U. Patel in his speech from the chair at the recent annual conference of the All India Food Preservers Association. He pointed out that the absence of any emphasis on protective foods such as milk, eggs, vegetables, fruit and fish was a serious flaw in the third plan. The result is that in the battle between cash crops and cereals, nutrition has been a casualty. It has possibly escaped the notice of the planners that "fruit trees can be grown at places where cereals cannot be grown."

Mr. Patel gave examples of countries which have made rapid strides in this enterprise. But Indian industry is still to grow out of its infancy. Taking the case of pineapple alone, Mr. Patel pointed out that in the tiny islands of Hawaii, there were as many as 70,000 acres under this fruit in 1957, compared with 15,000 to 20,000 acres in the whole of India. Malaya increased her pineapple fruit area from 23,900 acres in 1946 to 45,500 acres in 1957, and 80 percent of the crop in that country is canned for export. South Africa has increased her pineapple production by 50 percent in five years. The Australians, who took to its cultivation only recently, have also made phenomenal progress. But in India, the majority of licensed fruit preservers, numbering less than 1,000, are working on a small scale basis. Mr. Patel suggested that the Indian industry could develop rapidly if only it received assistance and encouragement from the Government.

Discussing some of the immediate problems, Mr. Patel said that a serious one arose from waste in transit. The railways have neither listened to the plea for introducing refrigerated vans for transporting fresh fruit and vegetables nor sup-

plied well ventilated and insulated wagons. Rising costs pose another serious problem. The subsidy of Rs. 500 a ton on tinplate, which had been granted to the industry as a result of many representations, has been withdrawn since 1st April, 1963. This would correspondingly raise the costs which are already higher than those of other countries. Sugar costs 200 percent more, while cases and labels are equally more expensive; the costs of colours, chemicals and other items which are imported, are also higher. These are serious disadvantages from the export point of view. One more has been added by the authorities' latest decision that whatever stocks of cans are available in the country should be used for meeting defence requirements, and that cans should not be supplied for civilian and export packs. This decision has been taken because the country is unable to import tinplate in sufficient quantities. But it has hit the domestic civilian market and the export drive.

Hemp Exports Rise

In his speech from the chair at the annual general meeting of the Indian Hemp Association in Calcutta on Monday, Mr. G. S. Poddar said that Indian hemp exports increased to 51,610 bales in the July 1961-June 1962 season from 15,818 bales in the previous season. There is, however, no room for satisfaction over this performance, since exports are still much lower than those in 1957-58 (83,531 bales) and in 1956-57 (125,792 bales). The United Kingdom continues to be the single largest buyer of Indian hemp, while the United States, West Germany and France are other important consumers. The 1961 crop, Mr. Poddar said, amounted to about 60,000 bales of Banaras and 20,000 bales of green hemp. The slight rise in the price is responsible for a larger crop sown, and the new crop, it is expected, will yield about 50,000 bales of Banaras and 20,000 bales of green hemp. There is at present a good demand for Indian hemp in foreign markets, so it will not be difficult to export the entire crop of the season. While it is necessary to increase exports, steps should be taken to enable Indian hemp to stand competition from such substitutes as Russian and Chinese flax and tows.

The cost of Indian hemp, Mr. Poddar said, is steadily going up because of the heavy expenses incurred by the trade in fulfilling various formalities connected with agmark, cost of labelling, enhancement of freight rates, increased port charges, levy of sales tax and increase in baling charges. The Ad Hoc Advisory Committee appointed by the Government of India investigated the causes for the recent decline in hemp exports. Although its recommendations have been accepted by the Government, no action has been taken to implement them. Exporters, therefore, continue to incur expenses in fulfilling various formalities. Complaints are often made against Indian shippers, that they are unable to maintain deliveries in terms of the contract entered into with foreign buyers. This is mainly due to the delay in the movement of sann hemp offered for despatch to baling centres.

Mr. Poddar said that hemp meant for export should be treated on the same basis as cotton textile exports and should be given the same priority at the time of movement from despatching stations. The Association has repeatedly urged the Government to upgrade the movement of hemp in the list of preferential traffic. This matter was also examined by the Advisory Committee which endorsed the Association's suggestion to the Government. In spite of this, members continue to experience difficulties because of the irregular and inadequate allotment of wagons. Mr. Poddar says that there should not be any delay in the movement of hemp to baling centres if exporters are to maintain deliveries in terms of their contracts with foreign buyers.

Problems of Development

For most people in India looking at the Government from outside, the process of thought by which it arrives at its decisions remains something

of a mystery. Mr. H. V. R. Iengar is one of the few who can fathom the mystery because he was himself "inside" not so long ago but is now, as chairman of two very large and important firms, very much "outside". This lends special interest to the analyses he made in Calcutta last week of the economy's present plight in which the difficulties that were already there before the emergency have been greatly aggravated by the need to pursue both development and defence at the same time.

Mr. Iengar did not mince matters. The administration, he declared, was "caught napping" when the Chinese invasion of last October brought the country face to face with the greatest challenge it has known since independence. Even now, the plan to cope with the new situation was in many ways incomplete, and he confessed to a sense of frustration at the Government's indecisiveness and ambivalence which were holding back progress in many directions. Illustrating his point, he cited the Government's attitude towards foreign capital. Many statements testify to its anxiety to encourage foreign investment, and assure it reasonable treatment. It realises that India's share in the total long-term capital, which the main capital-exporting countries invest abroad, is negligible—just over 1 percent. The size of the market in India—a country which accounts for 14 percent of the world's population—should, if other things were equal, justify a much larger share. A wide range of efforts is being made under official auspices to attract more capital, among them being the investment information service started by the I.C.I.C.I. and the tax concessions offered to new entrepreneurs.

If these efforts are failing to stimulate investment interest, it is largely because of two major handicaps. Firstly, there is the apprehension about the attitude of the Government pledged to mould India in a "socialist" pattern which, as Mr. Iengar said on an earlier occasion, creates semantic difficulties. Even if these can be overcome by patient explanation, nervousness and misunderstanding are revived all over again by injudicious public utterances of individual Ministers which apparently run counter to the declared policy of the Government. This hazard of ministerial indiscretions is something which every democracy in faces, although the problem is far more acute in India at the present time. While little can be done to restrain a politician's ebullience, it should be possible at least to remove the delay and red tape which stand in the way of an increased inflow of private investment.

Mr. Iengar was not suggesting that the existing controls designed to regulate foreign investment should be scrapped. A country faced with as difficult and uphill a task as India in her endeavour to accelerate economic growth needs to exercise controls in many directions, especially in any matter involving foreign exchange liabilities. With an annual trade deficit ranging between Rs. 300 crores and Rs. 400 crores, there is really no choice but to subject all foreign commitments to a searching scrutiny. Yet the stage has now been reached where controls frequently exceed their legitimate purpose and can only be described as "ridiculous" and "fussy". The result is delay which often exhausts the investor's patience, and he decides to take his money elsewhere.

The distortion of controls, away from their limited original purpose, is largely because of administrative defaults. With administrative tasks having increased manifold over the past decade, the experience available in the permanent civil service cadres has become "enormously" diluted, and the whole machinery is splitting at the seams. The only way out is to adopt consciously a policy of gradual relaxation of controls so that the task of administering them is made more manageable. This will, of course, have to form part of a gradual policy of "disengagement" to abridge the rôle of economic stewardship that the Government has assumed.

Tax Burden on Motor-vehicles

The Central Finance Minister, Mr. Morarji Desai, has imposed heavy taxation on the motor-vehicle industry in his Budget. The industry has

been the target of annual assaults in the Budgets during the past few years. The latest levies are a 33 1/3-percent surcharge on excise duty on motor-cars, a surcharge of 20 percent on commercial vehicles, enhancement of import duty on parts from 25 percent to 50 percent, a 20-percent surcharge on excise duty on tyres and batteries, an increase in excise duty on petrol from Rs. 325.10 a kilo litre to Rs. 410 a kilo litre, a rise in excise duty on diesel oil from Rs. 305.25 a kilo litre to Rs. 390 a kilo litre and an increase in Central sales tax from 1 percent to 2 percent. Speaking at the annual general meeting of the Motor Industries Association in Calcutta last week, Mr. R. R. Aiyer, chairman, said that although Mr. Desai had granted relief in certain directions, the claim of motor-car users and operators had been totally ignored. The Government estimates that a sum of Rs. 54 crores will be collected as additional revenue by taxing motor-cars, components, fuel, etcetera, whereas, according to calculations based on a vehicle census, it will actually collect anything between two to two-and-a-half times that amount.

The industry, according to Mr. Aiyer, gives the Government the maximum revenue, yet it is being burdened with levies year after year. Road transport contributed over Rs. 200 crores to the Government in 1961-62, which is equal to about 16 percent of the total tax revenue of the Central and State Governments. It will be harmful to cripple this revenue yielding industry. In addition to the load of taxation from the Centre, the State Governments have also raised the taxes on motor-vehicles, including sales tax. An objectionable feature is the discrimination in the rate of road tax payable by individual owners and companies, the variation being as high as 100 percent. An average motor-vehicle in India, it is estimated, pays taxes, including that on fuel, of over Rs. 3,200 a year, against Rs. 1,300 in the U.K., Rs. 800 in France and Rs. 500 in the U.S.A. "This is in addition to the tax levied under various headings such as Central, State, local and municipal. These multiple taxes and vexatious laws only serve to upset efficiency, continuous operations and optimum utilisation". In a country which does not have sufficient roads and motor-vehicles to facilitate fast communication, one would expect the Government to stimulate transport by tax and other reliefs.

As a result of the increase in taxation, which incidentally is the highest in the world, the cost of operation a bus or truck mile is expected to increase by 15 percent. Because of additional taxation, there will be an increase in carrying costs, causing further inflation at a time when attempts are being made to hold the price line. About 30 percent of the cost of a motor-vehicle, Mr. Aiyer said, is represented by direct or indirect taxes, in spite of the fact that the indigenous content of motor-vehicles is increasing year after year.

Problems of Co-operative Credit

Inaugurating the two-day conference of the State Co-operative Banks in Lucknow last week, U.P.'s Minister for Co-operation, Mr. Chaturbhuj Sharma, said that although 64 percent of the total number of co-operative societies in India are at present agricultural primary credit societies, co-operative credit forms only a fraction of the total agricultural credit requirements of the country. He added that the third plan target had been fixed at Rs. 530 crores for providing short and medium-term finance through co-operatives. The amounts lent by the end of 1961-62 were only Rs. 225 crores. The third plan target is modestly viewed in the light of the actual agricultural credit requirements. But even this modest target may not be realised unless vigorous efforts are made to increase co-operative credit. One of the major weaknesses of the co-operative credit movement is the low proportion of owned funds. Unless the members of the different co-operative credit societies are encouraged and persuaded to place more of their savings at the disposal of these societies, it will be difficult for the movement to make any real progress.

The Reserve Bank, the Central and State Governments make funds available to co-operative

societies in various ways. It is, however, necessary to increase these funds. At present, there is some reluctance on the part of local bodies, educational institutions and other Government-controlled bodies to invest their funds in co-operative banks. This state of affairs could be improved if, as suggested by the conference, the Central and State Governments issue directives to these institutions to invest their funds in co-operative banks. There may be some legal and administrative difficulties in doing so, but it should be possible to remove them if the importance of co-operative credit for Indian agriculture—especially in the context of the present emergency—is appreciated by all concerned.

The conference also recommended that each central co-operative bank should invest at least 75 percent of its reserve fund in the State Co-operative Bank. This will certainly increase the funds available to the State Co-operative Banks for investment in the rural sector. But the main difficulty appears to be that the State Co-operative Banks do not in all cases offer attractive terms to the central co-operative banks and hence lose some of their reserve funds to other agencies. If the State Co-operative Banks show greater initiative and offer better terms and do not open branches in centres where a district co-operative bank is already operating, it will be possible to increase the mutual help between the different co-operative institutions at the top. The conference also recommended that early steps be taken to implement the Mehta Committee's recommendations on the constitution of the National Agricultural Credit Stabilisation Fund and the Relief and Guarantee Fund. If the rules governing these funds are properly framed and if the co-operative agencies know beforehand the circumstances under which assistance from these funds will be available, they will be able to manage rural credit better even with their present limited resources.

The conference stressed that it was not only the availability of credit which was important, but also the manner in which it was actually used. Some method should be devised to canalise rural credit efficiently and effectively for increasing agricultural production not only to meet the needs of the present emergency but also to increase the earning capacity of the farmer. For this purpose, it is necessary to offer loans on the basis of production plans, to extend credit separately for the *kharif* and *rabi* crops, to recover co-operative loans only at the harvest time through marketing societies by the sale of surplus agricultural produce of the farmer and to issue credit not only in cash but also in kind in the shape of seeds, fertilisers, and implements.

An important recommendation of the conference was that the State Co-operative Banks should have an all-India organisation to represent their viewpoints before the Central and State Governments, the Planning Commission and the Reserve Bank. It should also study common problems facing the member-banks and advise them on various problems in their day-to-day working. The conference also suggested that the National Co-operation Union should convene within the next two months a meeting of the chairmen of all the State Co-operative Banks to consider the different aspects of this important issue.

Scrap Export Policy Criticised

Despite numerous representations made by the scrap trade from time to time, the Government of India has continued to pursue a restrictive policy on the export of ferrous scrap. It is difficult to appreciate this policy in face of the pressing need to increase the country's foreign exchange earnings, especially when there exists a large exportable surplus after meeting all domestic requirements. Apart from the generally depressed conditions in overseas markets, the sharp fall in India's ferrous scrap exports from 375,000 tons in 1961 to a mere 140,000 tons in 1962, has been attributed to the Government's lack of imagination. The export policy for the half year ended September 1963,

announced early this month, is being severely criticised as it incorporates only a few of the suggestions made by the trade. Subject to an overall quota to be fixed by the Iron and Steel Controller, ferrous scrap would be allowed to be sold overseas by established exporters who have done this business during any part of the three-year period ended March 1963, excluding the export of skull scrap and de-tinned scrap. If the quota allocated for export is not used by the end of June, the Iron and Steel Controller has the right to cancel the unused quota and reallocate it to other established exporters or newcomers. Exporters will be allowed to import finished steel against their foreign exchange earnings. The existing ban on the export of No. 1 quality sheet cuttings will continue; nor will the export of heavy melting scrap be allowed under any circumstances. De-tinned factories, however, will be permitted to export their production of de-tinned ferrous scrap without any quantitative restrictions. The export of main producer's steel scrap will not normally be allowed, while the export of electric furnace skull scrap will be permitted on application by exporters, and the export of cast iron skull scrap will be considered if the material is not accepted by the All India Foundry Association, Calcutta, to whom it should be offered for sale to foundry owners within the period of six weeks from the date of offer.

The export trade is critical of the policy for continuing the ban on the export of No. 1 sheet cutting scrap and also the imposition of an overall quota for export of the grades permitted for shipment. The trade has always maintained that in the absence of adequate domestic demand, No. 1 sheet cutting scrap gets rusted and is being exported as No. 2, involving considerable avoidable loss of foreign exchange to the country. The trade has, however, welcomed the Government's decision to exclude past exports of skull scrap for claiming individual quota as this will help in a more equitable distribution of the overall quota. Equally welcome is the freeing of de-tinned scrap from quota exports. Under the last policy, even the export of de-tinned scrap was restricted. The change which has now been effected will enable de-tinning factories to obtain export licence for their entire output of de-tinned scrap. The facility to import finished steel against scrap export has for the first time been declared in the scrap policy itself. This should help build confidence and thereby promote the export effort.

Marine Insurance in Poor Countries

Speaking at the annual general meeting of the Liverpool Underwriters Association recently, Mr. J. R. Brocklehurst, chairman, discussed some of the underwriting problems of the newly developing countries of the East. The chairman spoke in favour of what he called "responsible competition" and deplored "irresponsible competition." Underwriters, Mr. Brocklehurst said, have little or no defence against Government-sponsored legislation decreeing that imported goods can only be purchased on an f.o.b. basis with freight and insurance charges compulsorily payable only to operators within the importing country, although such action may be taken on economic grounds.

Pakistan was the first country in the East to introduce such legislation. Justifying the move, the Pakistani Government said that it was necessary to protect local insurers from the competition from established markets. To guard against irresponsible competition, it has foisted a comprehensive import tariff on insurers there. The results so far have not been unsatisfactory. The gross direct marine premium of Pakistan jumped from Rs. 1.65 crores in 1955 to Rs. 2.10 crores in 1956. When Pakistan enforced the legislation. Thereafter, there was a steady rise in the premium income. In 1961, the premium income rose to Rs. 3.41 crores from Rs. 2.04 crores in 1960. The claims ratio in 1961 was 63 percent, against 55 percent in 1960. The ratio, by and large, is satisfactory. Such legislation, however, militates against the freedom of insurance. Marine insurance—sanctioned over years by the usage of maritime commerce—has all along been untrammelled by artificial barriers in established markets.

These tenets, it has been suggested are unexceptionable in principle. But they can only

apply to trading among developed countries each having an established market of its own. There is a different approach for the newly developing countries. The avowed aim of nationalisation, Mr. Brocklehurst said, is to eliminate competition. This tendency reflects "the fundamental divergence of approach between the old established markets and those in the newly developing or emergent countries." The approach—as in all aspects of economic development in underdeveloped countries—is characterised by a fiercely insular outlook. Mr. Brocklehurst had the insight to recognise this trend, although he deplored the tendency on behalf of the established markets. In India, an agitation has been started by some local insurers to have a comprehensive marine tariff to guard against what Mr. Brocklehurst called "irresponsible competition". But since the Government of India is a signatory to the General Agreement on Tariffs and Trade as well as for other reasons, it has so far refrained from introducing legislation like that of Pakistan. So no progress has so far been made by the sponsors in this direction.

Industrial Activity

Corrected for seasonal fluctuations, there was a drop of 29.1 points during April 1962 in Capital's Index of Industrial Activity. There were declines in sugar, jute, yarn, cloth, cement, coal, pig iron, finished steel, paper, tyres, motor-cars, bicycles and railway ton-miles. Tea and electricity showed increases.

CORRESPONDENCE ACTIVITIES OF RUBBER BOARD

(To THE EDITOR OF "CAPITAL")

Sir,

The Rubber Board was constituted to protect the interests of the rubber planting industry and that of the country. The interest of the country can be protected only by making India self-sufficient in rubber, particularly natural rubber. The interest of the industry can be protected only by enabling it to produce all the rubber the country requires—rubber of good quality at a price level that can stand competition with natural rubber from outside and synthetic rubber from inside or outside. The Rubber Board has been in existence for more than a decade with crores of rupees at its command. Has the Board achieved its objects or is it well on its way to achieve them?

Instead of trying to find out the reasons for its colossal failure and to reshape its policy to achieve its legitimate goal, the Board is engaged in a wild goose chase. It is now trying to protect small growers by obtaining for them a fair price for rubber. It is well known that even small growers got the control price or even more when there was demand for rubber and that even large growers cannot get the control price when there is no demand for rubber. It is an irony of fate that rubber, which is in short supply in India and when the country has to spend so much of precious foreign exchange for its import, has no demand. This is simply because of the Government's import policy. If the Rubber Board cannot direct or suggest a proper import policy, how is it going to control the whole market? Let it evolve a proper import policy and Indian rubber will always fetch the control price. If there is no demand for local rubber, the surest remedy is to cut by prohibiting import.

The Rubber Board is reported to be formulating a voluntary co-operative marketing scheme for small growers and a pool system for tyre manufacturers, ostensibly with the intention of helping small growers and tyre manufacturers. The history of the co-operative movements in Kerala from the time of the communist Government and before is well known, and the State Assembly proceedings and the findings of the Court of Justice will show the wanton and criminal waste of public funds for this pet idea. The rubber plan-

ting industry was practically free from this disease. Now the Board, which should try to remove Phytophthora and Oidium from the planting industry, is trying to introduce "co-operation". Probably some interested persons are out to swallow the Board or considerable part of its funds through these co-operatives.

The price of rubber has been controlled for many years now. During the price fixation of 1960, the protection given to the small growers was removed. Since that year, the cost of production had gone up sharply. Furthermore, the Wage Board had recommended an interim increase in the price of rubber, along with the recommendation for an interim increase in wages. It will be interesting to know what the Rubber Board did when the protection given to small growers was removed by the Tariff Commission in 1960 and the Government of India denied the interim increase recommended by the Wage Board.

While addressing the Rubber Manufacturers Association in Bombay last year, the chairman of the Rubber Board said that the price of rubber might be reduced by Rs. 20 a 100 lbs within the next few years. Can the small growers exist if the price is reduced by another Rs. 20 a 100 lbs or has the lot of the small grower (for that matter even that of the large grower) so much improved that he can withstand this reduction of Rs. 20?

Tyre manufacturers and the planting industry cannot have forgotten the experience of the monopoly purchase of rubber by the Government during the second World War, nor are rubber producers unaware of the fate of the coffee growers and the coffee pool. It is time that producers saw where the Board is drifting and tell quarters which count what the Board should do and how it should be done.

Yours etcetera
A PLANTER

DOMESTIC SERVANTS

REX writes under "Current Coin": "There is a great deal being said on the servant question in Calcutta at present, much to the discredit of the servants, on account of the grievous ways in which some of them have been afflicting their employers of late. For our present purpose it is not at all necessary to throw any doubt whatever on the specific statements of ill-treatment which certain employers allege they have received at the hands of their domestics. Undoubtedly bad servants do exist. There are black sheep in every flock. But perhaps it might be useful to emphasise, just at this juncture, the correlative truth, that the great body of Indian servants are unsurpassed anywhere for their personal loyalty to their masters and mistresses, their entire devotion, without stint of time, to their work, their respectful and courteous demeanour, and their prompt obedience to the orders of their masters. There are exceptions doubtless, but these only go to prove the general truth of the recognised rule, and nowhere more than in India, that 'good masters make good servants.' What an Indian servant wants from his master or mistress is summed up in that fine word 'fairplay'. The servant likes a firm government. He enjoys a paternal despotism but it must be of the 'paternal' order, that is, firm but kind. And whenever you see masters acting under the law of firmness penetrated by kindness and the spirit of fairplay, towards their servants, there also you see, as the counterpart, servants who would not scruple to lay down their lives, if need be, for the sake of their masters. It is by no means an uncommon thing in India for servants to be with the same master for a long term of years. I know cases where servants have been with their sahibs during the whole time their masters were in India in some instances for twenty or thirty years. Sometimes, of course, a good servant gets a bad master, and a good master a bad servant, and in these cases the masters have to be rectified, but let it be borne in mind with reference to the present outcry against bad servants, that with equal truth, the servants might get up an outcry against bad masters."

FROM
CAPITAL
7th May, 1963

A Ditcher's Diary

IT MAY BE lèse-majesté to ASK WHAT THE WEST Bengal Political Conference was in aid of, although we might be nearer the answer if we asked "whom" instead of "what". Let that pass. Let me ask, instead, "Why Digha?" The place has a fine beach and almost nothing else. It is too small to be able to provide even the most elementary amenities for the thousand or more people who descended on it this week. Too much is made by some about the money spent on looking after the Prime Minister in out-of-the-way places; that he used a helicopter merely deprives him of the right to ridicule again those Swatantra candidates who used aeroplanes in their election campaign. (I never quite understood that one, for the difference between Mr. Biju Patnaik's jeeps and the Maharaja of Patna's plane, in terms of election morality, was never great.) From the taxpayer's point of view, the helicopter was perhaps a good idea; it saved time and spared the Prime Minister discomfort. The more basic question is whether it was fair to Mr. Nehru to expect him to come to a conference like Digha's. Did not even Mr. Lal Bahadur Shastri have more important things to do in New Delhi? Political conferences have their uses, mainly educative; the good work done in Britain in the 'thirties by the Fabian Society and men like R. H. S. Crossman paid the Labour Party good dividends in the mid-forties. A conference with a plenipotentiary of stars from New Delhi is a show and ought besides. I concede that shows too have their political uses; but not at a time like this. I don't know about others, but when I see the Prime Minister addressing mass meetings where he has nothing new to say and other Ministers opening flower shows, I simply do not have a sense of emergency; I get a feeling that while all this talking is going on, some files are not being attended to and some decisions are not being taken. Mr. Nehru is an extraordinary man; he can talk, think and do half a dozen other things at the same time. I do not believe this is true of lesser men who, on becoming Ministers, assume certain specific responsibilities and obligations to the people who pay them and keep them in more than reasonable comfort. What is more difficult to explain is why the West Bengal Congress thought it necessary to hold the conference; politically, the Congress "has never had it so good" since independence.

EVEN AFTER THE ASIAN GAMES AND MOSHI I COULD not quite decide just where the balance of ad-

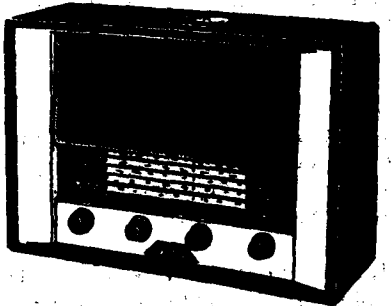
vantage lay: to attend these Afro-Asian meets to place the Indian point of view so that the Chinese do not get a walk-over, or to leave the dubious get-togethers severely alone. Now I know; and so should New Delhi. The Chinese spend a lot of money on countries obliging enough to organise so-called Afro-Asian conferences; whatever India may do, they will remain obliged to China and behave in a manner supposedly neutral between India and China but, in fact, obviously to the advantage of the latter. India may be hurt but has no right to blame them too harshly; she herself has been neutral too often in the past. Again, countries like Indonesia, where Afro-Asian journalists gathered for purposes that had very little to do with journalism, have reasons to be afraid of China. Why should they for India's benefit go out of their way to incur the wrath of China? The best thing in the circumstances, then, is to stop wasting foreign exchange on being present at these conferences, whose aims are now only too obvious. I shall be told that the Indian case will then go unrepresented. The answer is that the difference between sulking in a hotel near the conference and staying put at home is not so big as to justify the effort and expense involved. More than that; in trying to force something like the Indian view on the agenda, relations are worsened with the sponsoring country. Nor am I particularly happy over the sight of Indian diplomats almost grovelling before some prime ministers and foreign ministers who have made it their business to persuade New Delhi and Peking to start talking again. If India once adopted the holier-than-all attitude to all and sundry and thus offended many, as she undoubtedly did, she may fare no better by appearing to make herself a doormat now. I know individuals who are temperamentally incapable of meeting men as equals; everyone is either inferior or superior; and this does not make for friendly relations. It is not very different in international relations. Dignity and friendship are not incompatible. Indeed, I know of no enduring friendship which is not based on mutual respect.

If I HAD LESS RESPECT FOR THE ABILITY OF Dr. Adenauer to wriggle out of any situation he might find not altogether to his liking. I should now be welcoming with enthusiasm the choice of Dr. Erhard as the next Chancellor of West Germany. But I still feel that it is too early to do anything of the kind: the fact has to be faced that Dr. Erhard will only assume the office for which

the Christian Democratic Party has nominated him over Dr. Adenauer's dead body (metaphorically speaking, of course). My partiality for Dr. Erhard as Chancellor arises from the admiration I have for his achievement in making economic liberalism pay such handsome dividends in West Germany; although I often wonder whether such a policy will be equally successful in maintaining progress during the era of comparative deflation which western Europe now seems to have embarked upon. It is, for example, no coincidence that economically France is making the pace at the moment with her technique of "voluntary" planning, and that West Germany is becoming a prey to some of the problems the British economy has been faced with during the past five years or so. But internal economic policy apart, the impact of a Dr. Erhard in power is bound to be felt in Europe, if only because he is now the best hope there is that Britain will eventually be admitted to the Common Market. And I am still of the opinion that such a contingency would not only be good for the western world generally, but best for the underdeveloped countries as well, at any rate in the long run. With Dr. Erhard in the saddle, there would be an excellent chance that the current drift towards an inward-looking economic restrictionism in the European Community could be reversed. Politically, too, the effect should be beneficial, because unlike Dr. Adenauer, his chosen successor is known not to share President de Gaulle's dream of west European military self-sufficiency. That is certainly all to the good. The combination of de Gaulle's illusions of grandeur and Adenauer's impenetrable conservatism has been threatening to revive on a larger scale much of the old-style ultra-nationalism from which Europe and the world have suffered so badly in the past.

THOSE WHO HAVE READ MY RECENT COMMENTS on the peculiar twist in the Hindi versus English controversy, will have no need to ask my views about the wisdom of Swami Rameshwarananda's "sacrificial fire". As so often seems to happen in this country, the greatest dangers can arise from the most honest and sincere of motives. But all that apart, I have been wondering whether the supporters of English have paid any attention to its recent comparative decline as the world's number one international language. Certainly its opponents appear not to have done so, or I am sure they would have made more use of their findings. English does still lead the field, and its use continues to grow. But compared with a few years ago, it has suffered considerably in popularity compared with French. Of course, these things tend to go in cycles; it is less than 100 years since French itself yielded to English as the world's second language. If the trend is now being re-

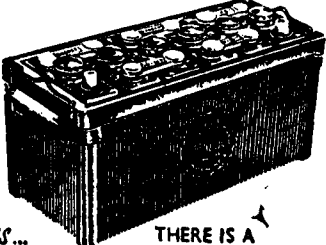
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versed, then it is probably a tribute to changing tastes and fashions as much as to the virtues of the French language itself. But it is also a tribute to the vigour with which the modern, revitalised France has been deliberately seeking to spread her cultural influence; because it is the cultural attractions of the language rather than its commercial uses, or even its prestige as the "language of diplomacy", which is at the root of its growing popularity. The fact that it is the leading tongue in newly-independent Africa also has much to do with its revival; while the growth of European unity, over an area which has traditionally accepted French as its second language, has increased its teaching among school children. As one who has watched for years the growing popularity of the language classes held in Calcutta by the Alliance Francaise, all this comes as no surprise to me. And those readers who remember the comments I have made in past years about the effectiveness of the British Council, will no doubt draw their own conclusions as to why I can understand that English is in comparative decline. But that would be unfair to the British Council; it cannot do more for English teaching than the British Government is prepared to finance, and it is no coincidence that Britain's balance-of-payments problem should be the most intractable in Europe whereas France's appears to be a thing of the past. But if Britain wants English to stay as the world's number one international language, she will have to pull her socks up. It is all too significant that at a U.N.E.S.C.O. conference last December, 36 delegates spoke in French compared with 40 in English. It would not have been so a few years ago.

AS A PERSONAL FRIEND OF BOTH, THE SUDDEN DEATH within a fortnight of R. K. Sirkar and George Gates-Reed came as a severe shock to me. Advertising as a profession is not conducive to longevity; but they were the liveliest of companions, and death was something impossible to associate with them. My last meeting with Noeltie was less than a fortnight ago, and no one would have thought at the time that this active, cheerful personality would be passing away so soon. As for George, a former ditcher wrote from London recently that he had been in hospital with a heart condition and was looking anything but fit. But it was still difficult to believe that his health had deteriorated to the danger point since he left here less than a year ago. For me, George was not only a friend, but in a sense a colleague; the owners of *Capital*, W. H. Targett and Co. Ltd, are also the publishers of the *Monthly Review*, the magazine of the British community in India which George edited for most of the three years which elapsed between the editorships of Mr. L. G. Sneathman. George was in fact responsible to a large extent for carrying on during that period the programme of expansion and improvement which has made the *Monthly Review* the success it is today. He was planning to visit India on business in a few weeks' time, and I was looking forward to seeing him again. Both Noeltie and George were enthusiastic and energetic workers, apart from being the most convivial of friends. As leading and popular personalities in Indian advertising circles, they will be remembered with affection by many.

HOW ON EARTH COULD I MAKE TAGORE'S *Tasher Dosh* (Country of Cards) *Tasher Ghar* (House of Cards) in this diary last week? Haste, carelessness. Or, have some readers found in it a Jungian, perhaps even Freudian, slip? There was a Bengali film, not very good I'm told, called *Tasher Ghar* some time ago; I may have seen the ads at the time and then, last week, the title came back to mind, quite uninvited. At the time I was also reading a novel in which part of the story takes place in Nigeria; naturally there is much about dash (tip, bribe) and I may have thought of *desh* (pronounced in East Bengal as *dash*) with a certain distaste; and so *Desh* may have been replaced by *Ghar*. Well, I could continue such speculation almost indefinitely and get nowhere. The fact is that there was an error, which is hereby corrected with many apologies to those who noticed the mistake and none to those who didn't.

THE DITCHER

Guide for Investors

GROWTH PROSPECTS FOR INDIAN ALUMINIUM

THE ordinary shares of Indian Aluminium Co. Ltd have risen to Rs. 34.27 during the past few days partly because of the general improvement in the stock market following the tax concessions and partly because of the prospects for these shares. The confidence has been reinforced by the Company's excellent results for the year ended December 1962. The taxable ordinary dividend has been increased from 15 percent for 1961 to 17.5 percent, including an interim of 7.5 percent, for 1962. At the present price, the yield works out to 5.1 percent. As in the two previous years, the benefits of Sections 85 and 101 of the Indian Income Tax Act, 1961, arising out of the profits of some new industrial undertakings, will be available on these dividends. So 42 percent of the dividends will be exempt from income tax and super tax payable by shareholders. The new ordinary shares issued this year qualify for the exemption under Section 99 of the Indian Income Tax Act, 1961, and dividends on these shares, if paid to a company, will be exempt from the payment of super tax.

The shareholders must nevertheless appreciate the additional burdens which have been placed on the Company by the super profits tax, as has been pointed out by Mr. H. V. R. Iengar in his chairman's address at the annual general meeting in Calcutta last Friday (a full text of the speech is printed on a later page in this week's issue of *Capital*). Under the amended super profits tax, the liability of the Company to this levy has been reduced from 20 percent to 12.5 percent of the total profit which is expected to be earned during 1963. The chairman nevertheless thinks that the basic objections to the impost have not been removed by the changes made in the original form of the tax.

The Company will celebrate its silver jubilee this year. From a small beginning, its growth has been remarkable. It has now built a completely integrated aluminium industry. It has an aluminium plant with an annual capacity of 55,000 tons, two aluminium smelters with a total capacity of 26,000 tons, two extrusion presses with a capacity of 3,760 tons and a powder and paste plant. The capacity of the rolling mill in Belur has been expanded to produce 16,800 tons of rolled products a year. Mr. Iengar forecasts that the aluminium industry will grow further in the near future. The expansion will be governed partly by the growth of the electrical conductor industry and partly by the development of uses for aluminium as a substitute for other metals. The Company has done a great deal in promoting a wide range of uses for aluminium. Mr. Iengar stresses the importance of reducing the production costs which have risen because of the high costs of electric power and domestic raw materials. He nevertheless urges the industry to effect economies in various ways to cut production costs.

The chairman also suggests that the aluminium producers should form an "Aluminium Development Association." The Association should disseminate technical knowledge and promote economic applications of aluminium. Steps should also be

taken to substitute imported metals by aluminium as far as possible.

The Company's net profit has risen from Rs. 1.1 crores in 1961 to Rs. 1.3 crores in 1962, after increasing the development rebate from Rs. 45 lakhs to Rs. 61 lakhs. But during 1962, the working was interrupted since new production facilities had to be installed. The integrated expansion programme was also completed. The results of 1962 have only been modestly better than those of 1961, since a large part of the costs for creating the new production facilities was incurred in the past year. The benefits of expansion will, however, be felt in the future.

Jessop Makes Progress

THE ordinary shares of Jessop and Co. Ltd have met with support for some time because of growth prospects. A strong bull factor is that the Company has now recovered from the serious depredations made on its financial resources by those who were formerly in its control. There has been considerable improvement since a board of management was appointed by the Government to look after the Company. In his address at the annual general meeting in Calcutta last Monday, Mr. A. K. Chanda, chairman, said that the Company had turned the corner and regained its position as one of the leading producing units. (A full text of the speech is printed on a later page in this week's issue of *Capital*.) Since Jessop has been expanding and diversifying its activities, the chairman forecasts that a major part of the profits will continue to be ploughed back into the business. So the taxable ordinary dividend has been maintained at 8.55 percent which offers a yield of 3.8 percent at the present price of Rs. 22.69 a share of Rs. 10 each.

Although the gross profit during the year ended October 1962 was Rs. 38 lakhs larger, the net profit declined from Rs. 70.20 lakhs in 1960-61 to Rs. 50.42 lakhs in 1961-62, due to the additional provision for taxation, including the super profits tax. Sales were substantially higher at Rs. 12.82 crores, against Rs. 12.01 crores. But this figure does not take into account Rs. 42.98 lakhs, being the value of completed stocks which could not be despatched due to the shortage of transport. The super profits tax will absorb Rs. 27.12 lakhs, which works out to about 17.32 percent of the gross profit. Mr. Chanda did not conceal the fact that the heavy burden of taxation might make it difficult for the Company to go ahead with the expansion scheme. Referring to the construction of the new foundry and other works for making machine tools, steelworks duty cranes, etcetera, he made it clear that the directors would take time to consider resuming the programme of rationalisation and expansion, although the period of uncertainty might soon be over. He nevertheless took an optimistic view about the future outlook, since the demand for the Company's products continued to be good. The Company's resources are likely to be fully employed during the next five years

provided an adequate supply of matching steel is obtained.

The coach works in Dum Dum, near Calcutta, has been completed and bogies for E.M.U. coaches have been manufactured. The final stage of rebuilding the wagon works has been proceeding. The new bogie works has been completed. The new works for manufacturing diesel road rollers has been completed. The demand for these rollers has risen and the output capacity has been doubled to 450 a year. The capacity of the mechanical works to produce components for cranes and sluice gates has increased. The structural works has been expanded. The factory for producing electric multiple unit trailer coaches will be fully engaged until the end of 1966. The production of box wagons has increased to 80 a month. The output of electric overhead travelling cranes and wharf cranes has improved. The chairman also referred to various difficulties which retarded production. The shortage of matching steel, hand welding electrodes and power has been felt. Coal and coke have not only been in short supply, but their quality has also deteriorated.

Progress of Dunlop Rubber

THE speech of Mr. M. L. Bexon, Managing Director of the Dunlop Rubber Co. (India) Ltd, at the annual general meeting of the Company in Calcutta last week was of special interest to the shareholders. (A fuller version of the speech was printed in last week's issue of *Capital*.) In spite of higher productivity, sales and profits, the taxable ordinary dividend has been cut from 20 percent for 1961 to 15 percent for 1962. The reduction has been due to the heavy burden of additional taxation. Although the concessions given in the super profits tax have been welcomed, the levy is "bad in theory and worse in practice," Mr. Bexon said. Because of heavier taxation, the Company has been forced to increase the provision for taxation out of the 1962 profits by Rs. 1.12 crores, of which Rs. 63 lakhs represents the super profits tax. The latter provision has nevertheless been cut by Rs. 24 lakhs as a result of the concessions recently announced. The increased taxes have strained the liquid resources of all companies; so their productivity and expansion schemes are likely to be retarded. Since the directors have been reviewing Dunlop Rubber's expansion schemes, it is difficult to get any positive idea about them at the present stage. Excise duty continues to absorb an ever increasing amount of working capital and companies in general wonder how to get relief from this burden.

The Company's working in 1962 was satisfactory. Sales of tyres touched a new record. The demand for Dunlop cycle tyre has risen, and the output of various industrial products has fallen behind demand. Since the domestic output of conveyor belting has been sufficient to meet the requirements, its imports should be banned. The Company has also developed a wide range of cotton and nylon ducks which have been well received by heavy industrial projects.

Dalmia Cement Maintains

THE preliminary results of the Dalmia Cement (Bharat) Ltd show an increase from Rs. 54 lakhs in 1961 to Rs. 1.16 crores in the gross profit for the year ended December 1962. A taxable ordinary dividend of 12 percent has been repeated, which offers a yield of 9.2 percent at the present price of Rs. 13.06 a share of Rs. 10 each. A part of the dividend will be exempt from the tax which is to be deducted at source. Hence the net dividend in the hands of the shareholders may work out to 10.4 percent. Depreciation absorbs Rs. 22.23 lakhs (against Rs. 23.85 lakhs) and taxation Rs. 75.50 lakhs (against Rs. 24 lakhs). A sum of Rs. 97,000 (against Rs. 1.19 lakhs) has been provided for development rebate reserve. The allocation to general reserve has been increased from Rs. 3 lakhs to Rs. 13.50 lakhs.

No Rights Now from Central Bank

BECAUSE of the heavy impact of the tax burden imposed by the Central Budget, the Central Bank of India Ltd has decided to postpone its rights issue for the time being. The Controller of Capital Issues permitted the bank to increase its authorised and paid-up capital, but the directors have decided not to go ahead with the share issue for the time being. This is because the investment climate has deteriorated and the terms offered by the Controller of Capital Issues for issuing the new shares are not considered favourable under the present circumstances. In his chairman's address at the annual general meeting of the bank on Monday, Sir Homi Modi said (a fuller version of the speech is printed on a later page in this week's issue of *Capital*) that to levy a super profits tax on the banking industry was unsound and unusual.

Judging from the steady dividends paid by banks for several years, it looks as if they do not make abnormal profits. Their dividend-paying capacity has been affected as a result of the impost. It is unfortunate that the tax has been levied at a time when the banks are expected to increase their share capital for bringing the capital plus reserve to 6 percent of their deposits. The chairman said that the banking community would find it difficult to reinforce their resources since the compulsory savings scheme would siphon off considerable savings. So the Government is not justified in levying as heavy a tax burden as it has imposed. The financial estimates of the Government, it is regrettable, have generally been inaccurate during the past few years. Furthermore, it is difficult to say whether the entire revenue which is being raised can be spent usefully. The chairman also drew attention to the inefficient way

in which several State enterprises were being run.

Meanwhile, the profitability of the banking industry has been threatened from several directions. In spite of the usefulness of deposit insurance, it has placed an additional burden, especially on big banks. Their operating expenses have increased by the payment of larger emoluments to the staff under the Desai award. The bigger rise in time than in demand deposits has also forced banks to pay more interest charges.

Assam Match Repeats

THE Assam Match Co. Ltd has produced satisfactory results for the year ended December 1962. Sales rose from Rs. 2.05 crores in 1961 to Rs. 2.12 crores in 1962. The profit has risen from Rs. 18.72 lakhs to Rs. 24.28 lakhs, after transferring Rs. 1.87 lakhs (against Rs. 1.75 lakhs) to depreciation and Rs. 5.121 (against Rs. 14.953) to development rebate reserve. The provision for gratuity is Rs. 60.468 (against Rs. 9.11 lakhs). A taxable ordinary dividend of 20 percent, including a bonus of 2 percent, has been repeated, which is covered more than four times and offers a yield of 7.1 percent at the present price of Rs. 28.25 a share. Taxation absorbs Rs. 12.75 lakhs (against Rs. 12.65 lakhs) and a sum of Rs. 5.50 lakhs has been provided for super profits tax reserve. Hence the total tax provision works out to nearly 75.17 percent of the total profit. Additional taxes on 1961 profits absorb Rs. 1.40 lakhs, leaving a carry-forward of Rs. 12.842, against Rs. 1.50 lakhs brought in.

The directors point to the increased demand for matches. In fact, shortages have developed at various points. Although the Company has been trying to persuade the Central Government for allowing the Company to increase its output capacity, it has not yet been able to obtain the necessary sanction. The ban on the expansion of the mechanical match manufacturing sector has been continuing.

Brooke Bond Raises Interim

BROOKE BOND, the tea and coffee Company, is raising its interim dividend from 1½d a share tax free to 1½d a share tax free, and there is a strong hint of a higher final of 2½d against 2½d in the autumn. In the maiden half-year report, the board discloses that pre-tax profits in the first half of the year rose by 16 percent from £2.74 million to £3.18 million, while turnover increased from £55.77 million to £58.05 million.

This is a very satisfactory performance, although part of the rise can be attributed to the inclusion for the first time of Doom Dooma. The improvement bears out the chairman's comment in November that they had got away to a "flying start." The increase in net profit is less impressive. Like many other U.K. firms, Brooke Bond has felt the bite of India's higher profit taxes, and as a result, the net profit is only 24 percent higher at £1,305,000, against

£1,270,000. For the year as a whole, the directors estimate that group net profits may be only slightly higher than in 1961-62. Nevertheless, even the indicated higher dividend of 7.1 percent tax free would still be covered nearly three times.

Runglee Rungliot Cuts Dividend

THE Runglee Rungliot Tea Co. Ltd (a Darjeeling garden) has cut the taxable ordinary dividend from 20 percent to 7.5 percent for the year ended December 1962, absorbing Rs. 10,500. The Company has incurred a loss of Rs. 3,382, compared with a profit of Rs. 32,976 in 1961, after providing Rs. 24.126 (against Rs. 14.215) for depreciation. Bringing in Rs. 8,123 and transferring Rs. 50,000 from hail reserve and Rs. 5,000 from excess taxation provision no longer required, there is a disposable balance of Rs. 75,741. Development rebate reserve absorbs Rs. 8,500, and revenue reserve Rs. 50,000. At the present price of Rs. 386 a share of Rs. 100, the dividend yield amounts to 1.9 percent. The carry-forward is Rs. 6,741.

The disappointing results have been due to the hail experienced in the early part of 1962. The crop fell from 105,192 kilograms to 85,234 kilograms, but the average sale price rose from Rs. 6.02 a kilogram to Rs. 6.64 a kilogram. A crop of 95,000 kilograms has been estimated for 1963 at a cost of Rs. 6.45 lakhs. The directors mention that the start of the current 1963 season has not been satisfactory in view of the drought.

Murphulani Tea Pays More

THE Murphulani (Assam) Tea Co. Ltd has increased the dividends for the year ended December 1962. The preferred ordinary dividend has been increased from 20.63 percent for 1961 to 30.63 percent for 1962 and the ordinary dividend from 15 percent to 25 percent; the dividends are subject to the deduction of tax at source and absorb Rs. 1.05 lakhs. The ordinary dividend offers a yield of 9.4 percent at the present price of Rs. 26.50 a share of Rs. 10 each. The profit has increased from Rs. 2.23 lakhs to Rs. 5 lakhs, after providing Rs. 89,936 (against Rs. 88,019) for depreciation. Taxation is allocated Rs. 3.06 lakhs (against Rs. 75,000), development rebate reserve Rs. 2,000 (against Rs. 7,500) and general reserve Rs. 80,000 (against Rs. 50,000). The carry-forward is Rs. 35,314, against Rs. 28,760 brought in. The increase from Rs. 6.01 to Rs. 8.41 a kilogram in the average sale price reflects an excellent standard of manufacture. Capital expenditure was Rs. 1.36 lakhs. The 1963 crop has been estimated at 2,000 quintals.

Burmah Oil Debentures Oversubscribed

THERE was an enormous demand for the £54 million 6½ percent debenture stock recently offered by Burmah Oil, the subscription lists being open no longer than it took to announce the heavy oversubscription. The price was £99 10s percent, of which £25 was payable on application, £25 on allotment, and the remainder by 24th June. The yields offered are £6 5s 7d percent flat and £6 6s percent to redemption in 1978. There is a favourable margin in the redemption yield of about 5 percent over the broadly comparable British

Petroleum 6 percent debenture 1976-80.

This helps to balance one disadvantage of the new stock for big institutional investors, namely, its relatively short average life. A sinking fund provides for repayment of the entire issue in equal annual instalments between June 1969 and June 1978. The average life is thus about ten years, or half what the market expects for issues of this kind. One novelty is the backing. The debenture is secured in the first place by a specific charge on part of Burmah's holding of B.P. and "Shell" ordinary shares. Burmah's total B.P. holding is unchanged at 24½ percent of the latter's equity. The number of "Shell" shares is up 110,400 since the last published figure to 16,140,480—3½ percent of the "Shell" equity.

The issue is designed to help replace the bank credit on which Burmah has drawn to meet its commitment in the Oil India pipeline scheme. Burmah is joint owner of Oil India with the Indian Government, and agreed to find about £10 million towards the £34 million the scheme is costing. In addition to the debenture issue, Burmah has arranged for a £5 million five-year loan from the Bank of Scotland and the Chartered Bank, against which the Company is issuing a 5½-percent unsecured loan stock and also depositing "Shell" and B.P. shares as security.

Century Mills Pays the Same

THE directors of Century Spinning and Manufacturing Co. Ltd have recommended a final dividend of Rs. 18 a share, making a total of Rs. 30 a share, less tax, for the year 1962, which is the same as in 1961. The total amount distributed is, however, higher at Rs. 76.47 lakhs, against Rs. 70.35 lakhs since the interim dividend absorbed a larger amount of Rs. 30.59 lakhs, against Rs. 24.47 lakhs because it was payable on the increased capital as a result of the one-for-four bonus issue in October 1961. The preliminary figures about the Company's working results which have been released along with the dividend announcement show that the gross profit is down by 3.5 percent from Rs. 3.92 crores to Rs. 3.78 crores. But considering that the textile industry had a rather difficult time last year because of the all-round increase in manufacturing costs without any increase in cloth prices, the performance of the Century Mills should be considered reasonably satisfactory.

After providing Rs. 11.06 lakhs (against Rs. 4.09 lakhs) for donations, Rs. 1.11 crores (against Rs. 86.15 lakhs) for depreciation, Rs. 41.28 lakhs (against Rs. 13.62 lakhs) for development rebate and Rs. 87 lakhs (against Rs. 1.36 crores) for taxation, the net profit amounts to Rs. 1.19 crores, compared with Rs. 1.38 crores in 1961. Bonus liability for previous years amounts to Rs. 77 lakhs, but since Rs. 40 lakhs had been set aside from the previous year's profit for contingencies, the same has been used to meet a part of the bonus liability. The balance liability of Rs. 37 lakhs is being met from the 1962 profits. No addition has been made to the capital redemption reserve which had received Rs. 10 lakhs in the previous year. A sum of Rs. 43.50 lakhs has been transferred to the dividend equalisation reserve, against Rs. 10 lakhs in 1961, but the directors have had to withdraw as much as Rs. 45.88 lakhs from this reserve for payment of the final dividend, which absorbs Rs. 45.88 lakhs.

Dividends, preference and ordinary, take up Rs. 87.28 lakhs, against Rs. 81.06 lakhs in the previous year, the difference being accounted for

entirely by the larger interim dividend disbursement. After making all these appropriations, there remains a small surplus of Rs. 28,000 to be carried forward, against Rs. 3.83 lakhs brought in. The larger amount provided for depreciation is said to be the result of commissioning the tyre cord plant. The overall taxation liability is substantially lower because of the higher development rebate and a large bonus payment.

Travancore Rayons Slashes Dividend

THAT Travancore Rayons fared badly in 1962 was evident from the 5 percent cut in the dividend (from 20 percent to 15 percent) and the preliminary profit figure which had been released along with the dividend announcement. The directors' full report which has now been made available shows that the Company's performance has been truly disappointing. While sales of rayon yarn, cellulose film and other products have fallen by about 14.5 percent from Rs. 3.67 crores to Rs. 3.13 crores, the gross profit is down by as much as 46 percent from Rs. 1.11 crores to Rs. 59.72 lakhs. Several factors contributed to this disappointing performance.

The Company's production was affected by a strike which lasted for over a month. The production of cellulose film was not up to the full installed capacity partly because of a fall in demand due to competition and partly due to the heavy incidence of excise duty—Travancore Rayon paid a record excise duty of Rs. 44.43 lakhs in 1962 on a smaller turnover, compared with Rs. 32.80 lakhs in the previous year. The production of moisture-proof film also suffered a setback due to difficulties in the procurement of essential chemicals. The production of rayon yarn was, however, nearly maintained at the previous year's level. The anticipated increase in production with the installation of new Butterworth rayon spinning machines was not achieved during the year because of the delay in placing orders for the machinery due to the formalities which had to be completed for obtaining the necessary foreign exchange credit through the Industrial Finance Corporation. These formalities have, however, now been complied with, and orders placed for machinery which, it is expected, will be shipped by June this year. It is expected that these machines will be commissioned by December.

The directors point out that even though there was an increase in the cost of raw materials, power and labour, the price of rayon yarn was still kept at the 1957 level, except for a portion of the increased excise duty. Since wood pulp—the main raw material—was imported under the export promotion scheme, the Company had to surrender a portion of its production of rayon yarn to the art silk weaving industry at prices even lower than the cost of production. After providing Rs. 26.75 lakhs (against Rs. 40.13 lakhs) for depreciation, Rs. 17.73 lakhs (against Rs. 30.60 lakhs) for taxation and deducting other charges, the net profit amounts to only Rs. 13.60 lakhs, compared with Rs. 35.57 lakhs in the preceding year. With Rs. 2.69 lakhs brought in from the previous year and adding Rs. 3 lakhs drawn from the dividend equalisation reserve, the disposable surplus amounts to Rs. 19.59 lakhs. The preference and ordinary dividends absorb Rs. 18.25 lakhs, and a sum of Rs. 1.15 lakhs (against Rs. 2.75 lakhs) has been provided for development rebate. No provision has been made for employees' gratuity reserve which received Rs. 1.50 lakhs in the preceding year. Besides, a sum of Rs. 8

lakhs had been transferred to the dividend equalisation reserve in 1961. After making various appropriations, there remains only a small sum of Rs. 18,587 to be carried forward.

The directors state that the erection of electrical carbon-disulphide plant and cotton linter pulp plant is almost over and trial runs were completed early in 1963. Full production, it is expected, will be reached shortly. The scheme for further expansion of rayon production by five tons a day could not be pursued because of licensing difficulties. The Company's application for import licence has not been favourably considered by the Government because of the foreign exchange shortage. The financial position of Travancore Rayon is very satisfactory. Against a paid-up capital of Rs. 1.50 crores of which equity capital amounts to Rs. 1 crore, the free reserves total Rs. 1.07 crores. The Rs. 10-paid share is currently quoted around Rs. 27 cum-dividend, offering a gross return of about Rs. 5.9 percent. In 1962, the share had touched a high of Rs. 46.10.

Hindustan Lever Earns More but Pays Less

THE directors of Hindustan Lever Ltd have recommended a final dividend of 60p a share (Rs. 10-paid), less tax, for the year 1962, which, together with a like amount already paid as interim, makes a total Rs. 1.20 a share (12 percent), against Rs. 2.60 a share (26 percent) paid in 1961. The previous year's dividend would be equivalent to Rs. 1.76 a share on the capital as increased by the 12-for-25 bonus issue last year which is also entitled to the dividend for 1962. The dividend has been reduced in spite of record sales and record pre-tax profit. This is mainly because of the heavier tax liability.

The preliminary figures about the Company's working which have been released along with the dividend announcement, show that the Company has done extremely well during the year. The total turnover is up by 8 percent from Rs. 49.91 crores to Rs. 53.85 crores and the gross profit has gone up by 14 percent from Rs. 4.18 crores to Rs. 4.77 crores. Exports have risen impressively from Rs. 74 lakhs to Rs. 2.01 crores. The net profit is only marginally higher at Rs. 2.35 crores, against Rs. 2.25 crores because of the increase in corporation tax from 45 to 50 percent.

In addition to this, the Company had to provide a further Rs. 33.4 lakhs for tax on the bonus issue made last year and Rs. 6.5 lakhs for tax adjustments of previous years, leaving a balance of Rs. 1.95 crores. The directors state that while the exact liability for the super profits tax will be known only after the Bill becomes law, they have set aside Rs. 70 lakhs for reserve relating to this tax. The proposed dividend will absorb Rs. 98.92 lakhs, against Rs. 1.45 crores in the previous year. The quotation for Hindustan Lever has come down from Rs. 45 to Rs. 40 following the announcement of a lower dividend.

National Rayon Cuts Dividend

NATIONAL Rayon Corporation has announced a dividend of Rs. 16 a share (Rs. 100-paid), less tax, for the year 1962, against Rs. 22 a share paid in the previous year. Even for the payment of the reduced dividend, the directors have had to withdraw the large amount of Rs. 26.10 lakhs, against Rs. 12 lakhs, from the deferred taxation reserve. But the Company's performance during the year is not as disappointing as the dividend cut would seem to suggest.

Gross revenue is down by a mere 2.37 percent and the gross profit, too, is down by not more than 7.4 percent. The cut in the dividend has apparently been necessitated by the sharp fall in the disposable surplus due to a very substantial increase in the provision for depreciation.

Sales of yarn, waste, chemicals and miscellaneous items fetched Rs. 8.27 crores, against Rs. 8.10 crores and miscellaneous income was slightly higher at Rs. 5.47 lakhs, against Rs. 3.18 lakhs, bringing the total gross revenue to Rs. 8.33 crores, against Rs. 8.13 crores in 1961. Gross profit fell by about 7.4 percent from Rs. 2.44 crores to Rs. 2.25 crores, because of the all-round increases in production costs. Operating expenses have gone up from Rs. 3.11 crores to Rs. 3.60 crores and the Company has had to pay Rs. 1.8 crores, against Rs. 1.25 crores by way of excise duty. Employees' remuneration and benefits are up from Rs. 1.05 crores to Rs. 1.17 crores and office and selling expenses are also higher at Rs. 28.29 lakhs, against Rs. 25.24 lakhs.

Out of the year's gross profit of Rs. 2.25 crores (against Rs. 2.44 crores), the directors have provided Rs. 1.29 crores (against Rs. 85.18 lakhs) for depreciation, Rs. 25.10 lakhs (against Rs. 39.25 lakhs) for development rebate reserve and Rs. 37.50 lakhs (against Rs. 53 lakhs) for taxation. The balance of the profit available for disposal is only Rs. 27.56 lakhs, compared with Rs. 57.24 lakhs in 1961. From this the directors have had to set aside Rs. 6.25 lakhs (against nil) for additional taxation concerning the previous year. Since the profit is insufficient to meet the proposed dividend liability, the directors have transferred Rs. 28.10 lakhs (against Rs. 12 lakhs) from the deferred taxation reserve. The preference dividend absorbs Rs. 9.67 lakhs (the same) and ordinary dividend Rs. 38.57 lakhs (against Rs. 53.05 lakhs), leaving a sum of Rs. 9,486 to be carried forward, against Rs. 93,407 brought in. No allocation has been made to the debenture redemption reserve which had received Rs. 10 lakhs in the previous year.

The preliminary report on the Company's working indicates that the tyre cord plant is working satisfactorily; the teething troubles have all been overcome and the plant is now producing standard quality products guaranteed by the foreign collaborators. Negotiations are in progress with the Government and the tyre manufacturers in India for the sale of the Company's product and the management expects that regular offtake will be assured shortly. The full benefits of the Company's two-stage expansion will be reflected in the current year's working results. Production of finer deniers, it is expected, will be substantially higher this year. Sales of finer deniers are said to be more remunerative. It needs to be mentioned, however, that while 1962 is the third year in succession for which the gross profit has suffered a setback from a high of Rs. 2.76 crores in 1959, the dividend has been reduced only for the first time. The Company's dividend record up to 1961 has been good; the dividend was 10 percent in 1954 and it had been progressively raised to 22 percent by 1959. The shares of National Rayon, which was marked down from Rs. 375 to Rs. 350 on the kerbs immediately after the announcement of the dividend cut, have gone up again to around Rs. 377 on renewed support based on better prospects for the current year.

Silver Cotton Pays Less

THE directors of Silver Cotton Mills Co. Ltd, Ahmedabad, have reduced the dividend for the year 1962

from Rs. 32 to Rs. 15 a share, less tax, but the total amount distributed among the shareholders is only a little lower at Rs. 1.96 lakhs, against Rs. 2.09 lakhs in 1961, because the reduced dividend is payable on double the capital following the one-for-one rights issue. Like most other cotton textile mills, Silver Cotton also has fared rather badly. Its sales are down by about 10 percent from Rs. 1.62 crores to Rs. 1.46 crores, and the gross profit has fallen by nearly 31 percent from Rs. 22.06 lakhs to Rs. 15.10 lakhs. After providing Rs. 5.34 lakhs (against Rs. 5.30 lakhs) for depreciation, Rs. 1.22 lakhs (against Rs. 93,000) for development rebate and rehabilitation reserve, Rs. 4.68 lakhs (against Rs. 7.05 lakhs) for taxation, Rs. 22,159 (against Rs. 11,388) for donations and Rs. 90,000 (against Rs. 5.50 lakhs) for other reserves, the net profit amounts to Rs. 1.75 lakhs, compared with Rs. 2.06 lakhs in the previous year. After making certain minor adjustments, and providing for the proposed dividends, there is a small sum of Rs. 6,039 to be carried forward. The Rs. 100-paid share of Silver Cotton Mills is currently quoted around Rs. 495.

Monogram Mills Sales Up, Profit Down

IN spite of an increase of about 15.4 percent in the sales from Rs. 1.95 crores to Rs. 2.25 crores, the gross profit of the Monogram Mills Co. Ltd of Ahmedabad for the year 1962, is down by 40 percent from Rs. 17.27 lakhs to Rs. 10.32 lakhs. The directors have recommended a dividend of Rs. 9 a share, less tax, against Rs. 12 a share in 1961, but since the dividend is on the increased capital, the total amount distributed at Rs. 3.11 lakhs is almost the same as in the preceding year. Allocations include Rs. 5.99 lakhs (against Rs. 5.15 lakhs) for depreciation, Rs. 3.26 lakhs (against Rs. 1.89 lakhs) for development rebate reserve and development and rehabilitation reserve, for taxation nil (against Rs. 4 lakhs) and Rs. 24,205 (against Rs. 25,325) for donations. A sum of Rs. 45,000 (against Rs. 1.48 lakhs) has been provided for income tax for the previous year. The directors have withdrawn Rs. 3 lakhs from the general reserve. After providing for the payment of dividend, there remains a surplus of Rs. 27,254 to be carried forward, against Rs. 50,274 brought in. The Company spent about Rs. 23 lakhs on new machinery and equipment during the year. The Rs. 100-paid share of Monogram Mills is quoted around Rs. 155.

Ambica Mills to Pay Again

THE directors of Shri Ambica Mills Ltd of Ahmedabad have recommended a gross dividend of Rs. 40 a share for 1962. The Company had skipped the dividend in 1961, and had issued instead bonus shares in the proportion of one for every three held. In 1960, the Company paid a dividend of Rs. 50 a share. The dividend of Rs. 40 a share which has now been recommended for 1962 is payable on the increased capital following the bonus issue and it absorbs Rs. 34 lakhs, against Rs. 31.88 lakhs in 1960. The preliminary report on the Company's working shows a small setback in sales as well as profit, which, however, is in line with the general performance of the cotton textile industry in 1962.

Sales are down by about 5.7 percent from Rs. 5.89 crores to Rs. 5.55 crores, and the gross profit has fallen by a little over 6 percent from Rs. 1.60

crores to Rs. 1.50 crores. The directors have provided Rs. 15.15 lakhs (against Rs. 15.49 lakhs) for depreciation, Rs. 4.67 lakhs (against Rs. 2.70 lakhs) for development rebate, Rs. 68.20 lakhs, including Rs. 7 lakhs for super profits tax (against Rs. 65.20 lakhs) for taxation, Rs. 6.80 lakhs (against Rs. 1.46 lakhs) for donations and Rs. 13.53 lakhs (against Rs. 53 lakhs) for general reserve. No provision has been made for investment and gratuity reserves which received Rs. 10 lakhs and Rs. 5 lakhs, respectively, in 1961. After providing for the proposed dividends, ordinary and preference, there remains a small sum of Rs. 750 to be carried forward. The Rs. 100-paid share of Ambica Mills is currently quoted around Rs. 1,238.

New Capital Issues

EIGHT companies have been authorised to raise capital totalling Rs. 4.08 crores. The following are the details:

Phillips (India) Limited, Calcutta, is to issue capital of Rs. 16.66 lakhs in equity shares of Rs. 10 each for cash at a premium of Rs. 5 a share; 50 percent of the capital will be issued to the existing non-resident shareholders and the balance to the existing Indian shareholders.

Tecalemit (India) Limited, Calcutta (Proposed) has been authorised to issue capital of Rs. 40,00,000 divided into 400,000 equity shares of Rs. 10 each. Of this, 212,000 shares will be offered to Tecalemit Ltd, U.K., and the balance 188,000 shares will be issued in India.

Napco Bevel Gear of India Limited, a public Company to be floated for the manufacture of bevel gears, etcetera, in collaboration with Napco Industries Inc. of the U.S.A. has been given consent to issue capital of Rs. 126.70 lakhs divided into 1,267,000 equity shares of Rs. 10 each. Out of this issue, equity shares of the value of Rs. 47.50 lakhs will be offered to the foreign collaborators and the balance will be issued to Indian nationals for cash at par. The foreign participation will be made into Rs. 23.75 lakhs against part payment of the price of equipment to be transferred and Rs. 23.75 lakhs against supply of technical know-how.

The Bharat Mining Corporation Limited, Calcutta, is to issue capital of Rs. 19.56,350 in equity shares of Rs. 10 each for the development of its two collieries.

Andhra Steel Corporation Private Limited, Calcutta, is raising capital of Rs. 20 lakhs in equity shares for completing its re-rolling mill project at Visakhapatnam.

Borosil Glass Works Limited, Bombay, is to raise Rs. 1,49,99,100 in equity shares of Rs. 10 each at par partly for cash and partly for consideration other than cash. Out of this, shares of the value of Rs. 73.50 lakhs will be issued to Corning Glass Works of the U.S.A.

The Singh Engineering Works Private Ltd, has been given consent to issue further capital of Rs. 10 lakhs divided into 10,000 equity shares of Rs. 100 each to be issued as bonus shares on capitalisation of the Company's reserves to a like extent.

In supersession of the consent granted in December, 1962, for Rs. 20 lakhs in equity shares, Sri Sai Baba Textile Mills Limited, Andhra Pradesh, has been given a revised consent for Rs. 25 lakhs in the form of equity shares of the value of Rs. 20 lakhs and preference shares of Rs. 5 lakhs. All the shares will be issued for cash at par. The consent is valid till 20th December, 1963.

"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY **

The Capital Index of Indian Industrial Activity (Base : 1953) has now been brought up to April 1962. Compared with the preceding month, there were declines in sugar 144.42

points, jute 1.11 points, cloth 0.89 points, cement 14.06 points, coal 6.46 points, pig-iron 22.77 points, finished steel 62.25 points, paper 8.61 points, tyres 3.46 points,

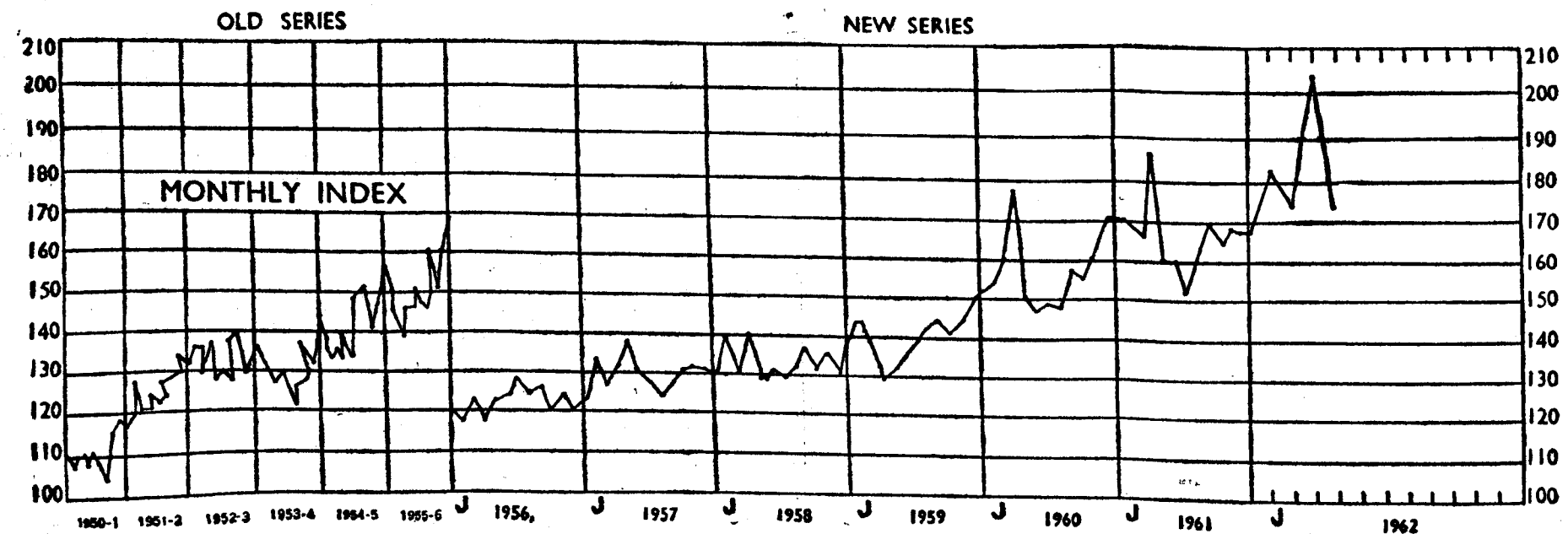
motor-cars 147.93 points, bicycles 4.19 points and railway ton-miles 107.73 points. Tea and electricity increased by 43.44 points and 0.88 points, respectively.

Combining all the factors, the Capital Index of Indian Industrial Activity declined by 29.1 points during April 1962.

	Sugar	Tea	Jute	Yarn	Cloth	Cement	Coal	Pig Iron	Finished Steel	Paper & Board	Tyres	Motor-cars	Bicycles	Electricity	Railways ton-miles	General Index	General Index for 1953
Weights	6.50	4.5	6.11	1.10	19.35	1.54	6.01	1.91	3.81	1.27	4.13	1.45	1.45	2.11	34.48	107.6*	100.0*
1948-49	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	109.4*	100.0*
1949-50	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	110.8*	100.0*
1950-51	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	112.7*	100.0*
1951-52	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	113.4*	100.0*
1952-53	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	113.4*	100.0*
1953-54	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	113.4*	100.0*
1954-55	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	113.4*	100.0*
1955-56	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	113.4*	100.0*
New Series	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	113.4*	100.0*
1954	78.37	105.91	106.77	103.72	102.45	116.35	102.56	104.32	121.45	110.6	112.1	103.5	140.9	112.26	108.74	105.8	107.6*
1955	123.51	109.84	118.25	108.37	104.41	118.15	106.56	106.82	123.39	132.5	122.74	165.5	185.9	115.91	123.46	116.9	109.4*
1956	143.77	109.81	125.83	111.06	108.77	130.38	110.01	110.27	130.71	138.5	138.41	231.0	251.7	145.02	124.48	122.5	110.8*
1957	160.15	109.45	118.54	118.23	108.99	148.31	121.47	107.63	131.47	150.41	149.73	229.35	302.53	163.48	143.16	132.1	112.7*
1958	154.54	115.78	122.21	111.97	100.99	161.78	126.45	118.28	126.90	181.10	171.62	190.73	343.60	184.78	151.90	134.6	113.4*
1959	165.35	116.32	113.90	114.47	101.96	181.71	131.21	172.35	168.68	210.47	200.15	260.92	373.65	219.24	153.72	141.5	113.4*
1960	188.49	113.74	124.79	115.39	103.48	204.96	145.04	227.44	213.24	249.20	225.16	371.18	400.38	247.30	173.10	158.42	113.4*
1961	230.68	125.51	111.68	126.32	104.85	217.74	156.44	280.05	279.68	262.78	238.89	386.22	397.70	287.78	173.69	166.16	113.4*
1962	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
January	413.20	20.32	127.21	119.95	105.79	158.63	136.79	122.09	141.96	196.13	210.04	257.93	332.27	208.85	161.34	150.81	145.0
February	382.15	17.55	115.47	108.99	96.37	158.98	131.67	134.19	143.96	185.87	190.05	201.64	351.36	201.77	152.55	141.23	139.0
March	340.61	20.32	115.09	112.81	99.82	165.83	132.41	180.74	153.11	199.15	181.79	230.69	357.27	211.59	152.55	142.72	130.0
April	161.99	57.99	115.57	111.54	100.09	191.11	133.38	158.39	143.49	164.25	195.83	175.95	331.82	213.12	132.41	128.35	122.2
May	30.02	112.03	119.89	108.35	99.69	188.32	134.42	156.69	167.79	199.91	223.97	223.97	324.55	224.37	149.69	132.24	126.4
June	0.19	144.77	114.23	108.19	99.69	181.78	127.72	168.69	160.14	194.49	196.27	259.31	372.27	217.32	155.78	134.30	139.5
July	4.18	189.34	123.76	116.64	104.79	178.41	129.23	185.14	172.33	232.24	220.52	283.71	400.00	218.20	155.74	141.40	142.2
August	8.64	214.60	120.03	114.81	97.40	169.90	125.54	190.00	186.05	228.57	220.25	303.97	367.73	224.88	159.39	143.13	145.5
September	9.57	220.51	127.90	118.07	101.34	177.6	131.77	175.68	187.59	226.19	213.32	265.09	405.45	223.72	151.83	139.75	143.5
October	18.59	208.28	121.14	117.68	101.30	185.08	120.79	184.05	177.84	234.24	149.29	260.17	354.55	229.33	154.52	139.92	145.6
November	166.64	141.42	121.55	112.81	96.05	194.79	126.78	176.49	189.80	238.17	209.95	290.43	406.36	223.68	155.05	144.87	149.3
December	400.37	48.72	129.28	123.26	106.87	210.16	143.79	188.51	212.19	258.38	214.56	378.18	474.09	235.60	164.20	162.31	152.9
1960	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
January	463.10	20.51	121.69	114.96	102.77	206.29	137.80	162.97	205.97	239.74	200.36	326.21	368.64	234.91	172.58	161.75	155.9
February	440.05	17.75	120.72	110.66	99.16	187.65	143.82	228.24	190.00	240.90	204.70	357.33	397.27	226.71	176.75	162.08	159.9
March	412.55	21.30	127.90	111.46	100.92	220.44	146.10	245.54	207.38	255.72	233.45	397.16	465.90	239.90	245.08	168.44	175.7
April	246.56	78.11	127.82	109.06	100.36	201.14	146.74	228.38	199.41	258.78	231.00	325.43	438.64	239.16	142.75	146.69	150.5
May	71.10	62.05	128.59	110.58	100.95	211.30	145.70	212.50	196.71	249.49	237.83	328.36	348.64	251.19	157.99	143.81	148.0
June	2.70	156.61	125.14	113.85	103.51	200.73	138.63	201.89	189.57	239.01	222.65	375.52	323.64	249.82	154.89	142.78	148.0
July	4.93	162.33	121.96	117.99	106.16	193.84	135.86	191.08	208.18	244.67	238.54	370.08	378.64	246.33	161.79	146.89	167.5
August	14.96	208.97	132.04	116.67	106.65	196.34	140.74	234.53	211.19	247.49	254.80	400.00	409.09	254.25	167.43	155.07	147.7
September	17.06	208.09	125.41	116.40	104.46	185.87	141.01	234.66	223.79	238.84	207.82	360.43	350.00	247.24	170.86	153.17	157.5
October	36.24	223.27	118.64	113.21	100.50	218.8	145.26	256.01	220.16	256.59	186.14	359.22	385.45	257.52	173.93	155.56	156.9
November	223.12	138.51	120.58	119.34	105.11	204.28	155.27	262.50	245.02	248.18	252.57	416.46	479.09	247.60	177.28	166.45	161.3
December	452.51	47.70	127.21	127.48	110.36	232.83	170.71	271.01	260.73	261.12	249.29	437.32	459.55	273.04	177.28	178.38	169.0
1961	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
January	503.05	19.70	120.99	123.65	107.42	222.44	171.98	282.50	279.84	262.12	230.02	435.69	410.45	268.39	172.56	175.83	170.9
February	466.36	22.62	108.56	116.08	100.46	211.97	174.02	261.28	260.61	259.62	235.79	444.22	428.64	253.48	174.75	169.68	167.5
March	468.80	25.91	122.79	120.70	103.75	225.02	184.93	286.48	308.56	270.86	249.64	469.40	440.45	285.60	243.69	201.65	189.2
April	387.45	66.23	111.19	120.11	103.55	217.62	151.99	274.12	251.23	253.52	232.95	404.74	383.05	281.77	143.75	156.31	160.1
May	198.68	101.54	109.94	121.31	105.84	225.02	153.97	278.51	245.13	264.46	213.41	406.91	406.18	292.02	157.93	156.70	160.9
June	40.36	164.71	92.95	127.45	107.21	203.65	140.00	267.70	264.71	247.65	247.16	385.78	383.73	288.66	154.88	150.23	155.4
July	7.71	202.95	88.95	132.20	109.53	198.95	139.27	280.61	271.04	260.36	264.74	347.16	393.77	292.76	161.79	153.93	154.7
August	135.69	239.17	108.15	131.96	108.52	215.05	146.27	284.26	266.64	262.91	260.21	396.98	317.00	297.18	167.43	166.68	169.1
September	15.89	237.43	105.11	130.01	104.44	214.03	153.73	271.28	290.04	258.80	264.30	356.58	385.14	292.97	170.86	161.02	164.7
October	42.94	232.49	107.32	130.40	104.74	214.63	143.45	292.23	298.59	277.48	168.65	316.72	356.68	293.10	178.22	162.19	167.9
November	110.78	149.16	129.42	126.70	100.23	230.86	154.17	279.85	297.54	260.43	247.16	279.22	434.45	294.64	174.46	163.08	167.5
December	389.78	44.28	134.81	135.22	107.51	233.62	163.51	301.82	302.22	275.18	252.66	390.95	432.95	311.76	181.85	176.41	167.0
1962	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
January	506.50	20.26	133.56	132.46	107.36	220.60	166.65	297.56	335.40	275.17	248.04	446.12	408.50	316.67	192.28	188.30	182.4
February	471.18	18.85	125.41	120.18	97.50	210.25	162.16	270.06	320.96	251.70	223.88	434.31	444.81	297.64	180.05	176.15	174.0
March	472.30	30.40	133.01	127.31	102.60	239.90	173.75	319.66	380.89	279.32	249.37	494.91	439.59	318.63	268.17	215.87	203.2
April	327.88	73.88	131.90	123.25	101.71	225.84	167.29	296.89	316.64	270.71	245.91	346.96	435.40	319.51	160.44	170.28	174.1

**Revised in December 1957.

General Index figures from 1950-51 to 1955-56 are taken from old series.



The Stock Markets

CAUTIOUS TRADING IN LYONS RANGE

Wednesday Evening.
At the settlement on Wednesday, the

Rs. 311 and India United ordinary at Rs. 22.32.

In the miscellaneous section, selected sugar shares have been steadier. Belapur have been transacted at Rs. 192 and Phaltan at Rs. 93. Cement shares have been rather quiet. Associated Cement have been freely available at Rs. 145 and Digvijay at Rs. 164. Mining shares have been subdued, and Shivrajpur Syndicate have been offered down to Rs. 21. Among steamship company shares, Scindia Steam have reacted to Rs. 10.68 on pressure. Chemical shares have been steady. Tata Chemical have risen to Rs. 15.72 and Indian Dyestuff to Rs. 442.50. Rayon shares have been steady, and National Rayon have recovered to Rs. 379 on short-covering. But towards the close, the scrip has been easier on news of a cut in the dividend. Voltas have been steady at Rs. 271. Interest in cash shares has been at a low ebb, but scattered support has been extended to Synthetics and Chemicals at Rs. 159 and to Permanent Magnets at Rs. 180.

Routine business has been transacted in bank shares. Bank of India have been done at Rs. 109.50 and Bank of Baroda at Rs. 88. Among insurance shares, New India Assurance have been firm at Rs. 59.50 on prospects of a bonus issue. Electric company shares have been quiet. Ahmedabad have been sold at Rs. 91.30 and Tata Hydro at Rs. 104.

Madras

PRICES OF SELECTED SHARES HARDEN

MOVE MADE TO RESUME FORWARD TRADING

Tuesday Evening. The Madras stock market has been steady during the past week. Turnover has increased and prices of selected shares have hardened on bigger investment buying. Selling pressure has abated considerably since holders have been encouraged by higher advices from Calcutta and Bombay. In response to more active conditions, the authorities have asked the Government to permit the resumption of normal forward trading.

Towards the close, operators and investors have turned cautious because of the substantial increase in prices. The shortage of credit has been felt, and it is likely to be aggravated because the forthcoming Government borrowing programme may siphon off substantial funds from the market. Prices of selected State Government loans have hardened somewhat. Interest has broadened in high-yielding preference shares. Electric company shares have generally been neglected. In the banking section, Pandyan have met with support on prospects of amalgamation.

Sugar shares have met with fresh support, and E.I.D. have hardened to Rs. 38.70. Support has been forthcoming for Kothari at Rs. 7.85 and for Deccan at Rs. 9. Good planting shares have been bought on hopes of satisfactory crops. Blue Mountain have been transacted at Rs. 2.47 on reports that the fertilizer department of the Company has been doing well. Cochis Malabar have come to hand at Rs. 6. Consolidated Coffee at Rs. 17.25. Oxytelony at Rs. 3.60 and Periakaramalai at Rs. 3.06. Nonsuch have declared an interim taxable ordinary dividend of 5 percent. Tropical a taxable ordinary dividend of 8 percent and

Parkside an interim taxable ordinary dividend of 7.5 percent.

Cotton mill shares have been selectively higher on replacement buying. Bangalore Woollen and Buckingham have declared a final taxable ordinary dividend of 12 percent each. Binny have paid a final taxable ordinary dividend of 13 percent. South India Viscose have reacted to Rs. 147 while Madura have been bought up to Rs. 32.50. Lakshmi have been done at Rs. 138. Travancore Rayon have been easier at Rs. 25.

Turnover has increased in miscellaneous shares. Aluminium Industries have been wanted at up to Rs. 18.50 and Ashok Leyland have met with support at Rs. 7.60. Dalmia Cement have been taken at Rs. 12.25 on repeating a taxable ordinary dividend of 12 percent. India Cement have been steady at Rs. 5.75 and Mettur Chemical at Rs. 12.25. Business has passed in Enfield at Rs. 9.25, in F.A.C.T. at Rs. 7.55 and in Parry's Confectionery at Rs. 3.30. Aspinwall have declared a taxable ordinary dividend of 6 percent and the scrip has been quoted up to Rs. 8.30. Standard Motors have been done up to Rs. 11.87. Seshasayee Paper have jumped to Rs. 8.05 on strong support.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations. Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs. 29/75—30/28—28/81—(36/75).
Burrakur Coal—Rs. 17/25—17/37—17/00—17/00—(18/56).
Dunlop Rubber—Rs. 35/37—35/50—35/37—35/37—(44/12).
Guest, Keen, Williams—Rs. 34/75—34/87—33/62—33/75—(42/00).
Hindustan Motors—Rs. 17/56—17/72—17/06—17/06—(20/37).
Howrah Jute—Rs. 19/06—20/75—19/00—20/12—(21/25).
Indian Aluminium—Rs. 33/69—34/37—33/37—33/75—(40/75).
Indian Cable—Rs. 32/37—32/37—30/62—31/00—(36/62).
Indian Copper—Rs. 4/42—4/42—4/32—4/33—(5/18).
Indian Iron & Steel—Rs. 22/40—22/70—22/14—22/16—(26/28).
J. K. Cotton Spg. & Wvg.—Rs. 14/62—14/81—14/25—14/37—(22/00).
Jalpuri Udyog—Rs. 10/94—11/00—10/81—10/94—(14/69).
Kesoram Industries—Rs. 23/75—24/44—23/75—23/37—(32/75).
Orient Paper—Rs. 35/80—35/85—34/70—34/75—(43/90).
Orissa Cement—Rs. 14/56—14/62—13/31—13/37—(19/31).
Rohatas Industries—Rs. 11/19—11/37—10/94—11/00—(17/25).
Shree Gopal Paper—Rs. 23/25—23/50—23/25—23/50—(26/62).
Textile Machinery—Rs. 24/10—24/10—23/50—23/80—(25/00).

GOVERNMENT SECURITIES

3 % Loan (1970-75)—Rs. 85/75—86/15—85/75—86/15.
3 % " (1966-68)—Rs. 96/18—96/18—96/18—96/18.
3 % " (1988)—Rs. 83/25 S.T.—63/50—63/25—63/30.
3 % " (1994)—Rs. 90/00—90/00—90/00—90/00.
34 % " (1969)—Rs. 97/65—97/65—97/65—97/65.
34 % " (1969)—Rs. 96/90—96/90—96/85—96/85.
34 % " (1968)—Rs. 98/78—98/78—98/78—98/78.
34 % " (1974)—Rs. 95/85—95/85—95/85—95/85.
34 % " (1965)—Rs. 90/25—90/25—90/00—90/00.
4 % " (1978)—Rs. 99/50—99/50—99/50—99/50.
4 % " (1978)—Rs. 99/50—99/50—99/50—99/50.
4 % West Bengal (1968)—Rs. 97/40—97/40—97/40—97/40.
44 % Orissa (1972)—Rs. 95/15—95/15—95/15—95/15.

44 % West Bengal (1974)—Rs. 98/15—98/18—98/13—98/18.
44 % Loan (1985)—Rs. 100/25—100/25—100/25—100/25.
44 % Rajasthan (1972)—Rs. 95/25—95/25—95/25—95/25.
44 % Orissa (1974)—Rs. 96/50—96/50—96/45—96/45.

RAILWAY

Delhi Rohatas—Rs. 13/81—13/87—13/81—13/87—(19/25).
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BANKS

Allahabad (Pref.)—Rs. 97/00—97/50—97/00—97/50—(94/00).
Hindustan Commercial—Rs. 14/00—14/00—13/87—13/87—(18/50).
Punjab National—Rs. 19/87—19/87—19/69—19/87—(21/75).
United Bank of India (Rs. 10/- paid)—Rs. 7/31—7/37—7/19—7/31—(6/69).
United Commercial—Rs. 70/00—71/00—69/50—71/00—(92/50).

COTTONS

Bharat Commerce—Rs. 22/87—22/94—22/75—22/87—(29/12).
Cawnpore—Rs. 7/12—7/62—7/00—7/44—(8/69).
Elgin—Rs. 18/87—19/00—18/87—18/94—(21/56).
Elgin ("B" Pref.)—Rs. 6/75—7/00—6/75—7/00—(7/00).
Jiyajee—Rs. 9/37—9/50—9/37—9/50—9/20.
Do. (Pref.)—Rs. 92/50—92/50—92/00—92/00.
Jay Shree—Rs. 15/87—16/06—15/87—16/06—(16/69).
Muir (Pref.)—Rs. 120/00—120/00—120/00—120/00.
New Victoria—Rs. 1/37—1/37—1/37—1/37—(1/62).
Sutlej—Rs. 85/00—85/00—85/00—85/00.

COALS

Amalgamated—Rs. 23/44—23/56—23/44—23/56—(22/87).
Bhagora—Rs. 4/75—4/87—4/75—4/87—(4/75).
Central India—Rs. 10/75—10/87—10/41—10/47—(13/19).
Central Kurkud—Rs. 4/06—4/06—3/87—3/87—(7/00).
Equitable—Rs. 26/75—26/87—26/50—26/50—(28/75).
East Indian—Rs. 32/25—32/37—32/25—32/37—(43/50).
New Manbhoom—Rs. 15/06—15/87—15/00—15/87—(13/81).
Nazira—Rs. 5/00—5/00—5/00—5/00—(7/62).
Orient—Rs. 7/00—7/00—7/00—7/00.
Pench Valley—Rs. 18/12—18/19—18/12—18/19—(17/81).
Searsale—Rs. 1/25—1/37—1/19—1/22—(1/31).
Sendra—Rs. 6/25—6/25—6/25—6/25—(7/69).
South Karanpura—Rs. 9/50—9/50—9/25—9/44—(9/25).
Western Bengal—Rs. 9/47—9/62—9/37—9/44—(9/87).

JUTES

Agarpara—Rs. 10/37—10/37—10/06—10/06—(12/19).
Alliance—Rs. 90/50—97/00—90/50—96/50—(141/00).
Auckland (1st Pref.)—Rs. 67/50—67/50—67/50—67/50—(71/00).
Anglo-India—Rs. 215/00—215/00—215/00—215/00—(227/00).
Do. (Pref.)—Rs. 95/50—96/00—95/50—96/00.
Barnagore—Rs. 180/00—180/00—180/00—180/00—(180/00).
Bally—Rs. 271/00—272/00—270/00—270/00—(305/00).
Caledonian—Rs. 200/00—200/00—200/00—200/00—(220/00).
Calcutta—Rs. 8/00—8/12—8/00—8/12—(8/37).
Chitavalis—Rs. 10/75—10/81—10/75—10/75—(13/00).
Chelva—Rs. 23/75—23/87—23/75—23/87—(23/50).
Dalhousie—Rs. 152/00—152/00—152/00—152/00—(137/00).
Empire—Rs. 14/25—15/00—14/25—14/60—(19/31).
Fort William—Rs. 26/12—26/12—26/12—26/12—(25/75).
Fort Gloster—Rs. 375/00—375/00—375/00—375/00—(451/00).
Ganges—Rs. 13/62—13/62—13/56—13/62—(14/69).
Gondalpara—Rs. 15/62—15/62—15/87—15/44.
Hukumchand—Rs. 22/00—22/00—22/00—22/00—(26/37).
Howrah ("A" Pref.)—Rs. 91/00—91/00—91/00—91/00.
Hooghly (Pref.)—Rs. 10/25—10/37—10/25—10/37—(11/00).
India—Rs. 18/12—18/25—18/00—18/00—(17/75).

CAPITAL, 2nd May, 1963.

Kanknarrah—Rs. 129/00—143/00—129/00—139/00—(125/50).
Lawrence (7% Pref.)—Rs. 91/50—91/50—91/00—91/00.
Lanadowne (Pref.)—Rs. 92/00—92/00—92/00—92/00.
Megna—Rs. 13/75—13/75—13/56—13/69—(13/81).
New Central—Rs. 12/25—12/25—12/06—12/19—(17/56).
Naihati (1st Pref.)—Rs. 112/00—112/00—112/00—112/00.
Nuddea—Rs. 52/50—52/50—52/50—52/50—(72/50).
National—Rs. 23/00—23/75—23/00—23/75—(24/00).
Nellmaria—Rs. 11/56—11/62—11/44—11/50—12/25).
Presidency—Rs. 5/12—5/56—5/12—5/56—(5/87).
Rameshwara—Rs. 9/44—9/44—9/44—9/44—(9/56).
Reliance—Rs. 8/00—11/81—8/00—11/12—(7/56).
Shree Ambica (Pref.)—Rs. 90/00—90/00—90/00—90/00.
Soorah—Rs. 21/00—21/50—21/00—21/50—(25/75).
Waverley—Rs. 6/50—7/12—6/50—7/00—(6/31).
Do. (Pref.)—Rs. 40/00—40/00—40/00—40/00.

MININGS

Assam Sillimanite—Rs. 8/12—8/31—8/06—8/12.
Chrestien Mica (Pref.)—Rs. 38/75—38/75—38/75—38/75.
Karanpura Development—Rs. 13/12—13/25—12/50—12/62—(17/06).
Metal Corp.—Rs. 8/31—8/56—8/25—8/37—(12/31).
Orissa Minerals—Rs. 27/69—27/69—27/69—27/69—(42/60).

CEMENTS

Ashoka—Rs. 7/25—7/31—7/12—7/25—(8/94).
Bengal Potteries—Rs. 5/75—5/87—5/75—5/87—(7/06).
Dalmia (Bharat)—Rs. 13/00—13/37—13/00—13/12—(13/75).
Sone Valley—Rs. 4/25—4/41—4/19—4/22—(5/69).

CHEMICALS

Alkali & Chemical—Rs. 35/12—37/00—35/12—36/25—(47/81).
Calcutta Chemical (2nd Pref.)—Rs. 6/73—6/73—6/73—6/73.
Calcutta—Rs. 14/25—14/37—14/19—14/37—(14/87).
Do. (Pref.)—Rs. 8/25—8/25—8/25—8/25.
Muzafferpore—Rs. 12/25—12/25—12/25—12/25—(11/75).

ENGINEERINGS

Britannia Eng.—Rs. 10/37—10/37—10/12—10/19—(13/00).
Bharat Ball Bearing—Rs. 14/31—14/31—14/31—14/31.
Bhartia Elec. Steel—Rs. 13/62—13/62—13/62—13/62—(12/37).
Binani Metal—Rs. 10/37—10/50—10/25—10/25—(13/00).
Burn & Co. (6% Pref.)—Rs. 102/00 S.T.—103/00—102/00—103/00.
Calcutta Steel—Rs. 13/75—13/81—13/69—13/69—(17/75).
Dalmia Iron—Rs. 10/25—10/50—10/25—10/50—(11/00).
Hooghly Docking—Rs. 108/00—108/00—108/00—108/00—(111/00).
Indian Iron & Steel (Pref.)—Rs. 82/50—83/50—82/50—82/50—(85/00).
Indian Steel & Wire—Rs. 40/75—40/75—39/87—40/50—(48/00).
Indian St. Wagon—Rs. 29/25—29/37—29/25—29/31.
Jessop & Co.—Rs. 22/69—22/69—22/69—22/69—(25/75).
J. K. Steel—Rs. 15/00—15/10—15/00—15/00—(20/22).
Kumardhul—Rs. 8/00—8/31—8/00—8/12—(8/66).
Marshall—Rs. 2/94—3/12—2/94—3/12—(4/00).
Machinery Mfg.—Rs. 19/25—19/25—19/25—19/25.
National Iron & Steel—Rs. 4/25—4/31—4/19—4/19—(5/44).
Wellman Incandescent—Rs. 7/37—7/44—7/37—7/44.
Textile Machinery (6% Pref.)—Rs. 101/0—101/00—101/00—101/00.

INSURANCES

New Asiatic—Rs. 8/44—8/62—8/37—8/50—(7/75).
Ruby General—Rs. 8/44—8/56—8/44—8/56—(8/66).

MISCELLANEOUS

Aluminium Corp.—Rs. 14/12—14/12—13/75—13/87—(18/76).
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CAPITAL, 2nd May, 1963.

Asian Refractories—Rs. 7/81—7/94—7/69—7/81.
Asiatic Oxygen—Rs. 9/62—10/00—9/56—10/00.
American Refrigerator—Rs. 8/19—8/19—8/10—8/19—(8/31).
Angelo Brothers—Rs. 22/62—22/62—22/44—22/50—(23/12).
Assam Hardboard—Rs. 6/50—6/50—6/50—6/50.
Associated Battery—Rs. 25/25—25/25—24/81—25/00—(33/62).
B. I. Corp.—Rs. 8/90—8/90—8/81—8/94—(10/31 x.d.).
Do. (Pref.)—Rs. 113/00—113/00—113/00—113/00.
Birds Investment—Rs. 10/00—10/00—9/94—9/94—(12/62).
Balmer Lawrie—Rs. 247/00—247/00—247/00—247/00—(277/00).
Clive Row Investment—Rs. 8/35—8/35—8/35—8/35—(8/62).
Dr. Paul Lohmann—Rs. 16/25—16/25—15/94—16/00—(24/56).
Electric Construction—Rs. 13/25—13/25—13/12—13/12—(15/00).
East Anglia Plastics—Rs. 10/25—10/44—10/25—10/25—(21/25).
Gillanders—Rs. 13/44—13/50—13/44—13/50—(14/75).
General Tyres—Rs. 8/50—8/56—8/37—8/44—(6/69).
Goodyear India—Rs. 37/06—37/06—36/87—36/87—(48/25).
Gwalior Rayon—Rs. 40/50—46/00—40/50—46/00.
Hindustan Aluminium—Rs. 14/00—14/00—13/62—13/75—(16/90).
Hindustan Twyford—Rs. 14/56—14/62—14/56—14/62—(16/75).
Hindustan Gas—Rs. 23/94—23/94—23/94—23/94.
Hindustan Filkinglass—Rs. 14/75—14/87—14/75—14/87—(22/75).
Hindustan Wire Pro.—Rs. 16/62—16/62—16/62—16/62—(12/25).
Hoare Miller—Rs. 6/00—6/03—5/94—5/97—(7/50).
Hindustan Development—Rs. 4/06—4/12—4/06—4/12—(7/06).
Imperial Tobacco—Rs. 11/25—11/25—11/19—11/19—(11/87).
India Carbon—Rs. 21/25—21/37—21/25—21/37—(20/50).
Indian Oxygen—Rs. 30/25—30/62—30/00—30/50—(47/12).
Indian Tack & Nail—Rs. 13/12—13/12—12/62—12/62—(20/25).
Isaac Holdens—Rs. 14/75—15/25—14/75—14/81—(17/62).
Indian Rayon—Rs. 89/00—89/00—89/00—89/00.
Jardine Henderson—Rs. 85/50—90/00—84/50—87/00—(79/50).
J. K. Synthetics—Rs. 11/94—11/94—11/44—11/44—(16/65).
Jay Shree Industries—Rs. 16/44—17/00—16/44—16/87—(20/37).
Kesoram Industries (2nd Pref.)—Rs. 92/50—92/50—92/50—92/50—(93/00).
Martin Burn—Rs. 26/87—26/75—26/37—26/75—(29/12).
Metal Distributors—Rs. 5/00—5/19—5/00—5/00.
Metal Box—Rs. 50/00—50/25—49/87—49/87—(59/12).
McLeod & Co (2nd Pref.)—Rs. 59/75—59/75—59/75—59/75.
National Standard Duncan—Rs. 52/00—52/00—51/00—51/50.
National Insulated Cable—Rs. 24/50—24/87—24/50—24/50—(44/62).
National Rubber Mfg.—Rs. 11/44—12/56—11/25—12/50—(12/50).
Do. (Pref.)—Rs. 67/50 x.d.—67/50—67/50—67/50.
National Tobacco—Rs. 12/37—12/50—12/25—12/37—(15/87).
National Rolling & Steel Ropes—Rs. 19/25—19/25—18/87—18/87—(22/50).
Phillips India—Rs. 26/12—26/12—25/75—26/00—(36/37).
Phillips Carbon—Rs. 19/12—19/50—19/12—19/50—(26/37).
Rallis India—Rs. 126/00—128/00—126/00—127/00—(150/00).
Sirslk—Rs. 8/62—8/87—8/62—8/87—(10/19).
Shaw Wallace—Rs. 16/94—17/00—16/87—17/00—(23/19).
Union Carbide—Rs. 41/37—42/50—41/37—42/37—(54/25).
Universal Electric—Rs. 9/37—9/37—8/81—9/25—(5/12).
Universal Cables—Rs. 10/19—10/94—10/19—10/19—(11/12).
Usha Martin—Rs. 13/50—13/50—13/50—13/50.
Walford Transport—Rs. 3/53—3/69—3/50—3/62—(4/06).
Window Glass—Rs. 8/75—8/88—8/75—8/88.

SUGARS

Balrampore—Rs. 2/37—2/37—2/37—2/37—(2/44).
Carew (Pref.)—Rs. 71/00—72/00—71/00—72/00.
Cawnpore—Rs. 10/06—10/06—10/06—10/06—(13/75).
Darbhanga—Rs. 7/31—7/50—7/31—7/37—(10/00).
New India—Rs. 27/00—27/00—27/00—27/00.
Raza Buland—Rs. 10/12—10/12—10/06—10/06—(10/87).
Shree Krishna Gyanodaya—Rs. 7/00—7/06—7/00—

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		19-4-63	12-4-63	27-4-62
Liabilities—				
Notes in Banking Dept.	...	19,75.56	8,20.60	39,91.71
Notes in Circulation	...	23,17,22.03	23,28,22.56	21,23,04.45
Total Notes Issued	...	23,36,97.59	23,36,43.16	21,62,96.16
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.03
Foreign Securities	...	1,05,08.43	1,05,08.43	1,08,86.07
Total of A	...	2,22,84.53	2,22,84.53	2,26,62.10
B. Rupee Coin	...	1,17,70.91	1,17,16.48	1,19,32.75
Rupee Securities	...	19,96,42.15	19,96,42.15	18,20,01.51
Total	...	23,36,97.59	23,36,43.16	21,62,96.16

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	61,00.00	61,00.00	50,00.00
National Agricultural Credit (Stabilisation) Fund	...	7,00.00	7,00.00	6,00.00
Deposits—				
(a) 1. Central Govt.	...	63,40.22	94,02.09	53,63.59
2. State Govts.	...	3,97.65	4,73.61	14,28.50
(b) Banks —	...			
(i) Scheduled Banks	...	78,56.39	85,90.08	85,14.97
(ii) State Co-operative Banks	...	4,03.78	2,73.68	...
(iii) Other Banks	...	5.16	2.37	...
Total Others	...	1,69,20.83	1,68,72.25	1,53,04.28
Bills Payable	...	26,92.72	28,37.17	30,43.20
Other Liabilities	...	68,92.97	66,40.43	63,48.01
Total	...	5,68,09.42	6,03,91.68	5,41,02.45
Assets—				
Notes	...	19,75.56	8,20.60	39,91.71
Rupee Coin	...	1,17,76.10	1,17,76.10	1,17,76.03
Small Coin	...	2.78	2.75	4.01
National Agricultural Credit (Long Term Operations) Fund	...			
(a) Loans and Advances to —	...			
(i) State Govts.	...	27,17.26	27,14.51	...
(ii) State Co-operative Banks	...	8,85.21	8,93.99	...
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	2,84.88	2,84.88	...
National Agricultural Credit (Stabilisation) Fund	...			
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted —	...			
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. treasury Bills	...	61,51.39	94,05.69	48,02.29
Balances Held abroad	...	8,98.93	9,05.93	6,54.59
Loans and Advances to Govt.	...	60,12.08	52,90.88	1,10,25.23
Loans and Advances to —	...			
(i) Scheduled Banks	...	30,23.30	47,80.70	...
(ii) State Co-operative Banks	...	1,11,23.95	1,14,76.65	...
(iii) Others	...	1,90.20	2,00.40	...
Total Others	...	1,96,83.25	2,00,16.87	1,72,66.66
Investments	...	36,52.99	35,95.63	35,73.27
Other Assets	...	...	...	...
Total	...	5,68,09.42	6,03,91.68	5,41,02.45

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		19-4-63	12-4-63	20-4-62
(I) Demand Liabilities—				
(a) Demand Deposits	...			
(1) From Banks	...	53,26.50	52,80.64	52,56.79
(2) From others	...	8,93,24.38	8,88,18.76	7,86,19.85
(b) Borrowing from Banks	...	31,65.32	25,86.21	24,51.78
(c) Others	...	63,96.27	63,93.60	61,60.75
(II) Time Liabilities—				
(a) Time Deposits	...			
(1) From Banks	...	27,69.95	26,64.11	16,05.50
(2) From others	...	11,90,17.78	11,79,37.30	11,65,31.96
(b) Borrowing from Banks	...	13,07.56	13,04.90	13,43.10
(c) Others	...	10,16.75	10,38.13	13,90.37
(III) Borrowing from State Bank—				
(a) Demand Liabilities	...	7,41.13	10,20.44	5,54.83
(b) Time Liabilities	...	12,52.50	10,32.00	15,38.00
(iv) Borrowing from Reserve Bank	...	32,06.25	27,13.90	15,00.65
(v) Cash	...	53,80.96	53,44.22	52,83.81
(vi) Balances with the Reserve Bank	...	77,08.82	79,48.35	84,22.97
(vii) Balances with other Banks in current account	...	20,88.23	20,47.39	19,14.27
(viii) Money at call and short notice	...	43,84.57	44,62.74	46,89.84
(ix) Investments in Central and State Govt. Securities	...	6,09,07.83	5,94,83.93	5,89,84.77
(x) (a) Loans, Cash credits and Overdrafts	...	13,24,43.88	13,21,45.73	11,95,49.97
(b) Due from Banks	...	6,33.08	6,48.29	6,96.63
(xii) Inland Bills purchased and discounted	...	2,18,90.91	2,24,08.99	1,82,25.92
(xiii) Foreign Bills purchased and discounted	...	55,46.18	55,36.61	47,82.06
(xiii) Total of X, XI and XII	...	16,05,14.06	16,09,39.62	14,32,64.58

THE BRITISH INDIA CORPORATION LTD., KANPUR

BRANCHES DIVISION:

Cawnpore Woollen Mills Branch Cooper Allen Branch
New Egerton Woollen Mills Branch North West Lannery Branch

London Office:

BEGG SUTHERLAND DIVISION:

Secretaries & Treasurers:

The Elgin Mills Co. Limited Cawnpore Sugar Works Ltd.
Cawnpore Textiles Ltd. Champaran Sugar Co. Ltd.
Brushware Limited Saran Engineering Co. Ltd.

Secretaries for: Beta Picker Co., Ltd.

Agents for: The Oriental Fire & General Insurance Co., Ltd.

Money

THE CALCUTTA MONEY MARKET

FAIR DECREASE IN ADVANCES

THERE has been a fair decrease in the general level of advances in the Calcutta money market during the past week. The decrease has stemmed from the slight decline in the credit given to the jute and sugar mills, and to the iron, steel and engineering industries. There is no change in the advances to cotton and woollen mills, and the foodgrains and seeds trade. In the interbank market, conditions have continued to be easier, the call rate remaining at 4½ percent.

The local exchange market continues to be inactive. The supply of gunny and tea bills has been poor as before. The demand for remittance has been keen. Sterling has weakened further in relation to most of the major currencies except the Swiss franc, against which it remains unchanged.

SILVER WAS QUIET IN CALCUTTA during the past week. The price fell from the previous week's level of Rs. 278 to Rs. 277.50, quoted today for ready delivery. There was no business in forward. The London and New York prices were 110½d and 127.50 cents. Gold was not transacted, but the unofficial price was indicated around Rs. 109 a 10 grammes.

DURING THE WEEK ENDED 26TH APRIL, Government of India Treasury bills for Rs. 59,77,50,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 30th April. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.410 percent and above were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.350 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received in Kanpur up to the close of business on 4th May and at other centres up to the close of business on 6th May.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 1st May to 4th May at Rs. 99.431 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 24th April to 27th April amounted to Rs. 1.45 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 19th April, 1963, shows a rise of Rs. 83 lakhs to Rs. 564.39 crores in total deposits. Investments in Government securities are up by Rs. 13.19 crores to Rs. 227.42 crores, while other authorised investments remain unchanged at Rs. 7.84 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have declined by Rs. 2.46 crores to Rs. 316.91 crores. Cash and balances are, in consequence, shown at Rs. 23.28 crores or Rs. 2.81 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 19th April, 1963, shows Demand and Time liabilities at Rs. 1,042.06 crores

(Rs. 31.65 crores on account of borrowings from banks) and Rs. 1,241.12 crores (Rs. 13.08 crores), compared with Rs. 1,030.89 crores (Rs. 25.96 crores) and Rs. 1,229.44 crores (Rs. 13.05 crores) in the previous week. Cash has increased by Rs. 37 lakhs to Rs. 53.81 crores, while balances with the Reserve Bank have declined by Rs. 2.39 crores to Rs. 77.09 crores. There is a rise of Rs. 14.24 crores to Rs. 609.08 crores in investments. Advances and bills discounted at Rs. 1,605.14 crores show a drop of Rs. 4.25 crores. The ratios to total liabilities of cash and balances and of advances and discounts are, in consequence, shown at 5.7 percent and 70.3 percent, against 5.9 percent and 71.2 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 3-5-63.				
Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate	
3-5-63	6-8-63	2,00.00	Rs. 2.350%	
26-4-63	29-7-63	2,00.00	Rs. 2.349%	
19-4-63	22-7-63	2,00.00	Rs. 2.354%	
11-4-63	14-7-63	2,00.00	Rs. 2.360%	
5-4-63	8-7-63	2,00.00	Rs. 2.370%	
29-3-63	2-7-63	2,00.00	Rs. 2.370%	
22-3-63	25-6-63	2,00.00	Rs. 2.370%	
15-3-63	18-6-63	2,00.00	Rs. 2.370%	
8-3-63	11-6-63	2,00.00	Rs. 2.365%	
1-3-63	4-6-63	2,00.00	Rs. 2.365%	
22-2-63	25-5-63	2,00.00	Rs. 2.365%	
15-2-63	18-5-63	2,00.00	Rs. 2.365%	
8-2-63	11-5-63	2,00.00	Rs. 2.360%	
1-2-63	4-5-63	2,00.00	Rs. 2.355%	
(Monthly Maturities 000's omitted)				
May 1963		8,00.00		
June 1963		8,00.00		
July 1963		10,00.00		
August 1963		2,00.00		
Total		28,00.00		

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
	Rs. (Lakhs)	
19-4-63	80.29	1,23.77
11-4-63	82.51	86.75
5-4-63	1,24.14	1,26.67

BOOKS RECEIVED

Technical Progress and Textile Marketing. (Published by the International Federation of Cotton and Allied Textile Industries, Postfach 280, Zürich 39, Switzerland. Pages 237.)

Reader's Digest: Condensed Books. (Published by the Reader's Digest Association Ltd, 25 Berkeley Square, London, W1. Review copy received from Rupa and Co, 15 Bankim Chatterjee Street, Calcutta-12. Price Rs. 12. Pages 503.)

People and Industries. By W. H. Chaloner. (Published by Frank Cass and Co. Ltd, 10 Woburn Walk, London, W.C.1. Review copy received from Rupa and Co, 15 Bankim Chatterjee Street, Calcutta-12. Price 25s. Pages 151.)

INDIAN PAPER MAKERS ASSOCIATION

CHAIRMAN, MR. I. A. MACPHERSON'S REVIEW

Speech delivered by the Chairman, Mr. I. A. MACPHERSON, at the Annual General Meeting of the Association held in the rooms of the Bengal Chamber of Commerce and Industry, Calcutta, at 11-30 A.M. on Friday, 26th April, 1963.

Gentlemen,

I have pleasure in welcoming you all to this Annual General Meeting.

With your permission I will take the notice convening this Annual General Meeting as read.

This meeting is being held under the shadow of the National Emergency promulgated as a result of the Chinese aggression on our Northern and North Eastern borders. I am glad to report that member mills and their employees responded generously to the Prime Minister's call for contributions to the National Defence Fund. The practical impact of the National Emergency on the Industry has been a demand for the particular varieties of paper and paper board required for defence purposes. The Industry was also requested to make an all-out effort to ensure that Government Departments should suffer no shortage of paper and, as a result, supplies to the civil market have inevitably suffered. Due to restrictions on the transport of goods in strategic areas, certain mills relying on raw materials from these areas have experienced difficulties in maintaining adequate supplies.

Third Plan Targets

We are now entering the third year of the Third Five Year Plan and I would therefore like to review the performance of the Industry over the past year, to consider the progress which has been made towards achieving the targets set under the Third Five Year Plan and to pinpoint the obstacles which will have to be overcome if the Industry is to attain its future targets.

As you will be aware, at the beginning of the Third Five Year Plan, the annual capacity of the paper and paper board industry stood at 4,10,000 tons (4,16,560 metric tonnes) against the capacity target of 4,50,000 tons (4,57,200 metric tonnes). The actual production during 1961-62, the first year of the Third Five Year Plan period was 3,67,000 metric tonnes. On the basis of an estimated progressive increase in demand of 12½ per annum during the Third Five Year Plan period, the Planning Commission estimated that demand during 1962-63, the second year of the Plan period, would be 5,06,000 tons (5,14,096 metric tonnes) and according to the latest official statistics available, production during the first 8 months of 1962-63 was in the region of 2,57,000 metric tonnes, i.e. just half the estimated demand. However, I am glad to say that in November, 1962, production reached a peak level of 35,000 metric tonnes and assuming that this level was maintained for the remaining 4 months of the year, production for 1962-63 should be in the order of 4,00,000 metric tonnes. The estimated demand during the third year of the Plan period, which we are now entering, is 5,70,000 tons (5,79,120 metric tonnes).

In 1951-52, at the beginning of the First Five Year Plan, the production of paper and paper board was 1,35,000 tons (1,37,160 metric tonnes) and while it is most creditable that in the short period of 12 years the industry's annual production should have been increased by nearly threefold to 4,00,000 metric tonnes, the progress made during the last two years has not been satisfactory in the context of the target

fixed for the Third Five Year Plan period, since it would appear that even if the current rate of production is increased annually by as much as 70,000 or 80,000 metric tonnes during the next three years, production at the end of the Plan period will be in the order of 5,50,000 metric tonnes as against the target of 7,00,000 tons (7,11,200 metric tonnes).

A cause of the Industry's failure to meet its target is the non-materialisation of the new units for which licences have been granted and I will elaborate later on the factors inhibiting the materialisation of these projects when I touch on the financial state of the Industry.

Total Capacity

It will be recalled that for the Third Five Year Plan period 18 new units and 18 expansion schemes, with a total capacity of 4,99,260 tons (5,07,248 metric tonnes) per annum, were either licensed or recommended for licensing and that further licences were envisaged for the expansion of 3 small mills and for 83 new small mills of extremely limited capacity, the total capacity of these units being 2,36,000 tons (2,39,776 metric tonnes) per annum. The total capacity of the Industry's existing installed capacity of approximately 4,10,000 tons (4,16,560 metric tonnes) at the beginning of the Third Five Year Plan period would give a total capacity of about 11,50,000 tons (11,52,400 metric tonnes) per annum and to this end about 7,60,000 tons (7,72,160 metric tonnes) per annum of the estimated additional capacity has been licensed. It is now understood that the licences for 50 new units have been cancelled and that notices have been served on a further 20 units and with this reduction in licensed capacity it is apparent that the Industry will fall short of the ultimate target of 7,00,000 tons (7,11,200 metric tonnes) and it is estimated that this will be by some 1,50,000 tons (1,52,400 metric tonnes), i.e. by slightly more than the Industry's total production in 1951-52 at the beginning of the First Five Year Plan.

The major reason why the Industry will not be able to fulfil its targets during the Third Five Year Plan period is the Industry's financial position as a result of the unrealistic price policy adopted by Government on the recommendations of the Tariff Commission in 1960. As you are aware, the Industry's basic and, I might add, perennial problem is that of rising production costs vis-à-vis fixed selling prices. This is basic since a level of prosperity is necessary firstly in order to allow for profits which can be ploughed back for expansion and, secondly to attract fresh capital. The margin between production costs and parafixed selling prices is therefore of paramount importance because on it depends the ability of the Industry to finance the expansion programmes as envisaged in the Plan.

A few remarks regarding the financial state of the Industry are not out of place. I refer to two studies which have been made, viz., the analysis by the Reserve Bank of India of the accounts for 1959 and 1961 in respect of 1,001 Joint Stock Companies covering 24 industries, including 18 units of the paper industry and the study of the finances of the paper industry recently carried out by the "Economic Times" in respect of 18 paper companies. These two studies reveal a

decline in the Industry's profits against a general trend of rising profits and also bring out the following points:—

(1) Gross profits as % of sales

	1959-60	1960-61	1961-62
against	14.6 (10.0)	13.2 (10.2)	11.4 (11.5)
rates for all industries			

(2) Gross profits as % of total capital employed

	1959-60	1960-61	1961-62
against	12.1 (9.8)	10.2 (10.1)	8.9 (9.6)
rates for all industries			

These figures bring out that in 1961-62 gross profits expressed as percentages of sales and total capital employed were not only lower than in the two previous years but were for the first time below the average rate for all industries. Additionally, the small ad hoc increase of 6 pf per kilo allowed in June, 1962, has been inadequate to maintain the profit margin in that it was inadequate to meet the rising costs of raw materials and manufacturing costs.

The profitability of share capital, as measured by the ratio of profits after tax to net worth was well below the average of all industries, viz.:

	1959-60	1960-61	1961-62
against	12.4 (10.5)	10.1 (10.8)	7.8 (9.5)
average for all industries			

As regards the allocation of profits, retained profits ploughed back into the Industry fell from 37.3% in 1959-60 to 32.2% in 1960-61 and again to 20.1% in 1961-62.

General Trend

The general trend is therefore one of increasing prices and decreasing profits. Furthermore, many of the shares issued by new companies are quoted at a high discount while the higher grade scrips are quoted at low prices in the market. It is therefore most unfortunate that at a time when the internal resources of the Industry are shrinking, the chances of mobilising funds by capital issues have also become somewhat remote. This must also be viewed in the context of Government's general dear Money policy of higher bank rates which, coupled with an increase in Banks' finance charges, has made it increasingly difficult for the Industry to obtain the finance required to meet the progressive increase in working capital requirements consequent upon an all-round increase in costs.

While existing units are therefore experiencing considerable difficulty in financing their expansion schemes, the overall financial position of the Industry is unattractive to newcomers. Another deterrent to the setting up of new units is the Tariff Commission's recommendation of a return of only 12% on capital employed.

As you are aware, 80% of the Industry's expansion in the Third Five Year Plan period is to be obtained from the setting up of new units and these will require a much heavier capital investment per ton of capacity than the long-established mills responsible for the major portion of the existing production. It is estimated that the cost of erection of a new plant is of the order of Rs. 3,000 per ton of annual output. Accordingly, a new plant of 30,000 tons capacity will cost at least 9 crores of rupees at present day costs. Depreciation alone will be in the order of Rs. 90 lakhs. For a capital intensive Industry such as paper, a return of 12% on capital employed is most

have to import most of their requirements of plant and equipment.

Having referred to the Industry's general financial position and the factors inhibiting the entry of newcomers, I would like to revert to the Industry's major problem of fixed selling prices and ever-increasing production costs. Ever since the Tariff Commission's Report on the Paper Industry was accepted by Government and brought into effect at the beginning of 1960, spokesmen for the Industry have repeatedly outlined the essential weaknesses of the Report and pressed for a more substantial return of capital. The question of rehabilitation has been emphasised on many occasions. During this period the steadily rising costs have tended to shift the emphasis away from these considerations towards the immediate concern as to whether production costs will completely outstrip selling prices. It is fortunate indeed that as a result of the Industry's representation mentioned in our Chairman's speech last year, the Government of India sanctioned a price increase of 6 NP per kilo with effect from the 21st of June, 1962. This was an *ad hoc* increase. Since that date, there has been a systematic increase in the cost of materials for papermaking and it now appears that there will be further increase as a result of the Budget proposal to levy a surcharge of 10% on all import duties, and the additional road transport costs following the increase in the Excise Duties on tyres, petrol, etc., and heavy road taxes. Additionally, there is the burden of the Emergency Risk Insurance premia.

As for increases in the cost of the Industry's basic raw materials, the cost of bamboo has been rising in price rapidly since 1.4.62 and the indications are still that it is increasing and not likely to decrease and that the different States are demanding very high royalties for the leased areas.

The price of coal is increasing and there is no guarantee of the quality with the result that consumption of coal per tonne of paper is bound to increase.

Experiments are being made with unconventional raw materials such as bagasse, jute sticks and some hardwoods and it would mean considerable capital expenditure to remodel the existing plant and equipment involving foreign exchange before any profitable use could be made of these various materials.

Over and above the Industry's existing difficulties in regard to finance, the recent Finance Bill will naturally add to the burden which must be borne by the Industry, but we have reached the point where a distinction must be drawn between tightening our belts and almost facing starvation.

Super Profits Tax

As regards the Super Profits Tax, while the concessions announced by the

Finance Minister are welcome, the fact nevertheless remains that the Super Profits Tax is bad in principle and may even result in inflationary tendencies which is contrary to its avowed intention of being an anti-inflationary measure. In any case, the tax structure as approved by Parliament will leave no profit to be ploughed back for financing expansion programmes and increased working capital requirements. As it is not unlikely that the result of the Super Profits Tax would be to turn profits into a debit balance, it will be difficult for industrial units to meet their commitments to the Industrial Finance Corporation or the Banks in due time. The present taxation proposals must also be considered in the light of price trends. In 1962, prices were five times those prevailing in 1939, the pre-war norm year. This inflationary trend is primarily the result of over-investment in the public sector. The country's investment outlays have exceeded the availability of funds through the normal channels of finance. In the last five years, price indices have risen rapidly at the rate of 7.29% (wholesale) and 6.25% (consumer) annually. As you are aware, any increase beyond 2% is considered to be "galloping" inflation and I fear that the present taxation proposals will merely aggravate the situation.

At the Central Government Rate Contract Meeting which took place in Delhi on March 15th, 1963, it was agreed that firm prices could only be established for a period of six months. The Industry must again submit its representations to the Ministry of Commerce & Industry in the light of the Finance Bill and the many recent cost increases, in an effort to secure a favourable decision not later than September this year.

Transport Shortage

The Paper Industry's other major problem is that of transport. There is no doubt that the Indian Railways are probably carrying more traffic than ever before. In spite of their creditable performance there is still an acute shortage of wagons for movement of basic raw materials to the Paper Industry and for coal.

Some mills are obtaining 50% of their coal requirements by lorry, involving an enormous expenditure on this road transport and in view of the price structure it is essential that the road movement should be substantially reduced and larger number of wagons should be made available to the Industry in view of the recent change in the pattern of coal traffic as units consuming more than 1,500 tonnes of coal per month will in future be supplied by BOX rakes. A large number of BOX wagons are being assembled in the country at the present time and which we hope in the near future will help to overcome the shortage of raw materials at the Mills.

So far as the Railways are concerned, the Association has endeavoured to persuade the Railway Board to upgrade again the priority of bamboo despatched to paper mills from priority "D" which was granted in 1961 to priority "C" under the preferential traffic schedule but I regret that this has met with no success. Although these current transport difficulties have from time to time caused great concern to the mills concerned as a result of their raw material stock position being reduced to a few days' consumption, it is the effect of the transport situation on the future development of the Industry which is of even greater concern since, if there is no material improvement in the transport situation to cope with the additional raw material requirements necessary for the Industry's development programmes when they cannot cope with supplies of raw materials and fuel at the existing level of production?

In the context of supplies of raw materials, my predecessor last year

stressed the need to plan the development of forests on healthy and scientific lines in order to make available the bamboo and other products required by the Paper Industry and other industries relying on them as their raw materials. During last year, considerable difficulties were experienced by mills in obtaining their full requirements of essential chemicals such as Caustic Soda, Sodium Chloride, Sodium Sulphate and dyestuffs from indigenous sources as a result of the physical shortages of some of these items and especially because of the increased selling prices that were being charged. In view of the fixed selling prices of paper, it is very difficult for mills to cope with sudden—and in some cases considerable—increases in the cost of the basic raw materials required for paper production and the Association accordingly requested Government to take special measures to stabilise the price of indigenous supplies of essential raw materials. I regret to say that, as yet, there are no signs of any such steps having been taken.

During the year, complaints have been received regarding shortages of paper in the civil market. The position has undoubtedly worsened since the promulgation of the National Emergency when the Industry was requested to make an all-out effort to ensure that Government Departments should suffer no shortage of paper. Moreover, for the new Rate Contract period 1963-64, the Government of India requires approximately a further 9% of national production for its own consumption. Since Government's outtake is predominantly printing and writing papers, it is inevitable that some shortage will continue to be felt in the civil market.

Labour Problems

Turning to the Industry's labour problems, it is encouraging to note that the challenge of the Chinese aggression gave a new outlook to the prevailing attitude of the workers in respect of the necessity of higher production, and spontaneous offers of working on holidays and shut days were received from the workers in the industry. However, it devolves upon both the Management and Labour Unions to maintain discipline and exercise restraint and forbearance to create an atmosphere wherein the maximum effort could be made by the workers to achieve maximum production.

I should, however, mention the current news reports regarding the move of the Government of West Bengal to introduce legislation against retrenchment without the Government's approval. This step contemplated by the Government is a matter of great concern to us all and in my opinion it is a highly retrograde step. I would therefore strongly request the State Government not to pursue this scheme, which will increase incidence in cases of indiscipline among the workers and thus lower industrial efficiency at a time when there is a call for more production, greater efficiency and better discipline.

During the year under review your Association submitted its reply to the questionnaire issued by the Bonus Commission and were asked to give evidence in January of this year. We have argued before the Commission that if any Bonus on some agreed basis is to come into operation it should be related to productivity and the workers should be rewarded regularly for their extra efforts either weekly or monthly regardless of the profits or loss which accrue to the business at the end of the year. We also emphasised that there should be only one kind of bonus and this is in the shape of an incentive related to productivity.

The Technical Commission set up last year to look into the question of an increase in the Provident Fund contribution rate has since submitted its report to the Government of India recommending an increase in the Provi-

dent Fund contribution rates to 8% in the paper industry and it has been brought into force from the 1st of January, 1963. The employer's contribution under the E.S.I. Scheme and the cash benefits under the Workmen's Compensation Act have been roughly doubled and it is quite heartening to note that the average annual total wage per employee in the paper industry compares very favourably with the total wage received in other industries and that the fringe benefits account for 24.8% of actual wages.

I have dealt with the three main problems facing the Paper Industry, viz., costs and prices, transport and raw materials, and I have briefly touched on labour matters. There are two other matters which I would like to mention before I close.

Raising Exports

The first is in regard to exports. While the Paper Industry does not lag behind other industries in realising the vital necessity to increase exports and in its desire to participate in exports, its basic problem is the lack of raw materials of the quality and at the cost available to established paper exporting countries. However, as a first step in the right direction, the Association, jointly with the Indian Paper Mills Association, has agreed to depute three delegations to selected countries of the Middle East, the Far East and South East Asia, with which the representatives of the paper trade and, if need be, paper converters will be associated, in order to carry out market surveys as to the possibilities of exporting our paper to these countries. Once their reports are received, it should then be possible to investigate a suitable scheme of export promotion. The Government of India has been advised of the Industry's intention and it is hoped that the necessary official recognition and release of foreign exchange will be received shortly.

The other matter is the recent formation of a Joint Committee of the Paper Industry, consisting of the nominees of this Association and of the Indian Paper Mills Association, and through which all major problems affecting the Industry will now be processed. This is a step in the right direction and should allow the Industry to speak with one voice on matters vital to it and, conversely, make it easier for Government to deal with the Industry as a whole. The present separate identity of the two Associations remains undisturbed.

Turning for a moment to the Association's own affairs, we were glad to admit the Murali Paper Mills, New Delhi; to membership of the Association early this year. I feel that, despite the formation of the Joint Committee for the Paper Industry, there are still considerable areas of activity where the Association performs, and will continue to perform, a very useful function and can provide a most useful service to member mills and I therefore hope that all members will do their utmost to encourage new members.

I take this opportunity of thanking the Development Wing of the Ministry of Commerce and Industry for the assistance rendered during the year and I would also like to thank, on behalf of the Industry, the Cellulose and Paper Branch of the Forest Research Institute for all the research work they are doing and which is so vital for the Industry's future wellbeing.

Before I conclude, I would like to thank my fellow Committee members for their co-operation and assistance during my terms of office and I would like to express on behalf of my Committee and myself our appreciation of the work put in by the Secretaries during the year.

N.B. This does not purport to be a record of the proceedings of the Annual General Meeting.

JESSOP AND COMPANY LTD.

CHAIRMAN, MR. A. K. CHANDA'S REVIEW

Chairman, Mr. A. K. Chanda's Address to the Shareholders at the Thirty-first Annual General Meeting held on 29th April, 1963.

The Board of Management's Report and Accounts for the year ended 31st October, 1962 are being circulated with this statement. Your Board feels that it would be an advantage if the statement, usually made by the Chairman at the Annual General Meeting, were to be incorporated in the report. It would give you a clearer picture of the trends in the year under review and also of the future plans and prospects of the Company.

The unprovoked invasion of India's territory by the Chinese and the cease fire proposals made by them later clearly stress the need for us to be in a state of preparedness to meet any future aggression. This would not, however, deflect us from the task of building up our economy, and of bringing employment and prosperity to our people.

Immediately after the commencement of hostilities I wrote to Government offering the fullest support of your company in the manufacture of any equipment required for defence purposes. This offer has been well received. Your company has made also a donation of Rs. 3,00,000 to the National Defence Fund, and in addition the staff and workmen have contributed Rs. 48,635.

Sales

Sales for the year under review reached Rs. 12,82.28 lakhs against the previous year's sales of Rs. 12,00.85 lakhs. There is thus an increase of Rs. 81.43 lakhs, or 6.78%. This figure does not take into account Rs. 42.98 lakhs being the sale value of completed stock which could not be despatched for lack of transport. Had we been able to despatch this stock the increase in sales would have been over 10%.

Profit, Taxation and Dividend

After providing for depreciation and all taxation including liability for the new super profits tax, the profit will be Rs. 50.42 lakhs as compared with Rs. 70.20 lakhs in the previous year. The details of the various tax provisions are contained in the Board of Management's report. It should, however, be noted that although the gross profit before taxation for the year exceeds the previous year's profit by Rs. 28 lakhs, or 32%, there is a drop in the net profit from Rs. 70.20 lakhs in 1960-61 to Rs. 50.42 lakhs in the year under review. This is due to the additional provision for super profits tax of Rs. 27.12 lakhs, which by itself works out to 17.32% of the gross profit.

Your company has thus not only maintained but has improved upon the pace of progress in the year under report. This is in no mean measure due to the diligence and devotion to duty of the staff and workmen and I am sure you will join me in offering them our congratulations.

You are aware of the serious deprivations in the past on the financial resources of the Company and the investments made by those then in control in spurious shares of some other companies. This led to intervention by Government which appointed a Board of Management to manage the affairs of the company. The uphill task of rehabilitating its finances, and re-equipment and modernisation of its

works have been ably handled by the Board under the wise counsel and guidance of the late Sir Bejoy Prasad Singh Roy. The company has now definitely turned the corner and has regained its position as one of the leading production units in the country. All this has been called for the mobilisation of its exiguous resources in rebuilding its production potential. It has thus been necessary and will continue to be necessary for some time to come to utilise the profits largely for the purpose of expanding and diversifying the production of your company.

The net profits of the company has also been reduced considerably as a result of the additional taxation imposed as an emergency measure. In these circumstances, I consider it only prudent to recommend that the dividend should be left at the same level as in the last year. The financial picture is, however, encouraging and you can look to the future with faith and confidence.

Modernisation and Expansion of Dum Dum Works

During the year under review the 130 ft. extension to the Coach Works was completed and is proving of great assistance in handling the extra work involved in the manufacture of bogies for E.M.U. coaches which were previously imported.

A start was made towards the rebuilding of the main machine and assembly bays of the Wagon Works by the construction of two 80 ft. bays each 225 ft. long. Only one of these bays could, however, be commissioned due to shortages of corrugated sheets, cement and stone chips. The final stage of rebuilding is in hand.

The new Bogie Works was completed and this unit has functioned most successfully.

The completion of the new Works to specialise on the manufacture of diesel road rollers was greatly delayed due to shortages of corrugated sheets, cement and stone chips. I am happy to inform you that these difficulties have now been overcome and this works has been commissioned for operation from the 6th February, 1963. The decision to build this works has indeed proved to have been a wise one. The demand for our rollers has increased considerably, as a part of the defence programme. We are stepping up production and expect to double the previous rate of output to 450 per annum.

The capacity freed in the Mechanical Works where road rollers were previously produced is being utilised to increase output of mechanical components for cranes and sluice gates. The congestion in the Mechanical Works of manufacturing road rollers, cranes and sluice gates has now been removed.

The extension of the two 80 ft. assembly bays in the Structural Works had to be delayed due to shortages of cement and stone chips, but I am glad to tell you that we are now making a start and the driving of the concrete piles has just commenced.

Production

After an interval of 12 months we resumed despatches of electric multiple unit trailer coaches for the Western Railway in Bombay in August 1962. This order, together with a

second and the promise of a third order which is now under negotiation with the Railway Board, will keep us fully occupied on this line of production until the end of 1966.

Production of fully furnished metre gauge passenger coaches was maintained. Orders in hand for the present design of riveted coaches will keep us busy until April 1965 when we will take up production of an all-welded integral design which is now under preparation. We thus have two years in which to plan and re-equip for manufacturing coaches to the new design.

The production of BOX wagons reached the target of 80 Nos. per month.

The output of electric overhead travelling cranes and wharf cranes improved. Fabrication and erection of the vertical wheel gates for the Kosi Barrage were however retarded for a time due to shortage of matching steel.

Production of road rollers increased from 229 to 250 numbers. During the year we commenced the complete manufacture of the transmissions for our road rollers which were previously imported. This has saved valuable foreign exchange.

Future Prospects

The demand for the full range of your company's products continues to be large and with many large projects now being taken in hand I feel our resources will be fully employed for the next five years provided the problem of the supply of matching steel, to which I refer separately, can be solved.

Further Expansion of Activity and Needs for Additional Finance

I regret to advise that our plans to acquire approximately 100 bighas of land at Titagur have had to be abandoned as there were no prospects of our obtaining vacant possession of the land in the near future because of legal proceedings between the owner and the West Bengal Government over ownership of the land. Negotiations are in progress for the purchase of an alternative site which is admirably suited to our needs.

Delay in the acquisition of land has come in the way of our undertaking construction of the new foundry and other works for making machine tools, steelworks duty cranes, etc. Even were the land available, the present burden of taxation, however inevitable it may be, is likely to make it difficult for us to pursue the scheme of expansion actively. It is too early to forecast the future trends in the money market and the reactions of the investing public to the new proposals for taxation. We have, therefore, to wait and see. I do hope the period of uncertainty will be over in the near future and we will be able to resume our programme of rationalisation and expansion.

Matching Steel

The shortage of matching steel continues to be a source of great anxiety and it is the single factor limiting any substantial increase in output. The shortage of matching steel has created a difficult situation not only for us but for other fabricators also. As a result, your company is unable to

make the contribution it is in a position to make to the acceleration of other programmes in the fields of transport and production. Government have been made aware of this bottleneck which has rendered installed productive capacity idle and I trust that they will take necessary steps immediately to remove this imbalance in supplies.

Welding Electrodes

Yet another serious shortage has developed in the supply of hand welding electrodes, the main reason for this being the supply of low carbon rimmed steel for the core wire. Here again I hope positive steps are being taken by the Government of India to solve this problem as the electrode shortage is affecting almost every branch of engineering in India.

Power Supply

Restrictions on the use of electricity for industrial purposes still continue between 7 a.m. and 5 p.m., but it is expected that there will be a progressive improvement towards the end of the year when the new 50 MW Generator of the Calcutta Electric Supply Corporation goes on load, to be followed by the commissioning of the Bandel Power Station in mid-1964.

Coal and Coke

Shortages continued through the year under review but I am happy to report an improvement in supplies. The quality of the coke with its high ash content has shown no improvement.

Apprentice Training School

You will be glad to know that the nucleus of the apprentice training school has now been established. We have recruited 82 new trade apprentices who are undergoing training in the basic workshop under the new Apprentice Act. The second and final stage in the construction of the training school to include lecture halls, etc., will be taken in hand by the middle of this year and completed as expeditiously as possible.

Before I conclude, I should like to reassure you, if indeed this is necessary, that your company has recovered fully from the setback of mismanagement and is now pursuing a progressive policy of modernisation and expansion, the effect of which is being increasingly reflected in the annual accounts presented to you.

Note: This does not purport to be a record of proceedings of the Annual General Meeting.

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UNITED COMMERCIAL
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(HEAD OFFICE: CALCUTTA)
G. D. BIRLA
Chairman

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Paid-up ... Rs. 2,23,33,937

Reserve Fund & Other Reserves ... Rs. 3,00,00,000

- Branches throughout India.
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- Provides world-wide Banking Service for Business and Individuals.

S. T. SADASIVAN
General Manager

INDIAN ALUMINIUM COMPANY, LIMITED

CHAIRMAN, MR. H. V. R. IENGAR'S ADDRESS

The following is the address to members of the Company delivered by the Chairman, Mr. H. V. R. Iengar, at the twenty-fifth Annual General Meeting of Indian Aluminium Company, Limited held in Calcutta on Friday, 26th April, 1963.

I have particular pleasure in welcoming you to this Annual General Meeting of the Company because this is the year when the Company will be celebrating the Silver Jubilee of its founding. The occasion is also a special one for myself because I am meeting you for the first time. I feel that this is an appropriate occasion for making a review of the past and probing a little into the future.

During the twenty-five years of its existence the Company has grown from small beginnings to one of the major business enterprises in India. In the field of production facilities, it has, from a nucleus of a small 2,500-tonne rolling mill at Belur in West Bengal, built up a completely integrated aluminium industry. We have now on stream an alumina plant with an annual capacity of 55,000 tonnes, two aluminium smelters with a total capacity of 26,000 tonnes, two extrusion presses with a capacity of 3,760 tonnes and a powder and paste plant; and the rolling mill at Belur has been expanded to a capacity of 16,800 tonnes of rolled products per annum.

Rise in Sales

In keeping with the growing range of its production facilities, the Company has maintained very satisfactory results in sales. These increased from Rs. 7 million in 1944 to Rs. 105 million in 1962. It is to be particularly noted that the Company has devoted a great deal of attention to the encouragement of new uses of aluminium and, in fact, we can justifiably claim that the acceptance of aluminium in a variety of industrial uses has, to a large measure, been attained through planned and persistent development work carried out by the Company. In doing so, it has helped to create a new consumption pattern for aluminium in this country which is more consistent with those obtaining in other industrially advanced countries.

A survey of the Company's activities which I, as a newcomer, can perhaps do very objectively reveals one dominant feature more than anything else, viz. the consistent and continuous policy of expansion followed by your Company since its establishment

twenty-five years ago. Such a policy would not have been possible but for two factors—the faith the shareholders have always had in the future of the industry and their restraint in the matter of dividends. Since the Company became a public limited company in 1945 it has earned a total profit, after taxes, of Rs. 64 million. Out of this, Rs. 22 million or 35% has been paid in dividends to the ordinary shareholders. After accounting for the usual dividend to preference shareholders, Rs. 40 million or 62% has been ploughed back into the business and utilized for further expansion of the production facilities. This in itself is impressive but we should not forget that the broader equity base created by the ploughing-back of profits into the business has helped the Company in raising loan capital to finance its several expansion programmes. Nor must it be forgotten that for seven years between 1945 and 1954 no dividend was declared for ordinary shareholders and their confidence over this period made possible the subsequent growth and development of the Company.

Spectacular Growth

In the context of the Company's expansion over the years, particular mention has to be made of the role played by the principal shareholder, Aluminium Limited of Canada who hold 59.7% of the preference and ordinary shares together. Our spectacular growth would not have been possible but for the faith and confidence shown by Aluminium Limited in the economic future of India. Some of you will be able to recall that in 1950 when there was a certain hesitancy in the minds of many foreign investors in India, Aluminium Limited demonstrated their confidence in India's economic development and the future of your Company by purchasing a large block of shares which became available at that time. The equity participation and loans from Aluminium Limited have gone a long way to meet the foreign exchange requirements of our expansion projects which have also benefited greatly from our technical collaboration with the Aluminium Limited Group of Companies. In my opinion, there should be more awareness in our country of the value of equity participation of foreign shareholders, as many a project in India today would be stillborn were it not assured of an adequate foreign exchange base to build upon and technical assistance to launch it. That we have been fortunate in having an overseas shareholders which has provided more than a base for our development, merits attention. I may add that I was in Canada a short while ago during the present emergency and I was greatly struck by Aluminium Limited's favourable reaction to the Company's further development programmes and the confidence they expressed in the Company's future.

Foreign technical assistance, valuable as it is, cannot be a substitute for our own efforts in the field of technical development and research. It has been the consistent policy of Aluminium Limited that the Indian Company should be self-reliant to the maximum possible extent. To this end they have thrown open their own facilities in Canada for the training of Indian personnel with the consequence that today the entire technical staff of the Company with the exception of the Managing Director consists of Indian

nationals. The greater part of the technical work in connection with the recent expansions of the Company's activities has been carried out by the Indian staff but, wherever they felt it necessary, they were able to rely on the resources of Aluminium Limited which, because of its vast resources and experience gained in operating in many countries, has unrivalled opportunities of remaining in the forefront in aluminium technology. It would be useful and relatively extremely cheap for us to continue to have the benefit of Aluminium Limited's research facilities and this, of course, will be our policy. At the same time there are a number of directions in which we feel that more and more research should be carried out in India itself. We are therefore in the process of strengthening our technical development departments so that more local research can be carried on in the fields in which the Company operates. Our association with the Aluminium Limited Group of Companies will help us in avoiding duplication of effort.

No review of the past activities of the Company, in particular its whole approach to the problem of development and Indianisation of its technical department, would be complete without a reference to my predecessor, Mr. K. C. Mahindra. Over a period of 14 years he has played a distinguished part in guiding the affairs of the Company and I take this opportunity of paying him, on your behalf, a tribute and our hope that he may long be spared to play his role as an elder statesman in the industrial sector of our economy.

Sense of Urgency

Impressive as our record of development is, we cannot rest with past achievements. India is developing rapidly and, even to maintain our share in contributing to the national economy, we have further to expand our activities. In the context of the present emergency we must do so with a sense of urgency. This sense of urgency is not only to be directed towards further expansion but also towards better utilisation of our present facilities and resources. We have to co-ordinate our efforts with the Government and the new aluminium producers so that idle capacity in the plants imposed by artificial circumstances can be eliminated; so that the industry is able to offer metal and fabricated products in a form matching the demand; and so that a soundly based industry-wise programme of development can be pursued. I will illustrate the need for such co-ordination by mentioning an instance in 1962 when there was a national surplus of metal in ingot form concurrently with a shortage of metal in the form of wire-bar, rod and billet. Similarly, there are other areas in the planning of the growth and development of the aluminium industry where close co-ordination between the Government on the one hand and the industry on the other will bear fruit.

On the future growth of the industry I will content myself by expressing two thoughts. It is quite clear that there would have to be a further large scale expansion of aluminium production in the country, the pace and extent of such increase being determined partly by the needs of the electrical conductor industry and partly by the development of the use of aluminium as a substitute for other scarce metals. But it is not enough that we aim only at a

CAPITAL, 2nd May, 1963.

large scale expansion of aluminium production in the country. A stage has been reached in our development where we must endeavour to reduce costs of production. We are conscious of the factors influencing the industry's high cost of production, particularly the high incidence of the cost of electric power and some of the other locally procured raw materials, but nevertheless we should employ all means at our disposal to achieve maximum economies of production. Latest management methods must be adopted, means of increasing productivity must be developed, and care must be taken to plan new projects on the soundest economic grounds possible. The size of new units must be planned bearing in mind the economies of quantity production. Their location must take into consideration such basic economic factors as transport requirements for raw materials and finished products, local availability of supplies and services, and potential for future expansion. The co-operation of Government authorities at both the Centre and State levels is also essential in viewing these efforts in the light of national rather than regional needs. It is also imperative that we secure the co-operation of trade unions and industrial workers in order to achieve a standard of productivity which is comparable to those outside India. This is essential in the overall interest not only of the Company and its employees but also of the national economy. It is only through the fullest efforts of all concerned that the aluminium industry will ultimately achieve this goal of reducing costs of production.

Since we last met Hindustan Aluminium Corporation Limited has gone into production. The Madras Aluminium Company Limited is expected to go into production next year and we gather a company may soon be formed for exploiting the bauxite reserves of North Kolhapur with the help of power from Koyana. I am sure the industry will be served more fully by the establishment of the new companies, and as the oldest in the field we welcome them. In our view it will be a great advantage if all the aluminium producers found and operated on a comprehensive basis an "Aluminium Development Association" entrusted with the task of developing the use of aluminium and improving the manufacturing techniques of our customers. Such an Association could assist in the dissemination of technical knowledge and in developing economic applications of aluminium and of its further substitution for other materials currently being imported.

Net Profit Up

Turning now to the financial results of your Company's operations in 1962, you will have noted from the Annual Report which has been circulated to you that the Net Profit of the Company increased to Rs. 12.6 million from Rs. 11.1 million in 1961. This increase in profit was realized in spite of an increased provision for Development Rebate of Rs. 6.1 million against Rs. 4.5 million in 1961, and in spite of unavoidable disruption of operations while new production facilities were installed and started up to complete the integrated expansion programme initiated in 1959. Thus the results of 1962 although showing only a modest increase in Net Profit compared to the heavy investments made over the past three years, bore the brunt of the costs of starting up the new production facilities of which the benefits will be felt only over future years. Bearing these points in mind, the financial results of 1962's operations can be considered satisfactory.

Members are aware the Directors have proposed a final dividend of Re. 1.00 on each fully paid Ordinary Share, a dividend of Re. 0.50 on each partly paid Ordinary Share and a dividend of Rs. 0.25 (subject to Income-tax payable by the Company) on each

CAPITAL, 2nd May, 1963.

Preference Share. I now have pleasure in announcing that, as in the two preceding years, the benefits of Sections 85 and 101 of the Indian Income-tax Act of 1961 (corresponding to Section 15C of the 1922 Act) arising out of profits from new industrial undertakings will from new industrial undertakings will be available on these dividends. Accordingly, 42% of all the aforesaid dividends will be exempt from income-tax and super-tax payable by the respective shareholders.

I also have pleasure in informing you that the new Ordinary Shares issued this year qualify for the exemption provided under Section 99 of the Indian Income-tax Act 1961 (corresponding to Section 56A of the 1922 Act) and dividends on these shares, if payable to a company, will be exempt from payment of super-tax.

Additional Taxation

The meeting of the Directors to consider the Accounts for 1962 and to recommend dividends was held, in accordance with normal procedure, in the month of February. It was believed at the time that Government would be compelled to impose additional taxation and that this taxation might press heavily on all sections of the community. No one, however, was prepared for the proposal that was actually put forward by the Finance Minister through the Super Profits Tax Bill. The total quantum of additional tax required to be paid by the Corporate Sector, namely Rs. 25 crores, was not unexpected; and indeed if this had been met by means of an Emergency Surcharge on corporate profits, industry would have had little cause for complaint. The Surcharge would have been of the order of some 6½%. The Super Profits Tax Bill introduced, however, an innovation in fiscal philosophy. I do not propose at this meeting to traverse the various grounds on which responsible business opinion in India has characterised this philosophy as based on a misconception of the structure of business corporations, and as certain to lead both to a discouragement of efficiency and to progressive inability of the Corporate Sector to plough back adequate profits for expansion. If the Bill had gone through in the form in which it was originally presented to Parliament it is estimated, on the basis of forecasts of earnings for the year 1963, that the Company might have to pay in respect of the profits for that year a Super Profits Tax which would have been equivalent to a Surcharge of over 20%. On the basis of the changes which the Finance Minister has recently announced, the Super Profits Tax payable by the Company will be reduced to an equivalent Surcharge of some 12½%. The changes proposed do make improvement and it is a matter of gratification that Government have responded so quickly to the representations made to them by the business community. Nevertheless, the additional burden on the Company still continues to be high and the basic objections to the Bill continue to be valid. It is hoped that an early opportunity will be taken by Government to abandon this Legislation.

The country is passing through a very difficult period and I am sure that I speak for all of you when I assure the Government of our fullest co-operation in carrying out any task allotted to us.

Before I conclude, I am sure that the shareholders would wish me to convey their thanks to the Company's workers and staff who have served the Company ably during the past year 1962 has been a year of considerable activity for the Company and I am glad to inform you that the employees have ungrudgingly fulfilled the tasks allotted to them.

NOTE: This does not purport to be a record of the proceedings of the Annual General Meeting.

THE CENTRAL BANK OF INDIA LIMITED

CHAIRMAN, SIR HOMI MODY'S SPEECH

Summary of the Speech delivered by the Chairman, Sir Homi Mody, at the 52nd Annual General Meeting of the Shareholders of the Central Bank of India, Limited, on Monday, the 29th April, 1963.

During his speech at the Annual General Meeting of the Central Bank of India on Monday, the 29th April, 1963, Sir Homi Mody discussed at length the impact the recent Budget proposals of the Central Government were likely to have on the economy of the country. No one could dispute the urgent need for substantial resources at a time of crisis like the present, but one had a right to enquire whether the levy of new and additional taxes adding up to the colossal figure of Rs. 275 crores—now reduced to Rs. 260 crores—was really warranted and necessary. There were three main reasons for questioning the validity of the enormous additional burden. First, it had been repeatedly proved that the annual estimates presented to Parliament by the Government were largely inaccurate. For the financial years 1959-60, 1960-61 and 1961-62, as years 1959-60, 1960-61 and 1961-62, against the budgeted revenue deficits of Rs. 59 crores, Rs. 61 crores and of Rs. 6 crores, respectively, there had actually been surpluses of the order of Rs. 43 crores, Rs. 51 crores and Rs. 125 crores! Secondly, the public had a right to question whether, as had a right to question whether, as had the experience of the last few years had shown, it would at all be possible to spend, fruitfully and to good purpose, the amount which was sought to be obtained for additional Plan and Defence expenditure. Had we the organisation, material and resources, to achieve such highly inflated targets of expenditure? Thirdly, had the public expenditure? Thirdly, had the public no justification for demanding that the public enterprises, on which the Government had spent such vast sums, should be run with sufficient care and competence? The Reports of the Public Accounts and Estimates Committees of Parliament must be regarded as sufficient condemnation of the way in which the Public Sector was being run.

Super Profits Tax

Taking up the question of Super Profits Tax, Sir Homi said that there could be no justification whatsoever for imposing on the Banking industry, a tax so thoroughly unsound and unusual. The steady level of dividends paid by the banks for several years past proved that their profits had never been abnormal, and to regard them as 'Super Profits' hardly made sense. The dividends paid to the shareholders, a large proportion of whom were men of very modest means, were bound to be affected, with the result that share values would be depressed. The raising of fresh capital so necessary for increasing the credit deposit ratio from the present 3½ per cent to the stipulated target of 6 per cent would become even more difficult. Bonus payments to the staff also would have to be curtailed. Also, the capacity of the banks to play a more purposeful role than before in the development of the country by mobilising the savings of the people would be seriously impaired, particularly as a sizable proportion of savings was likely to be drained away by way of compulsory deposits.

Turning to the agricultural front, Sir Homi drew attention to the fact that the total agricultural production as at June 1962 had remained more or less stagnant. The output of foodgrains declined by 1.1 million tons and it looked as if for the current year food-

grains production might be no higher than 80 million tons—which was almost the same as for 1960-61. In other words, the output of foodgrains for the first two years of the Third Plan had shown no improvement, while the population had increased by 16 millions.

Continuing, Sir Homi said that on the industrial front the index number of production during the first six months of the year recorded an increase of 6 per cent over the monthly average of the corresponding period of the previous year. There was a notable increase in the production of coal, jute manufactures, iron and steel and aluminium and in power generation. Sugar production recorded a fall of 5 per cent and cotton mill cloth of 2 per cent. The output of cement remained practically unchanged. What was, however, disquieting was the fact that a substantial part of the installed industrial capacity still remained unutilised. A recent survey conducted by the Government of 103 industrial units covering a wide cross-section disclosed that in 74 industries the capacity utilisation was below 63 per cent, while in 29 other industries the utilisation varied from 63 to 75 per cent.

Foreign Trade

The country's foreign trade, Sir Homi regretted to note, continued to show an adverse balance with total foreign exchange reserves dropping from Rs. 316 crores at the beginning of the year to Rs. 243 crores at the end. There was no marked improvement in the export trade in spite of the talk about it. The sterling balances had continued to decline and now stood at Rs. 117 crores.

Sir Homi then analysed some of the difficulties faced by the banks during the year. The total deposits of Scheduled Banks had moved up steadily during the first 9 months of the year, but thereafter the pace had slackened perceptibly, with the result that at Rs. 2,035 crores at the end of the year, the increase over the 12 months was only Rs. 210 crores. On the other hand, there had been a steep increase in the volume of Scheduled Bank credit from Rs. 1,276 crores to Rs. 1,421 crores. This slackening in the growth of deposits coupled with the insistent clamour for more bank credit had imposed an unduly heavy strain on the banking system as a whole. Banks, therefore, had to lean more heavily on the Reserve Bank for augmenting their resources with which to meet the genuine demands of trade and industry. However, the Reserve Bank had freely employed the monetary weapon in its armoury with the object of putting a curb on an unbridled expansion of bank credit. The Bank Rate had been raised from 4 per cent to 4½ per cent. In January this year. Simultaneously, the Reserve Bank had effected a further drastic revision in its policy concerning the grant of advances to Scheduled Banks by placing a ceiling on the borrowing limit of banks even if the latter were prepared to pay penal rates of interest. It was not surprising therefore that the call money rate had risen to an unprecedentedly high level of over 6½ per cent in recent weeks. The Reserve Bank have since liberalised their lending policy and granted 'ad hoc' additional facilities to the banks which needed them.

Deposits and Advances

Consequent on the sustained and keen demand for bank credit throughout the year, Sir Homi said, the Bank's Advances remained fairly high, the increase of Rs. 14 crores corresponding more or less to the increase of Rs. 16 crores in deposits. Out of the total Advances, about 41 per cent was absorbed by industry, 42 per cent by Commerce and 17 per cent by other categories. The portfolio could, therefore, be said to be well-balanced.

Sir Homi went on to point out that the gross earnings of the Central Bank had been improving from year to year; there had been an addition of Rs. 5.26 crores or 62 per cent between 1958 and 1962. During the same period, the establishment charges had also mounted

INSIST ON



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up, the increase, exclusive of bonus, being of the order of Rs. 1.53 crores, or 50 per cent. During the year, the increase was as much as Rs. 56 lacs, of which Rs. 24 lacs represented arrears paid to the clerical and subordinate staff retrospectively for eleven months under the adjustment formula of the Desai Award.

Attention of the shareholders was then drawn by Sir Homi to two new items on the expenditure side of the Profit and Loss Account. One was the sum of Rs. 10,87,000 being the premium paid by the Bank to the Deposit Insurance Corporation, which started its operation in January, 1962, and the other was the Bank's contribution of Rs. 9 lacs to the Prime Minister's National Defence Fund—the largest single contribution to the Fund from amongst banking companies. As far as the Deposit Insurance Corporation was concerned, Sir Homi said that with every addition to deposit resources, the premium payable would correspondingly increase. This item, therefore, was expected not only to be a recurring feature, but also to assume higher and higher dimensions.

Total Earnings

Even though the total earnings over the year recorded an improvement of Rs. 1.54 crores, the net profit, on account of the above factors, had been less than that of the previous year by Rs. 3 lacs.

Out of the declared net profit of Rs. 203 lacs, a sum of Rs. 38,71,500/- had been transferred to the Reserve Fund, taking its total to Rs. 4 crores. Even so, the ratio of Capital and Reserves to Deposits lagged behind the target of 6 per cent prescribed by the Reserve Bank.

Sir Homi then referred to the nationalisation of the Government of Burma of the 24 banking institutions operating in that country. The Rangoon Branch of the Central Bank which had served the people of Burma for many years had accordingly been taken over. Though the terms were not yet settled, the Bank had every hope that the Burmese Government would adopt a reasonable and equitable basis for the valuation of assets, payment of compensation and settlement of other outstanding matters.

Before concluding, Sir Homi made a touching reference to the impending retirement of Mr. N. K. Karanjia. Though as a fitting testimony to the confidence and respect he had earned for himself by his meritorious services for 45 years, the shareholders had, at the last Annual Meeting, unanimously approved of his appointment as Managing Director for a period of three years. Mr. Karanjia had been urging the Board for a long time to relieve him of his exacting office. But the Directors had kept on asking him to carry on as long as he could. In the course of this year, Mr. Karanjia repeated his request and in view of the fact that he had lately been feeling not too well, the Board could not but accede to his request. No one, observed Sir Homi, could have served the institution for the best part of his life as ably, devotedly and unsparingly as Mr. Karanjia had done. While, therefore, the Board greatly regretted his retirement, they were hoping that even after he laid down his office, he would make available to the Bank in an advisory capacity the benefit of his rich experience, mature judgment and wise counsel.

Sir Homi concluded by expressing the hope that though difficult times were ahead, if the Bank continued to enjoy the confidence and co-operation of the public, it would maintain its position as the largest banking institution in India in the Private Sector.

Note: This does not purport to be a record of the proceedings at the Annual General Meeting.

BICC

SIR WILLIAM McFADZEAN'S STATEMENT

The following are extracts from the circulated Statement of the Chairman, Sir William McFadzean, C.A., Companion I.E.E., on the 1962 Accounts.

1962 was not an easy year in many respects but overall the BICC Group made steady progress and further expanded its interests.

As a result of the change in content of our sales, the enjoyment of more realistic prices for some of our products, and the fact that we were able to contain increased costs through still further efficiency, Surplus on Trading improved by some £1.8 million.

HOME AFFAIRS

Power Cables. Substantial orders were received from the Nationalized Industries and from overseas, and all our home factories operated at a high level of activity, particularly in the high voltage cable field.

Important overseas orders include those from the China Light and Power Company for 66 kV 3 core cable, value £409,000, and for 3,000 yards of 33 kV, 3 core cable supplied on a drum 15 feet diameter and weighing 66 tons gross; from the Electricity Commission of New South Wales for 132 kV, 3 core cable, total value £271,000; and from Electrim, Poland, for 150 km of 15 kV cable, value £173,000.

Construction. Our Construction Company, wholly concerned with the installation and/or erection of our Group products, had another successful year and now employs some 9,000 people throughout the World.

Overseas, cables were supplied and laid in Australia, Malaya, Hong Kong, Pakistan, Portugal and South Africa.

As widely announced in the Press, an agreement was concluded with British Railways for the design, supply and installation of overhead equipment for the electrification of the main-line from Euston to Crewe. This order for approximately 1,000 track miles, is the largest of its kind ever to be placed by a railway undertaking and we were indeed proud to be entrusted with it.

Overseas our main activity in railway electrification has again been in India where we have been fully occupied. It is gratifying to report that further orders have been received with a value of over £24 million, bringing our total such orders up to some £8 million over the last few years. It is

a striking fact that when these orders have been completed there will be more a.c. railway electrification in India than in any other country—the great majority installed by British Industry and won against fierce international competition.

The export market was very active with orders received from 44 countries including five 265 foot towers supplied for the new television network in Northern Nigeria and erected by our Nigerian subsidiary.

OVERSEAS AFFAIRS

For 1962 the value of export orders and sales effected abroad totalled some £47 million or 31% of our total sales. This does not include the value of our products sold to other manufacturers and incorporated in the goods they send overseas—a substantial contribution to exports which unfortunately cannot be accurately assessed.

All our main companies overseas in Australia, Canada, India, Malaya, Rhodesia and South Africa had good years and our overseas operations in general made most satisfactory progress.

Of particular satisfaction to us was the swing by our Canadian Company from a loss in 1961 to a reasonable profit in 1962, and the further marked progress achieved by our operating units in Australia.

To the latter we have been privileged to add, towards the end of the year, Metal Manufacturers Ltd. and its Subsidiaries. This Company was started in 1916 with an initial Capital of A£80,000 and with the old B.I. Company as one of the five original shareholders.

Over the years we have added to our shareholding and have acted as technical advisers and sales agents for many of their products. Together, branched into new fields in Australia, and today the Issued Capital of Metal Manufacturers is A£8,000,000. Our employees in Australia now number 7,500 and the Group Net Assets employed there exceed £23 million sterling including some £20 million relating to the new members of the Group.

Mr. M. L. Baillieu, the Chairman of Metal Manufacturers, and all his colleagues share our view that this will be to the benefit of us all in facilitating an even closer co-operation and

co-ordination of overall effort in Australia.

We are determined too that this is and will be developed as an Australian/British partnership, and the fact that there are large and influential Australian shareholdings is something we greatly value.

And so we give further proof of our belief in the Commonwealth in which the BICC Group today has such substantial investments.

But this does not blind us to the necessity and duty of our endeavouring to increase our exports and business everywhere and we have been active in most countries of the World. I mentioned last year the steps we had taken to increase our business in Europe. The breakdown of the Brussels negotiations was a great disappointment to us, but far from relaxing we are pursuing our efforts with even greater vigour, and I am glad to say with increasing success.

FUTURE PROSPECTS

Nothing is surely of more fundamental importance to the supply of the material needs of the people of the whole World than the provision of electricity for power, light, heat and communication purposes. What is principally required of us in BICC is that we should be able successfully to meet competition from home and overseas companies within our field in supplying the means of providing this vital source of energy. In 1962 we feel we have made further good progress to this end.

As regards 1963, the abnormal weather in January and February has very severely restricted the activities of our Construction Company in the United Kingdom and has caused a build-up of stocks, particularly power cables, awaiting installation. We shall, of course, do our utmost to catch up with this backlog, but with the heavy programme of work we have on hand it will take time. Fortunately many of our other activities were not affected and in the absence of any further exceptional circumstances, I am confident that our results for the year as a whole will be satisfactory.

I am equally confident of the future of the BICC Group, for we are in grand fighting trim, with ever increasing efficiency our constant aim.

BICC

consists of 66 Operating Divisions and Companies, employing 46,000 people in manufacture in 16 countries and trading in over 100.

SALES amounted to £153 million of which £47 million or 31% represented Direct Export and Sales of Overseas Concerns.

TRADING PROFIT, and Investment Income amounted to £8.580 million, but after providing for Taxation and crediting Exceptional Items

NET AVAILABLE PROFIT of the Group was £5.036 million.

TOTAL ASSETS EMPLOYED, including those of the new Australian Members of the Group are £140 million.

PROVIDED BY Profits retained in the business, Debenture Loan Stock and Share Capital owned by some 42,000 Stockholders.

BRITISH INSULATED CALLENDER'S CABLES LIMITED

British Insulated Callender's Cables Ltd., Bombay.

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New Delhi

U.S. STEEL MISSION ON PROBLEMS OF BOKARO PLANT

(FROM OUR NEW DELHI CORRESPONDENT)

THE U.S. steel mission's report on the Bokaro project is now available. It makes no recommendation that the U.S. Agency for International Development should assist the project financially. Its purpose is to help the A.I.D. in deciding on its response to the Indian request for assistance. The report analyses the technical and economic aspects of the proposed steel plant and discusses the problems which are likely to be encountered.

Bokaro, which is in Bihar State, is about 150 miles north-west of Calcutta. The plant there will be India's sixth integrated steel mill and the fourth built and operated in the public sector. An integrated steel mill is one which undertakes the production of steel from the primary raw materials stage to the finished products stage. The Government of India wishes to start the construction of the Bokaro steel plant during the third five year plan.

For its services under the contract with the A.I.D., the U.S. Steel Corporation received \$686,344. Sub-contracts for parts of the survey work were performed by the Bechtel Corporation, the Bessemer and Lake Erie Railroad Company, Koppers Company, Inc., Arthur G. McKee and Company, and the Stone and Webster Engineering Corporation. In addition, the engineering and cost data were furnished to the U.S. Steel Corporation by 32 other American firms. The contract was awarded in April 1962. The principal findings of the report, which are briefly stated here, are the following:

The report stresses the fact that India needs greater steel-making capacity, even after taking into account the planned expansion of the existing plants. Bokaro can partially fill the need by a three-phased programme providing 1.4 million metric tons of ingot capacity by 1971, 2.5 million tons by 1975 and 4 million tons by 1980. The tonnage of products made from these ingots will be 1 million tons in 1971, 1.8 million tons in 1975, and 2.9 million tons in 1980.

A successful plant in Bokaro will require (a) qualified operating personnel, both Indian and American, (b) a steady supply of important raw materials which should be brought under ownership and control of the Bokaro steel plant management; and (c) adequate provision—in some cases by agencies other than the Central Ministry of Steel and Heavy Industries—for (1) adequate rail transport, (2) adequate supplies of power and water, the (3) expansion of coal mining and washing facilities, and (4) adequate highways in the area.

Total Investment

The total investment in phase I will be \$919,428,000, of which the foreign exchange component will be \$512,588,000. For purposes of analysis, the U.S. Steel Corporation assumed a 20-year loan at 5 1/2 percent interest. The total investment over a period of years will be \$1,504,766,000, of which \$891,522,000 will be from external sources and \$613,244,000 from Indian sources. Other items cited in (c) above are estimated at \$133,857,000, including the foreign exchange needs not yet determined.

The Bokaro project will not be profitable in the first phase. But it will

become profitable with full production in phase II. Manpower problems are of "special importance" to Bokaro, the report says. "Unless fully qualified personnel, whether Indian or American, could be supplied right from the start of the project's implementation, there would be grave risks—as can be seen from the experience of other recent steel plants in India—that very costly equipment would be unproductively used or even damaged. And, on the other hand, whatever American personnel might be needed during the early period of the plant's existence should be replaced by Indians as rapidly as possible in the interest of operating economy."

"Under the most favourable circumstances at present, the manning of a sixth integrated steel plant will be extremely difficult." This is because a large number of technical personnel will be needed and the only source of experienced personnel is the five existing steel plants. These, however, have expansion plans of their own. "Thus Bokaro will, to a very large extent, have to develop its own Indian organisation by hiring untrained people and training them for their respective jobs. A considerable number of Americans familiar with U.S. equipment and methods will consequently be required to provide this training and to assure proper operation until Indian personnel are fully qualified."

Supply of Labour

The report says that the Bokaro area has virtually no useful labour supply except in lowest categories. It is rural, remote and poorly served by transport facilities. It is unattractive to the great majority of potential Indian employees, who will come from elsewhere. "The situation is even worse for American employees... and will make it difficult to attract good expatriate personnel." Thus an adjacent townsite must be built and operated with medical, recreational, educational, transport and shopping facilities.

Because of the present characteristics of Indian labour concerning physique, discipline, language and other factors as well as special considerations arising from extensive Government involvement in labour relations matters, it is necessary to prepare an overall plan for manpower. The plan suggested by the U.S. Steel Corporation consists of eight closely co-ordinated programmes in manpower and recruitment, training, personnel placement, use of personnel resources, compensation, employee and union relations, safety, and employee communications. Its implementation will have a direct effect on the profitability of the mill.

A ten-year American management contract is assumed for the project, although some technical help will be necessary for a longer period. Twenty Americans will be needed immediately, increasing to 670 in 1968—the expected year for starting production—decreasing to 40 in 1977. The peak figure includes 270 management and supervisory personnel and about 400 production and maintenance workers. The Indian work force is expected to be about 8,200 for phase I. The American management contract is a prerequisite to attaining 100 percent capacity four years after the work starts and to maintaining

a relatively small and efficient work force. The construction of the project will involve about 20,000 men.

Raw Materials Needed

The raw materials needed for the project are iron ore, limestone for blast furnaces and for steel making, and metallurgical coal. Among important assumptions made for the supply of iron ore and blast furnace limestone are that mining and quarrying will be integrated with steel-making operations. The supply will be under the management of the Bokaro plant and should be available at cost. Among assumptions about the supply of limestone for steel making and coal are that they will be purchased at market prices, largely from Government agencies.

The mission says in its report: "It became apparent to us at an early stage in our investigation that wholly insufficient consideration was being given to the raw materials aspect of the Bokaro project. This deficiency appears to be due primarily to the fact that present plans are for the three principal raw materials to be supplied by the three separate Government entities. No individual or group with overall steel making raw materials experience has been made responsible for co-ordinating Bokaro's raw materials programme. We do not believe that any modern integrated steel project should be undertaken in any country without such co-ordination of raw materials planning."

"In addition to this lack of co-ordination, work in relation to raw materials has lagged behind planning of other aspects of the Bokaro project. Arrangements on iron ore and coal sources are still undergoing important changes and the exploration work on the proposed source of limestone is only just beginning. We, therefore, found it necessary to make certain major assumptions on the supply of raw materials for Bokaro. We wish to stress this point and emphasise the importance of verifying the reasonableness of these assumptions or developing adequate alternatives if the project is to be undertaken. This work of verification will be a considerable undertaking in terms of personnel, time and funds; from the standpoint of time alone, for example, it will take two years or more, to find satisfactory long-term solutions to the basic raw materials problems."

It is considered, however, that "the adequacy of the transport system is far from assured and that the fulfilment of present plans for construction of track and supply of rolling stock is a prerequisite for efficient and fully productive operation of Bokaro." Further warnings are firstly, "there will be very little point in granting steel mills top priority if the rest of the economy has to suffer such shortages of transport that the steel produced cannot be further processed and distributed for consumption;" and, secondly, steel, power and transport development programmes are absolutely inter-dependent and must proceed at equal pace.

The mission has accepted the assurance of the Central Minister of Steel and Heavy Industries that he is aware of the necessity to work closely with the Railway Board and that the steel programme should not be al-

lowed to suffer for want of transport. But it stresses "that the plant's successful operation will be gravely prejudiced if transport plans are not fulfilled."

Priority for Power

As for power, the report assumes that priorities necessary for ensuring adequate power for Bokaro will, in fact, be granted. It is further assumed that the report of the Sachdev committee recommending priority for railway traction, coal, iron and steel production and waterworks, will be implemented. New generating capacity at points in the D.V.C. system is essential and must be installed at least concurrently with the construction of steel plants.

As for water, the key element here is the construction of a dam and reservoir in Tenughat by the Damodar Valley Corporation for needs of Bokaro and other new industries, in addition to a supply canal to Bokaro. It is also stressed that "investments and construction programmes must, therefore, be carried out in time to meet Bokaro's requirements and closely co-ordinated with the construction and step-by-step expansion of the steel plant."

INDUSTRIAL LICENSING

Policy Clarified

The Prime Minister, Mr. Nehru, made a statement on industrial licensing in the Lok Sabha last week. He categorically denied that there had been any change in the official policy. He explained the mechanism of checks and counter-checks to ensure its correct implementation. Mr. Nehru referred to a statement laid before Parliament earlier in April. It gave the analysis of licences issued to certain leading industrial houses in 1960 and 1961. The Prime Minister said: "I have had figures collected for 1962. During these three years, out of the total number of 4,211 industrial licences issued, the number of licences which had gone to ten leading industrial houses were 182. These figures include not only new industrial undertakings, but also projects for substantial expansion of existing undertakings in order to ensure economies in size."

"In considering India's industrial policy, we should not confine ourselves to the sector which is governed by the Industries (Development and Regulation) Act. Outside this, there is a large and growing sector of small-scale industries which, collectively, are of considerable economic significance. The number of such small-scale units which have been registered up to date run to over 52,000. There are, in addition, a very large number of such units which function without being registered. It is the Government's policy to give to this sector all the help that is possible to make it expand, although I must admit that difficulties of foreign exchange tend to affect this sector as badly as the large-scale industries."

"The Government's industrial policy is clear and the machinery for its implementation by way of licensing appears to be adequate. As the House is aware, we have appointed a committee with Professor Mahalanobis as chairman, to study, among other things, the extent to which the operation of the economic system has resulted in the concentration of wealth and the means of production. When the report of that committee is available, there will, no doubt, be further opportunity to consider whether any changes are called for in the policies or procedures relating to industrial licensing."

Replying to supplementaries, the Prime Minister said it was unfortu-

nate that there should sometimes be differences of opinion between two Ministers in the same Ministry. "On the other hand, there is one healthy aspect of it, any mistakes committed are found out."

In this case, Mr. Manubhai Shah, who is a Minister of State in the Department of International Trade has made certain allegations against his senior partner, Mr. K. C. Reddy, Central Minister for Commerce and Industry. But the Prime Minister ignored the basic issue in an attempt to please all sides. The basic issue is that in a Cabinet form of Government, Ministers do not lodge complaints against their colleagues, much less find fault with the policies of their senior partners. It is always open to a Minister to disagree with the latter. But in such cases, the Cabinet is the final arbitrator, and a Minister failing to convert his colleagues to his viewpoint has either to abide by the decision of the Cabinet or go out of it altogether.

The case of Mr. Manubhai Shah versus Mr. K. C. Reddy stood on a different footing. Not being a Cabinet Minister, Mr. Manubhai Shah, however, had a remedy in asking the Cabinet to allow him to place his viewpoint before it. He, however, chose a different method. He wrote to the Prime Minister, bringing to his notice some deviations made in the industrial policy resolution, since he had left that wing of the Ministry. In his reply, the Prime Minister pointed out that no undue favour had been shown to the ten leading industrial houses. Secondly, the Mahalanobis Committee, whose report, he said, was expected shortly, should indicate whether "the operation of the economic system has resulted in the concentration of wealth and the means of production."

It is, however, not yet known, whether the Mahalanobis Committee will confine its enquiry only to industrial and commercial houses or extend it to others. It has also been considered whether it is the licensing policy or the larger policy of closed market which has aggravated wealth inequalities. Meanwhile, Mr. Manubhai Shah has done some service in raising these issues, for an enquiry is proposed to be made into the whole mechanism of export promotion vis-à-vis concentration of wealth.

EAST PAKISTAN

Helicopter Service Planned

While India is busy making roads and railways in the border in order to make her north-east frontier more accessible from the rest of the country, Pakistan is launching a helicopter plan for East Pakistan, since further extensions of surface transport there will be exceptionally difficult and costly. For example, a hundred miles of railway going east or west may require up to 75 bridges in its construction, apart from having to divert many miles to find suitable sites for bridges. According to reports, the Pakistan Government has now approved of a plan for a scheduled helicopter service beginning from October next. It is planned initially to purchase two twin-engine turbine helicopters with 25 seats.

Sites for about 20 helicopters have been surveyed throughout East Pakistan. It is proposed to expand the services to all the points within a year bringing even the most remote point on any border within an hour and a half of Dacca—the capital. A striking example of the helicopter's time-saving advantage is on the jour-

ney between Dacca and Khulna, which by surface transport takes over 21 hours and only 37 minutes by a helicopter.

I.A.C.

Acquiring Caravelles

The Indian Airlines Corporation will shortly add three Caravelle VI-N passenger aircraft to its fleet. The Government of India has authorised the Corporation to enter into negotiations with the manufacturers, Messrs Sud Aviation of France. The aircraft are expected to be available for operation by the end of the current year. A twin-jet aircraft powered by two Rolls Royce engines, the 80-seater Caravelle has a cruising speed of 496 miles an hour and can cover the distance between Bombay and Delhi in about 1 hour and 45 minutes. Plans for the operation of the Caravelles are already under way. Since the three new acquisitions will not be adequate to meet the entire traffic demand on the trunk routes, it is tentatively planned to operate them initially on the "very high density" routes and supplement the capacity with Viscounts. The latter which will be released by the introduction of the Caravelles—these are not expected to be many—will be used on the longer regional routes. These, together with the Friendships and a few Dakotas, will cater largely to the requirements of the regional routes until the Corporation is in a position to secure additional aircraft.

S.T.C.

Exporting Iron Ore

The State Trading Corporation will export 800,000 tons of iron ore to Czechoslovakia during April 1963-March 1964. An agreement to this effect was signed by Dr. Husek on behalf of Messrs Metalimex Czechoslovakia.

Czechoslovakia is the second largest buyer of Indian iron ore after Japan. India's iron ore export to that country last year amounted to 670,000 tons.

ROURKELA STEEL

Credit for Expansion

The West German Economics Minister, Dr. Ludwig Erhard and the Government of India's Central Minister of Steel and Heavy Industries, Mr. C. Subramanian, recently signed in Bonn the Indo-German financing agreement for expanding the Rourkela steel works. Under this agreement, West Germany will contribute Rs. 48 crores worth of deutschemarks in fresh credits for the expansion plans. The latter will increase Rourkela's output to 1.8 million tons a year.

The agreement will help execute delivery orders which have been awarded by Hindustan Steel to German supplier companies earlier this year. These orders are designed to increase Rourkela's installed output potential from 1 million to 1.8 million tons of pig iron a year by the end of 1968. The firms include Krupps, A.E.G., Demag, G.H.H., Koppers, Ludwig, C. Otto, Siemens, Siemens and Voest of Austria.

RUSSIA

Credit for Projects

The following projects have been financed with Russian credits:

Credit	Amount of loans (Rs. crores)	Projects
Credit for Bhilai	64.74	The Bhilai steel plant.
Credit for industrial projects	59.53	The heavy machine-building plant, coal mining machinery plant, special glass factory, Korba coal mining projects, and the Neyveli lignite thermal power-station.
Credit for drugs projects	9.52	The antibiotics project, synthetic drugs project, and surgical instruments project.
First credit for third plan projects	178.58	Expansion of the Bhilai steel plant, expansion of the Neyveli power plant, Singrauli power-station, expansion of heavy machine-building plant, precision instruments project, expansion of the coal mining machinery plant, expansion of Korba thermal power-station, Barauni oil refinery, heavy electricals plant, and exploration of oil and gas.
Credit for the Barauni refinery	11.91	The Barauni oil refinery.
Second credit for third plan projects	59.53	Bhakra right bank hydro-electric power-station, oil refinery in Gujarat, coal washery in Kathara, refractories plant, and exploration, development and production of oil in Cambay, Ankleshwar and in other areas.

A.I.D.

Loan for Power Project

The U.S. Agency for International Development has recently approved in principle a loan of \$16 million for the second phase of the Chandrapura power project. The terms of the loan are likely to be as follows: The credit fee on the loan shall be three-quarters of 1 percent a year on the disbursed balance of the loan. The principal shall be repaid within 40 years from the date of the first disbursement under the loan, including a grace period of ten years. Provision shall be made for repayment of the principal and payment of credit fee in U.S. dollars. Equipment, materials and services, except marine insurance to be financed under the loan, shall be procured in the United States.

The first phase of the Chandrapura power project envisages the installation of two units of 140 MW and the second phase will add one more unit of 140 MW. The unit under the second phase is expected to be commissioned by the middle of 1966.

INDONESIA

Trade Pact Signed

A three year trade agreement between India and Indonesia was signed here last week. It envisages the expansion of trade between the two countries on a gradually increasing basis. The total trade to the extent of Rs. 13 crores has been provided for in the first year of the agreement, compared with the present level of about Rs. 7 crores. Provision has been made for half-yearly reviews concerning the implementation of the agreement.

The principal commodities which India will buy from Indonesia are petroleum products, copra, rubber, palm oil, metal concentrates and other agricultural products. Indonesia will buy engineering equipment, machinery, textiles, jute goods, paints and varnishes, chemicals and drugs and other manufactured articles from India.

YUGOSLAVIA

Trade Talks with India

A Yugoslav trade delegation led by Mr. Faust Ljuba, Deputy State Sec-

retary for Foreign Trade, has arrived here to discuss the possibilities of developing trade between India and Yugoslavia on a long-term basis. It is expected to be in India for about three weeks during which it will visit various industrial centres. Trade between India and Yugoslavia has increased considerably in the past two years. The total trade both ways is now of the order of Rs. 20 crores.

IRAN

Trade Prospects with India

Trade talks were held here last week between an Iranian delegation and the Government of India. The progress in the implementation of the current Indo-Iranian trade agreement, which is due to expire on 15th August, 1963, was reviewed and preliminary talks on a long-term trade agreement were held. It was agreed that further talks should be held in Teheran before the expiry of the present agreement.

COAL

Credit Guarantee Scheme

In order to assist the coal industry to secure the matching rupee finance, which may be needed for using the World Bank loan of \$35 million (granted for the development of collieries in the private sector), the Central Government has formulated and sanctioned a scheme for a partial guarantee of advances given by credit institutions to these collieries. The terms and conditions under which this guarantee is to be given are as follows:

The eligible credit institutions, which can apply for and obtain a guarantee in relation to any loan advanced by them, include 58 leading Indian banks, 15 State Financial Corporations (including the Madras Industrial Credit and Investment Corporation), the Industrial Finance Corporation and the Industrial Credit and Investment Corporation of India; the eligible institutions will bear 35 percent of the loss, the balance of 65 percent being borne by the Central Government.

The guarantee will become effective immediately in the event of a

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default and the amount will be paid within 20 days of the default.

The loans and advances will be guaranteed for periods ranging from one year to ten years at the option of the borrower.

A service charge of three-quarters of 1 percent a year on the amount of the loan or advance as sanctioned will be levied to cover administrative expenses; and the guarantee scheme will be operated by the Refinance Corporation for Industry Ltd., as the Central Government's agent.

JAPAN

Electric Locos Ordered

A formal order for the supply of 45 electric locomotives has been placed with a group of three Japanese firms led by Messrs Hitachi Ltd. The contract will be signed as soon as the Government of Japan's approval for financing it from the second yen credit is received. The broad details of the contract are as follows:

Cost: The total c. and f. value of the order is Rs. 4.87 crores, which includes a rupee content of Rs. 10.31 lakhs towards the charges of technical staff and the agent's commission in India. Each electric locomotive (without spare, etc.) will cost Rs. 10.11 lakhs, ex-works.

Terms of payment: (i) 30 percent of the total f.o.b. cost as soon as the import licence is issued and on furnishing the necessary bank guarantee.

(ii) Balance payment on production of necessary shipping documents and subject to furnishing a bank guarantee for 10 percent of f.o.b. cost.

(iii) Cost of ocean freight incurred has to be paid in yens on production of the shipping documents.

Delivery schedule: The first two locomotives are to be shipped by January 1964 for prototype trials and the remaining 43 from September 1964 to January 1965.

Indigenous content: The firm has agreed to utilise components partly or wholly, to the extent available, from indigenous sources such as air blast circuit breakers, tap changers, pantographs, centre buffer couplers, compressors, vacuum exhausters, brake equipment, cattle guard and side buffers. The value of all the above components forms about 13 percent of the cost of locomotives, but the exact amount of credit to be given in the contract value cannot be precisely assessed at present.

These locomotives are 25 K.V. A.C. B.G. freight type developing 3,280 horse-power and weighing about 85 metric tons. They will be equipped with silicon rectifiers and dynamic braking.

N.P.C.C.

New Works in Agra

The National Projects Construction Corporation has set up a workshop in Agra. It undertakes repairs of machinery and will also in due course manufacture such of the spare parts as can be economically manufactured in the workshop. As a result of the expansion of the Corporation's activities, it will also be used as a base for the fabrication work and the erection of steel structural works.

Machinery and equipment worth Rs. 40 lakhs will be purchased for the latter purposes. With the help of this equipment, it will be possible to achieve the following targets: fabrication 4,000 tons a year, and erection 6,000 tons a year. It is expected that with gradual development and increase in the workload, it will

be possible to reach an "erection" target of 15,000 tons a year in due course.

RAIL-WAGON TIPLERS

Orders for U.K. Firm

Four orders for Rotaside rail-wagon tippers worth £216,000 have been received from India by Strachan and Henshaw Ltd of Bristol. The tippers will be used to unload coal from double-bogie wagons at power-stations in Harduaganj, U.P., and Durgapur, West Bengal, and by the Tata Power Co. in Trombay, near Bombay. The orders are a result of the introduction of rapidly increasing numbers of large double-bogie mineral wagons on the Indian railway system.

A further two high-speed Rotaside tippers for 90-ton wagons are being manufactured under licence in the U.S.A. for installation at an ore-shipping plant at Visakhapatnam port. These machines will be capable of unloading 1,500 short tons of iron ore an hour.

MAZAGON DOCK

Expanding Repair Facilities

A scheme for expanding the facilities at the Mazagon Dock Yard has been approved by the Government and work on the initial phase has been taken in hand. Although mainly designed to allow heavier new construction, ship repair facilities will also be augmented. The estimated cost of the expansion programme is Rs. 3.5 crores, with a foreign exchange component of about Rs. 1.28 crores.

STEAM TURBINES

Imports from U.S.A.

Fourteen steam turbines are to be imported in bulk for various thermal power projects under A.I.D. and Export-Import Bank credit from the United States. These are to be progressively shipped from September 1963 to December 1964. Normally, it takes two months from the date of shipment for the stores imported from the United States to reach India.

POWER

Micro-hydel Scheme

The following micro-hydel schemes have so far been approved for implementation during the third plan: (i) Uttar Kashi (2,100 kW) in U.P., (ii) Chamoli (2,100 kW) in U.P., (iii) Bhedaghat (2,120 kW) in Madhya Pradesh, (iv) Bharmour (15 kW) in Himachal Pradesh, and (v) Bomdila (3,30 kW) in N.E.F.A.

SHIPPING CORPORATION

Construction of Colliers

The Shipping Corporation of India Ltd is negotiating with Garden Reach Workshops, Calcutta, for the construction of colliers for the coastal trade. The Central Ministry of Home Affairs has also placed on order with the Garden Reach Workshops for a touring vessel for the India-Andaman service.

I.I.S.C.O.

New Coal Washery

The Indian Iron and Steel Co. Ltd has been permitted to set up a coal

NEWSPRINT

Import Programme

During 1963-64, 83,000 tons of standard newsprint will be imported from Russia, Poland, Scandinavian countries and Canada under agreements concluded with suppliers in those countries. In addition, 5,000 tons of glazed newsprint will be allowed for import by actual users from the general area.

MACHINERY

Production Statistics

The following statistics will show production in 1961 and 1962 in relation to some important items of industrial machinery:

Name of industry	1961	1962
(In Rs. crores)		
Textile machinery	11.5	14.00
Sugar mill machinery	4.66	6.43
Cement making machinery	0.90	0.71
Paper and pulp making machinery	0.45	0.85
Dairy machinery	0.16	0.32
Boilers	1.01	2.61
Mining machinery	0.20	0.38
Transformers	1.95 million kVA	2.5 million kVA
(1961-62) (1962-63)		
Electric motors	0.95 million horse-power	1.04 million horse-power
(1961-62) (1962-63)		
Rs. crores		
Gas cylinders	0.24	0.32
Drilling equipment	0.13	0.52
Conveyors	0.67	0.85
Reduction gears	0.16	0.31
Ceramic machinery	0.08	0.09
Chemical machinery	3.17	4.55
Tea processing machinery	1.76	1.60
Constructional machinery	1.33	1.75
Oil mill machinery	0.26	0.31
Weighing machinery	0.87	1.05
Rice, dal, flour mill machinery	0.29	0.33
Jute mill machinery	Not available	3.08 in 1962-63
Industrial machinery not classified	0.41	0.50
Machine tools	7.80	11.80

SCOOTERS, MOTOR-CYCLES

Importing Components

The foreign exchange released for the import of components for manufacturing scooters, motor-cycles and three-wheelers during 1961-62 and 1962-63 is as follows:

Year	Value of foreign exchange release
1961-62	Rs. 1.45 crores
1962-63	Rs. 1.93 crores

The production target for scooters, motor-cycles and three-wheelers by the end of third five year plan is 60,000 numbers a year. Production during 1962 was 25,002 numbers.

The existing manufacturers have been assisted with foreign exchange required for the import of capital goods to enable them to quicken the implementation of the phased manufacturing programmes. Meanwhile, necessary foreign exchange is being made available to the industry for importing components. In addition, a few more firms have been licensed for manufacturing motor-cycles, scooters and mopeds during the past two years.

JAPAN

Industrial Surveys

Two productivity teams sponsored by the Japan Productivity Centre

visited India during March 1963. They visited a number of countries in south-east Asia to study the general industrial situations and to explore the possibilities of mutual co-operation in the region. The teams will submit their reports to their sponsor—the Japan Productivity Centre.

FERTILISER

Plant in Private Sector

The long-drawn discussions for setting up a fertiliser plant in the private sector in Visakhapatnam have been finalised. The Central Ministry of Finance, it is reported, has given its consent to the scheme. Parry and Company has been licensed to set up a factory with financial and technical collaboration from California Chemicals Company and International Minerals and Chemicals Corporation of the U.S.A. It is proposed to produce under the project about 80,000 tons of fixed nitrogen a year in the form of 365,000 tons of ammonium phosphates of various grades and 16,500 tons of urea. The raw material for the project will be naphtha.

Caltex, it is reported, has given up duty protection. The other two oil companies, namely, Burmah-Shell and Esso had already done so last year.

London

U.K. NATIONAL INCOMES BODY CONDEMNS WAGE PACTS

(FROM OUR LONDON CORRESPONDENT)

THE National Incomes Commission, in its first report, just published, condemned the 40-hour week agreement in the Scottish building industry and rebuked the Scottish plumbing employers for not consulting other sections of the construction industry before conceding a similar agreement. The Commission's recommendations are:

(1). That immediate steps be taken to bring about an effective re-arrangement of the employers' side of the construction industry to allow proper prior consultation.

(2). That both sides of the construction industry should tackle the question of overtime working in order to remedy abuses, reduce costs, and promote greater efficiency and output.

(3). With a similar aim, both sides should consider abuses of the payment by results system and other extra payments.

(4). That although no justification exists for the Scottish building agreement or for any extension of it into England and Wales or into civil engineering, it has been made to operate in Scotland from November.

"The benefit of this agreement in terms of increased wages, coupled with the sliding scale increase in February 1963, will amount to a total increase in the year 1963 of approximately 9 percent. We, therefore, recommend that this should be regarded concerning about two-thirds of it as a payment in advance, and that it should be accepted as covering a period of about three years.

"It should be clearly understood that in making this recommendation, we are not intending to convey the impression that we exclude the possibility that the agreement might, with the consent of both sides, be abrogated. Nor are we suggesting that the agreement, coupled with its treatment in the way we have recommended, should be taken as a

precedent to be adopted elsewhere. We are doing no more than trying to indicate the best course to be adopted after an agreement which is contrary to the national interest, has been made."

(5). There are two possible courses for the building industry in England and Wales and for the civil engineering industry nationally, since at present, there is no practical difference between a straight wage increase and a reduction of hours.

One is that there should be a straight wage increase not exceeding in total the long-term rate of increase in national production, or, if preferred, of annual increases of the same order for an agreed period of years.

Annual Wage Increase

The second is to forgo annual increases in wages calculated at a level equivalent to the long-term rate of increase of national production until their accumulation equals the increase in wages involved in reducing the normal working week by two hours. The Commission prefers the first, saying it recognises the principles of an incomes policy, avoids deferment of benefit, and even out wage increases.

The report, after describing procedural arrangements, has a long chapter on incomes policy generally. This quotes the relevant sections of recent Organisation for European Economic Development and Organisation for European Co-operation and Development reports on rising prices and price stability, and points out that the cost of each unit of national production in 1961 was, on average, 59 percent greater than in 1950.

In accepting the principle that money incomes should not rise quicker than the long-term rate of growth in national productivity, the Commission acknowledges that an incomes policy is not an arithmetical exercise, but must be sensitive and flexible, ready to give effect to exceptional cases. But it must be observed that, to the extent that these cases exist and are made effective, other cases not in this exceptional class should be the subject of smaller increases, if the requisite balance is to be maintained. Their justification, therefore, must be sought, found, and be seen to be found in some circumstances truly of an exceptional nature."

In deciding on a guiding light for wage increases, the report has followed the line taken by the Chancellor in his Budget speech, preferring this to the evidence given by the Treasury at the Scottish building and plumbing hearings. No actual reference is made to the Budget, the report arguing instead on the two views put to it directly. The Government urged at the hearings that the Commission should work on "actual performance rather than promise, until we can feel more confident, as a nation, that the necessary conditions for faster economic growth will be met."

This led to the former guiding light of 2 to 2½ percent. But the Director of the National Institute of Economic and Social Research thought this was not realistic in creating an incomes policy, and that in order to avoid the disastrous consequences of not getting such a policy, it would be

"expedient to take a figure which had some real chance of general acceptance." He suggested 3½ percent, and said it would then be for the Government to secure that the growth in productivity was pushed up to that figure. The Commission recognised "the caution and the logic of the course advocated by the Government spokesmen," but "were impressed by the purely practical considerations" from the Director of the National Institute. Any figure would be subject to revision from time to time, but at present "for the limited purpose for which we have found it necessary to bear in mind a standard to represent the long-term rate of increase of national production, we are inclined to assume a higher range than 2-2½ percent and to adopt the range of 3-3½ percent."

The report then examines the "traditional" collective bargaining system, and says that the way this has worked hitherto is inadequate to secure that an agreed increase shall not be of an inflationary degree. "We believe that in conducting their negotiations both sides may well have the joint interest of their industry at heart, but in the context of to-day's conditions, in which sustained growth and full employment without inflation are the desirable objectives, this is no longer enough. There is a third party, not present at the negotiating table, whose interest includes that of the two negotiating parties, but also takes in the interests of all other sections of the community. This is referred to as the national interest, to which we are commanded by our Royal Warrant to have regard.

"We think that it is well that the true meaning of this term should be clearly understood. The national interest is not an impersonal entity remote from and unconnected with each individual employer and worker. It is the sum of the interests of every member of the population: the worker whose interest lies in the real value of his pay packet; the housewife whose domestic budget suffers from every new 'shock' of a price increase; the employer whose interest is to be able to fix his prices and to plan the success of his enterprise on the basis of stable costs; the man or woman whose income is adjusted only partially or at long intervals to make good the downward steps in the value of money; above all, the indivisible interest of everybody that the nation should continue on a course of growing prosperity in the highly competitive conditions of international trade. It has been a significant and vitally important feature of our enquiry that this comprehensive interest has been represented and cared for at all our public hearings."

Full Employment

The report acknowledges that this is "a hard lesson to be learned." It may mean a broader negotiating structure in many areas of employment. It will require unions not to exploit their dominant bargaining power in conditions of full employment, and will require employers not to surrender easily and pass on the cost to the consumer. "It has been said that an incomes policy of the nature we have indicated must be a policy designed to keep wages and salaries down. We do not see it as

CAPITAL, 2nd May, 1963.

such. If for a time, the application of the principle of keeping wage and salary increases within the limits of production leads to the acceptance of a lower rate of increase of incomes than has been the habit of recent years, this is only because recent levels have been at variance with the principle and in consequence have made their contribution to the inflation of the post-war years.

"An incomes policy which accepts the standard of the long-term rate of increase of national production will itself contribute to and help to make possible a rate of growth of output which is both faster and more continuous, thereby producing the very conditions in which incomes may properly rise."

From the immediate reactions to the report it became clearer than ever that the Commission is to be ignored by the trade unions, but that its reports may be a factor in stiffening the resistance of employers to wage and hours claims. The National Federation of Building Trade Employers said that it "noted" the Commission's advice about the Scottish agreement as "payment in advance" for three years; that the advice from a body outside the industry "of the standing of the Commission" was valued, but that it remained the responsibility of the employers and unions to settle the claim before them.

The last part of this statement accorded with the views of Mr. George Woodcock, general secretary of the T.U.C., on whose advice the building unions declined to give evidence to the N.I.C. He said: "They are really in a field in which they are completely irresponsible. They have not got any responsibility either for regulating relations or defining the national interest. The best thing they can do is to leave these things to the people who have responsibility."

Wage Negotiations

This comment is in line with the consistent attitude taken by Mr. Woodcock and the T.U.C.—that only the Government itself, with all the general economic power that it holds, can represent the national "interest," just as only the employers and unions can represent the other "interests" in wage negotiations. The sections of the report dealing with profits will particularly irritate the unions. In the specific case before it, the Commission concluded that the evidence put to it by the Government was not sufficient to allow it to form a conclusive opinion. All that it could say was that there was no evidence before it that the general level of profits, profit margins, and dividends of the construction industry at present were excessive or unreasonable. This is scarcely a searching conclusion.

On the general issue of profits, the report comments in a long chapter headed "Incomes Policy," which deals at length with wages and salaries. The Commission recalls that it is required by its terms of reference to report from time to time on the need, if any, for restraint on profit to match that in wages. "It is too soon for us to say whether since the date of our appointment any general restraint in earnings has occurred to any significant degree, but if and when it does we shall comply with the demand in this regard. The Government... has publicly undertaken to submit evidence to us in due course on the relationship between the growth of aggregate profits and that of earned incomes. We have accepted that undertaking." The charge made against the Commission here will be that, in leaving the initiative on profits to the Government, it is abdication any right it might have to be regarded as a custodian of the national interest.

CAPITAL, 2nd May, 1963.

Jute

ANOTHER BUMPER RAW JUTE CROP EXPECTED

WITH the completion of sowing jute on about 850,000 hectares and mesta on about 400,000 hectares, and the fixing of a floor price of Rs. 30 a maund, basis Assam Bottoms, f.o.r. Calcutta, the prospects of another bumper crop in 1963-64 have become bright. The weather, too, has been congenial, and last week's moderate showers all over the jute-growing areas have helped plant growth.

In spite of the efforts of the authorities and the co-operation of the industry and trade, it was not possible to support the prices during the current jute season for Assam Bottoms and the lower grade fibres. During recent weeks, short-selling has pushed the price of fibre down; the decline has invited scant attention from mills. The latter apparently have enough stocks of these grades in their warehouses. J.B.S.A. stocks held by the mills are also being turned over. Meanwhile, routine business is being transacted mainly in better grade fibres even at a premium, for these small purchases are being used for blending purposes.

With an increase in the offtake of hessian and other speciality goods like carpet-backing cloth, cotton packs and wool sacks, Indian mills now produce more of these varieties, so they require a higher percentage of better grade fibre. The average grades of Indian jute being used by the mills have to be blended with Pakistani fibre which is imported officially or smuggled across the frontier. These command a premium in the market. It is this price differential which has maintained the flow of the contraband at around 1 million bales. The quantity is equivalent to about 13 percent of the all-India jute crop. If Indian farmers can manage to produce this fibre, they will not only earn a better return for themselves but also stem the heavy drain of resources from the country.

So the authorities, in collaboration with the I.J.M.A., have embarked on a scheme for improving the standard of fibre by using better seeds and improved farming techniques. These alone are unlikely to yield the desired result unless arrangements are made for adequate retting facilities in the villages. Although some progress has been made in this sphere, much ground has still to be covered.

Retting Facilities

Discussing the steps taken during the first two plan periods, a spokesman of the Central Government agency for jute development recently said in Calcutta that about 15,000 tanks had been dug for retting purposes. But they have failed to meet the bare requirements. During the 1962-63 season, there was inadequate rainfall in some jute-growing areas. As a result, retting water was in short supply and ripe plants dried in the fields and were used as fuel or cattle feed. So it is time that a comprehensive survey was made forthwith and immediate action taken to excavate new tanks and resuscitate the derelict ones for providing this essential facility.

The Indian Central Jute Committee is reported to have prepared a scheme for jute retting tanks and circulated it among the jute-producing States for their immediate consideration and implementation. The Government, it has been suggested, should

subsidise middle-grade farmers for digging tanks and advance loans to top-grade growers. The panchayats should be entrusted with community retting tanks. In canal areas, such tanks may be excavated along the canals and linked up with the latter by narrow drains. Spill-water flowing through the canals during floods may profitably be stored in these tanks. Similar tanks, it is urged, should be dug around big irrigation tube wells. The Committee has also laid considerable emphasis on the steeping material. The present practice of using clods of earth has been discouraged, for the mud dissolves in water, not only filling up the tank but also spoiling the colour and quality of the fibre. The Committee has suggested that concrete slabs may be profitably used for the purpose. The authorities, it is hoped, will take immediate steps in this direction in order to make the country self-sufficient in quality jute. This alone can ensure a remunerative return to the farmers without affecting the acreage under foodgrains.

Removing Malpractices

The wide difference between the prices of jute in the Calcutta markets and the prices at which rural procurement agents (farahs) purchase it in the villages, paying scant attention to the quality of fibre, emphasises the need for removing the malpractices in the trade. At present, a farmer has little incentive to produce quality jute, for he can hardly expect a reasonable return from the farah for better stuff. So a suggestion has been made that adequate legislation should be introduced banning the operations of the procurement agent within the State as has been done in Bombay.

This apart, proper grading facilities should be introduced in all the markets ranging from rural hats to the Cossipore wholesale market. The advantages of producing and trading in quality jute should also be ex-

plained to all cadres of the trade. If the farmer produces better fibre, it will always help him to earn a premium. It is more paying to sort the goods according to grades and charge differential rates for them. The attempt to blend off-quality goods or pass off inferior fibre as good by offering some direct or indirect baits to procurement agents not only spoils the reputation of the farmer and the middleman but also damages the goodwill of the entire zone. The Agricultural Marketing Directorate of the Central Government may profitably use its experience in enforcing the grading of sann hemp, which has already paid good dividends.

Problem of Jute Fires

The high incidence of jute godown fires in and around Calcutta poses a serious problem for the industry and the trade. With the increasing stocks of raw jute—the latest directive from the Jute Commissioner under the Jute (Licensing and Control) Order, 1961, enjoins that the mills will have to hold a minimum stock, equivalent to 20 weeks' consumption—in the mill godowns, warehouses and in open yards, the problem has assumed considerable importance. In a memorandum to the West Bengal Fire Services, the Indian Jute Mills Association said that there were 467 jute fires between 1948 and 1962, involving a loss of Rs. 6.50 crores. According to the former, the frequency has increased sharply this year with 15 fire-outbreaks reported during the five-week period ended 8th February. The matter was recently discussed at a tripartite conference of representatives of the West Bengal Government, the I.J.M.A. and the Insurance Association of India.

Thanks to the all-out effort at making the country self-sufficient in jute, India has by now reached an era of plenty in this fibre, although at the cost of a decline in the paddy acreage. The fibre is essential for keeping the wheels of the industry

moving to meet the internal demand and also to earn much-needed foreign exchange. It should, therefore, be stocked with utmost care, for once burnt and spoilt, it can never be replaced although the owners of the goods may reimburse themselves for the losses from the insurance companies.

Raw jute in loose bales is an extremely hazardous commodity and is highly combustible. Baled jute, cotton and even paper are not so hazardous, since fire cannot spread so easily because of the existence of less air in the godowns and within the pucca bales. Besides, there is the practice of increasing the weight of fibre by moistening it with water, which generates methane gas and renders it spontaneously combustible. When these stacks catch fire, it is difficult to control the blaze. Another hurdle in extinguishing jute fires is the difficulty in locating the exact spot of fire. The owners or lessees of the godowns are also alleged to be not very particular in conforming to the fire brigade regulations and insurance cover conditions by providing live chemical fire extinguishers, adequate water supply, etcetera. With godowns and warehouses overflowing with jute stocks, very large quantities of jute bales are piled sky-high in open yards obstructing the movement of fire brigade vehicles and fire service personnel.

As the problem has assumed considerable importance, it is proper that the State Government, the fire services authorities, the jute industry and trade and the insurance companies should set up a joint consultative machinery and devise effective and fool-proof measures to reduce the incidence of fires to the minimum.

Raw Jute Purchase Quotas

The Jute Commissioner has issued compulsory purchase quotas of raw jute to the jute mills for May under the Jute (Licensing and Control) Order, 1961. A total of 325,000 bales of jute has to be purchased by mills belonging to the I.J.M.A. group and 25,000 bales by the rest. The mills are also required to hold a minimum stock of jute equivalent to 20-weeks' consumption.

Arrivals Decline

Arrivals of raw jute in Calcutta and the mill stations during March

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Commodity Markets

TEA LABOUR ASKED TO CUT ABSENTEEISM

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE fears of the planting industry in South India concerning some of the proposals put forward to meet the emergency have been voiced by the chairman of the Nilgiri-Wynaad Planters Association, Mr. R. W. Thrope. Addressing the annual general meeting of the association, last week, Mr. Thrope said: "I am afraid that some of the proposals which have been made under the Industrial Truce Resolution for the emergency lack realism, particularly so far as plantations are concerned".

He said that the proposed emergency production committees were unworkable in tea factories, not only because the tea factory was an incidental department of the plantation industry employing a very small fraction of the labour forces, but also because the volume of production was to a great extent dependent on seasonal or climatic conditions which were beyond human control. He hoped that this aspect would be appreciated and tea factories would not be asked to form emergency production committees and submit fortnightly reports.

As for the scheme to run co-operative stores to stabilise prices, he said that the mechanics which had been proposed were to throw the entire responsibility on the management. Their experience in running co-operative stores on the plantations was not encouraging in the past. "What has not been possible over years cannot be achieved overnight whatever be the pressure of emergency", Mr. Thrope added. The need for co-operative stores should be felt first by the workers. Any amount of effort on the part of the management, even if it were practicable, would not make it a success. In his opinion, the scheme was "impracticable and hardly any plantations can assume today the financial burdens expected of them". He, therefore, appealed to the Government to reconsider the scheme and endeavour to run co-operative stores at certain centres in plantation areas through the department concerned. Such a programme would have greater chances of success than the present scheme, Mr. Thrope said.

The proposal to lay open the waste lands with the estates for cultivation by deserving workmen in order to increase food production was also dangerous, he felt. Any encouragement to extensive cultivation within estates might increase absenteeism as was the experience with the "Grow More Food Campaign" during and immediately after the second World War. It might adversely affect the production of tea and prove in the ultimate analysis to be a self-defeating policy. Under the Plantations Labour Act, there is provision for the maintenance of kitchen gardens attached to or near the workers' quarters, and generally, the practice in the industry is to allow one cent of land for each quarter for this purpose subject to availability of land. Mr. Thrope's argument was that this arrangement was "more than sufficient". He added, "one concrete way in which labour can contribute to the defence effort is to reduce absenteeism to the minimum and turn out a fair day's work. Workers have already received an interim increase and the final award

of the Wage Board is awaited. It is now for the workers to respond with equivalent efforts".

The chairman said that tea production in his district during 1962 was 5,840,306 kilograms, against 5,687,723 kilograms in 1961. In spite of this increase, the average price in 1962 was Rs. 4.55 a kilogram, compared with Rs. 4.79 a kilogram in 1961. The financial performance of tea in the Nilgiri-Wynaad had thus shown a marked decline last year. Production of coffee was 625 tonnes, against 318 tonnes for 1961. In spite of an increase in 1962, the district was much behind the 1960 crop and the coffee growers were still undergoing a period of crisis. Referring to the power cut, he cautioned the Government that unless the electricity requirements of the tea factories were fully met, production would be endangered. He also urged the Electricity Board to sanction without delay the additional power load needed by tea factories, which had undertaken to modernise their machinery and production techniques.

Ginger prices have been sky-rocketing recently, and the present price of Rs. 265 a quintal (Cochin quotation) is the highest for the past one decade. Shippers say that even at this "fantastic" rate, it is difficult to get sufficient quantity. It is said that the main reason for the steep rise is the fall in production. The crop this year, it is believed, will be 20 percent to 25 percent less than last year's. Revival of domestic demand, coupled with brisk business with the middle-east countries, have helped the prices to move up. India is the largest producer of ginger with an estimated crop of about 12,000 tons. Next come Nigeria, Jamaica and some African countries which produce around 10,000 tons each. The main buyers of Indian ginger are Aden, Saudi Arabia and other Persian Gulf countries. The U.K. and the U.S.A. also take some quantity.

According to reports from abroad, Nigerian ginger is quoted in London firmly around 240s a cwt. to 245s a cwt. while Sierra Leone quality is placed at 360s a cwt. It is contended that Cochin ginger holds its own as the grinders prefer this quality. Russia has started buying Indian ginger after a lapse of about ten years, her offtake being about 40 tons so far this year. Malaya, Singapore and some other countries, too, have entered the market. It is reported that some of them are re-exporting to South Africa as direct export from India to that country is prohibited. Traditional buyers from the west have been induced to rush for Indian ginger by the entry of new buyers into the market.

The planting belt of south India is having some useful showers since March and both tea and rubber have benefited. Coming as they did after a period of drought, the plants show signs of vigorous growth. South Indian production of tea to the end of March is estimated at around 37 million lbs, which is slightly less than the previous year's crop. Rubber production also is running closely behind last year's. If weather continues to be favourable as it is today, 1963 will see south India producing more of these crops.

COMPANY AND PUBLIC NOTICES

KUMARDHUBI ENGINEERING WORKS LIMITED

NOTICE is hereby given that an Annual General Meeting of KUMARDHUBI ENGINEERING WORKS, LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Friday, the 31st May, 1963, at 3-40 P.M., for the following purposes:—

1. To consider and approve the Audited Accounts of the Company for the year ended 30th November, 1962, and to receive the Directors' and Auditors' Reports thereon.
2. To declare the Dividends recommended by the Directors.
3. To appoint Auditors and fix their remuneration.

As Special Business

4. To appoint a Director in place of Mr. G. L. Bangur, who retires by rotation and being over 65 years of age is not eligible for re-election unless his appointment is approved by a resolution of the Company in General Meeting specifically declaring that the age limit shall not apply to him.

And in this connection to consider and, if thought fit, to pass the following resolution of which special notice as required under Section 281(2) of the Companies Act, 1956, has been received by the Company from a Shareholder which will be proposed as an Ordinary Resolution.

"That the restriction as to age limit prescribed by Section 280 of the Companies Act, 1956, shall not apply to Mr. G. L. Bangur and that he be and is hereby re-elected as a Director of the Company, whose period of office as such Director would be liable to determination by retirement of Directors by rotation."

5. To consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:—

"That the provisions of the Articles of Association of the Company be altered in the manner following, that is to say:—

(a) That in Article 92 (line 6) the words "and such one of them as from time to time and at any time shall be named by the Managing Agents shall be Chairman of the Board" be and are hereby deleted.

(b) That Article 116 be and is hereby deleted and that the following new Article 116 be substituted therefor.

"116. The Directors may elect some one of themselves to be Chairman of the Board to preside over their meetings and determine the period for which he is to hold office. If no such Chairman is elected or if at any meeting the Chairman is not present at the time appointed for holding the same, the Directors present shall choose some one of their number to be Chairman of such meeting."

The Share Transfer Registers of the Company will be closed from the

17th to the 31st May, 1963, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office:
Chartered Bank Buildings,
Calcutta, 25th April, 1963.

Notes—

- (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
- (b) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, is being sent to all members.
- (c) The Dividends, if declared, will be paid on or after 26th June, 1963 to those Shareholders so entitled whose names appear in the Company's books on the 31st May, 1963, or to their mandatories. No application for Dividend Warrants will be necessary.

ESCORTEX LIMITED

26, Fale Bazar,
Delhi-6.
(Registered Office)

NOTICE is hereby given that the 18th Annual General Meeting of the above Company will be held in its premises at 16, Barakhamba Road, New Delhi-1, on Monday, the 27th May, 1963, at 10-15 a.m. to receive, consider and adopt the Directors' and Auditors' Reports and audited accounts for the year ended 31st December, 1962, and to consider other matters as Ordinary and Special Business of which notice is being given to the Members.

By Order of the Board,
P. L. JAITLEY,
Secretary.

Date: 16th April, 1963.
Delhi 6.

- Note:—1. The Transfer Register and Members Register (both of Equity and Preference share capital) shall remain closed from 7th May to 27th May, 1963, both days inclusive.

2. The Mandates for payment of dividend will be noted only if received before the closing of the Transfer Register and Members Register.

3. The Directors have recommended a dividend of 11% on the Equity shares.

4. Explanatory statements as required under Section 173 of the Companies Act, 1956, in regard to the items under special business will be forwarded to the Members with the notice.

CPH/R/882/63

PHILLIPS CARBON BLACK LIMITED

Registered Office: 31, Netaji Subhas Road,
Calcutta-1.

ANNUAL GENERAL MEETING NOTICE

NOTICE is hereby given that the register of members and share transfer books of the Company will remain closed from 24th May to 31st May, 1963, both days inclusive.

By Order of the Board,
DUNCAN BROTHERS & CO., LTD.
Secretaries & Treasurers.
Calcutta, 25th April, 1963.

BHARAT NIDHI LIMITED

Regd. Office: 5, Parliament Street,
New Delhi.

NOTICE

THE Annual General Meeting of the shareholders of Bharat Nidhi Limited will be held at The Punjab National Bank Building, 5, Parliament Street, New Delhi, on Monday the 27th day of May, 1963, at 3-30 P.M. to transact the following business:—

1. To receive and adopt the Directors' Report and the audited Statements of Accounts for the year ended 31st December, 1962.
2. To declare dividends on Preference and Ordinary Shares.
3. To elect a Director in place of Shri Gajraj Gangwal who retires by rotation and, being eligible, offers himself for re-election.
4. To appoint Auditors for the current year and fix their remuneration. M/s. Sodhbans & Co., Chartered Accountants and M/s. Aiyar & Co., Chartered Accountants, retiring Auditors, being eligible, offer themselves for reappointment.

A member entitled to attend and vote at the meeting of the company is entitled to appoint another person as his proxy to attend and vote instead of himself and the proxy need not be a member.

By Order of the Board,
V. K. VERMA & CO.,
Registrars.

New Delhi,

23rd day of April, 1963.

As previously notified, the shares transfer books of the Company were closed from 16th April, 1963 till 30th April, 1963, both days inclusive. The dividend when declared will be made payable to those members whose names appear in the Register of members on 30th April, 1963.

ORISSA CEMENT LIMITED

RAJGANGPUR

NOTICE is hereby given that the Registers of Members and Share Transfers will remain closed from 21st May till 15th June, 1963, both days inclusive, except for recording the share transfers received before the closure of the Registers. The dividend for the year 1962, when declared, will be payable to those shareholders whose names would appear in the Register of Members as on 15th June, 1963.

By Order of the Board,
S. C. AGGARWAL,
Secretary.

Dated: 1st May, 1963.

KUMARDHUBI ENGINEERING WORKS LTD.

THE Directors of the above Company have decided to recommend the payment of dividends for the year ended 30th November, 1962, subject to deduction of tax as under:—

On Cumulative Preference Shares @ 6.5% p.a.
On Ordinary Shares @ 45 nP. per share.

By Order of the Board,
BIRD & CO. (PRIVATE) LTD.
Managing Agents.

Registered Office:
Chartered Bank Buildings,
Calcutta,
25th April, 1963.

GUEST, KEEN, WILLIAMS, LIMITED NOTICE

THE Thirty-third Annual General Meeting of the Members of Guest, Keen, Williams, Limited will be held at the offices of Jardine Henderson Limited, 4, Clive Row, Calcutta, on Friday, the 31st day of May, 1963 at 11-30 a.m., to transact the following business:—

1. To adopt the Directors' Report and the Audited Accounts for the 52 weeks ended 29th December, 1962.
2. To declare a Dividend.
3. To appoint Directors in place of those retiring.
4. To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modification, the following resolutions, a Special Notice as defined by Section 190 of the Companies Act, 1956 having been received by the Company under Section 281 of the Act in respect of Resolution No. (i) hereunder:—

(i) As an Ordinary Resolution

That Sir A. Ramaswami Mudaliar, who retires at this Meeting and who has attained the age of 75 years, be and is hereby re-appointed a Director of the Company, and that the age limit prescribed by Section 280 of the Companies Act, 1956 shall not apply to him.

(ii) As an Ordinary Resolution

That, due notice in writing signifying the intention of a Member to propose him as a Director having been left at the Registered Office of the Company pursuant to Section 257 of the Companies Act, 1956, Dr. Anjali Kumar Bose be and is hereby appointed, subject to the approval of the Central Government under Section 269 of the said Act, as a Director of the Company.

(iii) As a Special Resolution

That, in view of the foregoing resolution that Dr. Anjali Kumar Bose be appointed a Director of the Company, consent be and is hereby accorded to Dr. Anjali Kumar Bose holding and continuing to hold an office or place of profit under the Company as General Works Manager of the Company's Calcutta Works or such other office or place of profit as the Directors may from time to time decide, upon such terms as to remuneration and otherwise as the Directors may from time to time determine, subject to the Central Government's approval and, in the meantime, on the terms presently applicable to him.

(iv) As a Special Resolution

That, notwithstanding the provisions of the Articles of Association of the Company, the Directors be and they are hereby authorised (subject to the approval of the Central Government) to issue and allot to The Tata Iron and Steel Company Limited 2,14,583 fully paid Equity Shares of Rs. 10/- each in the Company and to accept in full satisfaction of the said shares, 15,606 fully paid Equity Shares of Rs. 100/- each in Sankey Electrical Stampings Limited now registered in the name of The Tata Iron and Steel Company Limited and that accordingly the Directors of the Company shall not be required to offer such 2,14,583 Equity Shares in the Company

to members of the Company in accordance with Article 6(2) of the said Articles of Association.

(v) As an Ordinary Resolution

That, subject to the approval of the Central Government, sanction be and is hereby accorded to the investment by the Company in Sankey Wheels Limited to the extent of 3,82,000 fully paid Equity Shares of Rs. 10/- each at par to be satisfied and paid for partly by the transfer to Sankey Wheels Limited as on 1st June, 1963, at an independent valuation, of the car and jeep wheel plant of the Company at its Calcutta Works, and as to the balance in cash.

The Register of Members of the Company will be closed from the 14th May, 1963 to 31st May, 1963, both days inclusive.

By Order of the Board,
R. B. RITCHIE,
Secretary.

Registered Office:
41, Chowringhee Road,
Calcutta-16.
1st May, 1963.

Note:—1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead and such proxy need not be a member of the Company. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the Meeting.

Note:—2. No application for warrants will be necessary and payment of any Dividend declared will be made on or after the 18th June, 1963 only to those Members whose names are registered in the books of the Company on the 31st May, 1963 or to their Mandatories. Claims on behalf of holders of shares held on blank transfer will not be entertained.

Note:—3. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 has been issued to all Shareholders.

STEEL CONTAINERS LTD.

THE Board of Directors of the above Company has decided to recommend to the forthcoming Annual General Meeting, the payment of a Dividend of 20 per cent for the year ended 31st December, 1962.

BALMER LAWRIE & CO. LTD.,

D. MANSON,
Managing Director,
Secretaries.
21, Netaji Subhas Road,
Calcutta,
30th April, 1963.

INDUSTRIAL CONTAINERS LTD.

THE Board of Directors of the above Company has decided to recommend to the forthcoming Annual General Meeting, the payment of a Dividend of 10 per cent for the year ended 31st December, 1962.

BALMER LAWRIE & CO. LTD.,

D. MANSON,
Managing Director,
Secretaries.
21, Netaji Subhas Road,
Calcutta,
30th April, 1963.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.I. Hours
Punjab National Bank Ltd.	10-5-63	4 p.m.
Industrial Investment Trust Ltd.	13-5-63	4 p.m.
United Commercial Bank Ltd.	24-5-63	4 p.m.
Escorts Ltd.	27-5-63	10-15 a.m.
Bharat Nidhi Ltd.	27-5-63	3-30 p.m.
Guest, Keen, Williams, Ltd.	31-5-63	11-30 a.m.
Kumardhubi Engineering Works Ltd.	31-5-63	3-40 p.m.

DIVIDENDS DECLARED OR PROPOSED—New Doars Tea Co. Ltd.—Rs. 14.50 per share (o), less tax; Choonabutti Tea Co. Ltd.—Rs. 20 per share (o), less tax; Hoolungoree Tea Co. Ltd.—Rs. 20 per share (o), less tax; Runglee Rungtee Tea Co. Ltd.—7½ p.c. (o), subject to tax; Assam Match Co. Ltd.—20 p.c. including a bonus of 2 p.c. subject to tax; Anglo French Textiles Ltd.—12 p.c. (o), subject to tax; Clive Row Investment Holding Co. Ltd.—50nP per share (o) (f), less tax; Kumardhubi Engineering Works Ltd.—45nP per share (o), subject to tax; Steel Containers Ltd.—20 p.c.; Industrial Containers Ltd.—10 p.c.

BOOKS RECEIVED

Evaluation of the Gram Sahayak Programme. (Issued by the Programme Evaluation Organisation, Planning Commission, Government of India, New Delhi. Pages 144.)

Introduction to Welfare Economics. By Syed Fakhru Hasan. (Published by P. S. Jayasinghe, Asia Publishing House, Calicut Street, Ballard Estate, Bombay 1. Price Rs. 6., pages 92.)

Foreign Aid and India's Economic Development. By V. K. R. V. Rao and Dharm Narain. (Published by P. S. Jayasinghe, Asia Publishing House, Calicut street, Ballard Estate, Bombay 1. Price Rs. 12., pages 111.)

India's Balance of Payments. By Arun Kumar Banerji. (Published by P. S. Jayasinghe, Asia Publishing House, Calicut Street, Ballard Estate, Bombay 1. Price Rs. 22.50, pages 255.)

Unemployment and Structural Change. (Published by the International Labour Office, Geneva. Price 14s, pages 206.)

Important Clarifications by Department of Company Law Administration, Government of India, Part II. (Published by M. C. Bhandari for the Association of Company Secretaries and Executives, 134/1 Mahatma Gandhi Road, Calcutta 7. Price Rs. 4, pages 71.)

Case Studies of the Role of Bullock Carts and Trucks in Rural Transport. (Published by the Programme Evaluation Organisation, Planning Commission, Yojana Bhavan, Parliament Street, New Delhi 1. Pages 142.)

Marketing in an Underdeveloped Economy: The North Indian Sugar Industry. By Leon V. Hirsch. (Published by Prentice-Hall, Inc., Englewood Cliffs, New Jersey. Pages 392.)

Fundamentals of Business Organisation. By Y. K. Bhushan. (Published by Sultan Chand and Sons, for Premier Book Co., Nai Sarak, Delhi 6. Price Vol. I Rs. 6.50, Vol. II Rs. 7, complete Rs. 13; Pages 756.)

Indian Economy, 1963 Edition. By G. C. Jangir. (Published by Ram Lal Puri, of Atma Ram and Sons, Kashmere Gate, Delhi 6. Price Rs. 14, Pages 756.)

Handbook to Calcutta and Environs. By Eardley Latimer. (Published by Oxford Book and Stationery Co., Calcutta. Pages 138.)

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Wednesday, 1st. May, 1963.

BANKS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		1-5-63	24-4-63	A year ago		1960	1961	1962		1-5-63	24-4-63	A year ago
Allahabad Bank P.	18	18	18	100	396/00	396/00	329/00	Indian Overseas Bank	12	14	14-14*	100	148/00	148/00	177/00
Bank of Baroda	14	17	17	60	88/00	85/50	114/50	Industrial Finance Corpn.	..	..	..	60	..	..	..
Bank of India	16	20	20-20*	60	109/50	105/00	117/00	National & Grindlays Bank	12½	13½	14-16* sh. 15 sh.	30/9	sh. 31/- sh. 31/1½	..	..
Central Bank of India	17-1/5	20 2/5	20-20*	25	58/50	53/00	64/50	Punjab National Bank	20	20	20	10	19/87	19/75	21/75
Chartered Bank	15	15	15	£1	sh. 60/7½	sh. 60/10½	sh. 55/6	Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/48	6/48	8/28
Hindustan Commercial	NIL	NIL	NIL-NIL*	50	13/87	14/00	18/50	United Bank of India	4.3	4.3	6-6*	10	7/31	7/31	6/69
Hindustan Mercantile	NIL	NIL	NIL	50	15/62	17/62	17/62	United Commercial Bank	11	12	12	60	71/00	71/00	92/50
Hong Kong & Shanghai	£2½	£2½	15-14*	100	£16½	£17½	£17½								
Indian Bank	15	15	15	100	174/50	180/00	..								

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		1-5-63	24-4-63	A year ago		1960	1961	1962		1-5-63	24-4-63	A year ago
Agarpara P.	10	2½	2½	10	10/06	10/25	12/10	Hukumchand P.	28½	28½	26½	7½	22/00	20/75	26/37
Alexandra P.	44	15	15	100	300/00	300/00	305/00	India	14	12	12	12½	18/00	17/69	17/75
Alliance P.	6	NIL	10	100	96/50	90/00	141/00	Kamarhatti P.	5	NIL	..	100	148/00	148/00	175/00
Anglo-India P.	20	7	10	100	215/00	201/00	227/00	Kankarhar P.	NIL	NIL	..	100	139/00	129/00	125/50
Auckland P.	27	12	NIL	100	139/00	139/00	181/00	Kelvin P.	15	15	..	100	170/00	170/00	205/00
Bally P.	25	25	25	100	270/00	280/00	305/00	Khardah P.	20	5	12½	10	16/50	16/50	17/25
Barnagore P.	30	10	10	100	180/00	181/00	180/00	Kinnison P.	NIL	NIL	..	100	140/00	140/00	156/00
Bengal P.	5	..	..	10	10/25	10/25	10/75	Lansdowne P.	7	15	10	100	100/00	100/00	171/00
Birla P.	15	15	15	100	28/81	26/88	36/75	Lawrence P.	12	12½	NIL	10	13/69	13/69	13/81
Budge Budge P.	10	NIL	..	100	156/00	156/00	143/00	Magna P.	..	..	..	100	81/00	81/00	115/00
Caleutta P.	..	..	..	100	8/12	8/00	8/87	Nashid P.	..	..	..	100	9/06	9/06	10/50
Caledonian P.	12	5	..	100	200/00	192/00	220/00	Naskarpara	7½	NIL	..	10	23/75	22/69	24/00
Champdany P.	10	5	NIL	100	134/00	134/00	145/00	National P.	5	15	15	10	11/50	11/25	12/25
Cheviot P.	NIL	5	..	10	23/87	24/00	23/50	Nellmaria P.	15	15	NIL	10	12/19	12/00	17/56
Chitavalash P.	5	NIL	5	10	10/75	10/75	13/00	New Central P.	30	30	20	10	29/00	29/00	35/25
Clive P.	..	..	..	10	7/62	7/62	9/00	Northbrook P.	8	6	5	80	52/50	49/50	72/50
Dalhousie P.	7½	1	NIL	100	152/00	145/00	137/00	Nuddea	NIL	NIL	..	10	5/56	5/09	5/87
Delta P.	10	NIL	..	100	141/00	141/00	190/00	Rameswara P.	NIL	NIL	..	10	9/44	8/00	9/56
Empire P.	12½	7½	12½	10	14/69	14/00	19/31	Relliance P.	NIL	NIL	..	10	11/12	7/25	17/56
Fort Gloster P.	25	10	12½	100	375/00	378/00	451/00	Sammugger P.	6	NIL	..	21	10/50	10/50	35/00
Fort William P.	22½	22½	10	10	26/12	25/00	25/75	Shree Ambica P.	25	25	..	10	25/00	25/00	25/75
Ganges P.	10	10	15	10	13/62	13/62	14/69	Soorah P.	6	NIL	..	21	10/50	10/50	10/50
General Industrial	40	10	..	10	15/44	16/00	44/50	Tilghur P.	25	6	NIL	100	142/00	142/00	191/00
Goudapore P.	30	25	30	100	487/00	487/00	500/00	Union P.	6	NIL	..	21	10/50	10/50	10/50
Hastings P.	10	6	6	100	128/00	128/00	124/00	Victoria P.	30	30	60	1	7/00	6/56	6/31
Houghly P.	10	..	..	10	20/00	20/00	27/25	Waverley P.	..	..	..	..	..	..	..
Howrah P.	12½	10	NIL	10	20/12	18/62	21/25								

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		1-5-63	24-4-63	A year ago		1960	1961	1962		1-5-63	24-4-63	A year ago
Amalgamated	10	12½	15	10	23/56	23/56	22/87	Mundulpur	..	..	..	10	2/69	2/69	2/62
Bengal P.	25	21	..	100	303/00	303/00	381/00	Nazira	..	..	..	10	5/00	5/12	7/62
Bengal Bhattee	..	..	..	10	3/48	3/48	5/48	New Beerbhoom P.	10	10	..	10	20/12	20/12	22/87
Bengal Nagpur	10	26	..	10	22/00	22/00	20/19	New Manbhoom	7½	9	12	10	15/87	15/00	13/81
Bhargava	..	..	..	10	4/87	5/00	4/75								
Bharat Collieries P.	..	..	..	10	3/53	3/53	4/19								
Bhulanbarree	..	..	..	10	11/94	11/94	5/00								
Bokaro & Ramgur	..	..	..	10	23/87	23/87	14/06								
Borra P.	15	15	..	10	17/00	17/00	23/25								
Burrakur P.	13	13	13	10	10/47	10/75	18/58								
Central India	6	10	10	10	3/87	3/00	13/19								
Central Kurkud P.	..	..	..	10	5/75	5/75	7/00								
Churulla	..	..	..	10	32/37	34/12	43/50								
Dhemo Main	..	..	..	10	26/50	26/50	28/75								
East Indian	..	..	..	10	13/50	13/50	14/00								
Equitable P.	..	..	..	10	2/03	2/03	2/00								
Ghustick & Mustia	..	..	..	10	6/12	6/12	14/37								
Gundar Kajora	..	..	..	10	..	..	..								
Hurthadib	..	..	..	10	..	..	..								
Karanpura Development	15	15	..	100	12/62	11/00	17/06								
Karanpura Collieries P.	7½	10	10	10	17/00	17/00	19/04								
Katras Jheriah	..	..	..	10	37/75	37/75	48/50								
Khas Kajora P.	..	..	..	10	18/70	18/70	18/70								

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		1-5-63	24-4-63	A year ago		1960	1961	1962		1-5-63	24-4-63	A year ago
Basanti P.	..	..	..	10	12/75	12/75	7/87	Elgin P.	11½	17½	17½	10	18/94	18/87	21/56
Banga Luxmi	..	..	..	40	28/00	28/00	28/00	J. K. Cotton (Rayon) P.	10	10	..	10	14/37	13/06	22/00
Bengal Nagpur P.	NIL	..	..	10	3/00	3/00	3/75	Jay Shree	..	..	..	100	106/00	106/00	16/69
Bharat Commerce	5	15	..	10	22/87	22/69	29/12	Muir	..	..	..	10	1/37	1/47	1/62
Birla Cotton	10	20	20	10	26/75	26/75	27/00	New Victoria P.	NIL	NIL	..	10	9/00	9/00	10/06
Bowrab P.	10	20	..	10	24/00	24/00	41/87	Orissa Textiles P.	3	NIL	..	10	12/00	12/00	11/00
Cawnpore Textiles	7-1/5	10	..	5	7/44	6/25	8/69	Ramparts Cotton	NIL	NIL	..	100	11/50	11/50	11/50
Delhi Cloth & Genl. P.	12	13	13	25	45/87	45/87	61/50	Swadesh (Kantur) P.	5.51	..	..	100	6/75	6/75	8/75
Dunbar	20	20	..	10	27/56	27/56	33/25								

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		30-4-63	23-4-63	A year ago		1959	1960	1961		30-4-63	23-4-63	A year ago
	Ra.	Ra.	Ra.		Ra.	Ra.	Ra.		Ra.	Ra.	Ra.		Ra.	Ra.	Ra.
Ahmedabad Advance P.	7	16	..	100	170/00	170/00	216/50	Indian	..	..	..	250	761/25	761/25	..
Apollo	..	..	..	100	2/12	2/22	2/56	Indore Malwa United	7	8½	10	100	186/00	185/00	178/00
Beharilal Ramcharan	NIL	NIL	..	100	76/00	82/50	72/50	Khatu Mankaj P.	18	32	..	100	457/50	425/00	492/50
Bombay Dyeing. etc.	14	14	14	25	62/50	64/00	70/50	Kohinoor	9½	15	18	100	311/00	309/00	315/50
Bradbury P.	10	10	25	50	150/00	150/00	212/50	Lakshmi-Vishnu P.	NIL	5½	6	100	101/00	103/75	650/00
Century	..	..	..	100	561/00	559/00	626/50	Morarijee Goculdas P.	21½	21½	24-24*	100	435/00	410/00	427/00
Central India P.	NIL	NIL	NIL	100	114/00	115/00	145/50	Mysore Spg. & Mfg. P.	10	14	14	50	46/00	46/00	67/50
Coorla	..	..	..	100	140/00	140/00	157/50	New City of Bombay	..	..	..	100	142/50	142/50	181/00
Dawn	20	30	30	50	142/00	142/00	173/00	New Great Eastern P.	..	..	..	100	270/00	270/00	288/00
Edward Textiles	9	9	..	200	325/00	360/00	..	Phoenix	..	..	..	100	208/00	206/00	286/00
Ephinstone P.	14	18	22	50	104/00	102/00	132/00	Sassoon & Alliance	NIL	NIL	..	10	12/24	12/24	13/00
Finlay	..	..	..	100	320/00	306/00	345/00	Sassoon Spinning	25	17	20	100	240/00	240/00	294/00
Gokak	..	..	..	100	171/00	172/00	234/00	Simplex	10	15	NIL	50	134/50	133/00	177/00
Hindoostan	..	..	..	250	810/00	810/00	..	Shree Niwas P.	15	18	20	100	242/00	240/00	294/00
India United	..	..	..	10	22/32	21/48	23/44	Svadeshi P.	14	17	..	100	248/00	260/00	294/00
	..	..	..	1Dd	2/58	2/58	4/02	Swan	..	..	..	100	300/00	300/00	390/00
	..	..	..	..	..	..	..	Tata	..	..	..	25	62/00	61/00	81/30
	..	..	..	..	..	..	..	Western India	..	..	..	250	785/00	785/00	802/50

TEA COMPANIES - Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1959	1960	1961		Rs.	Rs.	A year ago		1959	1960	1961		Rs.	Rs.	A year ago	
Grob	14	6	6	5		9/12	7/50	10/62	Singell	Nil	Nil	Nil	100	36/75	36/75	37/25
Hoograjuli (Assam)	25	20	20	10	27/12	27/12	24/44	Singtom	5	2	..	10	3/50	3/50	4/62	
Hoolingoree	20	10	7 1/2	100	195/00	185/00	155/00	Soom	30	50	40	10	31/00	31/00	48/00	
Jutlibari	10	30	30	10	32/00	32/00	32/00	Sungma	10	15	15	10	13/00	12/31	14/69	
Kingsley Golaghat P.	35	35	..	100	212/00	212/00	212/00	Teesta Valley	Nil	Nil	8 1/4	10	11/25	11/00	13/19	
Kotamullai P.	Nil	Nil	Nil	5	10/31	10/31	10/37	Tukvar	..	..	..	10	6/94	6/94	7/06	
Krishnabehari	10	15	8	10	10/50	10/50	10/12	DOOARS								
Kyang Tea	Nil	Nil	..	10	8/06	8/06	8/06	Banarhat P.	32 1/2	22 1/2	21	100	226/00	226/00	204/00	
Ledo	Nil	Nil	Nil	10	17/25	17/25	16/50	Baradighi	25	30	25	10	23/25	23/37	26/00	
Maud Tea & Seed	7 1/2	10	7 1/2	10	14/81	14/81	15/25	Bhaskawa	10	15	15	10	18/00	16/00	21/25	
Methoni	15	5	14	10	17/31	16/75	21/25	Birpara P.	22 1/2	17 1/2	12 1/2	100	149/00	149/00	153/00	
Moheema	10	Nil	..	10	11/50	11/50	11/50	Carron	15	20	5	100	145/00	145/00	145/00	
Mothola	25	30	30	100	507/00	507/00	507/00	Choonabutti P.	30	32 1/2	20	100	210/00	210/00	262/00	
Murphulani (Assam)	20	5	15	10	26/50	26/50	26/50	Ellenbarrie	5	5	5	100	184/00	184/00	176/00	
	25	10.63	20.63	10	28/75	28/75	28/75	Engo	Nil	5	30	100	136/00	136/00	136/00	
Naga Hills	5	10	10	10	22/69	22/69	18/75	Ethelbari	Nil	5	5	10	21/50	21/50	25/12	
Namburnadi	16	12	..	10	14/56	14/56	14/00	Gairkhata	12 1/2	25	20	10	19/50	19/50	20/00	
New Cinnatollah	Nil	Nil	Nil	100	302/00	302/00	120/00	Gopalpur	9.24	12	2	25	110/00	110/00	125/00	
Rajgarh	35	40	21/37	10	21/37	21/37	22/50	Hantapara P.	12 1/2	15	5	100	13/19	13/19	31/25	
Sapoi	20	22 1/2	20	10	19/87	19/87	18/44	Hasimara P.	12 1/2	17	18 1/2	10	13/12	13/06	28/00	
Seajuli	17 1/2	22 1/2	15	10	21/12	21/12	23/00	Huldibari	22 1/2	22 1/2	19 1/2	10	13/19	13/19	31/25	
Telolijan	23	25	25	10	27/15	27/15	27/25	Jaybirpara	5	10	Nil	10	11/19	10/31	14/06	
Tengpani	17 1/2	30	30	10	35/00	35/00	35/00	Kilicott	17 1/2	25	15	10	16/25	16/25	18/87	
Tezpori P.	20	20	12 1/2	10	14/37	14/31	17/25	Manabarrie	5	10	6	10	59/50	59/50	56/37	
Tongani	Nil	Nil	..	10	6/50	6/50	6/44	Nagaisuree	17 1/2	25	15	100	146/00	145/00	169/50	
Tyoon	30	10	15	10	34/37	34/37	37/87	New Dooars P.	32 1/2	35	20	100	230/00	230/00	296/00	
CACHAR								Oodlabari	10	12 1/2	7 1/2	100	14/25	14/25	15/25	
Arcuttipore	Nil	Nil	..	10	7/00	7/00	7/00	Phaskowa	Nil	Nil	Nil	100	129/00	129/00	127/00	
Baitakhal	5	2 1/2	..	10	7/31	7/00	6/69	Rajabhat	Nil	Nil	Nil	10	12/12	12/12	12/75	
Central Cachar	5	5	7 1/2	100	73/00	73/00	74/75	Ranicherra	10	15	15	10	16/75	16/75	20/62	
Eastern Cachar	Nil	Nil	..	10	4/12	4/12	2/37	Rydaak	30	25	20	10	27/31	27/31	28/82	
Kallinngger Khoreel	6	6	..	100	87/00	87/00	86/00	Sarugaon	40	40	40	10	36/25	36/25	36/00	
Hattikhira	5	Nil	8	10	8/75	8/37	12/44	TERAI								
Kunchanpore	Nil	Nil	..	10	6/00	6/00	3/94	Atal	10	5	..	10	6/75	8/75	8/15	
Loobah	Nil	Nil	..	10	4/37	4/37	4/31	Belgachi	20	20	..	10	20/50	20/50	21/62	
North Western	30	30	20	100	114/00	114/00	205/00	Cungaram	15	20	12 1/2	100	117/00	117/00	162/50	
Pathemara	Nil	Nil	Nil	10	7/50	7/50	7/50	Hansua	17 1/2	20	15	10	20/00	20/00	16/50	
Roopacherra	Nil	Nil	10	10	13/62	13/62	12/00	New Chumta	15	15	12 6/7 1/2	10	24/62	24/62	33/50	
Rungamtee	7 1/2	5	5	50	53/50	50/00	58/50	New Terai	15	22 1/2	..	10	36/00	36/00	36/00	
Sonal River	Nil	Nil	..	10	9/12	9/12	9/12	Pahargomiah	25	20	..	10	31/12	31/12	31/50	
DARJEELING								Putinbarree	26	14	..	10	45/07	45/00	45/00	
Bloomfield	Nil	Nil	..	10	3/00	3/25	3/25	Tirrihannah P.	40	40	..	10	49/00	49/00	49/00	
Chamong	Nil	Nil	10	10	9/00	9/00	10/25	CHITTAGONG								
Darjeeling Tea & Chin.	Nil	30	..	100	197/00	197/00	164/00	Kodala	Nil	Nil	..	10	9/25	9/25	9/25	
Diharam	5	8	..	100	102/50	102/50	102/50	Kornafut	Nil	Nil	..	10	13/06	13/06	12/50	
Gielle	Nil	Nil	8 1/2	10	11/69	11/69	11/44	Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00	
Linga P.	12 1/2	15	10	10	14/56	14/56	14/56	SYLHET								
Longview	14	12 1/2	..	10	11/00	11/00	11/00	Chundeecherra	15	22 1/2	22 1/2	10	24/00	23/00	24/00	
Margaret's Hope	10	15	15	10	11/62	11/62	12/75	Dauracherra	Nil	Nil	..	10	7/56	7/31	7/06	
Mim	10	22 1/2	20	100	191/50	191/50	191/50	Kaliti	Nil	Nil	..	10	10/00	10/00	9/25	
Nagri Farm	20	30	25	10	27/00	27/00	25/44	New Samanbagh P.	Nil	25	Nil	10	18/37	18/37	20/81	
Okayti	32 1/2	25	25	100	595/00	595/00	600/00	Rainagar	40	32	40	100	140/00	120/00	138/00	
Pashok	10	10	..	10	20/00	20/00	20/00	Teliapara	17 1/2	22 1/2	32 1/2	100	9/56	9/56	9/56	
Poobong	Nil	Nil	Nil	10	7/50	7/50	7/37	MISCELLANEOUS COMPANIES								
Pussimong P.	Nil	Nil	Nil	10	8/87	8/87	7/75	A Firpo (Restaurant)	3 1/2	7 1/2	..	10	5/90	5/90	5/90	
Runglee Rungliot	10	35	20	100	386/00	386/00	386/00	Aluminium Corporation P.	10	12	12-12*	10	13/87	14/00	18/75	
Seyok	15	15	..	10	8/50	8/50	8/50	Anderson Wright Ltd P.	10	11 1/2	22-23*	10	11/50	11/50	11/50	

† Hectares.

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		Rs.	Rs.	A year ago		1959	1960	1961		Rs.	Rs.	A year ago
MININGS															
Burma Mines	2 11/42	23/5	Nil	3 1/5	0/44	0/44	0/53	Alkali & Chemical Corp. of (I)	9 1/2	12	15-15*	10	36/25	35/00	47/81
Chrestien Mica Industries P.	15	15	12 1/2	10	9/85	9/85	12/50	Sathgate & Co. Ltd. P.	Nil	Nil	..	5	0/84	0/84	0/62
Indian Copper Corporation	25	25	20	51d	8/85	8/85	8/62	Bengal Chemical & Pharm. P.	7	7	10	100	98/00	98/00	112/00
Metal Corporation P.	27	27	27	2s	4/33	4/39	5/18	Calcutta Chemical P.	18	18	18-18*	10	18/00	18/00	17/75
Orissa Mineral Development	Nil	Nil	..	100	8/37	8/56	12/31	Frank Ross P.	..	..	..	6	3/25	3/25	3/25
	36	36	28-20*	10	27/69	28/37	42/00	Smith Stanstreet P.	25	25	25-25*	5	12/81	12/81	16/37
CHEMICAL INDUSTRIES															
ELECTRIC LIGHTING, POWERS															
Ashoka Cement	4 1/2	7	7-7*	10	7/25	7/12	8/94	Benares Electric Supply	10	11	11-11*	100	120/00	120/00	125/00
Assam Bengal Cement	..	..	..	100	3/03	3/03	3/81	Bhagalpur Electric Supply	10	11	11-11*	10	14/37	14/37	11/75
Bengal Potteries	14 29/00	15	..	11d	0/69	0/69	0/19	Calcutta Electric Supply	5	8	10-8*	10	6/00	6/00	6/03
Bisra Stone Lime	18.7	30	31-10*	2 1/2	5/87	5/50	7/08	Cuttack Electric Supply	7	7	7 1/2-7 1/2*	£1	14/37	14/25	14/87
				..	35/00	35/00	35/62	Distergarh Power Supply P.	6 1/4	7 1/2	10-10*	10	12/62	12/62	12/62
Dalmia Cement (Bharat) P.	12	12	12	100	13/12	13/19	13/75	Jubbulpore Electric Supply	7 1/2	10	10-10*	100	88/00	88/00	93/00
				11d	2/15	2/15	2/75	Muzaffarpore Electric Supply	61/5	..	..	10	5/90	5/90	6/00
Jaipur Udyog P.	Nil	6	8-8.36*	10	10/84	11/06	14/68	Muttra Electric Supply	9 1/5	10	10-10*	10	11/25	11/25	11/00
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45	Patna Electric Supply	5	..	..	9	12/00	12/00	7/00
Crissa Cement P.	11	15	15	10	13/37	14/62	19/31	Shahjahanpur Electric P.	10	12 1/2	12 1/2-12 1/2*	10	12/25	12/25	11/75
Reliance Firebricks & Pottery	40	22	15-10*	5	22/75	22/75	18/25	Sijua (Jherria) Electric	8	10	10-10*	10	10/56	10/56	10/87
Sone Valley Portland Cement	Nil	4	..	10	4/22	4/44	5/69	United Provinces Electric	6 1/4	10	9-9*	10	7/80	7/80	7/80
Sutna Stone & Lime	20	27 1/2	30	10	35/00	35/00	37/00	Upper Jumna Valley Electric	10	11	11-11*	100	119/00	119/00	125/00
									12 1/2	13 1/2	13 1/2-13 1/2*	10	14/08	14/08	14/70

SOUTH INDIA PLANTATION COMPANIES

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		30-4-63	23-4-63	A year ago		1959	1960	1961		30-4-63	23-4-63	A year ago
Amalgamated P.	7 1/2	10	10	10	10/36	10/36	11/06	Malankara	16	15	10	10	15/56	15/56	16/90
Anandam P.	15	15	10	10	15/24	15/24	13/22	Midland Rub. & Prod. P.	10	12 1/2	12 1/2	10	10/50	10/50	11/15
Athimattam	Nil	Nil	10	10	0/80	0/80	0/75	Nilgiri P.	5	8	10	10	8/90	8/90	8/30
Balanoor P.	15	15	12	10	12/00	12/00	13/75	Nonsuch	20	20	20	10	22/15	22/15	22/37
Balmadies P.	7 1/2	7 1/2	10	10	1/90	1/90	1/90	Jessoor	15	15	10	2	2/71	2/71	2/60
Se Be P.	5	Nil	10	10	2/15	2/15	2/35	Juchterlony	15	13	12	2	3/80	3/63	3/83
Blue Mountain	12 1/2	12 1/2	10-10*	2	2/47	2/48	2/64	Parkside Nellberry	27 1/2	27 1/2	22 1/2	10	24/00	24/00	23/00
Chembar Peak	15	20	20-20*	2	3/60	3/50	3/30	Peermade P.	22 1/2	22 1/2	25	10	22/50	22/50	19/50
Cochin Malabar P.	15	17 1/2	20-20*	3	6/00	6/00	7/10	Peninsular	20	20	20	10	20/70	20/70	22/10
Coffee Lands P.	25	6	10	10	13/50	13/00	14/50	Periakaramalai	12 1/2	13 1/2	20	2	3/06	3/00	19/25
Consolidated Coffee P.	25	20	10	10	17/25	17/25	18/12	Rajagiri Rub. & Prod. P.	20	20	20	10	18/50	18/50	11/12
Coonor P.	20	17 1/2	10	10	18/50	18/50	23/75	Rajendra P.	50	25	10	5	9/80	9/80	2/82
								Swinton	7 1/2	12 1/2	10	2	2/82	2/82	2/82
Coorg P.	20	20	10	2	4/45	3/98	5/20					10	6/35	6/35	5/35
Cottanad Plantation P.	15	10	10	10	9/31	9/31	10/10	Peekoy P.	6	Nil	10	10	1/25	1/25	1/71
Devasahai (Nilgiri)	25	20	10	10	24/92	24/92	26/05	Thirumbadi	7	7	12	1	1/25	1/25	1/71
Devon P.	15	15	12	10	12/66	12/66	13/50	Travancore Rubber	10	13	10	10	8/65	10/95	12/80
Emerald Valley	8	10	10	6	5/06	5/06	5/25	Travancore Rub. & Tea P.	7 1/2	9	10	10	8/70	8/75	10/87
Geikul	9	10	10	2	1/90	1/90	2/10	Tropical Plantations	8	8	10	25	19/75	19/75	18/85
Haileybury P.	12 1/2	15	10	10	12/62	12/62	13/50	Twyford	10	10	10	10	9/10	9/10	10/25
Kailas	20	22 1/2	10	2	5/56	5/36	5/10	United Nilgiri	19 1/2	21	22	10	20/34	20/34	20/25
Kailasa Tea Produce	15	20	25	2	3/45	3/45	3/40	Vaikundam	25	30	10	10	29/45	29/45	31/70
Kil Kotagiri P.	35	25	25	2	4/86	5/10	5/00	Waterfall Estates P.	12 1/2	12 1/2	10	2	2/35	2/37	2/35
Lucky Valley	10	10	10	10	11/00	11/00	10/12	Woodland P.	5	10	10	10	7/85	7/85	7/85

SOUTH INDIA COTTON MILLS

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		30-4-63	23-4-63	A year ago		1959	1960	1961		30-4-63	23-4-63	A year ago
Bangalore W. C. Silk P.	10	10	18	100	235/00	225/00	267/00	Lakshmi	12	20	30	50	138/00	138/00	166/50
Buckingham & Carnatic P.	10	10	18	100	255/00	255/00	287/00								
Cambodia P.	Nil	9	10	10	13/00	13/00	13/00	Madura	12 1/2	15	15	10	32/50	33/00	40/65
Colombatore Cotton	6	12	16	100	171/70	171/70	208/00	Mettur Industries	25	30	30-22 1/2*	100	324/00	324/00	398/00
Colombatore Spg. & Wvg.	10	10	10	50	68/00	68/00	87/00	Palani Andavar P.	16	20	10	100	215/00	215/00	232/50
Kothari Textiles P.	10	10	8	10	10/55	10/55	13/15	Vasanta P.	16	20	10	100	276/00	290/00	309/00

SOUTH INDIA SUGAR MILLS

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		30-4-63	23-4-63	A year ago		1959	1960	1961		30-4-63	23-4-63	A year ago
Andhra P.	20	10	10	10	18/20	18/20	22/12	K. C. P.	15	10	10	10	25/07	25/07	22/98
Cauvery P.	Nil	6	8	100	99/00	99/00	106/00	Kothari	10	Nil	Nil	10	7/85	7/85	7/00
Deccan Sugar	25 1/2	25 1/2	12-18*	6	9/00	9/00	9/85	Mysore	10	30	30-30*	10	51/30	51/30	53/40
E.I.D.—Parry	28 4/7	21 3/7	21 3/7*	21	38/70	38/50	39/00	Travancore P.	10	10	10	10	6/85	6/85	7/62
Indian Sugar P.	12 1/2	14	10	10	9/69	9/69	10/30	United Breweries	60	60	60-25*	10	95/00	95/00	82/25
Jeyore P.	10	8	10	10	15/00	15/00	14/50								

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		30-4-63	23-4-63	A year ago		1959	1960	1961		30-4-63	23-4-63	A year ago
Aluminium Industries	12 1/2	18	10	10	18/50	18/60	23/72	Mysore Chemical Mfg. P.	20	20	10	10	18/28	18/28	21/50
Andhra Cement P.	10	10	10	10	9/50	9/40	9/60	Mysore Lamp P.	16	20	10	10	34/10	34/10	32/20
Asbok Leyland	8	8	10	100	7/55	7/55	8/85	Mysore Paper	12 1/2	15	15	10	13/70	13/50	14/25
Binnu	10	12 1/2	10	100	327/17	327/17	314/00	Mysore Tobacco	12 1/2	10	10	10	9/50	9/50	9/00
Brunton & Co.	Nil	10	10	10	5/30	5/30	5/15	Parrys Cont.	20	18	18-18*	1	3/80	3/19	4/58
Enfield P.	5	5	10	10	9/25	9/00	12/05	Spencer (Provisions)	18	18	10	10	21/90	21/90	24/00
India Cement P.	9	11	9-12*	10	5/75	5/90	5/94	Standard Motors P.	27 1/2	32 1/2	10	10	11/87	12/00	10/55
Indian Steel Rolling P.	7	10	10	10	10/40	10/35	11/75	R. Stanes P.	15	15	10	100	29/05	29/05	30/00
Mettur Chemical Industrial P.	5 1/2	12 1/2	12 1/2*	10	12/25	11/62	13/10	Textool	15	15	10	100	155/00	157/00	185/00
Mysore Chem. & Fert.	5	10	10	10	9/75	9/75	10/25	Tube Investments	10	10	10	100	235/00	235/00	280/00

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		1-5-63	24-4-63	A year ago		1959	1960	1961		1-5-63	24-4-63	A year ago
Ahmedpur Katwa	1.90	1.90	1.75	100	29/00	29/00	31/00	Darjeeling Ropeway	17	20	15	10	13/87	14/50	19/31
Arrah Jassam	5	5	5	100	27/00	27/00	30/50	Dohri Jassam	1.90	1.90	1.90	100	28/70	28/70	28/70
Bankura Damodar	1.90	1.90	1.75	100	29/00	29/00	29/00	Howrah Amia (P)	5	5	4 1/2	100	48/00	48/00	45/00
Burdwan Cutwa	1.90	1.90	1.75	100	29/00	29/00	29/00	Howrah Sheekhala	5	5	4 1/2	100	45/00	45/00	40/00
Chaparmukh-Siliguri	2.90	2.90	2.80	100	35/00	35/00	30/00	Kataksha Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41/00
Cherra Chhatrak Ropeway	9	12	12	10	5/75	5/75	5/37	Shahdara (Delhi)	5	5	10	100	59/00	50/00	68/00



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DIMINISHING PROSPECTS FOR MORE TRADE AND AID

INDIA'S foreign economic aid prospects do not, after all, appear to have been materially increased by the Chinese aggression. This is disappointing and calls for some explanation. The persistence of the Kashmir dispute is by no means the only reason, much as this undoubtedly inhibits the generosity of Pakistan's allies. More important is the recent growth of the anti-aid opinion in the western world, and particularly the United States. The most recent expression of this is the Clay report. This document is likely to go on finding more support among the American public than from within the Kennedy Administration itself. But it is sure to discourage the U.S. Government in the pursuit of its present comparatively open-handed policies even more than the continued reluctance of America's west European allies to co-operate in more ambitious aid plans. This reluctance is probably growing stronger, with the possible exception of Britain's attitude, which has become vaguely linked with the need for new outlets for the production of the depressed regions of her internal economy. Britain's present approach to economic aid is, however, closely circumscribed by her continued balance-of-payments problem. Those west European nations most able to increase their contributions, France and West Germany, are unlikely to do so on any appreciable scale for reasons of their own. So the present outlook for any substantial increase in foreign aid for the third year of the five year plan is not particularly encouraging. Whether this inference was in fact borne out by the results of the aid consortium meeting in Washington on 30th April is, of course,

will not do it without cost, however. The West Germans have already served notice that they will not co-operate in such action merely for the sake of maintaining unity within the E.E.C. This attitude, in effect, contravenes the former spirit of the Common Market and could eventually lead to its break-up. It is clearly due to the influence of West Germany's new Chancellor-designate, Dr. Erhard; and indeed the prospects of Dr. Adenauer being replaced at an earlier date than originally expected may be about the best chance of reversing the present drift in western Europe and one of the brightest hopes for the future.

The chances of a fresh initiative on Commonwealth trade ought to be good. With an election in prospect in Britain within the next year, and with one of the big criticisms levelled against Mr. Macmillan's Government being that it has not paid sufficient attention to trade potential within the Commonwealth, something can surely be expected very soon now. In fact, what has held it up so far is not clear, unless it is that the question of timing is now of particular importance to the Conservative Government's future. What form it might take remains as vague as ever, a fact which could indicate that there are no firm ideas in London at the moment as to how the problem should be tackled. But some progress might be recorded in the foreseeable future; the British electorate will certainly demand it.

The chief short-term hope for India's trade would, therefore, seem to lie in the return of prosperity in Britain and the improved internal economic prospects in the United States. In the international field, there is scarcely anything in view at all. Britain's progress remains slow; a boom of 1960 dimensions seems unlikely to develop.

PLANNING FOR POWER

ANGRY protests from industry over the mess in planning for power invariably bring the familiar reply that past omissions are now being rectified with the greatest possible speed. But is this really so? Some 15 months ago when crippling shortages in eastern India and elsewhere had become something of a national scandal, the Planning Commission is said to have worked out a number of specific measures and procedures to ensure accelerated and co-ordinated development in deficit areas. But this notwithstanding, additions to the generating capacity made in 1962-63 were only 650 MW, against the third plan target of 730 MW for the year. The gap between promise and performance has thus widened from a shortfall of about 20 MW between the actuals and the target for 1961-62 to 80 MW last year. On this showing, it seems certain that the overall target for the third plan will remain substantially unfulfilled, repeating the sad experience of the second plan.

Since the third plan target, on the Ministry's own admission, falls short of demand, the effect will be to aggravate the deficit and perpetuate the under-utilisation of industrial capacity. The Lok Sabha Estimates Committee, which completed an enquiry into the planning and execution of power schemes earlier this year, reproduces an official projection showing that the generating capacity will continue to lag behind anticipated demand throughout the current plan period, even assuming that all schemes are completed on schedule. This calculation shows a deficit of 455 MW in 1966 in the country as a whole, which means that the shortage will be greater than at the beginning of the plan. It will be especially acute in the Bihar-D.V.C.-Bengal region, accounting for almost half of the total shortage. That planning had gone wrong was forcefully brought home by the power famine which eastern India suffered in 1961. The Sachdev enquiry occasioned rethinking in New Delhi as a result of which new schemes were sanctioned to add 499 MW to the total third plan target. Eastern India gained directly from the decision to raise the generating capacity at the Durgapur coke oven station by 75 MW and some benefit may accrue from the addition of a 50 MW unit at Rihand now that the grids have been in-

terlinked. But even so, the gap between demand and supply is far from closed.

Current thinking in New Delhi promises relief only in 1967 or 1968 by taking steps now to initiate new schemes which will come to fruition by then. Extension to existing projects are expected to yield 2 million kW while another 2 million kW is to come from new schemes. The additional expenditure involved is about Rs. 160 crores, with a foreign exchange component of Rs. 43 crores. Presumably, the search for aid to underwrite the foreign exchange costs is now in progress. Some of these schemes have undoubtedly been included in the list of new projects that the Indian delegation has discussed with members of the Aid-India Club in Washington. Of special interest in the context of future power planning is the idea of inter-connecting power plants to form zonal or regional grids. The experience in the U.K. is that such pooling increases the efficiency of generation by raising the load factor, and by permitting concentration of output at the most efficient stations. Capital costs can be saved by reducing standby capacity. Such savings in the eastern region alone are estimated at Rs. 27 crores in capital costs, plus Rs. 4.8 crores in the recurring annual expenditure. The benefits of inter-connection have already been conclusively established and there is no reason why the setting up

of regional power agencies should be delayed. Planning cannot be related to the needs of individual States since the resources for power generation are not uniformly distributed throughout the country. Thermal stations must increasingly be sited near the coalfields to avoid the cost and capital outlay that transport must involve—a point forcefully made by the Coal Council at its meeting last year.

Planning for power is only one part of the exercise, the effective implementation of the scheme being another equally important aspect. The continuing shortfalls point unmistakably to the need for better and speedier execution. It is customary in official circles to put all the blame for the failure to achieve the second plan target on the shortage of foreign exchange. But was this really the case? A sum of Rs. 425 crores was in fact made available for both domestic and foreign expenditure on power development, against Rs. 476 crores originally asked for by the Central Water and Power Commission—a cut of about 11 percent, while the physical shortfall was about 18 percent. Belatedly the C.W.P.C. is acknowledging that there were delays in the execution of important projects like Bhakra-Nangal, Koyna, Rihand and Hirakud. Administrative defaults are by no means confined to the C.W.P.C., and reflect the general failure of the Government's executive machinery to cope with new and unfamiliar responsibilities within the framework of rules and procedures designed for entirely different circumstances. In fact, there is reason to believe that the defaults on the part of the C.W.P.C. and the State organisations executing power projects are compounded by the delays in the several Ministries in tackling the bottlenecks relating to foreign exchange, key construction materials like steel, cement and explosives, and the procurement of plant and equipment from indigenous and overseas sources.

OUTLOOK FOR U.K. EXPORTS

THE most important statistics in Britain's economic plan are very simple. Over a period of a few years, the gross national product should increase by 4 percent annually and exports should increase by 5 percent annually. The two figures are related. A growth rate of production of approximately 4 percent could not be sustained for long if the growth rate of exports was appreciably less than 5 percent, for the increase in imports involved in the acceleration of economic activity would overstrain financial resources. The British Government is stimulating the economy by increasing its spending and by reducing taxes. If the

of regional power agencies should be delayed. Planning cannot be related to the needs of individual States since the resources for power generation are not uniformly distributed throughout the country. Thermal stations must increasingly be sited near the coalfields to avoid the cost and capital outlay that transport must involve—a point forcefully made by the Coal Council at its meeting last year.

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The need for greater co-ordination among these various agencies has long been clear. In September 1962, a seminar on irrigation and power specifically recommended three steps to speed up power projects—quicker sanction and release of foreign exchange, advance planning of the requirements of plant and equipment to facilitate procurement and streamlining of the system of allocating scarce construction materials. With this idea in mind, an implementation cell was set up in the C.W.P.C. charged with the responsibility of ensuring timely sanctions and supplies to projects under construction. While this will make for some improvement, the basic deficiency at the stage of investigating a project and drawing up a scheme for it remains. The Lok Sabha Estimates Committee notes that many schemes come up for sanction to New Delhi without the essential details on the basis of which a technical and financial scrutiny can begin. The difficulty here is possibly that the States do not have adequate manpower to undertake the task of planning, and the deficiency pointed out by the Estimates Committee will persist until consulting engineering services develop more extensively in the country. There are only a few private firms in this field and the C.W.P.C. itself gets the consulting service from abroad. Commitments already made on this account for third plan schemes exceed Rs. 7 crores, according to the figures cited in the Estimates Committee report.

growth rate seems to be too slow a few months hence, the Government will stimulate it more. It is obviously possible to attain, by some means, approximately the desired rate of increase in production. But exports cannot be regulated, although they can be promoted by favourable taxation. Britain's Chancellor of the Exchequer, Mr. Reginald Maudling, has rejected (for the current fiscal year, at least) advice to promote exports by this means. He believes that Britain's balance of payments will deteriorate only temporarily (he is ready to use the facilities of international credit to offset the deterioration), and that expansion of

the national market will soon enable many industries to reduce their costs a unit of production.

However, some economists who commend Mr. Maudling's financial policy in general regard his faith in the automatic growth of exports as naïve. They agree that increasing production will reduce unit costs (if increases in salaries and wages can be limited to 3½ percent as intended), but they are not convinced that when trading conditions are easier at home many firms will strengthen their efforts to export. They are sceptical of the idea, prevalent recently in Britain, that industrial costs are rising faster abroad than in Britain. And they cannot, anyway, accept Mr. Maudling's assumption that competitive pricing alone will increase exports enough. Last year, wages rose faster on the Continent than in Britain, and this year the rise may be gaining impetus in France and Italy. But the latest annual report of the Economic Commission for Europe observes that in West Germany, Britain's most formidable European competitor, the upward pressure of wages has eased in recent months. The E.C.E. report suggests, moreover, that Britain has not gained any appreciable advantage from the faster rise of wages on the Continent, because productivity has increased faster on the Continent than in Britain—where, indeed, according to the index compiled by *The Guardian*, productivity was static in the second half of last year, when it was increasing particularly fast on the Continent.

It is likely that productivity in Britain will, as Mr. Maudling assumes, increase this year, and that Britain's exports, though not gaining much from low pricing, will not be impeded by high pricing. But they will not increase spontaneously. It is necessary to sell abroad more aggressively than most British firms do at present. And it is necessary to offer the goods that are most required. *The Times* published recently a study by Professor T. Barna, the eminent statistical economist, of the character of exports from Britain and her principal competitors, particularly the United States and West Germany. Its implications are disturbing. Professor Barna's argument, based on extensive statistical research, can be summarised thus. Between the World Wars, Britain was slow in replacing the great nineteenth century trade in

cotton goods and coal, and her exports suffered accordingly. Since the second World War, she has rapidly developed the engineering and chemical industries, the fastest-growing sectors of a modern economy. But these dynamic industries are divisible into more and less dynamic product-categories, and Britain has consistently produced the less rather than the more dynamic products. Britain is a relatively successful exporter of the less dynamic products, such as bicycles and electric batteries, but a relatively unsuccessful exporter of the more dynamic products, such as machine tools and civil engineering plant. In trades other than machinery and chemicals, Britain exports more than the United States or West Germany. But other industrial countries, such as Japan and Italy, are replacing the leading industrial exporters in these miscellaneous trades.

Professor Barna's study reveals a systematic relationship over the whole trade in manufactures; "the faster world demand is expanding for product-group, the more inferior is Britain's share in that market". The products in which trade is growing fastest, such as office machinery, scientific instruments and plastics, are, of course, the most technically-advanced products of industry. Britain's inferior trading position (it is, for example, worse in electric than in non-electric typewriters, in the newer than in the older plastics) is thus an indication that Britain is technically backward. Professor Barna offers the reminder that as long ago as 1903, when Britain's prestige seemed to many observers unassailable, economist Alfred Marshall remarked: "Her imports of electrical plant and aniline dyes show that her leadership is insecure". It is a sombre thought that a technological trend that has repeatedly disturbed Britain's balance of payments in the second half of this century could be foreseen, by a perceptive mind, at the beginning of the century. If this is, indeed, the basic cause of Britain's difficulties, a tremendous effort is needed to stimulate research and development. Mr. Maudling's tax concessions (announced late last year) on firms' expenditure on research and development will certainly help. But his apparent belief that exports will expand automatically if prices are competitive may be unrealistic. The Government cannot alone modernise industry, but it should at least modernise its own ideas.

Current News and Comment

State Finances in Sorry State

For the past few years, the State Governments have been showing a negative cash balance, and securing overdrafts from the Reserve Bank. The Central Finance Minister, Mr. Morarji Desai, recently told the Lok Sabha that the States had been informed that, in future, the Reserve Bank would not honour their overdrafts. This unhappy state of affairs is due mostly to the State Governments' incapability to raise sufficient additional resources from taxation. In a developing economy, the Government may well incur an overall deficit but it must be able to raise additional resources to bridge as much of the gap in its finances as possible. The State Governments have not done so. Their consolidated budgetary position, excluding Jammu and Kashmir, shows an overall deficit of Rs. 61 crores for 1963-64, against Rs. 8.75 crores in the revised estimates for 1962-63. Most of these States have made fresh tax proposals to raise an additional revenue of nearly Rs. 26.25 crores, but as some of them have subsequently announced tax concessions, the additional tax revenue in 1963-64 is unlikely to exceed Rs. 22.50 crores. This would reduce the overall deficit in 1963-64 to Rs. 38.50 crores at the existing levels of taxation. This huge deficit would increase the negative cash balances of the State Governments taken together, from Rs. 9 crores at the end of 1962-63 to Rs. 47.50 crores at the end of 1963-64. As the Reserve Bank will not honour any more overdrafts from the States, the situation for the latter would become exceedingly difficult unless they can devise ways and means of raising additional resources or get greater assistance from the Central Government.

The audit report on the Central Government's finances for 1961-62 shows that a total of Rs. 443.47 crores was advanced by the Centre to the States in 1961-62, thereby raising the latter's debt to the former to Rs. 2,219.14 crores. In 1962-63, the Central Government advanced a further loan of Rs. 525.50 crores to the States, and it is expected to advance Rs. 540.50 crores in 1963-64. There would have been nothing disquieting about this level of indebtedness to the Centre, had the State Governments been regularly paying interest and repaying the loans when they became due. But the audit report on the Central Government's finances for 1961-62 points out that although the terms and conditions of the repayment of loans were revised at the instance of the State Governments and the dates of repayment were extended in many cases, a number of them have not been able to discharge their obligations. It is still more disquieting that in some cases, fresh loans had to be given to enable them to repay the old loans and pay interest charges. The State Governments are obviously spending much beyond their means. The choice before them is either to raise additional revenues, or to curtail their plan and non-plan outlays.

Although the development expenditure of the State Governments in 1963-64 would be nearly 58½ percent of their revenue and capital budgets taken together, it would be only a little more than 49½ percent of the total revenue expenditure. This shows that more than 50 percent of the total revenue expenditure of the States is being incurred on administration and other items of a non-developmental nature. With proper efforts, it should be possible for the States to reduce this

expenditure. It has somehow been possible for them to live beyond, much beyond, their means in the past. But it may not be possible much longer.

Improving Road Transport

The present emergency seems to have drawn the Government's attention to the woeful condition of inter-State road transport and the lack of proper co-ordination between the different means of transport. In his inaugural address at the meeting of the Transport Development Council in New Delhi last week, Mr. Jagjivan Ram, Central Minister for Transport and Communications, pleaded for an effective increase in the transport capacity. Not only is mobility the very nerve-centre of all defence preparations, as Mr. Jagjivan Ram emphasised, but it is also a pre-condition for the country's industrial development. It is unfortunate that this fact has not been fully realised so far, and inter-State road transport has been neglected on the plea of avoiding duplication and waste of transport capacity. It now appears that alternative means of transport and sufficient surplus transport capacity will be developed in all the sensitive areas where there is a chance of sudden interruption of communications. This will not only help the war effort, but will also effectively help India's economic development. At present, the Indian railways are not able to handle more than 75 percent of the total long-distance haulage of some 200 million tons of goods a year.

Some of the recommendations of the Council, if implemented, will considerably improve matters. The Inter-State Transport Commission, the Council has recommended, should grant regular all-India permits up to the ceiling of 50 tourist taxis and ten contract carriages. These ceilings are much too low, but the important thing is that a beginning will be made in the right direction because up to now, for some inexplicable reason, the Commission was granting only some limited temporary permits. What the Council did not emphasise is that the Commission's powers and authority are not adequate to cope with its responsibilities and unless they are increased, it will not be able to play an effective rôle in increasing the haulage of goods by inter-State road transport.

Instead of each State taxing inter-State road transport separately, the Council recommended that the goods tax, the passenger tax and the motor-vehicles tax should be collected by the State in which a vehicle is registered. The proceeds might be distributed on an agreed basis between the different States through which the vehicle operates. This will reduce wastage of time and save the operators from harassment. But the Council should have emphasised that the incidence of taxation on inter-State as well as intra-State road transport at present is heavy and should be reduced in order to encourage road transport for both development and defence. Another fact which the Council did not emphasise was that the State Governments' outlay on road development is utterly inadequate and vehicles plying on long-distance routes are frequently handicapped because of lack of suitable bridges for heavy loads, absence of links connecting the national highways and poor road surface. It is only when the State Governments increase their outlay on road development commensurate with the revenue which they obtain from road taxation that conditions will improve. If the Council's recommendation that the State Governments should construct parallel roads in factory areas along the national highways is accepted, the congestion on main roads in busy sectors will be considerably reduced.

Devaluation not Advisable

Although Mr. Morarji Desai, Central Finance Minister, may not have been correct in saying that the rise in prices in India since 1949 has been far more moderate than in most other countries, he was quite right in telling the Rajya Sabha in the course of a debate on the Finance Bill that the Indian rupee was not overvalued. So it would be suicidal for the economy to suggest devaluation of the rupee at the present time. Some economists in India have suggested devaluation of the

rupee in order to increase exports and to reduce the gap between the Indian and foreign prices of gold. They argue that all the other methods so far used by the Government to secure an increase in India's exports have failed to bear fruit and that devaluation of the rupee by, say, 25 per cent, will improve the competitiveness of Indian goods in foreign markets by reducing their prices in those markets. This will increase India's exports which at present do not exceed Rs. 700 crores a year, against the third plan annual average of Rs. 740 crores. Devaluation of the rupee, according to these economists, will also restrict imports by making them more costly. This two-sided movement will reduce India's foreign exchange deficit. Incidentally, devaluation will also increase, in terms of rupees, the officially fixed price of gold in U.S. dollars and thus help in checking the smuggling of gold.

But these arguments in support of devaluation are based on some faulty assumptions. India's traditional exports such as jute manufactures and tea are, on the whole, price inelastic and devaluation may not produce much of an effect. Secondly, there is no reason to believe that, in the event of devaluation of the rupee, India's competitors in these markets will not also reduce the prices of their goods by different methods which are available to them. Furthermore, at present India is not able to export commodities of the right type and of the desired quality. Devaluation of the rupee may not, therefore, be of much help. True, exports of some items like bicycles, sewing machines, electrical and general engineering goods may, to some extent, pick up because of devaluation, but they constitute such a small proportion of India's exports that even a cent percent increase in their exports will not justify the use of such a drastic method as devaluation.

The argument that devaluation will discourage imports by making them more costly is again specious because India's imports have already been cut to the bone. The only result of devaluation will be to make the cost of production of commodities, which depend on imported raw materials, machinery and equipment, higher. This will not only intensify "cost inflation", but also discourage the export of goods produced from imported materials. India has already incurred heavy foreign indebtedness. Even under the present conditions, the payment of interest and repayment of capital will be exacting. With devaluation of the rupee, India's debt liability will increase further.

Worries of Steel Re-rollers

In spite of the shortage of essential raw materials, the performance of the steel re-rolling industry was satisfactory during the past year. During the nine months ended December 1962, the total output of all classes of re-rollers was 700,000 tonnes. The final figures up to 31st March, 1963, it is expected, may show production to be about 1 million tonnes. In his speech at the annual general meeting of the Steel Re-rolling Mills Association of India held in New Delhi on Sunday, Mr. Viren J. Shah, chairman, said that re-rolling mills were an essential part of the steel industry of the most advanced nations. Current thinking among steel technicians is that a steel plant, to be economic, should have a production capacity of 3 million tonnes a year. But with every increase in the size of the plant, the size of the minimum order which can be accepted rises correspondingly. On the other hand, steel consumption has an inexorable tendency towards diversification. The huge integrated plants are at a disadvantage in catering to limited demands. "Under optimum conditions of work and unhindered by discriminatory measures, it is possible for re-rolling units to compete with larger plants when meeting regional and variable demands."

Following the recommendations of the Raj Committee, the Government is reported to be considering the lifting of controls on distribution and price of re-rollers' products. Mr. Shah said that although the industry, in principle, would welcome decontrol, the Government should bear in mind the special circumstances of the industry. Firstly, the inhibiting conditions of a controlled economy, under which the industry has laboured for over

two decades, have hindered the modernisation of equipment and expansion of the industry. Secondly, the continued raw material shortage has weakened the industry. Thirdly, an anomalous situation has been created by the facility given to the main producers to quote f.o.r. prices at all rail-heads, while for identical products the re-rolling industry is compelled to add the freight element to basic costs. This has impaired the industry's competitive ability. Fourthly, there is the discriminatory incidence of Central sales tax on billets. This has pushed up the price of merchant sections rolled by the re-rolling mills, compared with identical merchant sections produced by the integrated plants. Furthermore, during the last eight years, the retention price of steel has been raised on seven occasions, but during the same period, the re-rollers' conversion charges have been seriously cut on three occasions.

In his inaugural address, Mr. C. Subramaniam, Central Minister for Steel and Heavy Industries, said that the Government was considering in what fields decontrol could be introduced in the steel industry. He added that the Government's recent decision to decontrol re-rollable scrap would prove beneficial to the industry. But prestige, the Minister said, would not stand in the way of the Government reversing its decision. As for revising the charges for converting scrap into re-rolled steel, the Minister said they would be examined by the Government, and a decision would be announced soon.

New Refinery in Cochin

Details of the proposed oil refinery to be set up in Cochin were recently announced by Mr. K. P. Goenka, chairman of Duncan Brothers, who are the Indian sponsors of the project. The Government of India will own 51 percent of the Company's share capital, Phillips Petroleum Co. of the U.S.A. 25 percent and the remaining 24 percent will be held by Duncan Brothers and other Indian investors. Its authorised capital will be Rs. 18 crores, of which Rs. 7 crores will be issued and paid up. A loan capital of Rs. 10 crores will be obtained by Phillips. This is the first time in India that a foreign company with just 25 percent share holding has undertaken to meet the entire foreign exchange requirement of a project, partly in the form of its subscription to equity capital and partly in the form of loan to be raised from a U.S. bank. Named Cochin Refineries Ltd, it will have an initial capacity of 2.5 million tons a year, which will be raised to 3.5 million tons after about two or three years of continuous operation, making it one of the largest refineries in the country.

Mr. Goenka claimed that, considering the products which it will turn out, it will be the cheapest refinery, costing only about \$750 a ton of refining capacity. He explained that it was the first time that an international company had agreed to supply oil products at prices recommended by the Damle Committee. Crude oil will also be supplied at a cheaper rate than others. Furthermore, the foreign collaborators have given an undertaking to export all the petrol, which is surplus to the requirements of the country. This will help pay the cost of imported crude and the collaborators' share in the profits.

Cochin has been selected as the site for the refinery because of its natural advantages such as harbour facilities, nearness to the sources of crude (which are in the Middle East) and the large supply area it commands in southern India. To be constructed by a subsidiary of Phillips Petroleum Co.

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a fixed sum basis, the refinery is scheduled to be completed within 30 months from now. There is also a proposal to construct a lubricating oil plant at a cost of about Rs. 8 crores. Negotiations for this project are in an advanced stage.

Hire-purchasing in India

With the growing production of durable consumer goods and rising money incomes in India, the hire-purchase business is gradually establishing itself. However, compared with the volume of business in affluent countries like the U.S.A. and the U.K., the business in India is very small. But the economic function of hire-purchase in stimulating consumer demand is being increasingly recognised. The Central Government will shortly introduce legislation to regulate the trade in the interests of both borrowers and lenders; on its part, the trade is considering ways to increase its attractions for potential clients. At the first annual general meeting of the Hire Purchase Association held last week in Calcutta, Mr. R. P. Patodia said that in India the business started with motor vehicles—in fact, they still remain the largest single item—and now included many household articles like radios, radiograms, watches, musical instruments, refrigerators, typewriters, etcetera. However, the financial facilities for hire-purchase are not correspondingly increasing. For example, bank advances against hire-purchase securities have been inadequate, and the restrictive credit policy of the Reserve Bank has made the position even more difficult. In the U.K., banks are the main supporters of the trade, and credit provided by them totals about Rs. 1,300 crores, whereas in India it is unlikely to exceed Rs. 10 crores. Mr. Patodia hoped that the Reserve Bank would do something to encourage the trade, and that the proposed legislation by the Centre would be liberal.

The chairman of the Hindustan Motor Corporation, Mr. B. T. Thakur, who addressed the meeting said that the sellers should, in their own interest, do nothing to cripple the borrower with unbearable interest and service charges. These transactions must not be viewed as mere monetary loans or as credit sales. "It is an arrangement or partnership in assistance to help a person to earn or enjoy what he is unable to do himself." At present, the amount of business totals only Rs. 50 crores, of which about Rs. 40 crores has gone to the transport industry. This is an insignificant portion of the total volume of lending in this country, where the size of non-institutional credit is still very large. It works out to a little over Re. 1 per capita. As production and buying power increase, hire-purchase institutions must also grow and develop. Mr. Thakur foresees a large scope for this type of business.

Case for Textile Expansion in South

Addressing the annual general meeting of the Southern India Millowners Association recently the chairman, Mr. D. C. Kothari, discussed at length the scope for expansion of the textile industry in the south. Pointing out that the southern region has the skill and resources to set up new units without much difficulty he pleaded for the allotment of more spindles. He suggested to the Government that spindleage to the southern States should be increased by allotting unused spindles elsewhere in India. Referring to the quota allocated to Madras State under the third five year plan, Mr. Kothari said that this was inadequate; Madras had been allotted only 75,000 spindles, compared with 225,000 spindles to Andhra, 100,000 spindles to Mysore and 150,000 spindles to Kerala. According to him, the south has specialised in working medium-sized spinning units and these units have been consistently catering to the needs of the handloom industry. Production has gone up substantially during the last decade.

In view of the rising consumption of cotton in the country, he says, the textile industry has very often to pay high prices for its raw material. While the Central Government has permitted the import of 100,000 bales of staple fibre, the total estimated requirement of cotton during the cur-

rent season has been put at 8.4 million bales. As against this requirement, the domestic cotton supply is estimated at about 7 million bales. Since the gap between requirement and indigenous supply can be filled only by imports, steps have to be taken to step up the domestic production of raw cotton, especially of the grades which are suited for spinning fine counts of yarn. Referring to the fall in the export of yarn and cloth, Mr. Kothari attributed the poor performance to the keen competition from other countries. In order to combat this competition and maintain a satisfactory level of exports, he has suggested that all facilities should be provided to the Indian industry to manufacture the latest textile machinery; financial assistance should also be given to the cotton mill industry for modernising its equipment.

Uneconomic Prices for Sugar

In a motion on the Sugarcane Committee's annual report in the Rajya Sabha last week, a member pointed out that the Central Government had fixed the sugar price for the factories in eastern U.P. at Rs. 108.50 a quintal, which is nearly Rs. 2.50 a quintal less than the price recommended by the Tariff Commission. In the case of north Bihar factories, the price fixed is Rs. 5.92 a quintal less, and in the case of the south Bihar factories Rs. 14.83 a quintal less than the price suggested by the Tariff Commission. In recommending the prices, the Tariff Commission had assumed a return of 12 percent on capital. But with the sugar prices now fixed by the Government, some factories, especially those in eastern U.P. and northern Bihar, would actually incur losses. The U.P. Government, it is reported, has requested the Central Government not to fix a single price, as has been done for the entire northern region, but to fix separate prices for different areas in the region, after taking into account the cost structures of the sugar factories.

The Central Deputy Minister for Food and Agriculture, Mr. A. M. Thomas, has pointed out in the Rajya Sabha debate that the average yield of sugarcane in the sub-tropical northern States of U.P. and Bihar is only 12 tons to 15 tons, an acre compared with 25 tons to 30 tons in the tropical south. Furthermore, the average crushing season in U.P. and north Bihar is usually much shorter than in Maharashtra and Andhra; the average recovery in the north is also less than in the south. However, in spite of these deficiencies, no one will suggest that the sugar industry in the north should be allowed to languish. An important point which the Central Government appears to have overlooked is that the uneconomic price now fixed by it for the U.P. and Bihar factories would inevitably reduce the output of sugar in the region during the next season, thereby making the supply position difficult. According to official estimates, the total output of factory sugar in India up to the middle of April 1963 amounted to nearly 2 million tons, compared with 2.3 million tons during the corresponding period last season. The fall of 300,000 tons in production has taken place mostly in U.P. It is expected that for the entire season, the output of factory sugar may amount to only 2.4 million tons, compared with 2.7 million tons last season. Including the carry-over from the past, the total supply in the market may be just sufficient to meet the demand from the internal market and for export. Unless, therefore, the total output in the next season is increased to over 3 million tons, there may be scarcity of sugar during the fourth year of the plan. But the sugar output could not possibly be increased to this level, unless an economic price is fixed not only for the sugar produced in Maharashtra and south India, as has been done, but also for the tonnage produced in U.P. and Bihar. The latter are the main producers of this commodity in the country.

Apart from fixing an economic price, it would be necessary to help the sugar industry in U.P. and Bihar to increase its productivity and reduce its production costs. The U.P. Chief Minister, Mr. C. B. Gupta, told the Sugar Industry Advisory Committee in Lucknow last week that the State Government would extend the intensive sugarcane development scheme, which is at present operating in 25 factory areas, to all the 71 fac-

tories provided the Central Government, which bears one-third of the cost, agrees to it. The scheme, it is expected, will improve the quality and increase the yield of sugarcane an acre. The Advisory Committee has recommended to the U.P. Government to place a "rotating" capital of Rs. 5 crores at the disposal of some lending agency to extend assistance to sugar factories.

Outlook for Manganese Ore Exports

Despite all talk about promoting India's exports, no concrete measure seems to have been taken so far to arrest the fall in the export of manganese ore, which was once an important foreign exchange earner. Its exports declined from 1.7 million tons in 1957 to about 850,000 tons in 1962, and consequently the foreign exchange earnings fell from Rs. 32 crores to Rs. 9 crores. Early in 1963, the State Trading Corporation planned to export about 80,000 tons on the basis of barter deals. A Calcutta firm has also been permitted to export the ore against the import of steel materials for the full value on c.i.f. basis. Furthermore, the Government of India has been trying to negotiate a barter deal with the U.S. Commodity Corporation. But it is doubtful whether these measures will help to regain the ground which has been lost in foreign markets. The main reason for the fall in exports is that Indian ore has been priced out. The fact that the State Trading Corporation has taken over a major portion of the export business from the private trade has also weakened the confidence of foreign buyers. The future outlook is considered more discouraging since the fall in world steel production is likely to reduce the demand for the ore and aggravate the competition from rival suppliers.

Domestic production costs have been inflated during the past few years by several factors. Royalty rates for the ore with lower than 45 per cent manganese content have recently been increased. The sales tax and other State levies have gone up. The railways have discontinued the 50-per cent concession in freight hitherto enjoyed by the manganese industry. The fees for siding plots, especially on the South-Eastern Railway, have been raised. The prolonged delay in loading the ore on ships at port has also added to costs. Several manganese ore companies have been severely hit by the 1963-64 Budget. The super profits tax, in particular, will greatly strain their finances.

As a result of the substantial fall in exports, several mines have stopped production. Almost every mine has been embarrassed by the accumulation of stocks, the total of which was estimated at more than 30,000 tons at the end of last December. A major part of the output has to be exported because domestic consumption is not more than 60,000 tons against an estimated annual supply of more than 160,000 tons. If the industry is to be revitalised it will be essential to step up exports. This can be done only if vigorous steps are taken to reduce costs and various incentives are given.

Tax Burden on Tea Estates

In his address at the annual general meeting of the Cachar branch of the Tea Association of India held in Silchar on Saturday, Mr. S. R. Daga, president, said that the production of Indian tea had recently been increasing at a slow pace. But in 1962, the total output amounted to 343 million kilograms, against 353 million kilograms in 1961, a fall of 10 million kilograms. India exported 214 million kilograms in 1962, compared with 205 million kilograms in 1961. Although there was an increase of 9 million kilograms in exports over those in 1961, there was no corresponding rise in the amount of foreign exchange earned. In 1962, a sum of Rs. 125 crores was earned through exports, against Rs. 124.6 crores in 1961. The reason, according to Mr. Daga, is that Indian tea did not fetch high prices in foreign markets. "Our internal consumption is increasing and exports as a proportion of total production have been falling. It is, therefore, of the utmost importance that every effort should be made to increase production so that the growing internal demand may not

act as a drag on exports". It is necessary that the planners should fix the production target well in advance. The tea target for the third plan was announced only at the lag end of the second plan. This naturally left no time for the producers to undertake measures to achieve the desired output.

Mr. Daga has welcomed the abolition of export duty on tea in the 1963-64 Central Budget. But the Government has sought to make up the revenue loss by levying an additional surcharge on excise duty. The duty, it is said, has been increased with a view to restraining internal consumption. But being non-refundable at the time of export, it plays its part in raising the cost of production. When it is necessary to reduce costs to the utmost extent, no additional levy should be imposed on export teas. Mr. Daga has, therefore, urged that the drawback of excise duty should be continued. The financial difficulties of Cachar gardens have increased with the raising of excise duty. To alleviate this, he has suggested that deferred payment of the duty should be allowed for Cachar gardens.

The Assam Government proposes to raise further the rates of agricultural income tax. The last increase in the tax took place only in April 1962, and at that time the rates were substantially raised. Planters have been urging the Central and State Governments to reduce the burden of taxation since it has been standing in the way of the industry's development. In recent years, heavy demands have been made on the industry as a result of labour legislation, payment of enhanced wages, institution of provident funds, grant of bonus and other benefits such as housing, medical facilities, and leave.

SPECIAL TRAINING

THE Rev. Dr. Price, lecturing on "Education in the Future", said: "I am no lover of things or methods simply because they are old. It would be absurd to prefer a candle now we have the electric light," and he quite agrees with the Chambers of Commerce and business men everywhere, who are denouncing the old-world system of training for boys who have to fight "the hard battle of life", and earn their bread by trade. A little Latin, and less arithmetic did very well for our grandfathers, but fail and fail utterly now. The American and Germans are giving their sons a special business training, and this is being felt in the world's markets. We may be conservative, and we may try to ignore facts; but education, like machinery, must be up to date and the very best that is simply cruel to send a boy to a school in which old methods survive, and in which instruction is droned out to a crowd of pupils. Expert teaching is essential if boys are to begin like with a fair chance of success. Pupils should be educated as individuals not as herds." Parents cannot be too anxious. They should carefully watch the writing, test the spelling, insist that the instruction in arithmetic, commercial geography, and commercial correspondence is thoroughly sound and modern. In all but the most elementary schools, bookkeeping, shorthand, and business routine should be subjects of instruction. A boy's future depends largely on his school. If the school is antiquated, the teaching inefficient, and the pupil's precious time is being trifled away, it is clearly the parent's duty to insist on a change. A smattering of the "dead languages," and a neglect of those subjects absolutely necessary, mean that the pupil must begin his commercial education when he leaves school. Many a bright and promising youth has been discouraged, and perhaps ruined, because he has had to begin life with an education that has given him the last place in the fierce struggle. Dr. Price is the distinguished Principal of Boxley College. A teacher of great experience, he has closely studied the American and German school systems, and the object he has in view in his lecture is to point out to parents and teachers the importance of school efficiency and parental watchfulness. He warned his hearers against cram and examinations, and reminded them that the world's greatest, best and most successful men were not always the first at school. Individualism should mean careful training for the backward, the delicate, and those unable to succeed with class instruction.

FROM

CAPITAL

14th May, 1963

IMPROVING THE BASIS OF INDO-E.E.C. TRADE

By Malcolm Subhan

BRUSSELS:

NOW that the removal of the common external tariff on tea appears to be only a matter of time, India has decided to ask the Six to adopt the various tariff measures which had been visualised for her products during the negotiations concerning the U.K.'s entry into the E.C.M. The request was contained in an *aide-memoire* which Mr. K. B. Lal presented to the Belgian Foreign Minister, Mr. Paul-Henri Spaak, and Professor Hallstein last week.

The adoption of these tariff concessions is regarded as only the first step, however. The *aide-memoire* expresses the hope that it will be followed by more comprehensive arrangements for expanding the existing economic relations between India and the E.E.C. These arrangements, in the Indian view, could be negotiated either bilaterally or multilaterally. The arguments advanced recall those contained in the Indian memorandum of last May. However, the Chinese threat to her borders has given added urgency to the problems posed by India's growing trade deficit with the Six.

The *aide-memoire* points out that at a time when India needs higher export earnings—and increased loan assistance—her exports to the E.E.C. are declining. It maintains that the heavy deficit is having an inhibiting effect on the Six's exports to India, and in consequence, on her development programme. Professor Hallstein, who has on several occasions expressed the view that the proposals for comprehensive trade agreements should not be lost sight of, has commented favourably on the *aide-memoire*, praising it for its flexibility of approach.

Mixed Blessing for India

The break-down of the negotiations between Britain and the Common Market has proved to be a mixed blessing for India. Now that her exports will continue to enter the U.K. duty free, the Six give the impression that they no longer regard India's export problems as urgent. As Dr. Hallstein stated in New Delhi, India's trade deficit with the E.E.C. is not particularly large. (The difference between Dr. Hallstein's figure and that advanced by the Government of India is due, in the view of certain Community officials, to the fact that the Six often buy goods of Indian origin from the U.K.).

Moreover, it is commonplace that life does not stand still. For the Six, the negotiations with the U.K. are already a part of their history. Other problems, at least one of which, that of the "Kennedy round", is of equal importance, have taken the place of those which were raised during the British negotiations. If the Six were prepared to regard the export problems of the Commonwealth countries as a Community responsibility during the Brussels negotiations, their present attitude appears to be that they are best discussed at an international level—in the framework of G.A.T.T. for instance. Finally, the break-down of the negotiations has precipitated within the Community itself a crisis which is far from being resolved.

India has, therefore, had to adjust herself to the fact that her problems no longer preoccupy the Six to the same extent as, say, six months ago.

They are aware of the political importance of India in the present state of world affairs, and while they recognise the gravity of her present economic situation, they feel that for problems on so vast a scale such as India's, help must be international in nature. Although Dr. Hallstein has on a number of occasions expressed his belief that the proposals for comprehensive trade agreements with India and Pakistan deserve to be revived, he has obviously received little direct encouragement from the Governments of the Six.

Changed Circumstances

It is clear, however, that in the changed circumstances, these proposals offer a convenient point of departure. While the various contacts which Indian officials have had with the E.E.C. Governments suggest that this view is shared by the Six and the Commission, the fact remains that the latter have shown considerable reluctance so far to commit themselves formally. On the other hand, from the Indian point of view, no official approach can be made to the Six in the absence of firm assurances which once embarked upon, the negotiations with the Community will be successfully concluded within a reasonable period of time. (There is nothing to prevent India from simply requesting the opening of negotiations for a trade agreement. But as the Iranian—or Israeli or even Turkish—experience has shown, such negotiations can be a tedious business, not because of any hostility on the part of the Six, but simply because of their inability to agree among themselves on the terms which they are prepared to offer.)

India has, therefore, made a number of attempts to persuade the Six to debate her problems officially. Both the Dutch and the Germans were asked to see whether a discussion on one aspect or another of India's problems could not be held in the Council of Ministers. Similarly, it is hoped that Dr. Hallstein's visit to India will result in a report to the Commission, if not to the Council of Ministers.

It is too early even to speculate on what the final results of these various attempts will be. Dr. Hallstein has not yet spoken to his colleagues of his visit. One reason is that most of them have been away; the first meeting of the Commission since Easter was held last week. It was devoted inevitably to the German proposals for a Community programme of action for the next 15 months. However, as Dr. Hallstein's visit was an unofficial one, he is not expected to present a formal report to either the Commission or the Council of Ministers.

Dutch Proposal on Tea

The Dutch proposal that the common external tariff on both tea and tropical woods be reduced to zero was adopted by the Council on 2nd April. It is significant, however, that the reduction, which in the first instance will be a suspension of the tariff, should have been made dependent on Britain's readiness to reduce her own tariffs on these items to zero also. This stipulation has little to do with the fact that the proposal for a zero tariff on tea was originally made during the British negotiations. One of the reasons for it is technical. As Indonesia and not India is the Community's principal supplier, the Six

cannot offer so substantial a concession to the latter without offering compensation to the former—in this case, duty-free entry into the U.K.

But a more fundamental reason is the changed attitude of the Six since the announcement of the so-called Kennedy round. Although these negotiations are primarily between the U.S.A. and the E.E.C., and subsidiarily, between the industrialised countries generally, the Americans want them to be the occasion for concessions to the developing countries. The Six are reluctant, therefore, to grant concessions on a bilateral basis in advance of the Kennedy round. Their offer on tea and tropical woods is not an exception: under the mechanism visualised by them, the Community would as a first step merely suspend the tariff on tea and tropical woods. It would later negotiate with the U.K. to have the reduced tariffs bound in G.A.T.T. after negotiations with the principal suppliers. Significantly enough, the first contacts between the Common Market and the U.K. on this subject took place in Geneva earlier last week, although the talks will be continued in Brussels.

The Six's action on tea suggests that they are prepared to grant India at least some of the concessions offered during the British negotiations. The German proposals for a Community programme of action appear to confirm this view. These proposals, which were presented in Brussels earlier last week, are substantially those put forward by the German Foreign Minister, Dr. Schroeder, in the Council of Ministers on 2nd April, when he urged his Common Market colleagues to give priority to the problems of the developing countries.

German Move

What the Germans have done is to list the more important problems facing the Community and to indicate the order in which they should be dealt with. Their programme of action is in fact divided into three stages. Among the problems to be taken up in the first stage, which would end by September, is that of tariffs on tropical products. The Germans maintain that during this stage, the tariffs on tea and tropical woods should be reduced to zero, and the earlier promise to reduce tariffs on eight tropical products under the terms of the new Convention of Association, be redeemed.

During the second stage, which in principle would end in December of this year, the Germans want the Community to define the principles of the common commercial policy vis-à-vis Japan, Latin America, the communist bloc, but also the low-cost countries. As matters stand at present, the Six have a clearly defined policy as regards the 18 African States associated with the Community. This is a policy which they are prepared to extend to the English-speaking African States also.

They have devoted little thought so far to the problems of the Latin American countries, however, in spite of the flow of memoranda from the latter. The decision to reduce the common external tariff on coffee appears to be the only concession to the Latin Americans so far. Some of the Six feel that Latin American problems should be given priority over

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Asian, although as a number of tropical products are involved in both cases, it is obviously difficult to compartmentalise the problems.

While the adoption of the German programme of action would force the Six to take a number of important decisions concerning the developing countries—notably, India and Pakistan—within the next nine months, it must not be forgotten that these proposals do not reflect the majority view. They must be viewed in fact in the light of the dispute between the French and the Germans over the future development of the E.E.C. The point at dispute is not new. It concerns a sector of the economy in which protectionist forces are the strongest—agriculture. The French problem is how to dispose of their growing agricultural surpluses. Germany, as the largest importer of agricultural products after the U.K., is the logical market for these surpluses. Although the mechanism of the common agricultural policy favours intra-Community trade, French farmers will be able to benefit from it only after the policy has been fully implemented.

An important element of the policy is the gradual harmonisation of agricultural prices throughout the Community. The first step in this direction should have been taken by the end of April. But as it involves a reduction in German cereal prices, which are the highest in the Community, the German Government has strongly resisted such a move. Any reduction in the price paid to German farmers for their wheat would lead to a fall in farm incomes. Obviously, no Government which is strongly backed by farmers can afford to alienate them.

The Germans have, therefore, proposed that the harmonisation of cereal prices begin next year only. This means that the agricultural programme would be at a standstill for a year at least. This is clearly unacceptable to the Six, who regard the common agricultural policy as the only viable alternative to the extremely expensive—and often ineffective—forms of protectionism in force at present.

The French Stand

The French are, therefore, not alone in pressing for a reversal of the order of priorities as established by the Germans. They argue that the E.E.C. cannot extend its external relations until it has made a good deal more progress towards the common market stage, especially in the field of agriculture. There is general agreement within the Community that the implementation of the agricultural policy should not be delayed in spite of the obstacles which must be overcome.

This does not mean, of course, that Germany's partners attach little importance to the elaboration of a common commercial policy, especially as it affects the developing countries. But the general feeling appears to be that to the extent that such a policy involves tariff matters, it were best done within the framework of G.A.T.T. As for financial aid, it is argued that it is easily extended in co-operation with other industrial countries as through the Aid-India Club.

The debate on the German proposals will be resumed by the ministers of the six E.E.C. States when they reassemble in Brussels this week. It is expected that it will be heated, if inconclusive. Observers here feel that with summer not far off, the Common Market will mark time for the next few months; it is only after the vacation season that the important problems will be taken up again.

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A Ditcher's Diary

IN VAIN HAVE I LOOKED IN OFFICIAL STATEMENTS for some confirmation of the endless Press reports on western, specifically British, attempts to link the question of Kashmir with that of western military aid to India to meet the challenge of China. In public at any rate both Mr. Rusk and Mr. Sandys keep saying that the two are separate, as indeed they ought to be. Has the whole thing then been made up by the Press, as Mr. Macmillan once remarked on some other subject? It would be comforting to think so. But anyone familiar with the ways of diplomatists and political journalists will see in most of the reporting the hand of the former. While publicly proclaiming that the British and the Americans, though very keen on a Kashmir settlement, see the Chinese threat as real and independent of Indo-Pakistani differences, certain embassies in New Delhi have been "briefing" special correspondents very tactfully. I have often wondered to what extent journalists are justified in letting themselves be used so. Some of my colleagues, I know, want nothing more than a "story" to file before anyone else; but ethical considerations can reduce a newspaperman to virtual silence and subsequent unemployment. Yet there must be a line to be drawn somewhere. The mischief can go farther when a New Delhi journalist, "briefed" by a foreign embassy, carries the story to an External Affairs official for his "off-the-record" reaction. With these two versions the correspondent sits down to compose his masterpiece. The result is what you and I read in the papers the next morning. Meanwhile, the talks between the two sets of Ministers have been reduced to a complete unreality, for neither is repeating at the conference table what each has said to the chosen journalists. I have a suspicion that this unreality never left Mr. Dean Rusk and Mr. Duncan Sandys during their recent visit to the Indian capital.

NOBODY, WITH THE POSSIBLE EXCEPTION OF THE Chinese, can withhold admiration for the magnitude of the American feat in climbing Mount Everest; and there may be more on the menu. Agreeably but somewhat surprisingly, Mr. Ullman, the team's historian, seems uncharacteristically reticent about the whole thing; even the name of the latest American hero was not known for days after the triumph. Here is something the Americans have done ahead of the Russians; and

the world isn't full of noise yet! Heads must be shaking hard in Madison Avenue. Come to think of it, it is amazing that the team has photographers, geologists, biologists and what have you—but not a P.R. man. Instead, there is a historian whose scholarly assessment of the successful effort may take years. No, it ain't right; and President Kennedy must be told so quite plainly. Madison Avenue's participation in a future American expedition in the Himalayas suggests wonderful possibilities. In Japan sky advertising is vastly popular; so many balloons proclaim so many products that you can hardly see the sky. What could an advertising desk at a height of 29,000 feet not do? I can see a really high-powered advertising genius (the trade has no time for anything less) sipping his Coca-Cola, chewing his gum and smoking his cigar, smoothly "selling" the Himalayas to his prospective client. Don't be sure that there will be nothing about the purity of snow, the abode of the gods, the serenity of climbing for climbing's sake, the mountains being temples of rock; oh no, advertising needs its serenity and sanctity. At the end will come the real sales talk. And don't think the products to be advertised will be only woollens and cures for chilblains. As a matter of fact I can think of few consumer goods that cannot be profitably advertised on or from the Himalayas. Think of a commercial radio station located right there on Everest. Mr. Walter Lippmann and Mr. James Reston may once or twice be invited to discuss summitry in lean listening hours; but the real "hot" hours will be too high-priced for political discussion; these will go to jazz and Twist. It is simply not true that physical elevation elevates all minds. Still and all Mr. Dyhrenfurth has my heartiest congratulations.

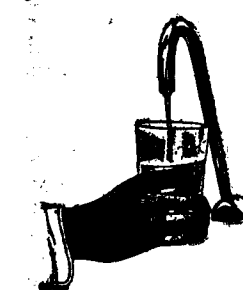
WINSTON CHURCHILL, ONCE NOT VERY POPULAR IN his own country, did or said little during most of his long political career to endear himself to India and her people. In fact he once said some very nasty, and very silly, things about Mahatma Gandhi. (To re-phrase a famous Churchillism, "I have not always been right"). An agreeable and continuous surprise for me has been to watch how the general Indian attitude to Churchill has changed over the years since independence. I have heard many speak of Churchill with warmth and admiration in recent years; but when

Mr. Nehru mentioned him at the height of the national emergency I knew that the few blind spots of the great man had been forgotten. His recent decision to retire from active politics must have been received in this country with a sigh not dissimilar, I imagine, from that heaved and heard in Britain. Retirement at around 89 is in no sense a surprise; yet the decision seems a sudden break with an era. In recent years he did not attend the House of Commons very often; but nobody who has seen him in the House, as I did in 1951, is ever likely to forget his presence there. I have profound differences with Mr. Nirad C. Chaudhuri, the Unknown Indian; but his speculation that the Indian empire might have had a different course if Churchill had come out in the 'thirties as Viceroy of India was a brilliant and fascinating, if futile, intellectual exercise. It can also be argued, as it has been, that India's progress to freedom would have been a different story if the British had returned Churchill to power in 1945. All this speculation is in the line of Pascal's aphorism on Cleopatra's nose. What is certain is that Churchill's name shall be remembered as a source of inspiration for a long time by peoples confronted with a national calamity and determined to convert it into a national glory. In those dark days of 1940, Britain's defence consisted, really, of just this one man's optimism; and how it worked! Politics and economics apart, in both of which Churchill made many mistakes (remember Keynes's joke), Churchill will be read here as long as the English language "may" or "shall" be used.

THOSE WHO ARE APPALLED AT THE IDEA OF A Stalinist revival in the Soviet Union would do well to ask themselves whether the world has indeed been a more comfortable place to live in since Mr. Khrushchev came to power. That is precisely what I have been doing; and the answer which keeps coming back is that it certainly has not. I have never concealed my admiration for Mr. Khrushchev both as a man and as the world's brightest hope for the spread of economic liberalism. But I cannot pretend that his interference in international affairs has not occasionally given me some very bad moments indeed. At least in retrospect, I cannot recall so many, when Stalin was in power. In those days, the Russians tended to mind their own external business and get quietly on with their purges and exploitations internally. So whatever the advantages for the Soviet Union of Mr. Khrushchev's accession, it is difficult to see what good it has done the rest of the world. Except perhaps in one respect: it would be foolish to deny that much of the western powers' willingness to aid the under-

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Guide for Investors

JUTE SHARES RISE ON GOOD DIVIDEND NEWS

(BY A SPECIAL CORRESPONDENT)

THE improvement in jute shares during the past week has been the most encouraging feature of the Calcutta stock market. Since considerable investments have been made in the industry, a rise in the prices of these shares is expected to exert its effect on other shares. The support has been sparked off by some excellent dividend announcements. The Kamarhatty Co. Ltd has declared a taxable ordinary dividend of 20 percent, including an interim of 5 percent, for the year ended December 1962. The dividend was passed for 1961. The Kanknarrah Co. Ltd has announced a taxable ordinary dividend of 15 percent, including an interim of 5 percent, but the Company passed the dividend for the past six years. Reliance have also been a firm feature, and the price of the shares has risen from Rs. 7.05 to Rs. 10 due to influential support. A change in the Company's management has also been rumoured.

There is no doubt that the industry had enjoyed some measure of prosperity during the past year. This was due to an abundant supply of fibre at reasonable prices. The price of hessian was also maintained at a fairly remunerative level. The relation between the price of raw jute and that of hessian helped the industry to earn satisfactory profits. The manufacture of carpet-backing cloth and other specialities was also profitable. The jute mills, however, did not make much profit as far as sacking was concerned, since the price of this fabric was held down to a low level. The demand for heavy goods was also at a low ebb since in overseas markets, Indian sacking was priced out by the Pakistani product. The jute mills there continue to enjoy the advantages of cheaper fibre and export subsidy.

In spite of the past week's improvement, jute shares seem to have now reached a plateau. It looks as if the erstwhile prosperity of the industry has already been discounted. The industry enjoyed prosperity during the first quarter of 1963 but the tide has turned since. Although several mills have been able to sell their products for some months ahead at remunerative prices against substantial raw jute stocks bought at reasonable prices, the future outlook has become rather uncertain. Current enquiries for jute goods have declined substantially. The outlook for hessian is being assessed cautiously. The U.S.A. has shown little interest for some time past. In view of adequate stocks, the latter is unlikely to extend any great support in the near future.

Although scattered buying in hessian has been made by the Argentine and Russia, it is difficult to forecast the size of their buying in the near future. The prospect for sacking is less encouraging. Since Indian goods have been uncompetitive in comparison with those from Pakistan, foreign markets are not expected to buy from the Indian mills until they have bought whatever is available from the Pakistani industry. As far as domestic buying is concerned, it does not look as if the Government has bought for defence as much as was expected earlier. In any case, the trend of jute goods prices has shown a tendency to decline for some weeks. It is almost a universal principle that in a falling market no buyer

is inclined to meet his requirements except on a day-to-day basis. Taking a view of the trend, there is little ground for being bullish. The Indian industry will be working at the maximum level of production with all looms unsealed up to the end of May. Although the power shortage has interrupted the working of mills, the loss of output is considered negligible. In any case, the shortage is likely to be overcome in a few weeks' time.

The prospect of an abundant raw jute supply during the coming 1963-64 season is no doubt an encouraging factor. The jute mills at present hold sufficient fibre stocks equivalent to more than 20 weeks' consumption. So it is hoped that the present season will end with a substantial carry-over. Indications are that the next crop will also be at least as big as the 1962-63 one. Weather in both India and Pakistan has been favourable, so the plant has grown satisfactorily in all low land areas. The seeds have germinated well in mid- and up-lands. The quality of the Indian jute crop, it is hoped, will improve due to energetic efforts made in this direction. But the problem is that the Government has decided to maintain the minimum price of raw jute during 1963-64 at the same artificially high level as in the 1962-63 season. So it is feared that the competitive power of the Indian industry will suffer due to the high cost of fibre. It may be pointed out in this context that the price of Pakistani raw jute is much lower than that of the Indian fibre.

Guest, Keen, Williams Earns More

GUEST, Keen, Williams, Ltd has produced satisfactory results for the 52 weeks ended 29th December, 1962. The profit has improved from Rs. 1.04 crores in 1961 to Rs. 1.28 crores in 1962, after increasing depreciation from Rs. 45.21 lakhs to Rs. 51.19 lakhs and transferring Rs. 6.08 lakhs (against Rs. 6.22 lakhs) to additional depreciation reserve. Sales rose from Rs. 10.66 crores to Rs. 13.06 crores, but Rs. 16.37 lakhs represented the additional excise duty on rolled and forged iron and steel products. A taxable ordinary dividend of 14 percent, including an interim of 6 percent, has been maintained. It is more than twice covered and offers a yield of 4.1 percent at the present price of Rs. 34.37 a share of Rs. 10 each. Taxation provision for the current period is Rs. 55.60 lakhs (against Rs. 30.50 lakhs). A sum of Rs. 9.12 lakhs (against Rs. 10.69 lakhs) has been transferred to taxation equalisation reserve. Additional taxation reserve due to the super profits tax is Rs. 1.20 lakhs. A sum of Rs. 6.15 lakhs (against Rs. 11.24 lakhs) has been transferred from general reserve. Tax provision for previous periods absorbs Rs. 2.60 lakhs (against Rs. 24.420) and provision for tax equalisation in relation to the previous period is Rs. 1.46 lakhs. Development rebate reserve is allocated Rs. 5.55 lakhs (against Rs. 12.21 lakhs) and the debenture sinking fund Rs. 5 lakhs (the same).

The directors say that supplies of billets for re-rolling improved steadily during the second half of 1962, but production was adversely affected by

intermittent deliveries of good quality billets and matching materials from the main producers. Additions to fixed assets amounted to Rs. 53.09 lakhs (against Rs. 1.05 crores). Development rebate earned on these additions was Rs. 7.40 lakhs, of which a statutory transfer of Rs. 5.55 lakhs has been made to development rebate reserve.

An ordinary resolution will be moved at the Company's annual general meeting due to be held on 31st May, 1963. The resolution is that, subject to the approval of the Central Government, "sanction be and is hereby accorded to the investment by the Company in Sankey Wheels Ltd to the extent of 382,000 fully-paid equity shares of Rs. 10 each at par to be satisfied and paid for partly by the transfer to Sankey Wheels Ltd as on 1st June, 1963, at an independent valuation, of the car and jeep wheel plant of the Company at its Calcutta works, and as to the balance in cash." A special resolution will also be moved to authorise the directors to issue and allot to the Tata Iron and Steel Co. Ltd 214,583 fully-paid equity shares of Rs. 10 each in the Company and to accept in return 15,606 fully-paid equity shares of Rs. 100 each in Sankey Electrical Stampings Ltd, now registered in the name of Tata Steel, and that, accordingly, the directors of the Company shall not be required to offer these 214,583 equity shares in the Company to members of the Company. After acquiring 11 percent of the total shareholding, G. K. W. will have the S. E. S. as a wholly-owned subsidiary.

Sankey Wheels: A New Venture

THE Sankey Wheels Ltd has been incorporated as a new Company for the production of commercial and passenger car wheels. Guest, Keen, Williams is now manufacturing passenger car wheels at its Calcutta works with technical aid from Joseph Sankey and Sons Ltd, a subsidiary of Guest, Keen and Nettlefolds Ltd of the U.K. At present, Sankey is manufacturing in England a substantial part of all commercial vehicle wheels imported into India for replacement purposes. Some time ago, the Government of India licensed B. K. Sahney and Sons to manufacture commercial and passenger car wheels, and Sankey agreed to provide the necessary technical aid. It has been felt that more economic production will result and foreign exchange will be saved if both types of wheels are manufactured under one combined scheme. So it has been proposed to form the new Company in collaboration with Sankey. The licences to produce commercial and passenger car wheels have been given to the new Company.

Subject to the consent of the Controller of Capital Issues, the issued share capital of Sankey Wheels will be Rs. 1.7 crores divided into ordinary shares of Rs. 10 each. G.K.W. will subscribe for 382,000 shares, Sankey 385,000 shares, Mr. Sant Singh Sahney and his relatives 216,000 shares, the Commonwealth Development Finance Company 100,000 shares, the directors of Sankey Wheels and their friends 17,000 shares and Indian

public 600,000 shares. The existing car and jeep wheel plant of G.K.W. will be transferred to Sankey Wheels on an independent valuation which is estimated at about Rs. 30 lakhs. It will be transferred in exchange of the allotment to G.K.W. of fully paid-up 300,000 shares at par. Besides, G.K.W. will also subscribe for 82,000 shares in cash at par. In consideration of offering technical aid to Sankey Wheels, Sankey of the U.K. will be allotted fully paid-up 170,000 shares. It will also subscribe for 100,000 shares in cash at par in sterling and 150,000 shares in rupees. Sant Singh Sahney will subscribe for the shares in cash at par in rupees. The subscription of the Commonwealth Development Finance Company will be in sterling in cash. The latter will also give a sterling loan equivalent to Rs. 30,00,000 to Sankey Wheels for buying plant and equipment in the U.K. The directors of Sankey Wheels will subscribe for the shares in rupees in cash at par. When the subscriptions are completed, it is proposed to issue the remaining 600,000 shares for subscription by the Indian public.

The directors of G.K.W. think that the investment in the proposed new Company will be valuable since they visualise a rapid increase in the demand for commercial vehicle wheels in view of the high priority which the Government has given to the production of these vehicles for defence and other purposes. They have, however, reminded the shareholders that it will take some time before full production from the new plant is achieved. The substantial return which the directors expect from the new Company will be available in the long-term, not immediately.

Jay Shree Tea Preference Share Offer

THE offer of 24,800 cumulative redeemable preference shares of Rs. 100 each by Jay Shree Tea and Industries Ltd, it is expected, will have a favourable reception, as the attention of investors has been diverted to preference shares because of the super profits tax. The shares carry a fixed dividend of 9.3 percent, free of company tax but subject to the usual tax deduction at source. They are redeemable at par on 31st December, 1973. Since a part of the profit of the Company is subject to the agricultural income tax, the yield on these shares is considered attractive by market standards. (Fuller details appear on a later page in this issue of Capital.) The shareholders will get a net cash return of Rs. 6.51, after the deduction of tax at source, but they will get a credit of Rs. 2.79 for the tax deducted and paid on their behalf. The gross yield for a corporate shareholder works out to Rs. 10.46, including a rebate of Rs. 1.16 under Section 235 of the Income Tax Act. On the basis of the profit for 1962, the dividend on these shares has been adequately covered. The satisfactory performance of the Company during the past few years should help generate confidence. The funds will be used to finance the expansion and modernisation programme. They will also be used to reduce the borrowings of the Company from banks.

Its profit has improved from Rs. 34.54 lakhs for 1961 to Rs. 41 lakhs for the year ended December 1962, after increasing depreciation from Rs. 10.84 lakhs to Rs. 17.30 lakhs and providing Rs. 3.25 lakhs (against Rs. 4.50 lakhs) for development rebate reserve. A taxable ordinary dividend of 12.5 percent has been repeated, which is more than three-and-a-half times covered and offers a yield of 7.4 percent at the present price of Rs. 16.87 a share of Rs. 10

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developed countries in recent years has been due to the fear of communist encroachment. If the Russians were to return to the exclusive cultivation of their own back-garden, then there might be a danger that the present reaction to current aid policies which is developing in some western countries, will be accelerated. And that would be a very bad thing indeed. But this contingency apart, I am not inclined to regret the eclipse of Mr. Khrushchev, if in fact this is in prospect. I am, of course, aware that the Soviet Union now has world responsibilities which she cannot just shrug off overnight, and I agree that a combination of Stalin's ruthlessness and Mr. Khrushchev's international adventurism would be a difficult thing to deal with and much worse than the state of affairs we have at present. But there is no evidence that the neo-Stalinists are plotting world domination and not just hoping to safeguard the unity of the communist camp. What they are probably planning, of course, is the speedy abandonment of Mr. Khrushchev's policy towards the Sino-Indian border dispute. In this respect India may have much to lose from a political change in Russia, and Mr. Nehru may be faced with finding an alternative to his present policy of dividing the two communist giants. Much as I have always approved this motive in principle, however, I have never regarded it as anything more than a temporary expedient until such time as a lasting basis can be devised for ensuring India's strategic defence. If Mr. Khrushchev is now on his way out, then there is no time to lose in doing just that.

YET ANOTHER PICTURESQUE TRADITION OF BRITISH life has, I see, come under considerable criticism lately. I am referring to the Guards picquet at the Bank of England. This somewhat quaint institution dates back from the Gordon Riots in the second half of the 18th century. It has always been, avowedly, a device for defending the country's gold resources from the covetous intentions of its own citizens; however, one would have thought that the main danger nowadays came from the activities of non-British financiers in such international centres as Basle, Paris and New York. For myself I had always regarded it as being purely ceremonial, and I was surprised recently to read that it was not. But whatever its functions so far as the Bank of England is concerned, the Guards themselves now consider it as nothing more than another exasperating example of the "bull" about which they have recently been complaining so loudly. I can appreciate that the life of a member of the Brigade of Guards, when not on overseas posting at any rate, can be one of the most dreary in all of Britain's fighting services. It appears to consist of little more than a ceaseless round of ceremonial guard duties occasionally interspersed by full-scale parades and constantly accompanied by what is known in polite parlance as "spit and polish". So if the Guards are now complaining about their lot, I am not at all surprised, although one would have thought they had only themselves to blame for joining in the first place. It appears the Bank picquet has for years been accepted in the Brigade as just a minor and unnecessary nuisance, and a job which could be done better by the police. But apparently the Bank does not agree; indeed it feels so strongly on the matter that it has offered in future to pay all expenses. So the picquet is to continue and the tourists will still be thrilled by the occasional sight of its bright tunics swinging along the Victoria Embankment. But the soldier's grievance will remain, despite the tribute to the Brigade's efficiency and the acknowledgement that Guards are better than the police when it comes to safeguarding the national property. I was never one to deride a useful tradition, and I would be sorry to learn that the Guards picquet had passed into history. But the Bank of England's claim for complete security would perhaps be more convincing if it did more itself to ensure that the nation's gold resources—also those of the sterling area incidentally—were not periodically removed from its vaults by methods against which the Brigade of Guards is no protection whatever.

THE DITCHER

each. Taxation is allocated Rs. 22.50 lakhs (against Rs. 15.50 lakhs). A sum of Rs. 3 lakhs has been transferred from taxation no longer required. General reserve absorbs Rs. 5 lakhs (against Rs. 8.49 lakhs) and dividend equalisation reserve Rs. 5 lakhs. The carry-forward is Rs. 42,303, against Rs. 18,455 brought in.

The paid-up ordinary share capital is Rs. 87.47 lakhs, divided into shares of Rs. 10 each. The Company issued bonus shares by capitalising reserves in the proportion of one bonus share for every two held in 1954 and in the proportion of one bonus share for every four held in 1961. The Company was incorporated in 1945 under the name of Jay Shree Tea Gardens Ltd. Later it was changed to the present name in view of the diversification of activities. The total area under tea is 2,202.12 hectares, and the gardens are spread over in Assam, Darjeeling and Madras State. In 1963, the Company has acquired a group of three tea estates, near Silchar, Assam. The total output of tea was 73,283 maunds in 1961, and 70,684 maunds in 1962. High quality teas have been produced. It owns a plywood factory in Assam with a licensed capacity for producing commercial and decorative plywood. At its Khardah factory, near Calcutta, all types of decorative plywood, block boards and flash doors are produced. It manufactures plywood packing cases in its factory at Ultadanga, near Calcutta. Its chemical and fertiliser plant in Khardah has an output capacity of 100 tons of superphosphate and 50 tons of sulphuric acid a day. It has also various trading and warehousing activities. It has obtained an industrial licence for setting up a hard board factory in Madhya Pradesh. Steps have already been taken to import the necessary equipment for this factory.

Rights from Phosphate Company

THE ordinary shares of Phosphate Co. Ltd have been steady around Rs. 255. The Company is offering rights shares for Rs. 9 lakhs divided into shares of Rs. 100 each at par to the existing shareholders in the proportion of two new shares for every five held. It proposes to set up a ferro-alum plant. The rights issue will raise the Company's ordinary share capital from Rs. 22.50 lakhs to Rs. 31.50 lakhs. In October 1961, it issued 7,500 ordinary shares at par to the existing shareholders in the proportion of one new share for every two held.

The Company has produced satisfactory results for the year ended June 1962. Sales rose from Rs. 80.50 lakhs in 1960-61 to Rs. 82.21 lakhs in 1961-62. The profit has increased by Rs. 2.83 lakhs to Rs. 13.48 lakhs, after providing for depreciation, development rebate and taxation. A taxable ordinary dividend of 17.5 percent has been declared, absorbing Rs. 3.94 lakhs. The yield is 6.9 percent at the present price.

Dr. Paul Lohmann Rights Offer

DR. Paul Lohmann (India) Ltd is offering rights ordinary shares of Rs. 10 each at par to the existing shareholders in the ratio of two new shares for every share held. The share is now quoted at Rs. 16. Although the Controller of Capital Issues has sanctioned the issue of shares for Rs. 60 lakhs, the existing shareholders are being offered only Rs. 53.04 lakhs. The remaining Rs. 6.96 lakhs is being reserved for sub-

scription by the foreign collaborators. The shareholders have also been given the right to renounce their rights in favour of their nominees.

The funds will be used to finance the Company's expansion programme. The construction of the fine chemicals factory in Dum Dum, near Calcutta, is nearing completion and production will start soon. The licensed capacity of the factory is 1,500 tons a year. The Company has also obtained an industrial licence for producing oxalic acid, formic acid and sodium formate. These basic chemicals have wide industrial application, but they are largely imported. They will also be partly used by the Company's fine chemicals factory. In view of the good demand for the products which the Company will manufacture, the directors expect to sell them without any difficulty. They are also exploring the possibility of exporting these products. Out of the funds to be raised by the rights issue, Rs. 30 lakhs will be required to finance the capital cost of the fine chemicals' project. The remaining Rs. 30 lakhs will be invested in the basic chemicals project.

Kumardhubi Engineering Pays More

THE Kumardhubi Engineering Works Ltd has increased the taxable ordinary dividend from 35p to 45p for 1960-61 to 45p for 1961-62. The profit has risen from Rs. 4.15 lakhs to Rs. 8.47 lakhs, after transferring Rs. 11.51 lakhs (against Rs. 3.65 lakhs) to taxation, Rs. 1.65 lakhs to super profits tax and Rs. 5.98 lakhs (against Rs. 6.20 lakhs) to depreciation. A sum of Rs. 36,924 has been transferred from provision for bad and doubtful debts. Development rebate reserve is allocated Rs. 77,100 (against Rs. 38,300) and general reserve Rs. 3.25 lakhs. The usual preference dividends have been paid. The ordinary dividend is more than four-and-a-half times covered, and offers a yield of 5.6 percent at the present price of Rs. 8 a share. The carry-forward is Rs. 3,088, against Rs. 13,579 brought in.

Orissa Cement Cuts Dividend

THE ordinary shares of Orissa Cement Ltd have been easier around Rs. 13.31 because of the dividend cut. The net profit has declined from Rs. 1.13 crores in 1961 to Rs. 95.46 lakhs in 1962, after transferring Rs. 36.62 lakhs (against Rs. 36.81 lakhs) to depreciation and Rs. 3.30 lakhs (against Rs. 2.91 lakhs) to development rebate reserve. Provision for taxation has been raised from Rs. 44 lakhs to Rs. 51 lakhs. The taxable ordinary dividend has been cut from 15 percent to 10 percent, which offers a yield of 7.5 percent at the present price. General reserve absorbs Rs. 13.50 lakhs (against Rs. 30 lakhs).

The directors say that if the dispute with the Government of Orissa concerning the electricity rate is settled against the Company, it may have to bear an additional burden of Rs. 60 lakhs to Rs. 70 lakhs on the power bill. This will hit the Company hard unless the price of cement is suitably increased.

United Commercial Bank Maintains

THE United Commercial Bank Ltd has produced satisfactory results for the year ended December 1962. Interest paid on deposits rose from Rs. 2.61 crores to Rs. 3.01 crores while interest and discount earned improved from Rs. 4.10 crores to Rs. 4.84 crores. The profit has risen from Rs. 72.61

lakhs to Rs. 73.33 lakhs. Fuller details appear on a later page in this issue of Capital. A taxable ordinary dividend of 12 percent has been maintained and *pro rata* dividends have been paid on new shares. The dividend offers a yield of 8.5 percent at the present price of Rs. 71 a share of Rs. 100 each on which Rs. 50 has been called up. An amount of Rs. 28 lakhs has been transferred to the reserve fund. Bonus to staff absorbs Rs. 16.50 lakhs and the gratuity trust fund Rs. 4 lakhs. The carry-forward is Rs. 25,151, against Rs. 2.07 lakhs brought in. On 11th July, 1962, 200,000 rights shares were offered to the existing shareholders at a premium of Rs. 25 a share. The paid-up capital is now Rs. 2.23 crores which will rise to Rs. 2.80 crores when all the allotment money is received. Since the close of the financial year, the banking business in the Union of Burma has been nationalised. But the Burma Government has decided to pay compensation for the bank's buildings and fixed assets.

Deposits rose from Rs. 98.90 crores to Rs. 105.74 crores. Cash increased from Rs. 8.86 crores to Rs. 11.24 crores. Investments increased to Rs. 36.90 crores from Rs. 35.97 crores and advances to Rs. 71.08 crores from Rs. 64.21 crores.

United Flour Cuts, Hooghly Skips

THE latest results of the flour mills under the managing agency of Shaw Wallace and Co. Ltd have been published. The United Flour Mills Co. Ltd has made a profit of Rs. 2.26 lakhs for the year ended November 1962, against Rs. 1.15 lakhs for 1960-61, after providing Rs. 30,201 (against Rs. 29,113) for depreciation. Sales rose from Rs. 93.05 lakhs to Rs. 1.10 crores. The taxable ordinary dividend has been cut from 10 percent to 7.5 percent absorbing Rs. 37,500. The yield is 2.5 percent at the present price of Rs. 30 a share of Rs. 10 each. Taxation is allocated Rs. 1.92 lakhs (against Rs. 80,977), leaving a carry-forward of Rs. 6,571 (against Rs. 10,571) brought in. Production was 252,082 quintals, compared with 213,412 quintals in the previous year.

The Hooghly Flour Mills Co. Ltd has again passed the dividend for the year ended December 1962. The profit is Rs. 2.19 lakhs, against Rs. 6,269 in 1961, after transferring Rs. 32,721 (against Rs. 35,630) to depreciation. Sales increased from Rs. 1.03 crores to Rs. 1.31 crores. Taxation absorbs Rs. 1.84 lakhs (against Rs. 21,683) leaving a carry-forward of Rs. 32,614, against a loss of Rs. 4,336 brought in. Production was 301,951 quintals, against 236,947 quintals.

The directors of both companies point out that the Government of India reduced the maximum selling prices of flour and *atta* during the first half of 1962. The extraction percentage of wheat produced was also controlled by the West Bengal Government. The demand for *atta* was good, but that for flour was rather poor.

Philips India Pays More

PHILIPS India Ltd has produced satisfactory results for the year ended December 1962. The profit has improved from Rs. 66.20 lakhs in 1961 to Rs. 1.20 crores in 1962. The taxable ordinary dividend has been increased from 12 percent to 13 percent. It offers a yield of 5.1 percent at the present price of Rs. 25.69 a share of Rs. 10 each. Taxation is allocated Rs. 85.50 lakhs (against Rs. 36 lakhs). The dividend has been raised after an interval of three years.

The Company has been licensed by the Government of India to produce

tungsten and molybdenum wire and tungsten coils, which have hitherto been entirely imported. The project will help the Indian lamp industry to become more self-sufficient in the supply of raw materials. As a result of the products manufactured by Philips, there is likely to be a foreign exchange saving of about Rs. 12 lakhs a year. The products will be manufactured at the Company's factory in Bombay. N. V. Philips' Gloeilampenfabriek, Holland, will be the technical collaborator.

The Company has also been permitted to issue rights ordinary shares for Rs. 16.66 lakhs at a premium of Rs. 5 a share of Rs. 10 each. The non-resident shareholders will be offered 50 percent of the new issue. The balance will be offered to the existing Indian shareholders.

Mafatlal Group Mills do not Impress

OF the three textile mills belonging to the Mafatlal group—Mafatlal Fine, Standard Mills and Sassoon Spinning—only the Mafatlal Fine Spinning and Weaving Company has been able to maintain the dividend for the year 1962 at Rs. 30 a share (Rs. 100-paid) less tax, and report some improvement over the previous year's performance. The Standard Mills has reduced the dividend from Rs. 25 to Rs. 20 a share (Rs. 100-paid), less tax, and Sassoon Spinning and Weaving has cut down the dividend by half from Rs. 2 to Re. 1 a share (Rs. 10 paid), although along with the dividend, it has announced the issue of bonus shares in the proportion of two shares for every 25 held. The bonus shares are being issued out of the share premium account. The preliminary figures about the working of these Companies which have been just released along with the announcement of dividends, show that while all the three mills have increased their sales, only Mafatlal Fine has made a larger profit.

Mafatlal Fine: The gross sales of Mafatlal Fine are up by about 9.7 percent from Rs. 3.20 crores to Rs. 3.51 crores and the gross profit also shows an increase of nearly 10 percent from Rs. 63.88 lakhs to Rs. 70.26 lakhs. After providing Rs. 17.58 lakhs (against Rs. 15.51 lakhs) for depreciation, Rs. 4.29 lakhs (against Rs. 3.96 lakhs) for statutory development rebate reserve, Rs. 1.43 lakhs (against Rs. 1.32 lakhs) for development rebate reserve and Rs. 18.65 lakhs (against Rs. 16.63 lakhs) for taxation, there remains a surplus of Rs. 23.14 lakhs, against Rs. 21.42 lakhs in the preceding year. With Rs. 40,575 brought in from the previous year and adding Rs. 46,564, being excess provision for taxation, the disposable surplus amounts to Rs. 24.01 lakhs. From this, the directors have set aside Rs. 2.96 lakhs (against Rs. 81,567) for donations and provided Rs. 86,088 for additional provision for taxation for 1961.

Preference dividends absorb Rs. 1,86,470, and ordinary dividend accounts for Rs. 17,40 lakhs (the same). A sum of Rs. 75,000 (against Rs. 1 lakh) has been transferred to dividend equalisation reserve. After making all these appropriations, there remains a small surplus of Rs. 18,095 to be carried forward. The Rs. 100-paid share of Mafatlal Fine is currently quoted around Rs. 815.

Standard Mills: Against an increase of nearly 5.8 percent in the gross sales from Rs. 9.50 crores to Rs. 10.05 crores, the gross profit of the Standard Mills is down by as much as 28.4 percent from Rs. 1.76 crores to Rs. 1.26 crores. The Company paid Rs. 1.23 crores by way of excise duty compared with Rs. 94.63

lakhs in the previous year. Closing stocks are up by Rs. 14.70 lakhs. After providing Rs. 38.49 lakhs (against Rs. 34.05 lakhs) for depreciation, Rs. 13.73 (against Rs. 7.76 lakhs) for development rebate and Rs. 36.15 lakhs (against Rs. 64.05 lakhs) for taxation, the net profit amounts to Rs. 31.72 lakhs, against Rs. 61.98 lakhs in 1961. With Rs. 1.75 lakhs brought in from the previous year and including Rs. 12.50 lakhs transferred from the development rebate reserve, the disposable surplus amounts to Rs. 45.96 lakhs. The directors have set aside Rs. 6,48,500 for additional taxation for 1961 and provided Rs. 7.99 lakhs (against Rs. 1.32 lakhs) for donations, leaving a balance of Rs. 31.49 lakhs. No provision has been made for the dividend equalisation reserve which had received Rs. 15 lakhs in the preceding year. After providing Rs. 68,640 (the same) for preference dividend and Rs. 40.73 lakhs (against Rs. 38.41 lakhs) for ordinary dividend, there remains a small sum of Rs. 7,338 to be carried forward. The Rs. 100-paid share of Standard Mills is currently quoted around Rs. 838.

Sassoon Spinning: The gross profit of Sassoon Spinning is down by 11.5 percent from Rs. 80.97 lakhs to Rs. 71.65 lakhs in spite of an increase of a little over 8 percent in the gross sales from Rs. 6.85 crores to Rs. 7.41 crores. The Company paid Rs. 55.13 lakhs, against Rs. 44.05 lakhs by way of excise duty. The closing stocks increased by Rs. 10.59 lakhs. Appropriations of the year's profit include depreciation Rs. 27.36 lakhs (against Rs. 23.17 lakhs), development rebate Rs. 8.39 lakhs (against Rs. 10.61 lakhs), donations Rs. 3.77 lakhs (against Rs. 74,000) additional provision for taxation for 1961 Rs. 1.75 lakhs (against Rs. 41,439) and general reserve Rs. 3.75 lakhs (against Rs. 6 lakhs). The proposed dividend absorbs Rs. 7.54 lakhs (against Rs. 15.08 lakhs) leaving a modest sum of Rs. 3,192 to be carried forward, against Rs. 30,196 brought in. The two-for-29 bonus issue will require the capitalisation of Rs. 5.20 lakhs out of the share premium account. The Rs. 10-paid share of Sassoon Spinning is currently quoted around Rs. 49.50.

Century Mills Fares Well

THE preliminary figures about the working results of the Century Spinning and Manufacturing Co. Ltd for the year 1962 which had been released with the announcement of the final dividend—the total distribution has been maintained at Rs. 30 a share—showed a small decline in the gross profit from Rs. 3.92 crores to Rs. 3.78 crores. The full accounts which are now available show that the profit is lower in spite of a modest increase in the sales from Rs. 15.29 crores to Rs. 15.45 crores. But the performance seems satisfactory considering the all-round increase in production costs which have affected the fortunes of the entire textile industry. Raw materials costs are up at Rs. 5.63 crores, against about Rs. 5.09 crores, salaries and wages are higher at Rs. 4.28 crores, against Rs. 3.61 crores and manufacturing, administrative and other expenses have gone up from Rs. 3.24 crores to Rs. 3.62 crores.

The directors state that the profits of the textile section were adversely affected by the higher cotton prices, increase in wages on account of the Wage Board's recommendations, increase in dearness allowances and the compulsory export of cloth which had to be sold abroad at prices considerably below the Indian prices. Profit of the rayon section was affected by the sale of yarn at concessional rates to exporters of rayon products for

allotment of foreign exchange for the import of pulp. The directors add that the cumulative effect on all these factors would have been much worse but for "better efficiency and economic management" as a result of which the profit declined by only Rs. 14 lakhs.

The directors state that the construction of the tyre cord factory has been completed and trial and test runs are in progress. Initial production is expected to start in May. The construction work relating to the caustic soda plant is in progress and the machinery has also started arriving. The erection work, it is expected, will be completed by early 1964. The proposal to set up a separate textile unit has been dropped for the time being as suitable land could not be obtained. The additions to the fixed assets of the Company during 1962 amounted to Rs. 1.05 crores of which the cotton textile unit accounted for Rs. 16.99 lakhs and the rayon unit for Rs. 87.95 lakhs. The cost of works under construction at the end of the year amounted to Rs. 2.18 crores. In view of the substantial additions to the fixed assets made during the year, the Company has had to raise the allocation to the development rebate reserve from Rs. 10.22 lakhs to Rs. 30.96 lakhs, out of the profits for 1962, and with the further additions during the current year, the provision for development rebate is likely to remain at a high level. The Company has a paid-up capital of Rs. 3.80 crores of which Rs. 2.55 crores is in equity shares. The Company's free reserves total Rs. 4.31 crores. The total gross block of Rs. 16.13 crores has been written down to Rs. 9.54 crores.

Marsden Mills Disappoints

THE Marsden Spinning and Manufacturing Co. Ltd, Ahmedabad, reports disappointing results for the year 1962. Although sales have been almost unchanged at Rs. 1.86 crores, against Rs. 1.87 crores in the previous year, the gross profit is down by as much as 45 percent from Rs. 19.84 lakhs to Rs. 10.09 lakhs. The directors have recommended a gross dividend of Rs. 9 a share, against Rs. 12 a share in 1961, but since the reduced dividend is on the increased capital—36,104 shares, against 27,310 shares—the total amount distributed among the shareholders is only slightly less at Rs. 3.25 lakhs (against Rs. 3.27 lakhs). Allocations include depreciation Rs. 6.32 lakhs (against Rs. 5.35 lakhs), development rebate reserve Rs. 1.85 lakhs (against Rs. 2.63 lakhs), development and rehabilitation reserve Rs. 61,831 (against Rs. 87,703), taxation nil (against Rs. 3.70 lakhs) and donations Rs. 26,294 (against Rs. 22,175). A sum of Rs. 3 lakhs has been withdrawn from the general reserve. The Company has, however, provided Rs. 42,500 for income tax for the previous year. After providing for the proposed dividend, there remains a sum of Rs. 34,669 to be carried forward. The Rs. 100-paid share of Marsden Mills is quoted nominally around Rs. 162.50.

Nagri Mills Earns Less, Pays Same

NAGRI Mills Co. Ltd of Ahmedabad has declared a gross dividend of Rs. 85 a share which is the same as in the previous year. The gross profit of the Company is down by about 10 percent from Rs. 20.50 lakhs to Rs. 18.27 lakhs. Appropriations include depreciation Rs. 4.79 lakhs (against Rs. 4.64 lakhs), statutory development rebate Rs. 62,170 (against Rs. 1.89 lakhs), development and rehabilitation reserve Rs. 20,724

(against Rs. 62,912), taxation, including super profits tax, Rs. 6.40 lakhs (against Rs. 4.30 lakhs), under-provision of income tax for 1961 Rs. 45,000 (against nil), bonus to workers Rs. 1.29 lakhs (the same), donations Rs. 35,705 (against Rs. 40,369) and the reserve fund Rs. 1 lakh (the same). No provision has been made for the dividend reserve fund which received Rs. 1 lakh in the previous year. The proposed ordinary dividend absorbs Rs. 2,49,900 (the same), and preference dividend accounts for Rs. 12,613. After making all these appropriations, there is a small balance of Rs. 34,148 to be carried forward, against Rs. 14,767 brought in.

Vikram Mills Pays the Same

LIKE most other cotton textile mills, the Vikram Mills Ltd of Ahmedabad has fared badly during the year 1962, although the dividend has been maintained at Rs. 20 a share (Rs. 200-paid), less tax. The Company's sales are down by a little over 12 percent from Rs. 2.36 crores to Rs. 2.07 crores, but the gross profit at Rs. 23.39 lakhs shows a decline of nearly 22 percent over the previous year's figure. After providing Rs. 6.27 lakhs (against Rs. 6.62 lakhs) for depreciation, Rs. 26,550 (against Rs. 48,045) for statutory development rebate and Rs. 11.82 lakhs, including Rs. 2.46 lakhs for super profits tax, (against Rs. 9.62 lakhs) for taxation, the net profit amounts to Rs. 3.51 lakhs, against Rs. 11.31 lakhs in the preceding year. From this the directors have set aside Rs. 79,200 (against Rs. 2.41 lakhs) for bonus and Rs. 31,000 (against Rs. 15,000) for donations leaving a balance of Rs. 2.41 lakhs, against Rs. 8.83 lakhs. The Company has had to provide Rs. 61,600 for additional taxation for 1961. The surplus left being insufficient to provide for the payment of the proposed dividend which absorbs Rs. 3.30 lakhs, the directors have withdrawn Rs. 1.81 lakhs from the general reserve. The Rs. 200-paid share of Vikram Mills is quoted nominally around Rs. 317.50.

Davangere Cotton to Issue Preference Shares

THE Davangere Cotton Mills Ltd which raised Rs. 18.75 lakhs in last January through the issue of 15,000 equity shares of Rs. 100 each at a premium of Rs. 25 a share, is again entering the market to raise an additional Rs. 18 lakhs through the issue of 18,000 94 percent taxable redeemable cumulative preference shares. (Fuller details of the issue appears on a later page). The shares are redeemable at par at any time after 31st March, 1976, but not later than 31st March, 1979. Out of the Rs. 18-lakh preference issue, the directors and their friends have taken up shares worth Rs. 3.5 lakhs and another Rs. 4 lakhs are being subscribed by two insurance companies—Jupiter General Insurance Rs. 2.5 lakhs and Madras Motor and General Rs. 1.5 lakhs. The balance of Rs. 10.50 lakhs which is being offered for public subscription has been underwritten by a prominent stockbroker's firm of Bombay. The subscription list will open on 15th May, and will close on 30th May or later at the discretion of the directors.

The list may close earlier, but not before 18th May. The Company has an unbroken record of dividends since 1939-40. In the year ended March 1962, it made a profit of Rs. 25 lakhs. The proposed preference issue will absorb Rs. 1.71 lakhs, which is covered nearly 14 times.

The additional funds are required to meet a part of the finance required

for the Company's expansion programme, which is estimated to cost Rs. 1.83 crores. Davangere Cotton has applied for a loan of Rs. 70 lakhs and for a guarantee of deferred payment to the extent of Rs. 53 lakhs from the Industrial Finance Corporation of India. The balance of the requirements, it is proposed, will be met out of future earnings. The Company is equipped with 40,832 spindles, a waste spinning plant of 360 spindles and 300 plain looms with a modern bleaching unit. After the proposed expansion, the installed capacity of the Company will be 52,832 ring spindles, 360 waste spinning spindles, 518 plain looms and 500 automatic looms. The automatic looms are being allowed to be installed on the condition that the Company will export 75 percent of the production from such looms. The Rs. 100-paid share of Davangere Cotton is currently quoted around Rs. 132.50.

Amar Dye-Chem Rights Issue

THE directors of Amar Dye-Chem. Ltd have decided to go ahead with the issue of 30,000 equity shares of Rs. 100 each at a premium of Rs. 25 a share. These are being offered to existing shareholders in the proportion of one new share for every three held. The sanction of the Controller of Capital Issues has already been obtained. The directors propose to call a sum of Rs. 50 a share including the entire premium of Rs. 25 on application and the balance before February 1964. The new issue should, in fact, have come a year ago, when it was proposed to issue fresh capital of Rs. 80 lakhs to cope with the requirements of additional funds for the Company's expansion programme, but then the Government insisted on a much higher premium. The Company, therefore, did not proceed with the application for the rights issue. The additional capital now being issued will raise the issued capital of the Company to Rs. 1.40 crores, comprising Rs. 20 lakhs in preference shares and Rs. 1.20 crores in equity shares. The Company's Rs. 100-paid shares is currently quoted around Rs. 202.50.

Kamani Engineering Results Impress

THE modest increase in the dividend for the year ended September 1962 from 9 percent to 9 1/4 percent by Kamani Engineering Corporation Ltd provides little indication of the Company's excellent performance during the year. Both sales and profit have set new records; sales are up by about 73 percent from Rs. 2.68 crores to Rs. 4.65 crores and the gross profit has gone up by 58 percent from Rs. 24.80 lakhs to Rs. 39.10 lakhs. Appropriations include depreciation Rs. 8 lakhs (against Rs. 5.85 lakhs), taxation Rs. 15 lakhs (against Rs. 9.25 lakhs including Rs. 1.75 lakhs for previous years), reserve for super profits tax Rs. 5.35 lakhs (against nil), development rebate Rs. 35,000 (against Rs. 40,000), general reserve Rs. 1.15 lakhs (against Rs. 1 lakh) and dividends Rs. 4.94 lakhs (against Rs. 4.04 lakhs).

The directors state that the production of galvanised and painted steel structures showed an increase of 40 percent, from 14,360 metric tonnes to 20,836 metric tonnes. The sales value of manufactured products and erection work undertaken amounted to Rs. 3.64 crores, against Rs. 2.35 crores in 1960-61. The Company's export performance was also good; it shipped 4,471 tonnes of materials valued at Rs. 42.82 lakhs. The Company has obtained an industrial licence for

substantial expansion of the existing capacity from 1,500 tons to 2,500 tons a month for transmission line towers. A licence has also been received for fabrication of heavy structurals. The Company's agency department worked satisfactorily during the year, with its turnover more than doubled. The directors add that the Company has substantial orders on hand at the close of the year which holds out the promise of better results for the current year. The Rs. 10-paid share of Kamani Engineering is quoted nominally around Rs. 14.16.

Elpro International to Enter Market Soon

ELPRO International Ltd is a new Company which has been jointly promoted by General Electric Company of the U.S.A. and the Investment Corporation of India Ltd—a Tata concern—to undertake the manufacture of different types of x-ray equipment, alnico magnets, calrod heating elements, lightning arrestors and other electrical products. The factory has been constructed in Chinchwad, near Poona, and it is expected to be commissioned by the last quarter of this year. Indian engineers have already been trained by the General Electric Company in its factories in the U.S.A.

The authorised share capital of the new Company is Rs. 2 crores and its subscribed and paid-up capital is Rs. 35,000. The Company now proposes to raise Rs. 84.65 lakhs, of which Rs. 42.50 lakhs will be subscribed by General Electric and/or one of its subsidiaries, Rs. 12.40 lakhs by the Investment Corporation and Rs. 8.50 lakhs by the Indian employees of International General Electric Co. (India) Private Ltd—a subsidiary of General Electric of the U.S.A. The balance of Rs. 21.25 lakhs is to be offered for public subscription. The Company, it is expected, will enter the market towards the end of this month.

Dharamsi Chemical Fares Well

DHARAMSI Morarji Chemical Co. Ltd has maintained the dividend for the year 1962 at 16 percent (Rs. 8 a share of Rs. 50), less tax. The total amount distributed is, however, higher at Rs. 5.09 lakhs, against Rs. 4 lakhs in the preceding year because the bonus shares issued in October were not entitled to a full year's dividend. In 1961, the Company had paid Rs. 8 a share on 45,474 old equity shares and Rs. 2 a share on 18,190 new shares. The dividend for 1962 is payable at Rs. 8 a share on all the equity shares. The preliminary report on the Company's working results shows that it has done very well during the year, with the gross profit recording an increase of about 30 percent from Rs. 27.60 lakhs to Rs. 35.80 lakhs.

After providing Rs. 15.37 lakhs (against Rs. 11.66 lakhs) for depreciation, Rs. 1.62 lakhs (against Rs. 5.25 lakhs) for development rebate, Rs. 4 lakhs (against Rs. 60,000) for taxation and Rs. 4.51 lakhs (against Rs. 3.75 lakhs) for bonus to employees, the disposable surplus amounts to Rs. 8.76 lakhs, compared with Rs. 5.14 lakhs in 1961. To this has been added Rs. 1.58 lakhs (against Rs. 92,000) being excess provision made for taxation in previous years, raising the surplus to Rs. 10.34 lakhs, against Rs. 6.06 lakhs. The directors have appropriated Rs. 5 lakhs (against Rs. 2.50 lakhs) to general reserve No. 1 and Rs. 5.17 lakhs (against Rs. 4.31 lakhs) to general reserve No. 2, representing profits of new industrial units exempt from tax. The directors have withdrawn a sum of Rs. 5.09 lakhs from general reserve No. 2 for the

payment of the proposed dividend. As the dividend is being paid out of the profits exempt from tax, the distribution in the hands of shareholders is expected to be free of tax. An application in the matter is being made to the income tax authorities under Section 197(3) of the Income Tax Act. The Rs. 50-paid share of Dharamsi Chemical is quoted around Rs. 132.50 cum-dividend, offering a gross return of a little over 9 percent on fresh investment.

Maneklal Harilal Cuts Dividend

THE directors of Maneklal Harilal Spinning and Manufacturing Co. Ltd of Ahmedabad have reduced the dividend for the year 1962 from Rs. 55 to Rs. 21 a share (Rs. 200-paid), less tax. The drastic cut follows the Company's extremely disappointing performance during the year. Although the sales are down by only 6.2 percent from Rs. 2.89 crores to Rs. 2.71 crores, the gross profit has declined by as much as 40 percent from Rs. 44.01 lakhs to Rs. 26.79 lakhs. Appropriations include depreciation Rs. 15.57 lakhs (against Rs. 11.28 lakhs), development rebate reserve Rs. 5.56 lakhs (against Rs. 6.68 lakhs), taxation Rs. 2.25 lakhs (against Rs. 9.73 lakhs), contingency reserve Rs. 85,000 (against nil) and donation Rs. 11,000 (against Rs. 54,000). The dividend on ordinary and preference shares absorbs Rs. 2.13 lakhs. The directors have transferred a sum of Rs. 60,000 from the reserve. The Company's gross block of Rs. 2.07 crores has been written down to Rs. 1.10 crores.

Cipla Pays Less

THE Chemical Industrial and Pharmaceutical Laboratories, Bombay, popularly known as Cipla, reports disappointing results for the year ended October 1962. This has compelled the directors to reduce the dividend from 10 percent to 5 percent. In spite of a modest fall in the sales from Rs. 52.76 lakhs to Rs. 51.83 lakhs, the gross profit is down by as much as 27.2 percent from Rs. 7.21 lakhs to Rs. 5.25 lakhs. The profit margin has been squeezed by the marked increase in the costs of chemicals and packing materials. After providing Rs. 1.11 lakhs (against Rs. 95,000) for depreciation, Rs. 18,500 (against Rs. 12,600) for development rebate and Rs. 2.75 lakhs (against Rs. 2.50 lakhs) for taxation, the net profit amounts to Rs. 1.21 lakhs, against Rs. 3.63 lakhs in 1960-61. With Rs. 3.36 lakhs brought forward from the previous year, the disposable surplus amounts to Rs. 4.57 lakhs. The directors have set aside Rs. 50,000 (against nil) for dividend equalisation reserve and Rs. 25,000 (against Rs. 35,000) for staff gratuity reserve. The proposed dividend absorbs Rs. 93,865, against Rs. 1,87,730. After making minor adjustments, there remains a balance of Rs. 2.44 lakhs to be carried forward.

Good Outlook for Killick Industries

KILICK Industries did well during the year ended November 1962. The gross earnings were up by about 5 percent from Rs. 41.95 lakhs to Rs. 44.02 lakhs. From what the chairman, Mr. A. N. Haksar, said at the Company's annual meeting on 3rd May, the outlook seems quite promising. The shareholders who went without a dividend in 1960-61 and who were receiving Rs. 5 a share for 1961-62, have been assured of much better times ahead. The diversification of

the Company's interests is now beginning to yield results, and Mr. Haksar has expressed the hope that in the years to come when the new ventures are established, the shareholders will receive "bigger and better dividends." The decision to resume the payment of dividend on a small scale, it is said, will have been taken after careful consideration of the need to conserve the Company's resources in view of the expansion of its overall business. The shareholders have every reason to feel happy over the management's decision to appoint a committee of directors for looking into the question of effecting maximum economies in the working, and the chairman has stated that by the end of the current financial year, the Company will be able to reduce the expenditure to some extent.

The chairman expressed his inability to divulge information on the working of all but one of the managed companies on account of the Defence of India Rules, but he informed the shareholders in general terms that the electricity companies are functioning well within the limitations placed upon them by the legislation. Mr. Haksar said that while the coal companies are now expected to do better, the market for manganese does not show any signs of improvement, and "there is nothing which can be done about it."

As for the Kohinoor Mills, the chairman stated that the Company has had a very good year in spite of the general depression in the textile industry and that the Company had now regained the pre-eminent position it once enjoyed. Referring to the diversification of the Company's activities which is already beginning to bear fruit, Mr. Haksar said that the Government had recently permitted the Company's collaboration with Bohler Brothers of Austria for John Baker's steel files division. The report of the foreign collaborators is awaited. The Killick Engineering Works is showing very good results and the directors have decided to provide accommodation for more machines and enlarge production in view of the tremendous scope for this field of activity. The Snowcem factory has shown results far beyond expectations and the management is in touch with the associates in the U.K. for licences to diversify its activities. Killick Slotted Angles factory went into production three months ago.

Once the bottlenecks like the availability of finishing machinery and raw materials are overcome, this factory will add greatly to the revenues of Killick Industries. The Filtrona factory, it is said, is nearing completion, and will, it is expected, start production in the last quarter of this year. Killick Caribonum has not yet shown the anticipated results for various reasons, but the U.K. collaborators are soon sending out top technical men to reorganise the factory and sales procedures. Killick Industries has been recognised as an export house by the Directorate of Export Promotion and the Company is endeavouring to establish itself in various markets for all the exportable commodities.

Tensile Steel Starts Trial Run

THE directors of the Tensile Steel Ltd state in their second annual report for 1962 that the entire plant and machinery imported from Japan for the tensile steel plant in Baroda has been received and erected and that the plant has started the trial run. The Company has received an import licence for Rs. 8 lakhs under D.L.F. The necessary order for high carbon wire rods to be imported has been placed and the first consignment is due to reach the factory before the end of May. The directors point out

CAPITAL, 9th May, 1963.

that the total cost of the project which had been estimated at Rs. 88.40 lakhs at the time of the public issue has gone up to Rs. 1 crore on account of various increases.

As the total available resources of the Company will be Rs. 87.09 lakhs, there will be a shortfall of Rs. 12.91 lakhs and in order to meet this, the Company is negotiating for financial accommodation. The factors responsible for pushing up the cost of the project are the acquisition of further lands and the land development expenses, increase in the cost of civil construction consequent on the expansion of the built-in area, increase in the expenditure on railway siding, increase in the cost of electric installation and the rise in taxes and duties as well as the general increase in prices. The Company's profit and loss account shows a loss of Rs. 1.85 lakhs, after providing Rs. 6,429 for depreciation and Rs. 6,250 for taxation. The entire amount of Rs. 1.85 lakhs has been transferred to expenditure under construction account. The Rs. 100-paid share of Tensile Steel is currently quoted around Rs. 108.50.

Adoni Spinning and Weaving Repeats

IN spite of a marked decline in the net profit of Adoni Spinning and Weaving Co. Ltd for the year ended December 1962, the directors have maintained the dividend on ordinary shares at 8 percent. The usual preference dividend of 6 percent is recommended. The net profit for 1962 amounts to Rs. 2.78 lakhs, against Rs. 8.08 lakhs. Depreciation amounts to Rs. 7.11 lakhs (against Rs. 8.04 lakhs) and provision for taxation Rs. 6.75 lakhs (against Rs. 2.35 lakhs) including Rs. 40,000 for the super profits tax.

New Capital Issues

THE Controller of Capital Issues has authorised six companies, including a new concern, to raise capital amounting to Rs. 3.42 crores. The following are the details:

Ownership Offices and Flats Ltd: A company proposed to be incorporated in West Bengal, is to issue capital of Rs. 70 lakhs divided into 300,000 equity shares of Rs. 10 each, 100 mortgage redeemable debenture stock 1974 in stocks of Rs. 1,000 each at 7 percent interest and 30,000 non-mortgage debenture stock in stocks of Rs. 100 each at 7 percent interest with right of conversion into ownership of flats.

In supersession of consent accorded previously, *South India Steel and Sugars Ltd*, Madras, will raise capital of Rs. 73,83,000 consisting of equity shares of the value of Rs. 57,33,000 and 9.3 percent preference shares for Rs. 16,50,000. All the shares will be issued for cash at par to the public. The consent is valid till 30th June, 1963.

Madras Rubber Factory Ltd is to issue further equity capital of Rs. 62,50,000 for cash at par. The consent is valid up to 31st July, 1963.

True Tools Ltd, Madras, is raising equity capital of Rs. 50 lakhs in shares of Rs. 100 each for cash at par.

J and P Coats (India) Private Ltd, Bombay, will issue further capital of Rs. 36 lakhs in equity shares of Rs. 100 each for cash at par. The entire issue will be allotted to J and P Coats Limited, Glasgow.

Kashmir Ceramics Ltd, incorporated in the Jammu and Kashmir State, is issuing share capital of Rs. 50 lakhs in equity shares of Rs. 100 each, partly for cash and partly for consideration other than cash. Out of this issue, 49 percent of the issue will be subscribed by the State Government.

CAPITAL, 9th May, 1963.

The Stock Markets

MODEST REACTION IN CALCUTTA MARKET

Wednesday Evening.

THERE has been a modest reaction in the Calcutta stock market during the past week. Since share prices had risen sharply after the concessions in the Budget proposals were announced, a corrective movement has been expected. Although the technical position has improved, it is difficult to say whether the gains will be consolidated. A disturbing feature is that activity has largely been speculative; investment support has been negligible. This probably explains why the forward prices have been generally higher than the cash ones. Although selling pressure has not been pronounced, support has shrunk considerably. Several bulls, who had bought earlier, are inclined to take profit and reduce their commitments. The prospect of an early resumption of forward trading under restrictions has put operators on their guard because short-selling, if it is again permitted, might push down prices.

Lyons Range has, meanwhile, been taking a cautious view of the political developments. Although an armed conflict between China and India is not foreseen, concern has grown since the former has not yet accepted the Colombo proposals in full. The settlement of the Kashmir dispute between India and Pakistan is again not in sight.

The economic indicators have not been favourable from the investors' point of view. Despite a bigger turnover, corporate profits have generally declined because of the impact of the rising production costs and heavier taxation. The latest company results confirm the impression that the dividend paying capacity has been sufficiently impaired by the super profits tax. Companies have also found it difficult to plough back funds into business. Although some companies have made a token increase in their dividends, it is doubtful whether they will be able to maintain them in future. In the circumstances, investors have been more discriminating in their purchases.

The authorities are, meanwhile, thinking of introducing some improvements into the activities of the stock market. It is proposed to accord official recognition to the badla rates which have hitherto been unofficially fixed. Henceforth, these rates may be regularly fixed and quoted under official supervision. Steps are also being taken to expedite the publication of information relating to the delivery of shares in each clearing. If this service were to be improved, it would help assess the trend on the basis of facts rather than guesses.

Indian Iron have moved downward following the disappointing output figures for April. The production of pig iron has declined from 116,303 tons in March to 109,650 tons in April while that of steel ingot has fallen from 93,288 tons to 80,807 tons. The output of salable steel has been smaller at 55,282 tons, against 87,400 tons. Despatches of salable steel have declined from 106,182 tons to 46,374 tons. Engineering shares have shed gains all-round. Despite growth prospects, Guest, Keen, Williams have lost on profit-taking. Kumardhubi have been barely steady on declaring a higher dividend.

Jute shares have been cheerful and the prices of selected scrip have hardened. Kamarbhaty and Kankarnarrah

have gained on paying higher dividends. Reliance have improved on interested buying. A change in the control of the Company has also been rumoured. Interest has been taken in Union, Northbrook, Birla, Anglo-India, Ganges, Gourepore and Fort Gloster. Caledonian have been taken on declaring a higher dividend. The earlier support for coal shares has fizzled out, since investors are inclined to wait until the Government decides on an increase in the price of the fuel.

The prices of miscellaneous shares have fallen after an earlier rise. Turnover has shrunk considerably. The corporate news has been mixed. Attention has largely been concentrated on clearing shares which have closed below the best levels touched by them. Among new shares, support has been confined to Hindustan Aluminium, Hindustan Twyford, Philips Carbon, India Carbon and Asiatic Oxygen. Paper shares have reacted. In the cotton mill section, Bharat Commerce and J. K. Rayon have lost. Interest has been negligible in bank shares. Scattered support has been extended to Calcutta Electric. Sugar shares have been difficult to deal in because of the absence of buyers. Stray business has been done in tea shares, but prices have shown little change.

Turnover has been small in Government securities. In spite of a strong demand for short-dated loans, business has been limited because of the shortage of offer. The 3 percent Conversion loan 1986 has been quoted around Rs. 63.55. Selected preference shares and debentures have been supported.

Tata Steel Output

Messrs Tata Industries Private Ltd, managing agents for the Tata Iron and Steel Company Ltd, report that the approximate production for iron and steel at the steel works in Jamshedpur during April 1963 was: iron 161,600 metric tons; steel ingots 161,700 metric tons and salable steel 122,200 metric tons.

Bombay

BULLS ANXIOUS TO CUT COMMITMENTS

BUSINESS CONFINED TO CLEARING SHARES

Wednesday Evening.

THE Bombay stock market has closed the past week in a cautious mood. Although share prices have reacted modestly, fresh support has been conspicuous by its absence. There has been evidence of tired long liquidation. Bulls have been inclined to reduce their commitments since most of them seem to have bought up to the maximum limit permitted by the authorities. The ground for caution is the prospect that the Government may soon permit the resumption of forward trading under certain restrictions; it is apprehended that the trend might be downward if short-selling were permitted freely.

Turnover has meanwhile been confined largely to clearing shares. Cash

shares have been sluggish because of the lack of interest on the part of investors. The dividend outlook is not considered encouraging since the super profits tax will mop up a substantial portion of the after-tax profits. The latest corporate news has generally been depressing because most of the companies have either repeated the dividends or cut them.

Steel shares have reacted after an earlier smart rise. Tata ordinary have fallen to Rs. 134.75 on smaller production figures for April. Indian Iron have been subdued at Rs. 22.28 on pressure from Lyons Range. Among engineering shares, attention has been concentrated on Tata Locomotive, Mukand Iron, Larsen and Toubro and Premier Construction. Mahindra and Mahindra have been sluggish on reports that the directors of the Company may have to reconsider the various new schemes. In motor-vehicle shares, Hindustan Motors and Premier Auto-mobles have declined on profit-taking.

The cotton mill shares have closed below their best levels. Century, Bombay Dyeing, Kohinoor, Svadeshi and Simplex have fallen. Khatau have nevertheless been prominent on prospects of a bonus issue, but Standard have declined on pressure. India United ordinary and Morarjee have been easier.

In the miscellaneous section, sugar shares have been steady on hopes that the implementation of the Maharashtra Land Ceilings Act would be delayed. Belapur have met with support, as have Maharashtra Sugar, on prospects of a bonus issue in the proportion of two bonus shares for every five held. Cement shares have been quiet. Associated Cement and Digvijay have lost. Mining shares have been subdued, and Shivrajpur Syndicate have fallen on a predominance of sellers. Steamship company shares have been quiet. Scindia and Great Eastern Shipping have been sold freely. Bombay Burmah have reacted. Rayon shares have been easier. Indian Rayon have lost on unfavourable corporate news. National Rayon have also reacted. Scattered support has been extended to Voltas and Western Match. Chemical shares have been quiet, and Tata Chemical have lost. Indian Dye-stuff have, however, been steady.

Small business has been done in bank shares. In the insurance section, New India Assurance have been firm on prospects of a bonus issue. Electric supply company shares have been quiet. Ahmedabad and Tata Power have lost on balance.

Madras

SUBSTANTIAL FALL IN TURNOVER

OPERATORS BECOME CAUTIOUS

Tuesday Evening.

ALTHOUGH the Madras stock market has been fairly steady during the past week, turnover has shrunk considerably towards the close. Because of lower advices from Dalal Street, operators have turned cautious. They are inclined to wait until the decision of the Government

about the resumption of forward trading becomes known. Investors have been cautious because the heavy impact of the super profits tax on dividends has been reflected in the latest company results.

Turnover in Government securities has been small, although prices have been somewhat steadier. In the banking section, Pandyan Bank have met with support on the news that the Bank will be taken over by the Canara Bank. Among electric supply companies, West Coast have been fancied on the news that the Government of Kerala will be acquiring this undertaking in the near future.

Selected planting shares have met with support on good crop reports. Good tea shares have been bought because of satisfactory auction prices realised for the commodity. Coffee scrip have been steady in view of the fact that the international price of the commodity has moved upward. Interest has been taken in Blue Mountain, Periakaramalai, Consolidated Coffee and Peermade. The last-named Company has declared a final taxable ordinary dividend of 5 percent, making 20 percent for the year. Nonsuch have declared an interim taxable ordinary dividend of 5 percent, Tropical a taxable ordinary dividend of 8 percent, Ossor an interim taxable ordinary dividend of 5 percent, Lingapur an interim taxable ordinary dividend of 5 percent and Cowcoody an interim taxable ordinary dividend of 7.5 percent.

Except for support in Bangalore Woollen and Buckingham because of the declaration of satisfactory dividends, cotton mill shares have lacked interest. South India Viscose have been available at Rs. 145, Madura at Rs. 32.50 and Travancore Rayon at Rs. 26. Vijayalakshmi have declared a taxable ordinary dividend of 15 percent and Binny a final taxable ordinary dividend of 13 percent, making 21 percent for the year.

Miscellaneous shares have generally been subdued, although scattered support has been extended to selec-



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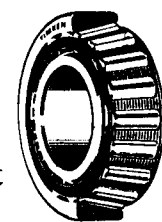
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ted cement shares. Dalmia Cement have come to hand at Rs. 13.10 and India Cement at Rs. 5.65. Business has been done in Mettur Chemical at Rs. 12.35 and in Parrys Confectionery at Rs. 3.30. Aluminium Industries have reacted to Rs. 17.75 and Ashok Leyland to Rs. 7.55. Seshasayee Paper have been steady at Rs. 7.95, but Mandya National Paper have fallen to Rs. 8.85.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs. 28/94—29/44—28/50—28/75—(35/25).
Burrakur Coal—Rs. 16/62—16/62—16/62—16/62—(18/62).
Dunlop Rubber—Rs. 34/25 x.d.—34/44—33/75—33/75—(44/00).
Guest, Keen, Williams—Rs. 33/81—34/62—33/50—33/75—(41/00).
Hindustan Motors—Rs. 17/12—17/41—16/94—17/00—(20/06).
Howrah Jute—Rs. 19/94—20/19—19/75—20/00—(20/75).
Indian Copper—Rs. 4/33—4/36—4/18—4/18—(5/12).
Indian Iron & Steel—Rs. 22/26—22/46—21/92—22/04—(26/16).
Indian Aluminium—Rs. 32/25 x.d.—33/62—32/25—32/31—(41/12).
Indian Cable—Rs. 30/50—30/50—30/00—30/00—(36/50).
J. K. Cotton Spg & Wvg.—Rs. 13/87—14/25—13/50—13/94—(21/19).
Jaipur Udyog—Rs. 10/69—10/87—10/69—10/75—(14/25).
Kesoram Industries—Rs. 23/25—23/56—22/94—23/00—(32/12).
Orient Paper—Rs. 34/60—34/90—33/70—34/00—(43/20).
Orissa Cement—Rs. 13/44—13/87—13/31—13/62—(19/00).
Rohtas Industries—Rs. 10/87—10/87—10/56—10/56—(16/62).
Textile Machinery—Rs. 23/85—24/10—23/20—23/45—(25/55).

GOVERNMENT SECURITIES

U. P. Zemindary Rehabilitation Grant Bond (8 collected)—Rs. 33/55—33/55—33/45—33/45.
3 % Loan (1968)—Rs. 63/50—63/55—63/45—63/45.
3 % " (1970-75)—Rs. 86/17—86/17—86/15—86/15.
3 % " (1966-68)—Rs. 96/20—96/20—96/20—96/20.
3 1/2 % " (1968)—Rs. 98/73 S.T.—98/73—98/73—98/73.
3 1/2 % " (1965)—Rs. 99/30—99/30—99/30—99/30.
3 1/2 % " (1974)—Rs. 96/10—96/10—96/10—96/10.
3 1/2 % " (1969)—Rs. 96/90—96/90—96/90—96/90.
4 % Madras (1969)—Rs. 96/25—96/25—96/25—96/25.
4 1/2 % U. P. (1974)—Rs. 96/65—96/70—96/65—96/65.
4 1/2 % Loan (1985)—Rs. 100/10—100/10—100/10—100/10.
4 1/2 % Madras (1974)—Rs. 96/75—96/75—96/75—96/75.
4 1/2 % Orissa (1974)—Rs. 96/50—96/50—96/50—96/50.

BANKS

Allahabad—Rs. 275/00—275/00—275/00—275/00—(329/00).
Punjab National—Rs. 19/25—19/25—19/25—19/25—(21/87).
United Bank of India (Rs. 10 paid)—Rs. 7/25—7/37—7/12—7/31—(7/19).
United Commercial—Rs. 72/00—72/00—72/00—72/00—(92/50).

COTTONS

Aditya—Rs. 9/37—9/75—9/37—9/75.
Bharat Commerce—Rs. 22/75—23/06—22/75—23/06—(29/25).
Cawnpore—Rs. 6/75—6/75—6/75—6/75—(8/56).
Elgin—Rs. 18/75—18/87—18/56—18/56—(21/60).
Jay Shree—Rs. 14/69—14/94—14/69—14/81—(16/87).
Muir (Pref.)—Rs. 122/00—122/00—122/00—122/00—(10/62).
New Victoria—Rs. 1/44—1/44—1/44—1/44—(10/62).
Do. (Pref.)—Rs. 3/00—3/00—3/00—3/00—(10/62).

COALS

Amalgamated—Rs. 23/00—23/00—23/00—23/00—(373/00).
Bengal—Rs. 288/00—289/00—286/00—286/00—(373/00).

East Indian—Rs. 32/00—32/00—31/75—31/87—(47/50).
Ghusick & Muslia—Rs. 14/25—14/25—14/25—14/25—(11/94).
Karanpura Collieries—Rs. 16/87—16/87—16/62—16/75.
New Manbhoon—Rs. 15/75—16/00—15/75—16/00—(13/75).
New Beerbhoon—Rs. 19/50—19/50—19/37—19/37.
Pench Valley—Rs. 18/00—18/00—18/00—18/00—(18/12).
South Karanpura—Rs. 9/00—9/00—8/75—8/87—(9/25).
Western Bengal—Rs. 9/19—9/25—9/19—9/25—(9/84).

JUTES

Anglo-India—Rs. 216/00—228/00—216/00—228/00—(240/00).
Do. (Pref.)—Rs. 96/00—96/00—96/00—96/00—(29/94).
Auckland—Rs. 144/00—144/00—144/00—144/00—(181/00).
Alliance—Rs. 98/00—100/00—98/00—100/00—(141/00).
Bengal (Pref.)—Rs. 56/25—59/50—56/25—56/75.
Champdany—Rs. 18/19—18/25—18/12—18/12.
Cheviot—Rs. 23/12—23/25—23/12—23/25—(24/62).
Delta—Rs. 157/00—157/50—155/00—157/00—(191/00).
Dalhousie—Rs. 143/00—146/00—143/00—145/00—(130/00).
Empire (Pref.)—Rs. 90/50—91/00—90/50—91/00.
Fort Gloster—Rs. 370/00—371/00—369/00—371/00—(443/00).
Gourepore—Rs. 25/50—25/62—24/75—25/62.

Ganges—Rs. 13/44—13/69—13/37—13/37—(14/44).
Gondalpara—Rs. 15/44—15/44—15/44—15/44—(55/00).
Hukumchand—Rs. 22/00—22/00—22/00—22/00—(26/31).
India—Rs. 18/00—18/00—17/50—17/50—(17/75).
Kanknarr—Rs. 136/00—140/00—136/00—140/00—(122/00).
Kamarhatti—Rs. 180/00—182/00—180/00—181/00—(177/00).
Megna—Rs. 13/69—13/69—13/00—13/31—(13/25).
New Central—Rs. 12/12—12/12—11/75—11/75—(17/12).
Northbrook—Rs. 29/50—30/25—29/50—30/25—(37/50).
Naihati (2nd Pref.)—Rs. 80/00—80/00—80/00—80/00—(80/00).
Presidency—Rs. 5/37—5/44—5/12—5/19—(6/75).
Rameshwara—Rs. 9/59—9/59—9/50—9/56—(9/56).
Reliance—Rs. 11/34—11/50—9/50—10/62—(7/50).
Do. (Pref.)—Rs. 99/50—100/00—99/50—100/00.

Soorab—Rs. 21/25—21/25—21/25—21/25—(25/62).
Union—Rs. 144/00—144/00—144/00—144/00—(191/00).
Waverley—Rs. 7/00—7/06—7/00—7/06—(6/50).
MININGS
Assam Sillimanite—Rs. 8/18—8/18—7/94—8/12—(9/50).
Metal Corp.—Rs. 8/31—8/31—8/06—8/12—(12/12).
CEMENTS
Ashoka—Rs. 7/25—7/37—7/12—7/12—(8/81).
Bengal Potteries—Rs. 5/37—5/44—5/37—5/44—(7/00).
Dalmia (Bharat)—Rs. 13/12—13/25—12/81—12/87—(13/40).
Sone Valley—Rs. 4/25—4/37—4/12—4/12—(5/62).
ELECTRICS
Calcutta—Rs. 14/37—14/50—14/37—14/31—(15/12).
Do. (Pref.)—Rs. 8/06—8/12—8/06—8/12—(8/87).
U. P.—Rs. 115/50—115/50—115/50—115/50—(126/00).
CHEMICALS
Alkali & Chemical—Rs. 35/75—36/50—35/75—36/31—(48/50).
Do. (Pref.)—Rs. 86/00—87/00—86/00—87/00.
Bengal Chemical—Rs. 98/00—98/25—97/00—97/00—(112/00).
Do. (4 1/2 % Pref.)—Rs. 60/00—61/00—60/00—61/00.
Kanknarr—Rs. 6/56—6/56—6/56—6/56.

ENGINEERINGS
Bharat Ball Bearing—Rs. 13/75—13/81—13/75—13/81.
Bhartia Elec. Steel—Rs. 13/62—13/69—13/56—13/56—(12/75).
Braithwaite & Co.—Rs. 28/94—29/12—28/00—28/00—(62/00).
Do. (Pref.)—Rs. 107/00—107/00—107/00—107/00.
Binani Metal—Rs. 10/50—10/56—10/25—10/25—(12/94).
Britannia Eng.—Rs. 10/06—10/06—9/94—10/00—(13/00).

Calcutta Steel—Rs. 13/31—13/31—13/25—13/25—(17/75).
Dalmia Iron—Rs. 10/50—10/50—10/50—10/50—(12/25).
Hindustan Wire—Rs. 9/75—10/00—9/75—10/00—(11/94).
Indian Steel & Wire—Rs. 38/87—38/87—38/87—38/87—(53/50).
Industrial Containers—Rs. 22/00—22/00—22/00—22/00—(22/00).
Indian Iron (Pref.)—Rs. 83/00—83/00—83/00—83/00—(25/00).
J. K. Steel—Rs. 15/00—15/00—14/94—14/94—(20/06).
Jay Engineering—Rs. 22/75—22/87—22/69—22/69—(29/94).
Kumardhubi—Rs. 8/00—8/00—7/94—8/00—(8/00).
Marshall's—Rs. 2/90—3/06—2/90—3/06—(4/19).
Machinery Mfg.—Rs. 18/62—18/75—18/62—18/75—(18/75).
National Iron & Steel—Rs. 4/19—4/25—4/19—4/25—(5/50).
Raymond—Rs. 3/87—4/00—3/72—3/72.
Saran Eng.—Rs. 7/94—9/00—7/94—9/00—(10/00).
Textile Machinery (2nd Pref.)—Rs. 62/00—62/00—62/00—62/00—(60/50).
Wellman Incandescent—Rs. 7/31—7/37—7/12—7/31.

INSURANCES

New Asiatic—Rs. 8/50—9/62—8/50—9/56—(8/25).
Ruby General—Rs. 8/44—8/56—8/37—8/56—(9/53).

MISCELLANEOUS

Aluminium Corp.—Rs. 13/75—13/75—13/62—13/62—(18/87).
Asiatic Oxygen—Rs. 9/81—10/00—9/50—9/87.
American Refrigerator—Rs. 8/06—8/12—8/00—8/12—(9/19).
B. I. Corp.—Rs. 8/87—8/94—8/75—8/94—(10/37).
Calcutta Safe Deposit—Rs. 7/87—7/87—7/87—7/87—(7/25).
East Anglia Plastics—Rs. 10/06—10/12—9/94—10/00—(23/25).
Electric Construction—Rs. 12/87—13/00—12/87—13/00—(15/37).
General Tyres—Rs. 9/00—9/12—8/87—9/00—(6/37).
Hindustan Aluminium—Rs. 13/55—13/75—13/44—13/69—(16/81).
Hindustan Twyford—Rs. 14/62—14/62—13/94—13/94—(17/94).
Hindustan Wire Products—Rs. 16/06—16/37—16/06—16/37—(12/62).
Hindustan Gas—Rs. 23/12—23/25—22/87—22/94—(27/00).
Hindustan Development—Rs. 4/06—4/12—4/06—4/12—(7/06).
Imperial Tobacco—Rs. 10/69—11/00—10/62—11/00—(11/87).
Indian Tack & Nail—Rs. 12/75—13/00—12/50—12/94—(19/75).
Isaac Holdens—Rs. 14/62—14/81—14/50—14/81—(19/56).
India Carbon—Rs. 21/25—21/31—21/00—21/12—(20/81).
Indian Wood Products—Rs. 29/12—29/25—29/12—29/25—(31/25).
Indian Oxygen—Rs. 29/50—29/50—29/12—29/12—(46/75).
Indian Rubber Manufacturing—Rs. 19/87—19/87—19/87—19/87—(20/00).
Jardine Henderson—Rs. 87/00—87/00—85/00—85/50—(77/50).
J. K. Synthetics—Rs. 11/37—11/50—11/25—11/25—(16/37).
Jeewanlal (1929)—Rs. 9/87—10/00—9/87—10/00.
Kusum Products—Rs. 27/00—27/00—27/00—27/00—(27/00).
Martin Burn—Rs. 27/12—27/12—27/00—27/12—(29/12).
Metal Distributors—Rs. 5/00—5/00—4/91—4/94.
Macfarlane & Co. (Defd.)—Rs. 1/75—1/75—1/69—1/69—(2/53).
National Insulated Cable—Rs. 24/62—24/62—24/62—24/62—(45/00).
National Rubber Mfg.—Rs. 12/12—12/62—12/06—12/62—(12/31).
National Standard—Rs. 52/00—52/50—50/50—51/00.
National Tobacco—Rs. 12/00—12/00—12/00—12/00—(15/87).
New India Investment—Rs. 60/00—65/00—60/00—65/00—(55/25).
Phillips Carbon—Rs. 18/50—18/69—18/12—18/12—(26/75).
Phillips India—Rs. 26/25—26/25—25/69—25/69—(37/75).
Rallis India—Rs. 115/50—116/00—115/50—116/00—(150/00).
Sen-Raleigh—Rs. 13/62—13/62—13/62—13/62—(19/50).
Sirsilk—Rs. 8/62—8/75—8/50—8/69—(10/25).
Tungabhadra—Rs. 6/56—6/62—6/50—6/50.
Universal Electrics—Rs. 9/06—9/12—8/75—8/75—(5/66).
Usha Martin—Rs. 14/25—14/31—14/19—14/31—(16/12).

Universal Cables—Rs. 9/56—9/32—9/56—9/62—(11/44).

OILS

Indo-Burma Petroleum—Rs. 23/00—23/12—22/00—22/00—(29/50).
Tide Water—Rs. 24/75—25/12—24/75—25/12—(24/06).

PAPERS

Bengal—Rs. 29/81—29/81—29/81—29/81—(35/19).
Orient (1st Pref.)—Rs. 88/50—89/00—88/50—89/00.
Srirpur—Rs. 12/06—12/31—11/94—12/00—(16/62).
Seshasayee—Rs. 8/19 S.T.—8/19—7/94—8/06—(8/50).
Shree Gopal (2nd Pref.)—Rs. 99/00—99/00—99/00—99/00.
Straw Products—Rs. 9/56—9/56—9/12—9/19—(10/56).
Titaghar—Rs. 16/87—17/06—16/87—17/06—(41/94).
Do. (2nd Pref.)—Rs. 66/50—66/50—66/50—66/50.

SHIPPING

Bengal Assam Steamship—Rs. 130/00—132/00—130/00—132/00—(118/50).
India General Nav. (Pref.)—Rs. 76/00—76/00—76/00—76/00.
India Steamship—Rs. 6/31—6/44—6/19—6/12—(8/34).
Port Shipping—Rs. 12/37—12/50—12/37—12/44—(12/37).

REAL PROPERTIES

Midnapore Zemindary—Rs. 10/06—10/06—10/06—10/06—(9/56).
Sahu Properties—Rs. 2/56—2/56—2/50—2/50—(2/72).

SUGARS

Darbhangha—Rs. 7/37—8/25—7/37—8/25—(10/00).
Ramnagar Cane—Rs. 26/00—26/12—26/06—26/12—(30/44).
Shree Krishna Gyanoday—Rs. 7/25—7/31—7/12—7/19—(9/87).
Shree Hanuman—Rs. 11/25—11/25—11/25—11/25—(11/25).
Tulsipore—Rs. 4/56—4/56—4/56—4/56—(5/00).

TEAS

Bormah Jan—Rs. 14/06—14/25—14/06—14/25—(16/50).
Brooke Bond—Rs. 11/87—12/00—11/81—11/94—(15/81).
Bishnauth—Rs. 17/19—17/25—17/12—17/25—(19/87).
Birpara—Rs. 160/00—160/00—160/00—160/00—(153/00).
Chundeecherra—Rs. 24/75—26/00—24/75—26/00—(24/37).
East India—Rs. 14/12—14/12—14/00—14/00—(19/87).
Gohpur—Rs. 14/44—14/50—14/44—14/50—(15/50).
Grob—Rs. 9/00—9/00—9/00—9/00—(10/31).
Hulibari—Rs. 12/62—12/75—12/62—12/75—(17/50).
Joonktoole—Rs. 17/50—17/50—17/50—17/50—(17/50).
Jaybirpara—Rs. 11/12—11/25—11/00—11/12—(14/06).
Kingsley Golghat—Rs. 130/00 x.r.—130/00—130/00—130/00—(212/00).
North Western Cachar—Rs. 114/00—160/00—14/00—160/00—(205/00).
Naga Hills—Rs. 22/25—22/25—22/25—22/25—(20/00).
Tezpur—Rs. 15/37—15/37—15/37—15/37—(17/25).
Tukvar—Rs. 7/12—7/12—7/12—7/12—(7/06).

DEBENTURE

6 1/2 % Bengal Coal—Rs. 100/00—100/00—100/00—100/00.

London

EARLY RISE IN PRICES CHECKED

ELECTION TALK RESTRAINS OPERATORS

London, 8th May.
THERE was much to help sentiment in the stock market over the past week with the steady flow of good company statements and encouraging reviews from company chairmen of particular influence. Economic trends helped in no small measure and the Chancellor of the Exchequer had some encouraging things to say. But buyers were taking courage from all this at the beginning of the week, but the old election bogey reared its head in the last few days and this brought a halt to the advance in prices. Equities took on an easier appearance although there was no pressure to sell as investors preferred to take the longer-term view which appeared very promising.

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		3-5-63	26-4-63	4-5-62
Liabilities—				
Notes in Banking Dept.	...	14,55.82	33,31.75	14,83.69
Notes in Circulation	...	23,20,24.43	23,04,34.41	21,45,14.21
Total Notes issued	...	23,34,80.25	23,37,66.16	21,59,97.90
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.03
Foreign Securities	...	1,05,08.43	1,05,08.43	1,05,00.07
Total of A	...	2,22,84.53	2,22,84.53	2,22,76.10
B. Rupee Coin	...	1,15,52.20	1,18,38.43	1,16,34.87
Rupee Securities	...	19,96,43.52	19,96,43.29	18,20,86.93
Total	...	23,34,80.25	23,37,66.16	21,59,97.90

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	81,00.00	61,00.00	50,00.00
National Agricultural Credit (Stabilisation) Fund	...	7,00.00	7,00.00	6,00.00
Deposits—				
(a) Central Govt.	...	51,49.27	62,11.18	51,36.10
(b) State Govts.	...	8,08.22	9,16.48	16,06.38
(c) Banks —	...			
(i) Scheduled Banks	...	79,08.65	74,60.46	78,97.50
(ii) State Co-operative Banks	...	2,00.67	2,70.30	...
(iii) Other Banks	...	4.40	2.39	...
(d) Others	...	1,71,06.20	1,73,90.78	1,51,60.36
Bills Payable	...	29,39.48	29,99.84	30,74.38
Other Liabilities	...	70,86.77	70,34.04	63,61.11
Total	...	5,65,03.66	5,75,85.47	5,33,35.83
Assets—				
Notes	...	14,55.82	33,31.75	14,83.69
Rupee Coin	...	1.22	2.47	2.43
Small Coin	...	2.33	3.11	3.22
National Agricultural Credit (Long Term Operations) Fund	...			
(a) Loans and Advances to —	...			
(i) State Govts.	...	27,17.21	27,17.26	...
(ii) State Co-operative Banks	...	9,29.70	9,22.03	...
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	2,84.88	2,84.88	...
National Agricultural Credit (Stabilisation) Fund	...			
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted —	...			
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. treasury Bills	...	...	...	...
Balance held abroad	...	46,58.29	58,11.28	52,10.27
Loans and Advances to Govt.	...	7,59.85	8,83.00	5,98.78
Loans and Advances to —	...	62,45.04	57,62.66	1,13,63.55
(i) Scheduled Banks	...	41,85.70	31,16.30	1,29,56.88
(ii) State Co-operative Banks	...	1,11,04.24	1,10,05.58	...
(iii) Others	...	1,87.27	1,80.27	...
Investments	...	2,02,69.55	1,98,78.41	1,81,31.68
Other Assets	...	37,02.56	36,56.47	35,85.33
Total	...	5,65,03.66	5,75,85.47	5,33,35.83

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		26-4-63	19-4-63	27-4-62
(I) Demand Liabilities—				
(a) Demand Deposits	...	53,43.35	53,26.50	54,76.08
(b) From Banks	...	8,91,56.92	8,93,24.38	7,88,53.19
(c) Borrowing from Banks	...	30,60.80	31,65.32	27,46.49
(d) Others	...	62,64.93	63,90.27	60,55.14
(II) Time Liabilities—				
(a) Time Deposits	...	27,68.23	27,69.95	16,35.48
(b) From Banks	...	11,94,38.44	11,90,17.78	11,74,13.34
(c) Borrowing from Banks	...	13,85.30	13,07.56	11,62.22
(d) Others	...	10,14.78	10,16.75	12,90.42
(III) Borrowing from State Bank—				
(a) Demand Liabilities	...	5,91.97	7,41.13	4,86.99
(b) Time Liabilities	...	11,28.00	12,52.50	15,78.00
(c) Cash	...	31,36.45	32,06.25	12,65.20
(d) Balances with the Reserve Bank	...	54,23.02	53,90.98	51,63.78
(e) Balances with other Banks in current account	...	73,54.62	71,08.82	90,03.16
(f) Money at call and short notice	...	20,91.27	20,88.23	18,64.56
(g) Investments in Central and State Govt. Securities	...	49,06.55	49,03.69	49,03.69
(h) Loans, Cash credits and Overdrafts	...	6,14,81.34	6,09,07.93	6,00,56.30
(i) Due from Banks	...	13,21,25.08	13,24,43.88	11,96,41.15
(j) Inland Bills purchased and discounted	...	7,20.27	6,33.06	5,54.62
(k) Foreign Bills purchased and discounted	...	2,15,21.64	2,18,90.91	1,82,04.27
(l) Total of X, XI and XII	...	53,26.24	55,46.18	49,08.00
(m) Total of X, XI and XII	...	15,96,93.23	16,05,14.05	14,33,07.84

THE BRITISH INDIA CORPORATION LTD., KANPUR

BRANCHES DIVISION:

Cawnpore Woollen Mills Branch Cooper Allen Branch
New Egerton Woollen Mills Branch North West Lannery Branch

London Office:

BEGG SUTHERLAND DIVISION:

Secretaries & Treasurers

The Elgin Mills Co. Limited Cawnpore Sugar Works Ltd.
Cawnpore Textiles Ltd. Champaran Sugar Co. Ltd.
Brushware Limited Saran Engineering Co. Ltd.

Secretaries for: Beta Picker Co., Ltd.

Agents for: The Oriental Fire & General Insurance Co., Ltd.

Money

THE CALCUTTA MONEY MARKET

MODERATE DECLINE IN ADVANCES

Wednesday, 8th May.

THE general level of advances has shown a moderate decrease in the Calcutta money market during the past week. There has been a slight decrease in the credit given to the jute mills and to the iron, steel and engineering industries. The advances to the foodgrains and seeds trade too have declined. But there is no change in the advances to cotton and woollen mills and to the sugar industry. In the interbank market, conditions have become tight and the call rate has hardened to 5 percent.

The local exchange market continues to be very dull. The supply of gunny and tea bills has been extremely scarce. The demand for remittance has been poor. Sterling has lost further ground in relation to most of the major currencies, with the exception of the Danish kroner and the Italian lira.

SILVER WAS QUIET IN CALCUTTA during the past week. Turnover was small. The price fell from the previous week's level of Rs. 277.50 to Rs. 275.25, quoted today for ready delivery. There was no business in forward. The London and New York prices were 109½ and 127 cents. Gold was not transacted.

DURING THE WEEK ENDED 3RD MAY, Government of India Treasury bills for Rs. 85,77,25,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 7th May. The total amount offered was Rs. 2.04 crores. Tenders at 99.415 percent and above were accepted in full and those at Rs. 99.410 percent were allotted approximately 97 percent. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.354 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 13th May.

IT IS STATED THAT 91-DAY INTER-MEDIATE Treasury bills will be sold from 8th May to 11th May at Rs. 99.426 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 1st May to 4th May amounted to Rs. 11.25 lakhs only.

A RISE OF RS. 15.90 CRORES TO Rs. 2,320.24 crores in active notes was an outstanding feature of the return of the Reserve Bank of India for the week ended 3rd May, 1963, but the total note issue fell by Rs. 2.86 crores to Rs. 2,334.80 crores. Notes held in the Banking Department consequently fell by Rs. 18.76 crores to Rs. 14.56 crores. Deposits of the Government of India were Rs. 10.62 crores smaller at Rs. 51.49 crores, and those of State Governments fell by Rs. 1.08 crores to Rs. 6.08 crores. Balances of scheduled banks were Rs. 4.49 crores larger at Rs. 79.09 crores. Balances held abroad declined by Rs. 1.23 crores to Rs. 7.60 crores. Investments at Rs. 202.70 crores showed a rise of Rs. 3.92 crores. Loans given to scheduled banks rose from Rs. 31.16 crores to Rs. 41.86 crores, of which advances

against usance bills were Rs. 31.06 crores (Rs. 26.24 crores). Ways and means advances stood at Rs. 62.45 crores, against Rs. 57.93 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 26th April, 1963, shows a drop of Rs. 4.37 crores to Rs. 560.02 crores in total deposits. Investments in Government securities are up by Rs. 3.09 crores to Rs. 230.51 crores, while other authorised investments remain unchanged at Rs. 7.84 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have dropped by Rs. 5.33 crores to Rs. 311.58 crores. Cash and balances are, in consequence, shown at Rs. 20.35 crores or Rs. 2.93 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 26th April, 1963, shows Demand and Time liabilities at Rs. 1,038.26 crores (Rs. 30.61 crores on account of borrowings from banks) and Rs. 1,246.07 crores (Rs. 13.85 crores) compared with Rs. 1,042.06 crores (Rs. 31.65 crores) and Rs. 1,241.12 crores (Rs. 13.08 crores), respectively, in the previous week. Cash has increased by Rs. 42 lakhs to Rs. 54.23 crores, while balances with the Reserve Bank have fallen by Rs. 3.54 crores to Rs. 73.55 crores. There is a rise of Rs. 5.73 crores to Rs. 614.81 crores in investments. Advances and bills discounted at Rs. 1,596.93 crores show a drop of Rs. 8.21 crores. The ratios to total liabilities of cash and balances and of advances and discounts are, in consequence, shown at 5.6 percent and 69.9 percent, against 5.7 percent and 70.3 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 10-5-63.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
10-5-63	13-8-63	2,00.00	Rs. 2.354%
3-5-63	6-8-63	2,00.00	Rs. 2.350%
26-4-63	29-7-63	2,00.00	Rs. 2.349%
19-4-63	22-7-63	2,00.00	Rs. 2.354%
11-4-63	14-7-63	2,00.00	Rs. 2.380%
5-4-63	8-7-63	2,00.00	Rs. 2.370%
29-3-63	2-7-63	2,00.00	Rs. 2.370%
22-3-63	25-6-63	2,00.00	Rs. 2.370%
15-3-63	18-6-63	2,00.00	Rs. 2.370%
8-3-63	11-6-63	2,00.00	Rs. 2.365%
1-3-63	4-6-63	2,00.00	Rs. 2.365%
22-2-63	25-5-63	2,00.00	Rs. 2.365%
15-2-63	18-5-63	2,00.00	Rs. 2.365%
8-2-63	11-5-63	2,00.00	Rs. 2.360%
(Monthly Maturities 000's omitted)			
May 1963		6,00.00	
June 1963		8,00.00	
July 1963		10,00.00	
August 1963		4,00.00	
Total		28,00.00	

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
3-5-63	95.30	1,10.99
26-4-63	95.30	98.43
19-4-63	90.29	1,23.77
11-4-63	82.51	89.75

ANNOUNCEMENT REGARDING THE ISSUE OF 'B' R. C. PREFERENCE SHARES

"This is an announcement and not a Prospectus"

Applications are invited on the basis of the prospectus, copies whereof are available from the Company's Bankers, Underwriters and Brokers.

JAY SHREE TEA & INDUSTRIES LIMITED

(Incorporated under the Indian Companies Act, 1913)

Registered Office: INDIA EXCHANGE, CALCUTTA-1.

SHARE CAPITAL		Issued	Subscribed & Paid-up
Authorised Rs.	Shares of Rs. 100 each	Rs.	Rs.
75,00,000	..	..	..
1,75,00,000	Shares of Rs. 10 each	..	..
	(1) Equity Shares of Rs. 10 each	Rs. 88,73,120	Rs. 87,46,630
	(2) 9% (Originally 6% Tax-free) R. C. Preference Shares of Rs. 100 each Redeemable on 31.12.1968	Rs. 29,28,500	Rs. 3,45,300
	(3) 9.3% 'B' R. C. Preference Shares of Rs. 100 each Redeemable on 31.12.1973	Rs. 29,15,600	Rs. 4,35,600 (Calls in arrears Rs. 15,700)
Rs. 2,50,00,000		Rs. 1,47,17,220	Rs. 95,27,530

PRESENT OFFER

24,800, 9.3% (Free of Company's tax but subject to deduction of tax at source at prescribed rates) 'B' R. C. Preference Shares of Rs. 100 each

Being the balance unsubscribed Shares out of the total issue of Rs. 29,15,600.

The amounts payable in respect of the present issue shall be payable—(1) on application Rs. 50 per share; (2) Balance Rs. 50 per share in such call or calls as may be determined by the Directors to be made not earlier than three months after the date of allotment.

The whole issue is fully underwritten by Nine Underwriters as mentioned below and in the opinion of the Directors the resources of the said Underwriters are sufficient to discharge their obligations.

DATES OF THE OPENING AND CLOSING OF THE SUBSCRIPTION LISTS

The Subscription List will open at the commencement of Banking hours on 17th May, 1963 and will close at the close of Banking hours on 24th May, 1963 or earlier at the discretion of the Directors but in no case earlier than the close of the Banking hours on 21st May, 1963.

Application will be made to the Calcutta Stock Exchange for permission to deal in and for official quotation of 'B' R. C. Preference Shares of the Company.

BOARD OF DIRECTORS

1. Shri Krishna Kumar Birla, Merchant, "Shree Vihar", 17, Gurusadaya Road, Calcutta.

2. Shri Basant Kumar Birla, Merchant, "Basant Vihar", 18, Gurusadaya Road, Calcutta.

3. Shri Mohanlal Lallu Chand Shah, Business, 3B, Ashu Biswas Road, Bhowanipore, Calcutta-25.

4. Shri Debendra Nath Bhattacharjee, Merchant, 84 Barrackpore Trunk Road, Baranagar, Calcutta-36.

5. Shri T. Bhaskara Rao, Business Executive, "Geetha", Road No. 3, Jubilee Hills, Hyderabad (A.P.).

6. Shri Shantilal Liladhar Thar, Share & Stock Broker & Mining, 11, Cuffe Parade, Colaba, Bombay-5.

MANAGING AGENTS

Birla Brothers Private Ltd., 15, India Exchange Place, Calcutta-1.

SOLICITORS

M/s. Khaitan & Co., 1B, Old Post Office Street, Calcutta.

AUDITORS

M/s. Singhi & Co., 1B, Old Post Office Street, Calcutta.

UNDERWRITERS

1. Life Insurance Corporation of India, 'Jeevan Kendra', Janshedji Tata Road, Bombay-1.

2. M/s. G. M. Pyne, 14, India Exchange Place, Calcutta-1.

M/s. A. B. Pandit & Co., 32, Apollo Street, Fort, Bombay.

3. Batilvala & Karani, Union Bank Building, Dalal Street, Fort, Bombay-1.

4. M/s. Indian Guarantee & General Insurance Co., Ltd., Greshams Assurance House, P. M. Road, Bombay-1.

5. M/s. Naval Chand T. Shah & Co., 15, Union Bank Building, Dalal Street, Fort, Bombay-1.

OBJECTS OF THE ISSUE

The Company is in need of funds to meet its requirement of capital for expansion and/or modernisation of its existing units and/or to meet its requirement for additional working capital and/or for repayment of the existing Bank borrowings. The proceeds of the issue will, in the first instance, be applied for reducing the existing Bank Borrowings of the Company.

Present Activities of the Company are as follows:

1. TEA ESTATES		4. OTHER ACTIVITIES	
Name of the Tea Estates	Location	Area	Crop in 1962 Kgs.
1. Sholayar Tea Estate.	P.O. Sholayar, Coimbatore.	406.32	7,33,245
2. Kallyar Tea Estate.	P.O. Sholayar, Coimbatore.	294.58	4,82,397
3. Merchiston Tea Estate.	P.O. Kallar, Bridge, Trivendrum.	209.29	2,55,290
4. Towkok Tea Estate.	P.O. Sonari, Assam.	713.15	7,49,109
5. Nahorhabi Tea Estate.	P.O. Lakwah, Assam.	432.60	3,62,401
6. Rishheeta Tea Estate.	P.O. Darjeeling.	146.27	55,783
7. Tarrapore Group of Tea Estates (Purchased in 1963).	P.O. Dewan, Assam.	2050.00	13,50,000
Total		4252.12	39,88,227

2. PLYWOOD & TIMBER

1. Woodcrafts Assam, Mariani, Jayshree Plywoods, Calcutta.

3. Timber Packaging Products, Calcutta.

3. CHEMICALS

1. The Jayshree Chemicals & Fertilisers (Superphosphate & Sulphuric Acid), P.O. Kardah, West Bengal.

PROSPECTUS AND APPLICATION FORMS

Copies of the Prospectus and Application Forms will be available from the Registered Office of the Company, from State Bank of India, Calcutta, from the main branches at Calcutta, Bombay, Madras, Delhi, Ahmedabad, Indore and Hyderabad of the United Commercial Bank Ltd., and also from any of the Brokers and Underwriters whose names and addresses are given below.

6. M/s. Oriental Fire & General Insurance Co., Ltd., Oriental Building, Mahatma Gandhi Road, Bombay-1.

THE UNITED COMMERCIAL BANK LIMITED

REGISTERED OFFICE: 2, INDIA EXCHANGE PLACE, CALCUTTA-1.

REPORT OF THE DIRECTORS

The Directors have pleasure in submitting their Twentieth Annual Report together with the Accounts of the Bank for the year ended 31st December, 1962.

The net profit for the year, after providing for taxes and for all known and anticipated charges, and including Rs. 2,07,428=02 brought forward from the previous account, amounts to Rs. 75,40,053=91

The Directors have contributed Rs. 2,00,000 to the National Defence Fund and Rs. 15,000 to Dr. B. C. Roy Memorial Fund, transferred Rs. 28,00,000 to the Reserve Fund and Rs. 4,00,000 to the Gratuity Trust Fund, and provided Rs. 16,50,000 for bonus to staff. They now recommend the payment of dividend as follows:

On 4,00,000 Old Shares at Rs. 6=00 per share, less tax ... Rs. 24,00,000=00

On 79,220 New Shares in respect of which application moneys were received on or before 1st October, 1962 at Rs. 0=375 per share, less tax ... Rs. 29,707=50

On 80,780 New Shares in respect of which application moneys were received after 1st October, 1962 at Rs. 0=25 per share, less tax ... Rs. 20,195=00

which will absorb Rs. 24,49,902=50, leaving an unappropriated balance of Rs. 25,151=41 to be carried forward.

Pursuant to the Resolutions passed at the General Meeting of the Shareholders held on 11th July, 1962, 2,00,000 shares of the Bank were offered for subscription in cash at a premium of Rs. 25 per share. Applications were received for 1,80,000 shares which were allotted in full. After crediting the premium of Rs. 45,00,000 to the share premium account, the Reserve Fund and other Reserves of the Bank stand at Rs. 3,03,00,000. The Paid-up Capital stands increased to Rs. 2,23,33,937=50 and will further rise to Rs. 2,80,00,000 when the allotment moneys payable on or before the 31st January, 1963 are received.

The working of the Bank during the year was satisfactory with deposits crossing the Rs. 100 crore mark to stand at Rs. 105.74 crores.

Since the close of the financial year to which this report relates banking business in the Union of Burma has been nationalised with effect from February 23, 1963 and the branches of our Bank at Rangoon, Mandalay and Moulmein have been taken over by the Banking Business Nationalisation Committee. The Government have authorised the repayment of foreign Head Office capital of K. 500,000 originally brought into Burma and

have announced that compensation will be given for buildings and fixed assets taken over after deduction of liabilities, if any.

During the year branches of the Bank were opened at Bangalore Cantonment, Sandhurst Road (Bombay), Defence Colony (New Delhi), Jamshedpur, Chomu, Nadiad, Chetput (Madras), Adyar (Madras), Mirza Ismail Road (Jaipur), Sikar, Rohtak and Hissar and the office at Chittagong (East Pakistan) was closed.

The Directors are thankful to the Shareholders and the clients of the Bank for their continued support. They also express their gratitude to the Bank's Advisers and Advisory Committees for their able help and guidance.

The Directors place on record their appreciation of the services of the General Manager and the Officers and Staff of the Bank during the year.

Mr. Shrenik Kasturbhai who was appointed an additional Director during the year vacates office under Article 84 of the Bank's Articles of Association and, being eligible, offers himself for election.

Mr. G. L. Bangur, Mr. G. D. Kothari, Mr. M. R. Ruia and Mr. M. L. Shah retire by rotation under Article 92 of the Bank's Articles of Association. Mr. G. D. Kothari and Mr. M. R. Ruia, being eligible, offer themselves for re-appointment. Mr. G. L. Bangur and Mr. M. L. Shah who have attained the age of 68 years are not seeking re-appointment. The Board have accepted their decision with regret and wish to place on record their high appreciation of the valuable services rendered by them during their long period of Office.

Notices have been received from some members of their intention to propose at the forthcoming Annual General Meeting that Mr. Rang Nath Bangur and Mr. Govardhanas Binani be appointed Directors in the vacancies thus caused and the Directors recommend their appointment.

The Shareholders are requested to appoint Auditors for the current year and to fix their remuneration.

On behalf of the Board,

G. D. BIRLA
Chairman.

Calcutta,
22nd April, 1963.

BALANCE SHEET AS AT 31st DECEMBER, 1962

CAPITAL AND LIABILITIES	Dec. 31, 1962		Dec. 31, 1961		PROPERTY AND ASSETS	Dec. 31, 1962		Dec. 31, 1961	
	Rs.	nP.	Rs.	nP.		Rs.	nP.	Rs.	nP.
1. CAPITAL:									
Authorised Capital:									
8,00,000 shares of Rs. 100 each	8,00,00,000	00							
Issued Capital:									
6,00,000 shares of Rs. 100 each	6,00,00,000	00	4,00,00,000			7,65,18,542	14	6,00,12,493	
Subscribed Capital:									
5,60,000 shares of Rs. 100 each	5,60,00,000	00	4,00,00,000						
Amount Called up:									
5,60,000 shares at Rs. 50 per share	2,80,00,000	00	2,00,00,000						
Less calls payable on or before 31-1-1963 in respect of new shares	56,66,062	50	2,22,33,937	50					
								2,00,00,000	
2. Reserve Fund and other Reserves:									
(a) Reserve Fund	2,83,00,000	00	2,35,00,000						
(b) Share Premium Account	40,00,000	00	3,03,00,000	00				2,35,00,000	
3. Deposits and other Accounts:									
Fixed Deposits	57,77,33,869	70	54,94,61,715						
Savings Bank Deposits	12,99,38,297	53	10,89,25,203						
Current Accounts, Contingency Accounts, etc.	34,97,16,637	52	1,05,73,88,804	75				98,50,39,698	
4. Borrowings from other Banking Companies, Agents, etc.:									
(i) In India	3,49,20,000	00	2,20,50,000						
(Includes an amount of Rs. 1,18,20,000 (Previous Year—Rs. 83,50,000) borrowed from Refinance Corporation for Industry Ltd. and an amount of Rs. 2,20,00,000 (Previous Year—Rs. 1,25,00,000) borrowed from Reserve Bank of India under Section 17(4) (c) of The Reserve Bank of India Act.)									
(ii) Outside India	63,16,257	25	4,12,36,257	25				48,78,051	2,69,28,051
Particulars:									
(i) Secured by part of Investments and Advances per contra	3,88,70,000	00	2,65,79,864						
(ii) Unsecured	23,66,257	25	3,48,187					6,79,40,126	
	4,12,36,257	25	2,69,28,051					42,44,79,566	
5. Bills Payable									
			2,48,86,210	48				1,24,75,407	
6. Bills for Collection being Bills Receivable as per contra:									
(i) Payable in India	8,19,03,159	35	6,42,75,275						
(ii) Payable outside India	3,48,94,938	69	3,67,92,319					10,10,67,594	
7. Other Liabilities:									
(i) Branch adjustments	4,15,22,205	63	3,97,94,942						
(ii) Unclaimed Dividends etc.	4,35,248	31	4,19,57,453	94				4,02,29,410	
8. Acceptances, Endorsements and other obligations per contra									
			25,65,35,808	20				23,69,02,786	
Carried over									
	1,59,14,36,570	16						1,45,01,42,946	
PROPERTY AND ASSETS									
1. Cash:									
In hand and with Reserve Bank of India and State Bank of India (including foreign currency notes)			7,65,18,542	14				6,00,12,493	
2. Balances with other Banks:									
(including Foreign Government Treasuries)									
On current account: Rs. nP.									
(i) In India	15,18,939	67	20,34,910					1,77,67,648	
(ii) Outside India	1,79,30,347	44	1,94,49,287	11				79,30,000	
								8,66,10,141	
3. Money at Call and Short Notice									
4. Investments: (at below market value)									
(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments			32,66,46,509	22				32,97,71,404	
(ii) Shares:									
(a) Fully Paid Preference Shares			55,67,962	50				55,67,963	
(b) Fully Paid Ordinary Shares			29,76,237	50				25,57,825	
(c) Partly Paid Ordinary Shares			8,33,041	00				11,36,560	
(iii) Debentures or Bonds:									
(a) Fully Paid			36,597	50				2,76,187	
(b) Partly Paid			5,00,000	00					
(iv) Securities of the Burma, Malaya, Singapore and Pakistan Governments and Foreign Trustee Securities			2,44,26,316	62				2,24,12,107	
(v) Gold								35,97,22,046	
5. Advances:									
(other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)									
(i) Loans, Cash Credits, Overdrafts, etc. Rs. nP.									
(i) In India 41,74,34,844	69							35,65,39,440	
(Includes an amount of Rs. 1,18,20,000 (Previous Year—Rs. 83,50,000) relating to medium-term advances in respect of which finance has been obtained from Refinance Corporation for Industry Ltd.)									
(ii) Outside India Rs. 7,52,48,459	76							6,79,40,126	
								42,44,79,566	
(ii) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)			49,26,83,304	45					
(i) Payable Rs. nP.									
(i) In India 14,72,87,568	71							14,98,90,814	
(Includes an amount of Rs. 4,40,00,000 (Previous Year—Rs. 5,64,00,000) of Usance Promissory Notes lodged with Reserve Bank of India for advances under Section 17(4) (c) of The Reserve Bank of India Act.)									
(ii) Payable outside India	7,08,19,157	50						8,77,01,093	
								21,75,91,907	
Carried over									
	1,19,21,69,522	25						1,08,84,03,860	

THE UNITED COMMERCIAL BANK LIMITED—Cont'd.

BALANCE SHEET AS AT 31st DECEMBER, 1962—Cont'd.

CAPITAL AND LIABILITIES	Dec. 31, 1962		Dec. 31, 1961		PROPERTY AND ASSETS	Dec. 31, 1962		Dec. 31, 1961	
	Rs.	nP.	Rs.	nP.		Rs.	nP.	Rs.	nP.
Brought forward			1,59,14,36,570	16	Brought forward			1,19,21,69,522	25
9. Profit and Loss:					Particulars of Advances:				
Profit as per last Balance-sheet	26,07,428	02			(i) Debts considered good in respect of which the banking company is fully secured	55,22,67,923	49	51,61,66,28	
Less Dividend	24,00,000	00			(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security	8,05,51,575	79	6,29,17,299	
	2,07,428	02			(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	3,50,629	38	6,30,47,894	
Add Profit for the year	73,32,625	89			(iv) Debts considered doubtful or bad, not provided for	Nil		Nil	
	75,40,053	91				71,07,70,028	66	64,20,71,473	
Less Appropriations made:					(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons	10,06,471	01	13,45,427	
To Reserve Fund	28,00,000	00			(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	12,30,66,951	60	7,04,76,171	
To Gratuity Trust Fund	4,00,000	00			(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons	15,56,121	00	13,45,427	
To Donations to National Defence Fund and Dr. B. C. Roy Memorial Fund	2,15,000	00			(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	12,39,29,821	85	8,03,87,651	
To Bonus to staff	16,50,000	00			(ix) Due from banking companies	53,76,910	52	54,04,133	
	50,65,000	00			6. Bills Receivable Being Bills for Collection as per contra:				
	24,75,053	91			(i) Payable in India	8,19,03,159	35	6,42,75,275	
					(ii) Payable outside India	3,48,94,938	69	3,67,92,319	
								11,67,98,098	04
1. Contingent Liabilities:								25,65,35,808	20
(i) On partly Paid shares and debentures	26,74,545	00			7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra				
(ii) Claims against the banking company not acknowledged as debts	4,00,496	93			8. Premises Less Depreciation:				
(iii) Guarantees given on behalf of customers and Correspondent Banks	20,12,70,810	11			Cost as per last balance-sheet	59,39,450	27	98,59,583	
(iv) On Foreign Bills Re-discounted all of which have run off by 20-4-1963	9,65,900	02			Additions (Rs. 4,98,303.38)			79,867	
(v) Forward Exchange Contracts outstanding for the purchase and sale of Bills and Telegraphic Transfers of which up to 30-4-1963 Rs. 15,22,37,593-36 have been delivered	21,06,58,809	38			Less deductions (Rs. Nil) during the year	4,98,303	38	99,39,450	
Notes: (1) There is a liability for outstanding bills, not certified by the architects, in respect of the Bank's buildings.					Less depreciation written off to date	19,53,972	41	17,51,589	
(2) Provision in full for gratuity accruing on retirement of staff has not been made.								81,87,861	
					9. Furniture and Fixtures Less Depreciation:				
					(including vehicles and equipment)				
					Cost as per last balance-sheet	1,16,32,035	22	1,11,83,794	
					Additions (Rs. 12,83,086=92)			4,48,241	
					Less deductions (Rs. 1,37,613.42) during the year	11,45,473	50	1,16,32,035	
								1,27,77,508	72
					Less depreciation written off to date	76,42,134	95	71,02,140	
								45,29,805	
					10. Other Assets, Including Silver:				
					(i) Land and Buildings:				
					Cost as per last balance-sheet	42,32,751	19	35,57,002	
					Additions				
					Rs. 14,15,838.40				
					Less deductions (Rs. Nil) during the year	14,15,838	40	6,75,749	
								42,32,751	
					Less Transfer to Premises account	1,43,475	07		
								55,05,134	52
					(ii) Interest accrued on Investments	31,46,923	93	29,95,417	
					(iii) Estimated amount of refund of income-tax and Advance payment of Tax (Income-tax assessment for four years 1959 to 1962 not yet completed)	52,52,562	78	55,46,813	
					(iv) Stamps and Stationery	72,119	34	69,797	
					(v) Silver			1,39,76,740	57
					11. Non-Banking Assets Acquired in Satisfaction of Claims: Land and Buildings (at cost)			8,12,300	00

THE UNITED COMMERCIAL BANK LIMITED—Cont'd.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1962

EXPENDITURE	Year ended Dec. 31, 1962	Year ended Dec. 31, 1961	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Year ended Dec. 31, 1962	Year ended Dec. 31, 1961
1. Interest paid on deposits, borrowings, etc. ...	Rs. 3,00,88,683 25	Rs. 2,60,69,716	1. Interest and Discount ...	Rs. 4,83,61,783 93	Rs. 4,10,24,39
2. Salaries and allowances and Provident Fund ...	1,83,02,901 73	1,56,34,859	2. Commission, Exchange and Brokerage ...	1,39,26,733 60	1,42,37,90
3. Directors (Rs. 39,600) and Local Committee members' fees and allowances ...	57,484	57,484	3. Rents ...	9,95,048 64	8,56,40
4. Rent, Taxes, Insurance, Lighting, etc. ...	24,95,329 05	18,80,204	4. Net profit on sale of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account) ...	...	...
5. Law charges ...	2,54,754 71	1,44,183	5. Net profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account) ...	...	...
6. Postage Telegrams and Stamps ...	10,87,146 99	9,88,905	6. Income from non-banking assets and profit from sale of or dealing with, such assets ...	32,589 18	25,53
7. Auditors fees for statutory and periodical audits ...	1,52,770 00	1,62,302	7. Other receipts ...	1,701 00	1,73
8. Depreciation on, and repairs to, the Banking Company's property ...	8,15,699 50	15,36,174	8. Loss ...	...	...
9. Stationery, Printing, Advertisement, etc. ...	15,29,290 68	12,15,313			
10. Loss from sale of, or dealing with, non-banking assets ...	...	...			
11. Other Expenditure ...	12,04,614 55	11,96,216			
12. Balance of Profit ...	73,32,625 89	72,60,557			
Total Rs. 6,33,17,856 35			Total Rs. 6,33,17,856 35		

The above Accounts have been drawn up in accordance with the provisions of Section 29 of the Banking Companies Act, 1949.

REPORT OF THE AUDITORS

TO THE MEMBERS OF THE UNITED COMMERCIAL BANK, LIMITED.

We have audited the attached Balance-sheet of The United Commercial Bank, Limited, as at 31st December, 1962, and the Profit and Loss Account of the Bank for the year ended upon that date annexed thereto, in which are incorporated the Branch returns audited by the Statutory or other Auditors. The reports on the accounts of the Branches audited by other Auditors have been forwarded to us and dealt with in preparing our report in the manner considered necessary by us.

We report that:

- we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
- the transactions of the Bank which have come to our notice have been within the powers of the Bank;
- in our opinion, proper books of account, as required by law, have been kept by the Bank so far as appears from our examination of those books, and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank;
- the Bank's Balance-sheet and Profit and Loss Account, dealt with by this report, are in agreement with the books of account and the returns;
- in our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and, on such basis, the said Balance-sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1962, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

G. P. KAPADIA & CO.
K. N. GUTGUTIA & CO.
RAY & RAY
Chartered Accountants

Calcutta,
22nd April, 1963.

V. R. DESAI
Chief Accountant

S. T. SADASIVAN
General Manager.

G. D. BIRLA
Chairman.

I. P. GOENKA

A. C. LAW

G. L. BANGUR

P. D. HIMATISINGKA

Directors

R. L. NOPANY
M. L. SHAH
M. L. DAHANUKAR
Y. N. MAFATLAL
G. D. KOTHARI
T. S. RAJAM
SHRENIK KASTURBHAI

Directors.

THIS IS AN ANNOUNCEMENT AND NOT A PROSPECTUS

Announcement regarding the Proposed Issue of 18,000 9.5% (without deduction of Tax Payable by the Company on its Profits, but subject to deduction of tax at source under Section 194 of the Income-tax Act 1961) Redeemable Cumulative Preference Shares of Rs. 100/- each.

(Redeemable at par at the option of the Company at any time after 31-3-1976 but not later than 31-3-1979.)

Applications are invited on the basis of the Prospectus Copies of which may be obtained from the Registered Office of the Company, its Bankers, Underwriters or Brokers mentioned hereunder.

A copy of the Prospectus, together with the documents specified therein has been duly filed with the Registrar of Companies in Mysore, Bangalore. In terms of Section 60 of the Companies Act 1956.

The Subscription list will open at the commencement of Banking hours on the 15th day of May, 1963, and will remain open until the close of banking hours on the 30th day of May, 1963, or later at the discretion of the Board of Directors. But, if the entire issue is subscribed for before 30th day of May, 1963, the list will be closed immediately, but not earlier than the close of banking hours on 18th day of May, 1963.

THE DAVANGERE COTTON MILLS LIMITED

(Incorporated on 22nd June, 1936, under the Mysore Companies Regulation VIII of 1917)
REGISTERED OFFICE: 'Hanumanthappa Buildings', Chitradurga Road, DAVANGERE.

HISTORY AND PROSPECTS

The Company started working in 1939 with 9,090 spindles and it has now 40,832 spindles, a waste spinning plant of 360 spindles and 300 plain looms with modern bleaching unit.

After the proposed expansion the installed capacity of the Company will be 52,832 Ring spindles, 360 waste spinning spindles, 518 plain looms and 500 automatic looms.

PROFITABILITY

Competitive prices, coupled with high quality, have contributed to an ever growing demand for the Company's products. The progress of the Company has as fully described in the Prospectus been quite steady.

From the very inception, i.e. 1939-40, the year when the Company started production, it has been declaring a fair dividend without any break. The dividend declared by the Company, during the last five years, is:—1957-58 9% free of tax, 1958-59 9% free of tax, 1959-60 12%, 1960-61 12% and Cash Bonus of 5% and 1961-62 12%.

Though the Company has agreed to export its products on the automatic looms at internationally competitive prices, it is expected that, in the absence of any unforeseen circumstances, the Company would make reasonable profits not only for payment of dividends on the Preference Shares, but also to maintain the dividend level on the Equity Shares and to build up reserves for future developments.

BOARD OF DIRECTORS

- Sri S. Lakshmanan, Industrialist, 'Sarada Home', 13, Periasami Road, R. S. Puram P.O., Coimbatore.
- Sri B. S. Dodsankarappa, B.A., Cotton Merchant, 12, Cottonpet, Bangalore-2.
- Sri Channagiri Rangappa, Industrialist & Banker, Chitradurga Road, Davangere.
- Sri K. V. Narayana Setty, Cotton Merchant, 13/82 Ponnuramangam Road, R. S. Puram P.O., Coimbatore.
- Sri M. Srinivasarangaiah, Merchant, Kadur.
- Sri V. S. Yardi, Srihariprasad, Talakwadi, Belgaum.
- Sri R. Rama Setty, Industrialist, Maruthi Mansions, Davangere. (Ex-Officio—Nominee of the Managing Agents).
- Sri R. R. Sreenivasa Murthy, Industrialist, Maruthi Mansions, Davangere. (Ex-Officio—Nominee of the Managing Agents).

MANAGING AGENTS

Messrs. R. Hanumanthappa & Son, 'Hanumanthappa Buildings', Chitradurga Road, Davangere.

SHARE CAPITAL

AUTHORISED:
Divided into: 57,000 Equity shares of Rs. 100/- each and 57,000 18,000 9.5% (without deduction of tax) Redeemable Cumulative Preference Shares of Rs. 100/- each

SUBSCRIBED CAPITAL
44,002 Equity shares of Rs. 100/- each ... 44,00,200
PAID UP ... 34,50,945

PRESENT ISSUE
18,000 9.5% (without deduction of tax) Redeemable Cumulative Preference Shares of Rs. 100/- each ... 18,00,000

Out of the above issue, Directors and their friends including some Insurance Companies have agreed to take 7,500 shares which will be given full allotment ... 7,50,000

NOW OFFERED for Public Subscription: 10,500 9.5% (without deduction of tax) Redeemable Cumulative Preference shares of Rs. 100/- each at par ... 10,50,000

The Amounts payable in respect of the Redeemable Cumulative Preference Shares are as follows:

With application Rs. 25/- per share, within 30 days of date of allotment Rs. 25/- per share, and the balance of Rs. 50/- per share in two calls of Rs. 25/- each at intervals of two months between each call, the first of such call being not earlier than three months from the date of allotment of shares.

FINANCIAL REQUIREMENTS FOR EXPANSION SCHEME

The total cost of the Expansion Schemes referred to in the Prospectus is estimated at Rs. 182.66 lakhs. An application has been made to Messrs. Industrial Finance Corporation of India for a loan of Rs. 70 lakhs and to Guarantee deferred payments to an extent of Rs. 53 lakhs. The Company has offered on 25-1-1963 15,000 Equity shares of Rs. 100/- each at a premium of Rs. 25/- per share. Together with the present issue of Preference shares, the Company will raise Rs. 36.75 lakhs to partly finance the schemes. The balance requirements will have to come from out of the future profits of the Company.

APPLICATION FORM AND COPIES OF PROSPECTUS

Application forms and copies of Prospectus setting out relevant details relating to the proposed issue of Preference shares can be had from the Registered

Office of the Company, its Bankers, Underwriters or Brokers, whose names are given below:

UNDERWRITERS

M/s. P. R. SUBRAMANYAM, Members, Bombay Stock Exchange, 70-A, Stock Exchange Building, Apollo Street, Fort, Bombay, are the sole underwriters for a sum of Rs. 10.5 lakhs now offered for public subscription. In the opinion of the Directors of the Company the resources of the said underwriters are sufficient to discharge their obligation.

BROKERS

AHMEDABAD
1. M/s. Chinubhai Chimanlal Dalal, Manek Chowk, Ahmedabad.

BANGALORE
1. M/s. P. R. Subramanyam, Shree Siva, Benson Cross Road, Bangalore-6.

2. M/s. M. Nanjappaiah Jahngirhar, 181, Cavalry Road, Bangalore-1.

BOMBAY
1. M/s. P. R. Subramanyam, 70A, Stock Exchange Building, Apollo Street, Fort, Bombay.

2. M/s. J. R. Motishaw & Co., 32, Apollo Street, Fort, Bombay-1.

3. M/s. Lewis & Jones, Bank of Baroda Building, Apollo Street, Fort, Bombay.

4. M/s. R. H. Nabar & Co., 31, Dalal Street, Fort, Bombay-1.

5. M/s. Harkisondass Lakhmidass, Stock Exchange Building, 5th Floor, Fort Bombay.

6. M/s. A. B. Pandit & Co., 32, Apollo Street, Fort, Bombay.

7. M/s. Chimanlal J. Dalal & Co., Stock Exchange Building, Apollo Street, Fort, Bombay.

CALCUTTA
1. M/s. G. M. Pyne, Allahabad Bank Buildings, 14, India Exchange Place, Calcutta-1.

COIMBATORE
1. M/s. Chellam & Co. (Pvt.) Ltd., 15/55, Big Bazar Street, Coimbatore.

DAVANGERE
1. M/s. Mallabadi Kotrappe, Halepet, Davangere.

DELHI
1. M/s. M. R. Dhawan & Co., 4/8, Asaf Ali Road, New Delhi-1.

2. M/s. Raj Paul Chadha & Co., Delite Cinema Building, Asaf Ali Road, New Delhi.

3. M/s. Esh Bandhu Gupta & Co., 45, Stock Exchange Building, Asaf Ali Road, New Delhi.

4. M/s. H. P. Mehta & Co., 18, Stock Exchange Building, Asaf Ali Road, New Delhi.

5. M/s. P. Roy Company, 3/8, M. M. Road, Jn. Panchkuin Road, New Delhi-1.

HYDERABAD
1. M/s. Kapurchand Shirmal, Sultan Bazaar, Hyderabad.

KANPUR
1. M/s. Sushil Brothers, 14/61 A, Civil Lines, Kanpur.

MADRAS
1. M/s. Chitra & Co., 322-323, Linghi Chetty Street, Bombay Mutual Building Annexe, Madras-1.

2. M/s. Paterson & Co., 22, Errabali Chetty Street, Post Box No. 48, Madras-1.

3. M/s. Maconochie & Co., Mercantile Buildings, Madras-1.

4. M/s. Somayajulu & Co., 337, Thambu Chetty Street, Madras.

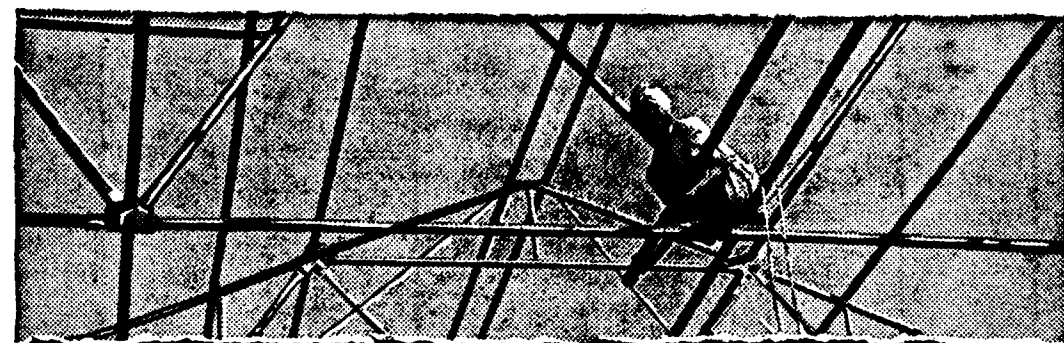
5. M/s. Dalal & Co., National Insurance Building, Esplanade, Madras-1.

BANKERS
1. The Indian Bank Ltd., Davangere.

2. The Central Bank of India Ltd., Davangere.

3. The Canara Bank Ltd., Davangere.

INSPECTION OF DOCUMENTS
Copies of the Prospectus and other documents mentioned therein are open for inspection at the Registered Office of the Company during business hours of the Company on any working day until the subscription lists closed.



PREFABRICATED TUBULAR ROOFING STRUCTURES

All S & L Prefabricated Tubular Roofing structures are designed to the requirement of I.S. 806: 1957 code of practice for the use of steel tubes in general building constructions.

Entirely self-supporting S & L structures of the following spans and bay lengths are available ex-stock.

Type	Nom. Single Span	Bay Lengths
SL5/20	20 ft.	10 ft.
SL5/30	30 ft.	16 ft. and 13 ft. 4 in.
SL5/44	44 ft.	16 ft. 1/8 in. and 12 ft. 4 1/8 in.

Write today for full particulars to:

S&L STEWARTS AND LLOYDS OF INDIA, PRIVATE LIMITED

Regd Office 41, Chowringhee Road, Calcutta-16. Phone 44-2311 (11 lines)
Branch Office Himalaya House, 5th Floor, Palton Road, Bombay.

THERE IS NO DAY LIKE TODAY TO DONATE TO N.D.F.

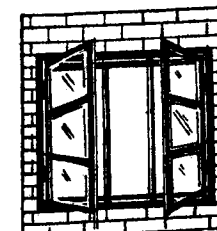
OVER A CENTURY'S TRADITION IN SERVICE For

Surveying, Drawing, Mathematical and other Instruments.

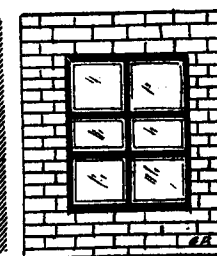
*

J. SUR & CO. PRIVATE LTD.

10, OLD COURT HOUSE STREET, CALCUTTA-1.
Phone 23-3940, 23-4528.



RING UP 22-5257 GRAM: CECIGATECO
For STEEL ROLLING SHUTTERS, GRILES, RAILINGS, W.GATES, STEEL DOORS & WINDOWS.



THE CALCUTTA COLLAPSIBLE GATE CO. PRIVATE LTD.
77, NETAJI SUBHAS ROAD, CALCUTTA - I

SOUTHERN BANK LTD.

(SCHEDULED BANK)

Head Office:

24, NETAJI SUBHAS ROAD, CALCUTTA.
Phone: 22-5988, 22-5989.

BRANCHES { BURRABAZAR, SHYAMBAZAR, SHOWANPORE, BASIRHAT & KHULNA.

LOAN GRANTED ON APPROVED SECURITIES

All Sorts of Banking Business Transacted

SJ. N. BANERJEE, M.A.,

General Manager.

THE PUNJAB NATIONAL BANK LIMITED

Registered Office: PARLIAMENT STREET, NEW DELHI.

DIRECTORS' 116th REPORT TO THE SHAREHOLDERS FOR THE YEAR ENDED 31st DECEMBER, 1962.

The Board of Directors of the Bank has pleasure in submitting the audited Balance Sheet as at 31st December, 1962 and the Profit and Loss Account for the year ended that date. The Auditors' Report is also annexed.

The transactions for the year after providing for tax, contributing Rs. 15,63,930 to the Employees' Gratuity Fund and Rs. 1,43,219 to Super-annuation scheme have resulted in a profit (including Rs. 10,37,738 brought forward from the previous year) of Rs. 1,24,20,907.

This sum, the Directors have disposed of as follows:—

	Rs.
Ad-interim dividend paid for the year at Re. 1 per share	20,00,000
Transferred to Reserve Fund	25,00,000
Provision for Bonus to Staff	40,00,000
Provision for Charity and Donations	4,00,000
	89,00,000
This leaves for appropriation	35,20,907
The Directors recommend payment of final dividend at Re. 1 per share making 20% for the year subject to deduction of tax	20,00,000
Balance to be carried forward to next year's account	15,20,907

The working of the Bank continues to be satisfactory.

The Bank rate remained stationary at 4 per cent. during the year, but it was raised to 4½ per cent. from 2nd January, 1963.

A sum of Rs. 4,00,000 was contributed to National Defence Fund.

Shri Shital Prasad Jain and Shri Ashok Kumar Jain resigned from the Board on 1st March, 1963. Vacancies caused by their resignation and by the sad death of Sardar Bahadur Mohan Singh were filled by the Board of Directors by appointing Shri T. S. Srinivasan, Shri S. K. Handoo and His Highness Maharajadhiraj Yadavindra Singh as Directors under the provisions of Section 262 of the Companies Act, 1956 and of Article 70 of the Bank's Articles of Association.

Under the provisions of Section 256 of the Companies Act, 1956 and of Article 65 of the Bank's Articles of Association, Shri Kamalnayan Bajaj, Shri D. D. Puri and His Highness Maharajadhiraj Yadavindra Singh will retire by rotation. They are eligible and offer themselves for re-appointment.

Under the provisions of Section 260 of the Act and of Article 55(b) of the Bank's Articles of Association, the Board of Directors appointed Shrimati Raksha Saran as an additional Director. She will hold office only up to the date of the next Annual General Meeting of the Bank. She is eligible and offers herself for appointment as a Director.

Shareholders are requested to appoint Auditors for the current year and fix their remuneration.

By Order of the Board of Directors,

R. N. GOENKA,

Chairman.

March 27, 1963.

BALANCE SHEET AS AT 31st DECEMBER, 1962.

1961 Rs.	CAPITAL AND LIABILITIES	AMOUNT Rs. nP.	TOTAL Rs. nP.	1961 Rs.	PROPERTY AND ASSETS	AMOUNT Rs. nP.	TOTAL Rs. nP.
2,00,00,000	1. Capital:			12,65,36,462	1. Cash:		20,16,17,698 96
2,00,00,000	Authorized Capital:				In hand and with Reserve Bank of India and State Bank of India (including Foreign Currency Notes)		
1,99,36,910	20,00,000 Shares of Rs. 10 each	2,00,00,000 00					
79,761	Issued Capital:				2. Balances with other Banks:		2,00,80,469 96
1,55,00,000	20,00,000 Shares of Rs. 10 each	2,00,00,000 00			Current Account		
45,00,000	Subscribed and Paid up Capital:				Rs. nP.		
2,00,00,000	19,96,382 Shares of Rs. 10 each fully paid	1,99,63,320 00			(i) In India	20,46,500 74	1,25,00,000 00
3,50,000	Of the above shares 3,75,000 shares are issued as fully paid up by way of bonus shares.				(ii) Outside	54,27,305 22	1,06,664 00
7,43,691	Application money received in respect of 1961 issue pending allotment or refund				(Includes Rs. 6,63,944.70 with State Bank of Pakistan)		
2,10,93,891	2. Reserve Fund and other Reserves:			6,34,16,667	3. Money at Call and Short Notice		1,50,75,000 00
71,58,93,830	(i) Reserve Fund as on Rs. nP. 1-1-1962	2,00,00,000 00			4. Investments at or below cost:		
40,89,14,053	Add: Amount transferred from Profit & Loss Account	25,00,000 00	2,25,00,000 00	41,56,33,988	(i) (a) Securities of the Central and State Governments including Treasury Bills of the Central Government	51,90,73,691 15	
37,73,26,284	(ii) Development Rebate Reserve	4,10,000 00		2,90,74,748	(b) Other Trustee Securities	3,21,32,247 50	
46,86,125	(iii) Share Premium Account	7,46,392 00	2,36,56,382 00	44,47,08,736	(ii) Shares:	55,12,05,938 65	
1,50,68,20,292	3. Deposits and other Accounts:				Partly Paid-up		
	Fixed Deposits	78,47,61,840 61		36,64,543	Preference	3,000 00	Nil
	Savings Bank Deposits	47,44,30,956 57		36,67,543	Ordinary	25,74,816 00	6,25,000 00
	Current Accounts, Contingency Accounts, etc.	41,16,26,329 50		24,03,251	(Estimated Market value Rs. 32,02,816)		32,02,816 00
	Employees' Security Deposits (held by the Bank itself)	43,94,278 17	1,67,52,13,404 85	13,90,214	(iii) Debentures of Indian Joint Stock Companies		19,71,350 00
	4. Borrowings from other Banking Companies, Agents, etc.:			31,80,110	(iv) Other Investments:		
	(i) In India (includes an amount of Rs. 58,43,568.00 borrowed from the Refinance Corporation for Industry Ltd.)	62,94,159 70		45,70,324	Pakistan Govt. Securities held in Pakistan	12,49,713 75	
	(ii) Outside India	Nil	62,94,159 70	Nil	Burma Govt. and other Securities held in Burma	11,80,110 00	24,29,823 75
	Particulars:			45,63,49,854	(Estimated Market value Rs. 24,27,565)		55,88,09,928 40
	(i) Secured:				(v) Gold	Nil	
	(a) By part of Govt. Securities lodged	4,50,591 70		79,41,79,938	5. Advances:		
	(b) Under Refinance Scheme	58,43,568 00	62,94,159 70	37,09,758	(Other than Bad and Doubtful Debts for which provision has been made to the satisfaction of the Auditors)		
	(ii) Unsecured	Nil		79,78,89,696	(i) In India (includes an amount of Rs. 58,43,568.00 relating to medium term advances in respect of which finance has been obtained from the Refinance Corporation for Industry Ltd. as per contra)	Rs. 85,45,98,470 00	85,89,74,281 81
	6. Bills Payable		10,01,87,073 37		(ii) Outside India	Rs. 43,75,811 81	
	7. Bills for Collection being Bills Receivable as per contra:				1. Loans, Cash Credits, Overdrafts, etc.:		
	(i) Payable in India	15,29,15,991 11		12,19,32,597	(i) In India (includes an amount of Rs. 58,43,568.00 relating to medium term advances in respect of which finance has been obtained from the Refinance Corporation for Industry Ltd. as per contra)	Rs. 85,45,98,470 00	85,89,74,281 81
	(ii) Payable outside India	76,60,473 14	16,04,76,464 25	1,23,59,929	(ii) Outside India	Rs. 43,75,811 81	
	8. Other Liabilities:			13,42,92,526	2. Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments):		
	Dividend and Interest on Advance Calls Unclaimed	2,06,284 51		93,21,82,222	(i) Payable in India	12,19,54,030 63	
	Rebate on Bills Discounted	1,10,692 77	3,16,977 28	14,36,26,649	(ii) Payable outside India	Rs. 1,45,08,187 21	13,64,62,197 84
	9. Acceptances, Endorsements and other Obligations per contra		24,99,28,903 13	45,74,588	(Particulars of Advances—As per attached)		
	10. Profit and Loss Account:			14,82,01,237	6. Bills Receivable being Bills for Collection as per contra:		
	Profit as per last Balance Sheet	26,62,737 58			(i) Payable in India	15,29,15,991 11	16,04,76,464 25
	Less: Final dividend for the year 1961	16,25,000 00		24,24,02,067	(ii) Payable outside India	75,60,473 14	
	Add: Profit for the year brought from the Profit & Loss Account after provision for taxes	10,37,737 58			7. Constituents' Liabilities for Acceptances, Endorsements and other Obligations per contra		24,99,28,903 13
	Less: Ad-interim Dividend at Re. 1.00 per share	20,00,000 00			8. Premises Less Depreciation:		
	Transferred to Bonus to Staff Account	40,00,000 00			Balance on 1-1-1962 (at cost)	1,00,90,105 44	
	Transferred to Reserve Fund	25,00,000 00			Additions during the year	19,30,475 89	
	Transferred to Charity & Donation Account	4,00,000 00	89,00,000 00	1,00,90,105	Less: Write off and adjustment during the year	1,20,30,581 33	
					Less: Depreciation written off to date	16,795 39	
						1,20,03,785 94	1,07,24,702 73
					9. Furniture and Fixture at cost less Depreciation:		
					As per last Balance Sheet	1,43,88,148 81	
					Additions during the year	8,33,219 99	
					Less: Sales, write offs and adjustments during the year	1,52,21,368 90	
					Less: Depreciation written off to date	85,408 13	
						1,51,25,960 77	71,35,473 38
						79,90,487 39	
2,05,11,98,685	Carried over		2,23,95,97,889 13	2,05,11,98,685	Carried over		2,21,92,85,120 48

THE PUNJAB NATIONAL BANK LIMITED—Cont'd.

BALANCE SHEET AS AT 31st DECEMBER, 1962—Cont'd.

1961 Rs.	CAPITAL AND LIABILITIES—Cont'd.	AMOUNT Rs. nP.	TOTAL Rs. nP.	1961 Rs.	PROPERTY AND ASSETS—Cont'd.	AMOUNT Rs. nP.	TOTAL Rs. nP.
2,05,11,98,685	Brought forward		2,23,95,97,889 13	2,03,15,72,300	Brought forward		2,21,92,85,120 48
22,92,419	10. Contingent Liabilities:			58,71,785	10. Other Assets:		
	(i) Claims against the Bank not acknowledged as debts	20,76,913 15		14,96,242	(a) Interest accrued and outstanding	68,03,935 90	
15,250	(ii) Guarantees given on behalf of Directors or Officers:			3,82,734	(b) Prepaid expenses, advance payments and amounts recoverable	12,83,114 28	
	Directors	Nil		1,84,917	(c) Property not used as Bank premises less depreciation	3,79,569 48	
	Officers	Rs. 27,000 00		3,10,021	(d) Land purchased for constructing Bank premises	1,51,290 00	
12,87,79,919	(iii) Guarantees given on behalf of others	13,71,56,404 50		14,51,979	(e) Library, Motor Cars, Cycles and other vehicles less depreciation	3,18,305 20	
2,83,493	(iv) Bills of Exchange re-discounted	54,092 79		61,258	(f) Stationery and Stamps	16,36,690 40	
10,68,31,090	(v) Outstanding Forward Exchange Contracts	2,44,26,902 66		25,38,000	(g) Deposits with Electric Supply Companies and Government Departments	75,669 41	
25,00,000	(vi) Liability for calls on partly paid shares	24,62,500 00		1,95,15,782	(h) Remittances in transit (since received)	31,42,000 00	
	Note: Contingent liability exists in respect of agreement to purchase a building for Bank's use.			1,10,603	(i) Advance payment of tax and tax deducted at source on yield of investments less provision for taxation	64,27,608 15	2,02,18,102 82
	Total		2,23,95,97,889 13		11. Non-Banking Assets acquired in satisfaction of Claims (at or below cost):		
					Balance as per last Balance Sheet	1,10,603 35	
					Less: (i) Sales	Rs. 16,000 00	
					(ii) Depreciation	Rs. 17 50	94,585 85
2,05,11,98,685	Total		2,23,95,97,889 13	2,05,11,98,685	Total		2,23,95,97,889 13

Annexure to our report of date
V. SANKAR AIYAR & CO.,
Chartered Accountants.

R. L. TULLI,
General Manager.

R. N. GOENKA,
Chairman.

S. L. VERMA,
Chief Accountant.

MOHAN SINGH,
Deputy General Manager.

March 27, 1963.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1962.

1961 Rs.	EXPENDITURE	AMOUNT Rs. nP.	1961 Rs.	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	AMOUNT Rs. nP.
3,71,45,187	1. Interest paid on Deposits, Borrowings, etc.	4,26,89,162 51	7,32,48,761	1. Interest & Discount	8,36,62,438 00
3,21,49,256	2. Salaries & Allowances and Provident Fund (including Rs. 15,63,929.91 being contribution to Employees' Gratuity Fund and Rs. 1,43,218.96 to Superannuation scheme)	3,75,65,019 73	1,62,85,101	2. Commission, Exchange and Brokerage	1,74,85,483 45
(76,207)	3. Directors' and Local Committee Members' Fees and Allowances	29,129 10	16,24,942	3. Rents	18,38,731 59
44,251	4. Rent, Taxes, Insurance, Lighting, etc.	37,36,753 96	2,39,730	4. Net profit on sale of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account)	22,204 19
26,81,258	5. Law Charges	1,53,157 59	Nil	5. Net profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account)	Nil
2,14,360	6. Postage, Telegrams and Stamps	19,13,806 17	4,940	6. Income from non-banking assets and profit from sale of or dealing with such assets	2,502 82
18,95,801	7. Auditors' Fees	72,550 60		7. Transfer fees	1,683 00
12,000	8. (i) Depreciation on and repairs to the banking company's property	Rs. 17,83,906.42			
14,71,376	(ii) Amount transferred to Development Rebate Reserve	Rs. 60,000.00			
Nil	9. Stationery, Printing, Advertisement, etc.	25,66,007 13			
24,41,580	10. Loss from sale of or dealing with non-banking assets	Nil			
10,99,914	11. Other Expenditure	10,61,380 87			
1,18,39,596	12. Balance of profit	1,13,83,168 97			
	Note: Payments out of provision for Charity and Donations include contribution to:				
	(i) National Defence Fund	Rs. 4,00,000			
	(ii) Punjab Pradesh Congress Committee	Rs. 5,000			
9,15,95,979	Total	10,30,14,042 45	9,15,95,979	Total	10,30,14,042 45

Schedule of Particulars Required by the Banking Companies Act, 1949 (Act X of 1949), attached to and forming part of the Balance Sheet as at 31st December, 1962.

1961 Rs.	PARTICULARS OF ADVANCES	Rs. nP.
84,77,39,460	(i) Debts considered good in respect of which the banking company is fully secured	89,21,42,604 50
5,62,21,059	(ii) Debts considered good for which the banking company holds no other security than the debtor's personal security	5,74,49,966 78
2,82,21,703	(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	4,58,43,908 37
Nil	(iv) Debts considered doubtful or bad, not provided for	Nil
93,21,82,222	(v) Debts due by Directors or Officers of the banking company or any of them either severally or jointly with any other persons:	99,54,36,479 65
	Directors	Rs. nP.
	Officers	9,22,656 99
8,16,755	(vi) Debts due by companies or firms in which the Directors of the banking company are interested as Directors, Partners or Managing Agents or in the case of private companies, as members	2,89,52,006 00
4,79,16,589	(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the banking company or any of them either severally or jointly with any other persons	9,48,068 44
8,21,755	(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the Directors of the banking company are interested as Directors, Partners or Managing Agents or in the case of private companies, as members	4,81,78,651 83
5,90,24,414	(ix) Due from banking companies	86,43,636 40

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MOHAN SINGH,
Deputy General Manager.

March 27, 1963.

C. L. BAJORIA,
MAHARAJ KRISHNA KAPUR,
KAMALNAYAN BAJAJ,
N. DANDEKAR,
D. D. PURI,
J. N. BHAN,
T. S. SRINIVASAN,
S. K. HANDOO,
YADAVINDRA SINGH,
RAKSHA SARAN.

Directors.

MODERNISING STATISTICS AND FINANCE

(BY A CORRESPONDENT)

A DEVELOPMENT that is seldom spectacular but whose cumulative effects are potentially very important is the modernisation of systems concerned with figures. The Americans are more advanced than most peoples in the matter of statis-

tical information, but the Kennedy administration is strengthening its fact-finding services. Politicians and business men in Britain are urging their Government to provide more statistical information, and to provide it sooner. (Industrial associations could improve their services, too. Such vital information as orders for machine tools has lost half its value if it is months old when published.) More basic, as it affects the whole economy, is reform of the tax system.

In his Budget speech on 3rd April, Mr. Reginald Maudling, Britain's Chancellor of the Exchequer, did not announce any change in the tax system, as many people had expected; but he did announce an important move in this direction, an enquiry (to be conducted by an eminent merchant banker, Mr. Gordon Richardson, chairman of J. Henry Schroder, Wagg and Company) into the practical effects of a turnover tax of the type that is familiar in western Europe. Mr. Maudling acknowledged that this type of tax was controversial, and he intimated that in his opinion it was urgently necessary to resolve the controversy.

Added-value Tax

There is, of course, no urgent need to harmonise Britain's taxes with those of the European Economic Community, but as systems of taxation have been studied more thoroughly in the Community than in Britain, many Britons feel that a system that is favoured there is probably suitable for Britain. The added-value tax has, therefore, many advocates in Britain. But, as Mr. Maudling said, it might be applied either in addition to existing taxes or in substitution for either purchase tax or profits tax or both. A new system must be considered not only on its own merits, but also in relation to any system that it replaces.

Britain's purchase tax, levied at a single point of sale, at various rates

for various goods, is muddled and illogical; but it can be argued that an added-value tax, levied indiscriminately at each stage where products change hands, is not fundamentally different, as it involves no change between direct and indirect taxes. An added-value tax that replaces a profits tax represents a transfer from direct to indirect taxation; and such a change is particularly significant when it is necessary to stimulate exports, as indirect taxes are not levied on goods intended for export.

The profits tax, as such, is disliked. It penalises efficiency, in so far as efficiency increases profits and, therefore, the liability to tax. An added-value tax is an incentive to minimise costs, for at minimum prices, the liability to tax is minimal. But economists cannot decide—even the European Community's special expert on taxation, Professor Neumark, cannot be sure—how a change from direct to indirect taxation affects prices. The idea that direct taxes are a component of the price of goods, and are thus paid ultimately by the buyers of goods, is less readily accepted in Britain than in the European Community—and even Professor Neumark has said (at a conference in London a few months ago) that "a general sales tax or excise is by its very nature much more likely to be shifted than a general income tax or even a corporation tax". Even so, it can be argued that a system that raises prices of goods for the home market but not of goods for export will strengthen a nation's economy—if it does not promote demands for more wages.

Corporate Taxation

Another idea under discussion in Britain is that a single corporation tax should combine the income tax and profits tax that companies pay at present. It might be thought that British industry would approve such

a simplification; but the Federation of British Industries, in a statement on the subject this year, said that company taxation should be simplified "by means less radical". What the F.B.I. fears (although it is naturally reluctant to say so) is that if taxation of companies and of individuals were separated (income tax is at present applicable to both at the same rate), Governments could too easily shift some of the burden of taxation from individuals to companies.

Taxation, it is argued, should not only be simplified and made generally more efficient, but also be modernised, in the sense that it would include some of the services on which people spend an increasing proportion of their income. There is no logical reason to distinguish between goods and services—between toilet goods and hairdressing, between textile goods and laundering. But (as Mr. Maudling discovered this year when he tried to devise a tax on gambling and betting) the administrative difficulties of taxing services may be disproportionate to the yield.

Modernising taxation is certainly difficult, but it is arguably as important as modernising industry, for the whole economy may be distorted by a bad tax system. A taut and simple tax system is, moreover, an efficient economic regulator. It would be more efficient if the Budget were not fixed within a narrow range of time, but were formulated at any time when circumstances required important changes in taxation or in economic direction generally. The financial mechanism is not yet as flexible as it should be.

Neither Government nor industry can plan rationally if it lacks information on the state of the economy. Britain's statistics, although recently improved, are neither adequate nor always reliable. The statistics of the balance of payments, for instance, include "balancing items" so big and variable that no set of figures can be accurately compared with another. And, by a process that was not revealed until later, the exceptionally important figures of the gold and currency reserve for March were made to show a gain, although the "true" reserve suffered a considerable loss!

New Delhi

STEEL MINISTER CLARIFIES U.S. POLICY ON BOKARO PLANT

(FROM OUR NEW DELHI CORRESPONDENT)

THE Central Minister for Steel and Heavy Industries, Mr. C. Subramaniam, made two important statements in the Lok Sabha last week, referring to the Bokaro steel project. Mr. Subramaniam said: "On 28th April, the U.S. Agency for International Development released in Washington a summary of the technological survey report of the U.S. steel team on the Bokaro plant. The same summary was also released by the Indian Press. This presumably is based on reports that the U.S.A. has decided to postpone indefinitely a decision on this project. Due to the keen interest evinced by Hon'ble members in this subject—this is a natural because Bokaro is of vital importance to us—I would like to deal with the matter in some detail.

"In releasing the summary to the U.S. Press, the Agency for International Development said that the U.S. Government had taken no decision on the question of participation in the financing of the proposed steel mill in Bokaro and that no deadline had been set for its final determination. It also said that the report answers many questions, but raises others which will require further exploration. There are, as a matter of fact, many questions raised which require examination not only by the Agency for International Development but even more by the Government of India. As far as I have been able to ascertain from authoritative sources, there was no statement by A.I.D. that a decision on the Bokaro project has been postponed indefinitely, as reported or interpreted by some newspapers here.

Initial Capacity

"The object of the U.S. steel team's report was to assist the Agency for International Development in taking a decision on financing the Bokaro project. The report, in brief, has found that the demand for steel, and of the products that Bokaro will produce, will justify a new steel works. It has proposed a modern steel works with an initial capacity of 1.4 million tons of ingot steel, rising in two stages to 4 million tons. It also recommends that the raw material assumptions made by it should be rechecked and supplies ensured in time. Bokaro will be—according to the report—a capital-intensive plant, unremunerative in the first stage but profitable later. The report has emphasised the problems of training and management and suggested American direction of construction and initial operation of the plant. The report, in short, is generally favourable and provides the basic data on which the Agency for International Development can take a decision on the project. The A.I.D. is, like us, studying the report. Prima facie, the estimated capital costs are high and the phasing too prolonged. These are, however, matters for which satisfactory solutions could be found after discussion.

Demand for Pig Iron

"The demand for pig iron is at present much in excess of availability—the production of pig iron in the country is about 1 million tons, against the present estimated foundry capacity of about 2 million tons (1.1 million tons of the Central list foundries and about 900,000 tons of the State list foundries). A number of schemes for the production of pig iron of a total capacity of 541,000 tons have been licensed in the private sector. Except for Kalinga's in Barbil (Orissa), others have not materialised. Even Kalinga's expansion will take some time. The question of cancelling the licences of the schemes which are slow in coming up is also being considered.

"To ensure that available supplies are equitably distributed to all types of consumers, a revised scheme of distribution has been introduced, effective from 1st April, 1963. Within the overall availability of about 1.1 million tons during 1963-64, an allocation of 120,000 tons has been earmarked for the State list foundries and 176,000 tons for the Central list foundries. This is in addition to what they may get for executing orders placed by various Government departments on them. The

plant will be in the public sector. I hope that realising this, our American friends will communicate to us very early their final decision on this project."

Prospects for U. S. Aid

Replying to supplementaries, Mr. Subramaniam said that the first thing awaiting a decision was whether or not U.S. aid would be available for a public-sector project. His understanding was that the aid would be available, notwithstanding the recommendations of the Clay Commission. The latter, as is well known, expressed itself against aid for a public-sector project competing with a private-sector one. As for the comprehensive fear of the American management of the plant as recommended by the steel mission, Mr. Subramaniam did not see any difficulty in reaching a workable solution, once the main decision had been taken. He parried questions relating to the reported Russian offer to build the plant, in case the Americans did not, by requesting that the question should not be pressed at this stage.

In another statement on pig iron, Mr. Subramaniam said: "The main reason for the present shortage of foundry-grade pig iron is that while the demand has gone up considerably—due to the foundry capacity having developed rapidly—the availability has not correspondingly increased, as the schemes licensed for the production of pig iron have not materialised as originally anticipated. Remedial measures are, therefore, being taken such as the import of pig iron, implementing short-term schemes for increased production, etcetera, to increase the availability as quickly as possible.

"The third five year plan envisaged a production of 1.5 million tons of pig iron by 1965-66. The position has since been reviewed in consultation with the Planning Commission and the production is now being planned on the basis of a probable demand of about 2 million tons at the end of the third plan period.

Water Transport Facilities

"In addition, to relieve the immediate shortage, since the other schemes may take a little time to mature, the possibility of importing certain quantity of pig iron is also being explored.

"7. Instructions are being issued to reduce the allocation of pig iron for the larger sizes of spun pipes so as to increase their availability for other foundry uses."

FERTILISER

Namrup Project in Assam

The Namrup fertiliser project in Assam, included in the third five year plan, is expected to go into production by December 1965. The project is being executed by the Fertiliser Corporation of India Ltd. When completed, it will produce 100,000 tons of ammonium sulphate and 55,000 tons of urea. Contracts for the main plants—except the ammonium sulphate plant—will be departmentally designed, engineered and installed. The total cost of the factory is estimated at Rs. 18.03 crores, including a working capital amounting to Rs. 1.58 crores. The total foreign exchange component will amount to about Rs. 6.64 crores. The foreign exchange cost of the project will be

met mostly from the £30-million British credit.

SHIPYARD

Report on Cochin Project

The Japanese technical mission's report on India's second shipyard to be located in Cochin has been received. For the preliminary work, such as the training of personnel, selection of an appropriate site, a provision of Rs. 75 lakhs was made in the second plan. The project is included in the third plan with an estimated cost of Rs. 20 crores. Since it is not likely to go into production during the third plan, no provision for the payment of subsidy to the new yard has been made in the plan. An early implementation of the project depends on the availability of the Japanese credit outside the normal yen credit given to India by Japan. Although no offer of Japanese credit has so far been received, the Government is expecting that such offer will be forthcoming, in the absence of which the project will be left over for the fourth plan.

HINDUSTAN STEEL

Locos for Durgapur

Hindustan Steel has placed an order worth about £500,000 with a British engineering firm for 15 diesel-electric locomotives for the Durgapur steel works. The firm is Yorkshire Engine Co. Ltd. of Sheffield. The locomotives, built primarily for steel works, have a high starting tractive effort and good low-speed performance. With a maximum speed of about 30 miles an hour, they are suitable for transfer duties over long distances, such as will be experienced in Durgapur. Ten of the locomotives will be of 600 horse-power and weigh 77 tons each, and the remaining five will be of 300 horse-power and weigh 38 tons each. All will be fitted with Rolls-Royce engines and Associated Electrical Industries' power equipment. The larger locomotives will develop 50,000 lbs tractive effort and the smaller ones 25,000 lbs.

The firm supplied ten 230 horse-power diesel-electric locomotives to the Durgapur steel works in 1959.

ASSAM

Water Transport Facilities

The Government of Assam has asked for Central assistance for providing water transport facilities for the river Dhaleswari in Mizo Hills. The Mizo Hills are located in an area which is badly provided with communications with the rest of the country, and their only outlet is through Cachar district. At present, trade trickles through by the use of jeeps and three-ton lorries, operating from Silchar along hilly tracks. The freight charged by this road haulage is perhaps the highest in India.

There appears to be a great scope for the improvement and modernisation of river transport operations to the Mizo Hills along the Dhaleswari-Katakhal waterway with the resulting benefit to the trade and commerce of this isolated part of Assam. The main obstacles to navigation on this reach of the river are: (1) The snags almost completely block the upper reaches of the river up to Ghamura; (2) rapids, and (3) boulders—right from Sairang throughout the length up to Bhairabi.

A scheme has been prepared recommending a single Harbour Master unit powered by a 40 horse-power diesel engine. The estimated cost of each of these three vessels complete with engine and the Harbour Master unit is placed at

THE PUNJAB NATIONAL BANK LIMITED—Cont'd.

AUDITORS' REPORT

TO THE SHAREHOLDERS, THE PUNJAB NATIONAL BANK LIMITED, NEW DELHI.

We have audited the annexed Balance Sheet of The Punjab National Bank Limited as at 31st December, 1962 and also the annexed Profit and Loss Account for the year ended on that date with the books and accounts kept at the Head Office in New Delhi, in which are incorporated the audited returns from 243 branches (of which 14 have been audited by us and 229 by order dated 27.7.1962 has exempted the said 184 branches (names of the branches are given in Annexure 'A') from the provisions of Sub-sections (1) & (3) of Section 228 of the Companies Act, 1956 in respect of the year ended 31st December, 1962.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions to Sub-sections (1) & (2) of Section 211 and Sub-section (5) of Sections 211 and 227 of the Companies Act, 1956, the Balance Sheet and Profit & Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The Accounts are, therefore, drawn up in conformity with Forms 'A' and 'B' of the Third Schedule to the Banking Companies Act, 1949.

We report that: (a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit and have found them to be satisfactory; (b) the transactions of the Bank, which have come to our notice, have been within the powers of the bank; (c) in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches; (d) the reports on the accounts of Branches audited by other auditors have been considered in preparing this report; (e) the Bank's Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account and the returns; (f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies; and on such basis the said Balance Sheet, read along with the notes appearing thereon, gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1962, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

New Delhi, March 27, 1963.

ANNEXURE 'A'

LIST OF BRANCHES EXEMPTED FROM BRANCH AUDIT

Ahmedgarh Mandi, Amritsar Putlighar, Anantnag, Banga, Dalhousie, Dharamsala, Dhariwal, Dinanagar, Doraha, Fazilka, Ferozepur Cantt., Ferozepur City, Garhshankar, Gobindgarh, Goraya, Hoshiarpur Railway Road, Jallalabad, Jandiala Guru, Jammu Jain Bazar, Jammu Tawi, Jullundur Cantt., Jullundur Chowk Sudan, Kangra, Kartarpur, Kuli, Luthiana Kesarganj, Mahipur, Malout, Mandi, Mukerian, Mandi Mulanpur, Nakodar, Nawanshahr Doaba, Palampur, Patli, Phagwara, Phillaur, Qadian, Samrala, Srinagar Amtrakadal, Srinagar Maharigani, Tanda, Umrar, Tarn Taran, Ambala City, Ballabhgarh, Barnala, Bhilwari, Gurgaon, Hodal, Jind, Kalika, Karnal, Kurail, Mansa, Nabha, Nahan, Narwana, Palwal, Patiala Mail, Rampura Phul, Rohtak, Rupar, Samalkha, Sangrur, Shahbad Markanda, Simla, Sissa, Tohana, Tarn Taran, Ambala City, Ballabhgarh, Barnala, Bhilwari, Gurgaon, Hodal, Jind, Kalika, Karnal, Kurail, Mansa, Nabha, Nahan, Narwana, Palwal, Patiala Mail, Rampura Phul, Rohtak, Delhi Khan Market, Delhi Vinay Nagar, Firozabad, Hardwar, Jawalapur, Kanakhal, Kaungani, Kosi Kalan, Mawana, Meerut Cantt., Mussoorie, Muzaffarnagar City, Sikandrabad, Vrindavan, Alambagh, Lucknow Sadar Bazar, Moghalsarai, Nagina, Najibabad, Nihitaur, Shahjahanpur, Tanda, Robertsganj, Kiratpur, Chapra, Dinapur Cantt., Dumraon, Jehanabad, Mokameh, Road, Bombay Labaugh, Dhandhoka, Gandhidham, Hinghantah, Jamnagar, Kadi, Kikkee, Limbdi, Mandvi Kutch, Nadiad, Nasik Road, Poona Camp, Pusa, Wadhawan City, Yeotmal, Bombay Chembur, Cambay, Nanded, Bombay Lalji Ramji Building, Abu Road, Ashoknagar, Baran, Bhawani Mandi, Bhopal, Dholpur, Guna, Indore Siya Ganj, Katni, Kotah, Lashkar Sarafa Bazar, Mandia, Morar, Sambharlake, Saugor, Sehore, Sheoganj, Sirohi, Karachi,

V. SANKAR AIVAR & CO.,
Chartered Accountants.

Rs. 70,000, ex works Bombay. Transport and transit insurance to Assam may be of the order of Rs. 5,000 a vessel. The total cost a vessel will amount to about Rs. 75,000 c.i.f. Silchar to Karimganj.

In addition to the three vessels, two ghat establishments with godown facilities, one each in Lalaghat and Sairang, will have to be provided. The estimated cost of both these establishments will be Rs. 60,000. In addition, a small maintenance cum-repair shop in Lalaghat is recommended. It is assumed that inland water transport operations on the Katakhal-Dhaleshwari river will be confined to the Lalaghat sector (terminus of the Badarpur to the Lalaghat Railway) to Sairang (near Aijal), a total approximate riverine distance of 96 miles. The total freight requirements of Mizo Hills, both to and from, are estimated at 3,000 maunds a day, which works out to 109,000 maunds a year.

RUSSIA

Bilateral Trade Pact

Mr. Manubhai Shah, Minister of State for International Trade, will go to Moscow in the first week of June to sign a five-year bilateral trade agreement with Russia. Mr. Shah said at a Press conference that for the first time, India will export to Russia a wide variety of manufactured articles such as light engineering goods, textiles, jute manufactures, handicrafts and even some capital equipment. Certain details of the agreement are yet to be finalised. Mr. Shah said that he would discuss these matters with the Russian Government before signing the agreement. Besides machinery and capital equipment, these details relate to India getting from Russia considerable quantities of industrial raw material, such as special steels, non-ferrous metals and chemicals. As a result of the new trade agreement, Mr. Shah hoped that the present volume of trade of the value of Rs. 100 crores passing both ways would be doubled at the end of five years.

Mr. Shah is leaving New Delhi for London on 9th May on a four-week tour to attend various international conferences. He will first attend a four-day Commonwealth Trade Ministers' conference in London, then go to Geneva to attend the ministerial conference of the General Agreement on Tariffs and Trade and visit the countries of the European Common Market. While in London, Mr. Shah will explore the possibilities of greater trade between India and Britain. Time permitting, he will also explore the chances of increasing India's trade with other Commonwealth countries, such as Australia and Canada.

From 23rd to 29th May, Mr. Shah will visit Paris, Brussels, Bonn and Rome. In these capitals, he will meet top representatives of the E.C.M. Commission and the Government representatives of the E.C.M. countries and will discuss with them the huge adverse balance of trade which India is having with the E.E.C. members. Mr. Shah will also urge these countries to allow India, Pakistan and Ceylon to retain the benefits gained by them such as nil tariff on tea when Britain was negotiating to enter the E.C.M. He will also urge these countries to allow the nil tariff for a few other items, such as East India kips, as enumerated in the memorandum submitted by the Government of India to members of the E.C.M. He will also visit Budapest towards the end of this month to negotiate the broad terms of a five-year trade agreement with Hungary.

Mr. Shah said that India was now in the process of negotiating five-

year trade pacts with all east European countries. An important feature of all these agreements will be that payment will be made in rupees and that 10 percent of Indian exports will consist of non-traditional items.

G.A.T.T.

Topics for Next Session

The ministerial conference of the General Agreement on Tariffs and Trade (G.A.T.T.) will hold its next session in Geneva from 16th May to 21st May. The main topics for discussion have been finalised by the G.A.T.T. Council as follows:

1. Measures for the expansion of trade of the developing countries as a means of furthering their economic development.
2. Arrangements for the reduction or elimination of tariffs and other barriers to world trade.
3. Measures for increasing access to world markets of the products of agricultural and other primary producers.

EXPORT-IMPORT BANK

Loan for Bharat Forge

The U.S. Export-Import Bank announced the authorisation of a \$3.9-million loan to the Bharat Forge Co. Ltd, Poona. The Steel Improvement and Forge Company (S.I.F.C.O.) of Cleveland will be technical advisors to Bharat Forge and will also assist in arrangements for the purchase of materials and equipment in the United States. Part of the responsibility of S.I.F.C.O. will be to supply technicians to guide the construction of the new forging plant and to train Indian technicians in this country, and when necessary, in the United States.

Purchases from the United States include forge equipment, saw and shear machinery, heating and finishing equipment, and materials handling, maintenance and inspection items. A sizable order of finished dies will also be procured. The bank loan is to be repaid over a period of nine years beginning in 1966.

RAILWAYS

Loans Sanctioned

During February-March 1963, a railway delegation negotiated the following three loans for the railways in Washington: (a) Rs. 32.14 crores credit from the International Development Association, an affiliate of the World Bank; (b) Rs. 9.05 crores loans from the U.S. Export-Import Bank; and (c) Rs. 7.54 crores from the U.S. Agency for International Development.

The credit for Rs. 32.14 crores is for procuring railway materials and equipment, mainly components for indigenous manufacture of rolling stock, such as steam and electric locomotives and wagons, and also track materials and other equipment. The credit bears no interest, but only a service charge of 1 percent a year on the amounts withdrawn and outstanding, and is repayable in 50 years, repayment commencing after a grace period of ten years. The credit is available for use up to 31st March, 1964.

The loan for Rs. 9.05 crores from the U.S. Export-Import Bank will cover the foreign exchange costs of the following:

- (i) Plant and machinery to be imported from the U.S.A., for the diesel locomotives works in Varanasi of a value of Rs. 6 crores; and

- (ii) the components to be imported from the U.S.A. for 29 diesel locomotives of a value of Rs. 3.05 crores, to

be manufactured at the diesel locomotive works, Varanasi during 1963-64 and 1964-65.

This loan bears an interest of 5 1/2 percent a year on the amounts withdrawn and outstanding, and is repayable in 15 years. It will be used before 31st December, 1965. The loan bears no interest, but only a "credit fee" of 1/4 percent a year on the amounts withdrawn and outstanding from time to time. It is repayable in 40 years, repayment commencing after a grace period of ten years. It is expected to be used during 1964-65.

S.T.C.

Link Pact Concluded

The State Trading Corporation concluded a link agreement with Messrs A. B. Sukab of Sweden on 7th March, 1963, for the exchange of goods valued at Rs. 1.56 lakhs each way in a period of one year. The following items are proposed to be imported under the agreement:

Chambal project machinery	35
Machinery, including drilling equipment	60
Ball bearings	35
Special steel	25
	155

The S. T. C. has also concluded an agreement for the export of 600,000 tons of iron ore to Rumania during 1963. India commenced exporting iron ore to Rumania for the first time in 1959 when she exported 18,000 tons.

The S. T. C. has entered into a contract for the supply of opium to Russia. The contract was concluded on 21st March, 1963, for the supply of 70 tons of opium valued at about Rs. 47 lakhs. A consignment of 20 tons of opium was air-lifted in three equal lots on 2nd, 3rd and 4th April, 1963. Of the balance 50 tons of opium, a quantity of 30 tons is to be despatched by 30th June, 1963, and the remaining 20 tons in the third quarter of the current year.

MORMUGAO

New Development Scheme

A broad development scheme for Mormugao port has been drawn up. The details of the scheme are now being worked out. Meantime, advance action has been taken in relation to urgent items. Sanction has been given for the purchase of a new dredger and a power-driven mooring launch, which are estimated to cost more than Rs. 1 crore. An order for the dredger will be placed shortly. Dredging of the approach channel and the inner basin has also been completed at a cost of about Rs. 12 lakhs. This will ensure minimum depths for taking 28 feet draft ships throughout the year.

QUALITY CONTROL

Scheme for Farm Products

The Government of India has decided to bring the following agricultural commodities under the compulsory quality control and preshipment inspection scheme for promoting exports: sann hemp, unmanufactured tobacco, raw wool, bristles, goat hair, sandal wood oil, lemon-grass oil, palmarosa oil, black pepper, cardamom, chillies, myrobalam, and cashew kernels. The pattern of commodities excepting cashew kernels are graded and marked with Agmark labels by the Agricultural Marketing Adviser under the Agricultural Produce (Grading and Marking) Act and Rules. Exports of these goods are not allowed by the Customs unless they carry the Agmark label. In relation to cashew kernels, grading and marking is done by the Cashew

CAPITAL, 9th May, 1963.

Export Promotion Council. Export are not allowed unless the package carry the label of the Cashew Export Promotion Council.

In addition to the agricultural commodities stated above, the introduction of quality control is being considered for the following: pulse onion, ginger, turmeric, walnut vegetable oils (such as groundnut oil, castor oil and linseed oil), vetive oil, senna leaves, and senna pod tendu (biri) leaves, edible mushroom and potato.

PIG IRON

Plant for Punjab Proposed

The Punjab Government has applied for the grant of an industrial licence for setting up a plant for manufacturing pig iron using iron ore of Mohindergarh district. The plant will have a capacity of 100,000 tons a year and it is estimated to cost Rs. 2.5 crores to Rs. 3 crores with the foreign exchange component of about Rs. 38 lakhs. No foreign collaboration is said to be envisaged at present. The Government is examining the application.

COAL

Programme for Washeries

Ten coal washeries are expected to be completed by 1966, of which three have been carried forward from the second plan. The following three washeries were also included in the second plan, but they will be completed in the third plan:

Hindustan Steel Ltd	2.4
Dugda I	1.2
Bhojudih	2.0
Patherdih	
Hindustan Steel Ltd	2.4
Dugda II	0.8
Bhojudih (expansion)	
National Coal Development Corporation	3.0
Kathara	
Chalkari (Kargali extension)	0.5
Swang	0.75
Ramgarh	1.5
Gidi (Karanpura)	2.84

The following washeries were set up before the commencement of the third plan:

Location	
Private sector	
Jamadoba	1.4
West Bokaro	0.7
Lodna	0.4
Newrozabad	0.5
Public sector	
Kargali	2.2
Durgapur	1.5

CEMENT

Licences for New Factories

Schemes for setting up 33 new cement factories in the country have so far been licensed. It is, however, difficult to say at present how many of these factories will actually be set up during the third plan period. This will depend on the availability of foreign exchange, the capacity of indigenous manufacturers of plant and machinery and the speed with which the licensees will prosecute their schemes.

MOTOR CYCLES, SCOOTERS

Licence for Escorts

Escorts Ltd, New Delhi, has been granted a licence under the Industries (Development and Regulation) Act, 1951, for manufacturing 150/175 c.c. motor-cycles and scooters, in collaboration with Messrs Cekop of Poland. The capacity licensed is 6,000 numbers a year.

CAPITAL, 9th May, 1963.

London

WIRED BROADCASTING FOR LESS DEVELOPED COUNTRIES

(FROM OUR LONDON CORRESPONDENT)

THE main problems confronting the broadcasting authorities in many less developed countries are both economic and geographic. The economic aspect finds expression in two ways. Firstly, many less developed countries have insufficient resources at present to establish and maintain the radio and television services which they require. Secondly, low per capita incomes inhibit the purchase of suitable radio receivers. The geographic aspect stems from the fact that many less developed countries tend to have a peasant economy and to occupy very large land areas. Consequently, considerable problems of population coverage by broadcasting tend to exist.

The compromise solution usually adopted for sound broadcasting is to cover heavily populated areas by medium wave transmissions and, in the more sophisticated areas, where a mains electricity supply is available, by ultra short wave frequency modulated transmissions, while the remoter and more sparsely-populated areas are served only by short wave transmissions. Where a television service exists, coverage is generally confined to the capital or to a few of the larger towns.

How does such a policy affect what, for want of a better term, one may call the average man? Such an individual will live in a small community and be engaged in agriculture. His town or village will usually have no mains electricity supply, no radio repair facilities, and road and postal communications which are subject to considerable disruption during the wet season. He will have an income within the bracket £25 to £100 a year. His sole regular means of communication with other parts of his own country and the remainder of the world will be by H.F. radio reception using a battery powered receiver, if he can afford to buy one. Such a receiver will suffer from many limitations—fading, the necessity of retuning in accordance with daily and seasonal schedules of frequency changes, and a battery life which, because of extreme climatic conditions, slow distribution, and inefficient shelf-life control, may be much shorter than advertised. It is to the problems which have been briefly described that wired broadcasting developed in Britain, offers a solution which is both effective and appropriate to the economic conditions obtaining in many less developed countries today.

Wired broadcasting may be defined as the transmission of sound and television programmes to individual premises by means of physical circuits. Assuming that the wired broadcasting organisation (henceforth abbreviated to W.B.O.) does not originate programmes the first stage in the process is satisfactory reception of the broadcast signals. In areas, where reception is poor it may be necessary to bring in the signals over special circuits which it may be the prerogative of the Department of Posts and Telegraphs to provide on rental. Otherwise, the signals may be received locally at a carefully selected site using professional grade equipment.

The second stage is amplification and sometimes frequency conversion of the signals at one or more amplifying stations. The final stage is distribution of the signals to individual

homes by cables. As in the case of electricity supplies, distribution is at more than one voltage level to minimise power losses in the distribution system. High voltage distribution is used to bring the signals to convenient points in distribution areas. Service level distribution is employed thereafter to convey the signals to individual homes.

Hiring the Service

To obtain the service, which may consist of one or more radio or television programmes or a combination of the two, an individual or body concludes a contract with the W.B.O., whereby the service is rented for a specified minimum period and, usually, a nominal connection charge to cover the cost of connection to the home is payable. The type of installation in the subscriber's premises will depend upon the service provided. Where sound radio programmes only are supplied, one or more loudspeakers with switch volume controls are installed. Where television programmes are supplied the main factor determining the type of installation is whether the system employs distribution at the original V.H.F. for operation with standard domestic television receivers, or H.F. distribution requiring wired television receivers. In the U.K., W.B.O.s include television set rental among the services which they offer to the public.

A major consideration connected with the distribution network is the necessity for the W.B.O. to obtain wayleaves for wires or cables to cross or to be attached to property. In the U.K., legislation exists which prescribes the authority for granting wayleaves over Government property and, in practice, private property owners do not generally place obstacles in the way of W.B.O.s, since it is generally conceded that these are providing a most useful service to the community. Wayleave payments tend to be nominal. It would, of course, be possible for the Government of a less developed country wishing to encourage the rapid spread of wired broadcasting to enact legislation aimed at removing wayleave obstacles.

The advantages of wired broadcasting over conventional methods of reception are considerable. Indeed, in the special circumstances considered here, they are almost overwhelming. By virtue of the resources at its disposal, a W.B.O. can use professional grade equipment to provide programmes with a technical quality quite unobtainable with normal domestic receivers. To the subscriber this means that programmes are relatively free from atmospheric and man-made interference, and excellent sound reproduction is provided on account of the high technical standards adopted to maintain a level audio frequency response and low distortion.

The subscriber enjoys a reliability of service which is normally unobtainable with domestic equipment. This is achieved by using professional grade equipment and providing throughout the system spare equipment which are switched manually or automatically to replace any which fail. In addition, standby power supplies at amplifying stations enable sound radio programmes to continue even if the public electricity

supply fails. An indication of the degree of reliability is that statistically, a Rediffusion subscriber in the U.K. may expect the installation provided in his home for sound radio programmes to fail only once in every five years. It is not possible to quote comparable figures for television programmes, but statistics confirm that, due to its much simpler design, a wired television receiver has a fault incidence of only 40 percent of that of the equivalent standard domestic receiver.

The subscriber has no servicing problems since the W.B.O. offers complete servicing of the whole system including the installation in his home, as part of the service which it provides. Unlike the owner of a mains or battery-powered radio receiver, the wired sound radio subscriber is not involved in separate power costs. He may use the service continuously at a cost which, in many cases, would not even provide mains or battery power for a comparable radio receiver. The subscriber is spared the necessity of erecting aerials which are often expensive and unsightly. The subscriber is not required to perform any delicate tuning adjustments or to be aware of scheduled frequency changes. He can select the programmes provided by the turn of a switch.

Maintenance Costs

The financial advantages which must necessarily weigh heavily with low per capita income groups, are twofold. Firstly, no capital outlay is required by the subscriber, only a 10s connection fee is levied. Secondly, the subscriber's financial commitment is clearly defined and limited to rental payments of about 7s a month for a specified minimum period. Consequently the subscriber is spared unpredictable maintenance costs.

There are other advantages which do not affect the subscriber directly, but are, nevertheless, of considerable interest to the Government. The establishment of a W.B.O. provides employment of a technical and semi-technical nature which it is usually the policy of the Government of a less developed country to encourage. Assuming that radio receivers are not manufactured locally, the export of currency required to provide a service to a given number of subscribers over a period will be less than that required to provide a corresponding number of receivers and batteries for them to buy. Since no capital expenditure is required on the part of the subscriber, the establishment of wired sound broadcasting may be expected to accelerate the growth in the number of listeners. This can be a material factor in providing both juvenile and adult education. The extensive use of wired broadcasting can result in an economy in the number of broadcast frequencies required. Finally, wired broadcasting can result in an economy in the number of broadcast frequencies required. Finally, wired broadcasting can become a powerful factor in the unification of a newly independent country since subscribers virtually constitute a captive audience. Such a situation is obviously not without inherent dangers but, with proper safeguards, a wired

broadcasting system can be of immense value in times of war or internal disorder.

In July 1952, an agreement was concluded between the Government of Nigeria and Overseas Rediffusion Ltd providing for the establishment by the Company of a W.B.O. to distribute throughout Lagos and the western region of Nigeria the sound radio programmes broadcast by the Nigerian Broadcasting Service. By the end of July 1954, the service was being received by 39,500 subscribers in six towns. By the end of August 1962, the total number of subscribers had risen to 80,500 and the number of towns and villages served to 88.

The British Colonial Office Handbook on Broadcasting, 1960, quotes, from a recent survey, the average number of listeners to a wired subscriber's installation as eight. From these figures and the latest Nigerian Government population estimates, one may deduce that approximately 9.5 percent of the population of Lagos and the western region are wired sound broadcasting listeners. This is surely a material contribution to the development of Nigerian broadcasting, and compared favourably with a figure of 4 percent for the whole Federation for radio receiver coverage on a comparable basis. In the latter case, a figure of 275,000 operational receivers and a listeners per receiver figure of six, taken from the same Colonial Office Handbook, has been applied to a population figure of 40 million.

A plan to take radio to more than 1,000 million people in the developing areas of Asia and Africa, where at present only 12 million people can hear radio broadcasting, attracted considerable interest among delegates to a U.N. Conference on Science and Technology in Geneva recently. Drawn up by Rediffusion, it provoked enquiries from many countries, including India, Formosa, Gabon, Colombia and Brazil, all of whom, apparently, are most anxious to bring radio to their populations, but had not realised that a wired service offered an alternative means. The plan provided for either a concession being granted to Rediffusion to operate a service in which case it would cost a Government nothing; or for the country to sponsor the service itself and pay the Company for setting up the system.

Indian Journalists in Britain

Four Indian financial and economic journalists, who are now in Britain, at the invitation of the Commonwealth Relations Office, were received last week by the Duke of Devonshire, Minister of State for Commonwealth Relations. They are Mr. Dinesh Bahl, managing editor, Capital, Calcutta; Mr. S. V. Rayan, editor, Commerce, Bombay, Mr. H. Z. Gilani, editor, Vajrapar, Bombay, and Mr. P. S. Narayan, chief of the Madras news bureau of Economic Times, Bombay. The journalists have a crowded programme this week in London. They will visit the Treasury and the National Economic Development Council, which was formed last year as part of the British Government's plan to secure economic stability and sustained growth. At the Midland Bank, in the City, they will hear a talk on bank mechanisation and will meet the managers who deal with Indian business. Britain's coal-mining industry will be described during a visit to the National Coal Board headquarters. Journalists will also tour the Fleet Street offices of the Daily Telegraph, the headquarters of the Conservative and Labour Parties, the London Commodity Exchange and London Chamber of Commerce, the Board of Trade, the offices of Political and Economic Planning, and the National Institute of Economic and Social Research.

"CAPITAL" STOCKS AND SHARES INDEX*

The Capital Stocks and Shares Index (Base: 1939) has now been brought up to December 1962. As compared with November, the December index for Government securities

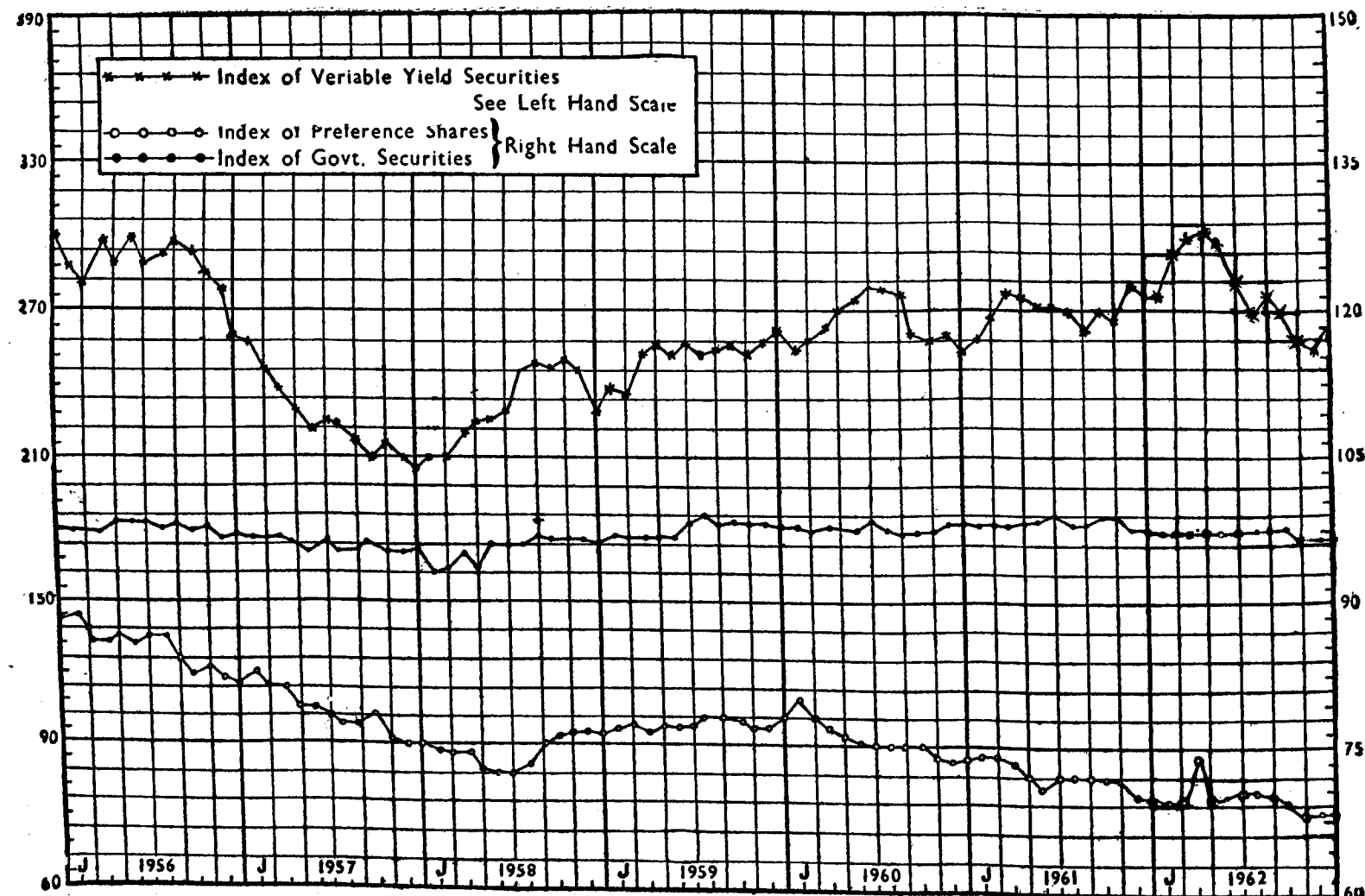
shows a rise of 0.3 points, while that for preference shares remains unchanged at 68.1 points.

There were increases in cottons 0.4 points, coals 3.0 points, jutes 2.8 points,

cements 0.5 points, engineering 25.9 points, papers 23.8 points and miscellaneous 3.1 points. The indices for banks, minings and oils, teas and sugars remained unchanged.

Combining all the factors, the Capital variable yield securities index rose by 7.1 points during December 1962.

			Variable Yield Securities												
	Index of Govt. Securities	Index of Preference Shares	Banks	Cotton Mills	Coals	Jute Mills	Mining and Oil	Cement, Lime etc	Eng. and Metal Works	Tea Shares	Paper Mills	Sugar Shares	Others	Combined Index	
Weights	...	...	6	12	9	11	10	6	6	6	17	7	11	100	
1960															
February	98.4	78.0	132.7	257.8	214.3	134.1	146.6	83.7	275.9	258.8	1279.5	198.9	287.4	259.3	
March	98.3	77.5	132.7	261.0	229.6	132.9	155.2	91.5	278.2	254.5	1343.1	202.3	277.0	264.7	
April	99.0	76.2	128.6	272.6	237.2	128.9	156.5	92.4	286.9	252.9	1406.0	212.6	283.7	271.9	
May	97.8	75.9	130.4	253.6	240.8	130.1	165.4	93.4	294.0	263.5	1440.5	205.6	294.6	275.0	
June	98.0	75.7	130.9	278.8	239.7	126.5	165.1	91.1	300.4	255.4	1429.2	217.0	298.7	280.6	
July	97.9	75.5	137.7	296.1	239.7	128.1	162.6	91.7	297.1	259.2	1449.1	227.0	310.1	287.8	
August	97.8	75.0	147.4	278.4	234.6	129.3	157.7	90.0	293.7	255.4	1467.7	224.6	297.2	282.0	
September	97.9	75.0	142.2	267.6	219.4	124.6	147.2	88.1	275.9	235.9	1323.9	223.0	287.9	262.0	
October	97.6	73.9	144.0	260.6	224.5	130.5	149.4	85.7	263.4	229.1	1302.7	222.6	286.3	258.0	
November	97.7	73.4	151.9	258.6	231.6	113.5	150.9	87.6	265.1	228.3	1341.1	226.0	288.4	261.6	
December	97.7	74.5	147.4	249.5	231.6	111.9	148.5	87.2	259.7	226.2	1285.4	220.6	286.8	255.2	
1961															
January	97.6	74.8	151.8	252.0	233.6	111.9	151.2	85.0	265.4	236.3	1278.2	207.6	292.0	258.8	
February	97.9	74.9	152.9	270.5	244.3	118.2	157.7	90.2	275.2	239.7	1297.4	209.6	304.9	267.9	
March	97.9	73.6	161.1	280.8	249.9	131.3	158.6	92.6	295.0	260.1	1288.8	210.6	312.6	277.0	
April	98.0	72.7	161.6	285.0	245.3	126.2	168.5	90.6	283.9	255.4	1268.2	227.0	320.4	276.6	
May	97.9	71.7	160.8	291.2	258.1	116.6	169.7	93.0	290.3	251.6	1166.2	223.6	291.5	271.4	
June	98.9	72.4	160.8	301.5	261.1	116.6	169.4	93.9	286.3	254.2	1134.4	227.7	317.3	273.4	
July	97.8	72.3	162.6	283.7	249.9	112.3	169.1	90.6	282.9	257.1	1167.5	223.0	314.7	269.9	
August	97.9	72.4	165.5	279.6	238.2	104.7	146.6	86.8	271.8	243.5	1135.7	227.0	297.2	259.2	
September	98.5	71.3	167.1	295.3	232.1	107.5	161.1	90.9	270.2	239.7	1202.0	231.3	309.5	267.5	
October	98.3	71.2	165.8	302.7	232.6	109.1	165.1	92.7	257.0	250.8	1180.8	229.3	315.7	266.3	
November	97.7	70.3	166.0	305.6	232.1	121.4	153.4	95.2	288.0	240.6	1300.7	252.0	323.0	280.2	
December	97.7	70.2	174.7	304.8	230.1	121.4	147.2	91.3	284.3	235.5	1284.8	236.7	325.0	276.6	
1962															
January	97.4	69.7	177.8	313.4	228.0	122.2	143.2	89.6	283.2	235.5	1286.1	236.0	323.5	276.6	
February	97.5	69.9	190.4	347.7	224.9	130.1	167.5	80.1	300.7	235.1	1383.5	238.8	337.9	293.7	
March	97.4	74.7	175.2	328.3	223.5	138.8	168.5	93.0	317.5	235.1	1390.1	245.9	330.1	296.4	
April	97.4	70.2	166.6	321.3	232.6	147.2	173.4	97.3	318.2	227.0	1390.8	246.9	321.4	296.8	
May	97.5	70.3	163.2	322.5	260.1	144.4	169.7	95.8	268.8	227.0	1423.9	246.4	325.0	290.5	
June	97.7	71.1	159.2	310.9	243.8	136.9	163.8	94.7	261.1	221.9	1389.5	256.6	329.9	281.4	
July	97.3	71.8	160.8	307.7	232.1	131.7	163.2	95.2	256.4	218.9	1313.3	253.3	315.2	274.6	
August	97.3	71.1	160.8	307.7	234.6	134.5	157.4	95.8	259.1	216.0	1349.7	256.6	339.4	278.9	
September	97.2	70.4	156.6	303.1	227.5	136.9	155.3	95.8	253.3	200.7	1283.5	256.6	328.6	272.2	
October	96.7	68.7	162.1	306.8	218.9	126.5	148.5	89.6	223.8	214.7	1198.0	251.9	316.8	258.8	
November	96.2	68.1	162.1	299.4	217.9	126.5	148.5	89.3	218.4	213.8	1198.0	251.9	312.1	256.4	
December	96.5	68.1	162.1	299.8	220.9	129.3	148.5	89.8	244.3	213.8	1221.8	251.9	315.2	263.5	



* Publication 5th August, 1937. First Revision 16th October, 1941. Second Revision 9th January, 1948.

Jute

PROSPECTS FOR CARPET-BACKING CLOTH IN U.S.A.

THE desire for improvement, changes in style and consumer tastes as well as efforts to reduce the cost of production in the U.S.A. pose a serious threat to the future of the Indian jute industry, although jute-backing cloth continues to hold pride of place in the American tufted rug market. This observation highlights a recent expert survey of the U.S. carpet market made on behalf of the Indian Jute Mills Association. At a time when the industry in India is trying to increase the broad loom capacity at a heavy cost in order to cater to the expanding U.S. demand, an objective assessment of the forces at work will help remove any sense of complacency which might have been generated by the heavy backlog of orders since the middle of last year.

The great potential of the American carpet market is recognised by producers of synthetic yarns and fibres, of paper yarns and non-woven textile fibre products, of foam rubber and synthetic foams, etcetera. The survey points out that Calcutta mills may retain their share of the expanding demand by constant efforts to improve the tufting and finishing qualities of the carpet-backing cloth.

The total carpet output in 1960 was estimated by the American Carpet Institute at 148 million square yards. It is expected to increase to 175 million square yards by 1965. About 67 percent of the 1960 yardage was tufted carpeting, ensuring a market of 100 million square yards for tufted rugs at the current levels. Since most of the increase will be in tufted rugs, the size of the market is likely to expand to 125 million square yards. The wide jute hessian cloth is used in tufted rugs both as primary backing into which pile yarns are needed and as secondary or added backing. The total potential demand for jute fabrics is estimated at 250 million square yards for primary and added backings.

Use as Primary Backing

At present, jute enjoys nearly all of the primary backing usage of 100 million square yards. Besides, another 39 million square yards of jute cloth is used for added backing in the tufted rug industry. The scope is, therefore, left for increasing hessian cloth consumption by 61 million square yards in the added field if kraft cord is replaced by secondary backings. Thus the potential demand for backing cloth is likely to rise to 221 million square yards by 1965.

The American tufted carpet industry has achieved a phenomenal progress. Jute backings came into vogue early with the introduction of wide tufted carpets, and the shift to lighter weight Hessians for better needling efficiency paved the way for the increasing use of added backings. These secondary backings narrowed down the gaps of quality between the tufted and woven products to the extent that the tufted carpet is now completely acceptable as a top quality floor covering. In this fast moving scene, jute cloth has suffered competition primarily from kraft cord or paper yarn fabrics used for the added backing. These paper yarn structures have a styling advantage in colour and convey the impression that the tufted rug is a woven one. One important feature of the tufted carpet is the advantage of piece dyeing. It not only ensures economies in processing

but adds the flexibility of styling. Wet processing further serves to stabilise shrinkage and to set the pile. In order to facilitate the manufacture of tufted structures, the primary backing must be light in weight, but strong. It should permit easy and uniform access of the tufting needle, and be flexible and sufficiently permeable to allow a free passage of liquefied dyes.

Major Recommendation

As its major recommendation on the primary backing, the survey has advised the I.J.M.A. mills to produce a fabric which should possibly be of even lighter weight and structure than nine ounces a square yard, but of greater bulk and flexibility with reduced yarn twist and more open constructions so as to permit easier pre-finishing, if necessary, to further develop loft and cover. Compacting has also been suggested in the report. As appearance is an important attribute of the added-backing, the survey has recommended the construction of new cord-type jute yarn structures

with additional styling aspects of colour. Even high quality jute fabrics lack from the aesthetic angle when compared with paper yarn structures. With their lighter weight and open weave, the latter more nearly simulate the appearance of woven rugs. Besides, there is competition in the efforts to combine non-woven materials, foams and similar bulky structures to serve not only the purpose of added backing but also to eliminate the rug underlays. The report advises the Indian jute mills to develop non-woven jute pads, combined with stabilising secondary hessian fabrics to eliminate both added backing and the carpet underlay.

Bonus and Higher Wages

About 250,000 jute mill workers are expected to be benefited from the agreement reported to have been reached in New Delhi last week at a meeting of the Jute Wage Board between millowners represented by the Indian Jute Mills Association and the workers' representatives. This introduces a bonus system for

the first time in the history of the industry. The agreement provides, among other things, that daily rated workers will receive two weeks' wages and those on the monthly payroll half a month's as the annual bonus whether or not the company earns a profit. It lays down that a worker's minimum monthly wage will be enhanced from Rs. 70.59 to Rs. 81. Provision has also been made for an increase in the dearness allowance by 20nP for each point of rise in the cost of living index with 425 as the base. All I.J.M.A. mills and some others outside its membership are understood to have agreed to implement the agreement, which will cost them an additional amount of more than Rs. 3 crores a year.

Exporting Hessian to U.K.

India's hessian sale prospects in relation to the recent abrogation of the British jute trade price agreements are discussed in the latest *Jute Bulletin* of the Indian Central Jute Committee. The cancellation of the common minimum selling prices will, according to the bulletin, stimulate a degree of free competition never known in Dundee and district since the second World War. The higher efficiency associated with competition will make for lower prices of Dundee goods.

With a downward adjustment of prices on a free market and a drop in internal manufacture, some relaxation of the import control along with appreciable reduction of the current

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

The Indian Jute Mills Association reports the stocks of jute goods at the end of April as follows:

Description	30th April, 1963		31st March, 1963		Increase over (+) or decrease from (-) last month	30th April, 1962	
	000 Metres (Lakh Yds.)	000 Metric Tons	000 Metres (Lakh Yds.)	000 Metric Tons		000 Metres (Lakh Yds.)	000 Metric Tons
Hessian cloth and bag	9,54.96 (10.44)	29.0 (28.6)	9,82.40 (10.74)	29.7 (29.2)	-27.44 (-30)	5,91.51 (6.47)	18.1 (17.8)
Sacking cloth and bag	9,97.74 (10.91)	45.0 (44.3)	9,94.34 (10.87)	44.8 (44.1)	+3.40 (+0.2)	5,61.61 (6.14)	26.0 (25.7)
Others		16.9 (16.6)		16.5 (16.2)	+0.4 (+0.4)		16.0 (15.7)
Grand Total		90.9 (89.5)		91.0 (89.5)	-0.1 (0.0)		60.1 (59.2)

N.B.—These figures are based on replies received and represent all members of the Association and Gagalbhai with estimates for two non-member mills. The figures in brackets are in British measures.

BROAD—LOOMS.

FOR

JUTE MILLS.

Special features:
They are Accurate, interchangeable,
Durable and Dependable.

Manufactured under strict Supervision of
foreign trained Technicians.

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M/s. G. B. & COMPANY.

3, Netaji Subhas Road, Calcutta-1.

Gram: "GEEBEECOMP". Phone: Office — 23-1702 & 1703. Works: 66-3915.

"mark up" on landed prices of imported hessians is considered possible. A great deal will, however, depend on how the U.K. Board of Trade fashions its "protective apparatus" in the light of the Restrictive Trade Practices Court's verdict.

Jute Products at Moscow Fair

The Indian Jute Mills Association proposes to spend about Rs. 2 lakhs in connection with the display of jute products, including carpets and linoleum, at the Indian exhibition to be held in Moscow in July this year. It has booked a stand space of 3,000 square feet. The Central Food and Agriculture Ministry has also booked a stand space of 500 square feet for exhibiting the progress made in the sphere of jute research and development. This section will also feature all possible uses of jute. Special emphasis is reported to have been laid by the Government on this show not only from the angle of prestige but also from that of India's future trade relations with Russia. Of late, Indian jute goods exports to that country, especially of hessian, although paid for in rupee currency, have increased fast. Russia took 21,623 tonnes of jute goods in 1960-61, 25,372 tonnes in 1961-62 and 29,315 tonnes during the eight-month period ended November 1962.

Further Showers Reported

From the present trend of the weather, the Governments of Assam, West Bengal, Bihar and Orissa apprehend that a heavier rainfall during the year will be followed by floods. So preventive measures are being taken to reduce the incidence of such a calamity to the barest minimum. Further showers, spread evenly all over the jute-growing areas, were reported last week. Instead of helping the growth of the plants, they have caused a mild setback due to the clogging of soil and the fast sprouting of grass and weeds. Meanwhile, inter-culture and raking operations have commenced. In late-sown areas, seedlings were damaged. The soil has to be prepared again and jute seeds sown afresh. A week's sunshine might have helped the plants at this stage. But the gathering clouds and humidity indicate a heavier rainfall. Reports from East Pakistan also say that the standing plants were slightly damaged by showers during the past week. But prompt steps are being taken to retrieve the damage.

THE JUTE MARKETS

Manufactured Goods: Buoyant conditions, induced by stray overseas buying and short-covering, prevailed in the jute goods market during the past week. On the basis of returns of shipping instructions submitted by the larger groups of mills, operators believed that the April-end stocks of hessian would substantially decline. A brisk offtake of sacking by the Middle East and for internal consumption also reinforced the view that heavy goods stocks too would register a downward trend. The U.S.A., Russia, Australia and Argentina were reported to have taken scattered lots of hessian for ready and near delivery positions. Shipments lagged behind schedule due to delay in the arrival of some loaders. It was reported that some 6,000 tonnes of ready goods could not be moved from the mill warehouses during April for want of steamers. Some consignments were despatched to the Continent, Russia and the North American ports. The April due date settlement passed off satisfactorily. All delivery schedules were adhered to with no reports of shortages or surpluses. The smooth settlement seemed to indicate that the large out-

view of the slackness of demand for lighter hessian constructions, 40in. 7½oz. May futures was done up to a discount of Rs. 40 a ton, compared with the rates for 40in. 10oz. So substantial repurchases were made by the mills against May-June deliveries so that they could concentrate on the production of thicker constructions of hessian which enjoy a readier and better market.

In the spot section, hessian opened steady and extended the gains on good follow-up support with 40in. 10oz. showing a rise of Rs. 2 to Rs. 49.10 for May, Rs. 1.70 to Rs. 48.80 for June, Rs. 1.40 to Rs. 48.55 for July-September, and of Rs. 1.30 to Rs. 48.25 for October-December deliveries. But for a subdued opening, sacking also remained firm in sympathy with the general trend, showing a lower gain on the balance of 30nP to Rs. 113.10 for May, 40nP to Rs. 113.25 for June, 55nP to Rs. 113.65 for July-September and of 40nP to Rs. 113.50 for October-December positions.

In the futures market, B. Twills May improved by 30nP to Rs. 112.60 after fluctuating widely between Rs. 113.10 and Rs. 112 on alternate bouts of long liquidation and bear-covering with profit-taking at every bulge. But hessian May registered an increase of Rs. 1.80 to Rs. 48.26, after moving between Rs. 48.50 and Rs. 46.26. B. Twills and hessian August also rose by 65nP and Rs. 1.22 to Rs. 113.15 and Rs. 47.76, respectively, in nominal transactions. At the close, the differential between May ready and futures rose from 64nP to 84nP in hessian and was unchanged at 50nP in sacking.

Quotations on Wednesday were as follows:

	May	June	July-Sept.	Oct.-Dec.	Jan.-March
40in. 7½oz.	36.15	36.25	36.40	36.10	35.70
40in. 8oz.	38.75	—	—	—	—
40in. 10oz.	49.35	49.00	48.85	48.25	47.65
B. Twills	113.05	113.25	113.70	113.50	112.90
Cornacks	115.50	116.00	116.00	115.50	115.00
Heavy Cess					
(Plain)	112.75	113.00	113.60	113.50	112.90
A Twills	136.00	136.00	136.50	137.50	137.00
Liverpools	129.00	128.00	127.50	127.50	127.00

Raw Jute: Opening on a dull note, the raw jute market firmed up for a while on brisk mill-buying against the Jute Commissioner's quotas for May. There were also scattered reports of short-covering. Towards the end of the week, the demand evaporated and mills turned reserved. As a result, part of the gains was erased and turnover declined to a trickle. Reports of a larger acreage under jute during the season disturbed sentiment, and holders, mainly of lower grade fibre, were willing to clear their stocks even at a discount. With enough stocks in their warehouses, mills are unlikely to enter the market in a big way except for lifting small lots of better grade jute for blending purposes. Assam Bottoms, ready, f.o.r. Calcutta closed at Rs. 28.25 a maund. Turnover was small and the undertone hesitant at the close. In the futures market, upper Assam White Bottoms June opened and closed at the previous week's level of Rs. 30 after touching a high of Rs. 30.06.

Quotations on Wednesday were as follows:

	Landed at Mills (Basis Bottoms)	Current Rs.	T.S.D. Minimum Prices Rs.
		A Qtl. A Ma.	A Qtl. A Ma.
Assam-Agartala			
Jute	77.70	28.00	30.38
Northern Jute	76.38	28.50	29.04
Western Desal			
Jute	71.00	26.50	27.50
Selected Daissee	88.41	33.00	32.00
Assam-Agartala			
Tossa	85.73	32.00	31.00
Mesta:			
Assam-Northern	68.32	25.50	27.34
Local Daissee	68.32	25.50	27.34
Bihar Dist.	62.98	23.50	25.00
Pakistan	68.00	24.00	25.00

THE U.K. JUTE MARKETS

FIBRE FIRMER

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market in Pakistan was firm last week and the tendency was for the prices of new crop to become dearer. Old crop prices were at steady levels, and offers were being quite freely made. The spot market in Dundee was somewhat firmer, as fair quantities had been sold in the previous week. Ex-warehouse parcels were still available at under current shipment rates, but sellers were not discounting to the same extent as previously.

By all reports, the new crop in Pakistan is making satisfactory progress and more offers are being made. Although spinners here have been buying new crop jute, the quantity so far secured is not as large as usual by this time of year. Mill Lightnings were scarce with the lowest price at £117; Mill Hearts at £92 and Grade Hearts at £80, c.i.f. U.K. for August-September shipment. Grade Tossa-4 was offered at £107 and Outport Tossa-2/3 at £96, October-November.

Old crop prices were irregular and a wide range of offers were being made. Mill Lightnings were scarce with the lowest price at £111; Mill Hearts at £92 and Grade Hearts at £77 for May-June shipment. Grade Tossa-2/3 was at £122 and Grade Tossa-4 at £105. Dacca Tossa-5 was at £125 and Dacca Tossa-6 at £107 10s. There were sellers of outport Tossa-2/3 at £93 15s and of outport Tossa-4 at £84 May-June. As Dundee spinners were already holding large stocks of raw material, little or no buying was taking place for this shipment period.

Although raw jute prices appeared to be at an attractive level at present, spinners were in no hurry to add to their stocks. Of course, everything depends on weather conditions in Pakistan during the next two months to allow the crop to mature. At the same time, both buyers and sellers were waiting for some announcement from the Pakistani Government concerning minimum export prices for the next season.

The Siam jute market was firm and some sellers raised their rates by £1 to £2 a ton. This was due to a certain amount of buying by Japan. However, there were still sellers here at £72 for grade A, at £67 for grade B and at £63 for grade C, delivered mill Dundee for May-June shipment.

The Calcutta goods market was steady and little change took place in prices during the past week. A fair business continued to take place here in imported goods. Quotations were at 71s 3d for 40in. 10oz. and at 53s for 7½oz. a 100 yards f.o.b. Calcutta for May shipment and at 71s 9d and 53s 3d June and also July-September. B Twills were at 172s 3d, 172s 6d and 172s 9d for the respective shipment periods.

Spinners and manufacturers in Dundee were busy and further orders were being received. In the heavy end of the trade, a good demand was being shown for sackings and tarpaulins and some substantial orders were received during the past week. Delivery in many instances was well forward and it was expected that further business would be placed very soon. Prices were very firm, and the quoted rates had to be

CAPITAL, 9th May, 1963.

Commodity Markets

BIGGER COFFEE CROP EXPECTED

NEW DISEASE MAY AFFECT OUTPUT

(BY A SOUTH INDIAN CORRESPONDENT)

THE present feeling is that India's 1963-64 coffee crop will be larger than the previous season's 53,000 tons. Current estimate places the new crop at 56,000 tons. The largest crop on record is that of 1960-61, which was 67,000 tons. A fresh factor limiting India's coffee crop is a new disease which has affected the coffee plants in the south west monsoon zone. This new malady, the main symptom of which is a falling-off in the vigour of the bush by a slow but steady deterioration, was first noticed in 1957 in certain areas of Coorg and Mysore. It was of little economic importance then. But the malady has now spread to larger areas and it is at present looked upon as a major threat to India's coffee growing industry. In the affected plants, bud formation is poor and setting of the flower is below normal. Heavy leaf fall also occurs. The older types of coffee such as Coorg Arabica and Kents are more severely affected than the new and more vigorous Balhonnur selections.

Arabica crop has been falling below expectations since the last four seasons and this is attributed to the new malady. Quality also is getting affected. Crops now tend to be erratic and confidence in forecasting a crop from experience on the condition of the new wood, bud or blossom has been undermined by the greatly fluctuating results. Coffee in excellent condition in November-December may very well not fulfil its promise. This was not so in the past. In south India, about 272,000 acres are under coffee. Of this, 167,000 acres are under Arabica and the rest under Robusta.

Although the Coffee Board's Research Department has been at it since 1959, it has not been able to contribute anything worth the name to combat this disease which is causing great anxiety to the growers. A few months ago, a private research project, supported by a section of planters, started investigating this malady. The scheme mainly aims at finding an economic solution or ascertaining measures which will alleviate the situation until either a cure or a preventive is found. Knowledge gained will be shared with the Coffee Board. In the meanwhile, planters are trying to control the malady by trying several experiments. Control of thrips by widespread spraying of insecticides is being tried.

At least a section of the coffee growers are critical of the Coffee Board's marketing policy. They feel that the planter who produces quality coffee is not sufficiently rewarded for the extra trouble and expense involved. They are unhappy about the discontinuance of the system of open auctions for export sales introduced last year. They prefer open auctions to closed tenders in coffee marketing. The Board is going back to the system of closed bids.

The recently constituted Cardamom Committee has fixed the support price (minimum price the cultivators should get) for cardamom between Rs. 12 and 18 a kilogram depending upon quality. The committee has also fixed the export price for the commodity at 12½ percent over the support price to meet handling charges. The exporter can also sell cardamom to foreign buyers at a price up to 33½ percent in excess of this price. Kerala's Minister for Agriculture who gave this information to the Press

CAPITAL, 9th May, 1963.

ed stock of about 300 tons of cardamom including 150 tons from Kerala and the Director of Cardamom Marketing would purchase the unsold stock at the price fixed by the committee. Kerala grows 1,600 tons, out of the 2,200 tons of cardamom produced in India.

The Central Government has proposed the setting up of a company to be called the "banana export house", and has asked the Governments of Kerala, Madras, Mysore and Andhra to participate in the share capital of the Company, which comes to Rs. 10 lakhs. The Company will purchase bananas and transport them to shipping centres for export by the State Trading Corporation. The proposal is to export 25,000 tons of bananas annually. The southern States would get a quota of 10,000 tons. The Kerala Government is now considering the question of participating in the share capital of this firm.

Tea Auction Prices Move Downwards

(BY A SPECIAL CORRESPONDENT)

LAST season, the final crop figures from the major producing countries resulted in a small deficit, and it is expected that final figures for consumption will show some increase. With no heavy weight of surplus tea likely to come on to the markets before the end of June (small auctions may be expected any time after the end of this month), there does not appear to be any reason for a fall in the prices of this commodity. But for the past few weeks, prices have shown a downward tendency. At the auction on 1st May, Dust teas after meeting with reasonable competition closed below the best except for good liquoring Assams. London sales, on the same day, reported an irregular market with a general downturn.

The average price of tea sold in London for a month or more has been under 4s a lb, against 4s 5d a year ago. This disappointing result, it is said, is due to fairly heavy stocks which are being influenced by large shipments from Africa.

The official view of the India Tea Board is that consumption in the whole world is increasing rapidly and the pace of growth will be accelerated as a result of the Board's promotional campaign and, the explosion in world population will provide the demand, but the bulk of the people may still lack the necessary purchasing power. Against this optimism has to be set the fact that production is increasing.

Chittagong recently shipped to West Pakistan over 4 million lbs of tea during March. West Pakistan sources state that Pakistanis are already the biggest tea drinkers in the world next only to the U.K.

In view of the fact that the U.K. and Ireland are already the best markets for tea, it is curious to note that exporters from India are now on a tour in Europe in the hope of expanding consumption. Meantime, other tea interests report that tea drinking in Europe averages only one cup a head a week. On the face of it, Europe appears to be a potential market. But the problem is to supply something better than coffee at a competitive price.

The battle may be won by a good "instant tea", and here Ceylon appears to have made a sound start with a product called "Ceytea". This product is said to retain to a marked degree the attributes normally associated with quality tea leaf. It is to be hoped that science has the solution. This correspondent recollects

testing samples of synthetic tea as far back as 1905-06.

Advertising Darjeeling Tea

In recent issues, this correspondent has touched on the question of advertising Darjeeling teas as part of "the drink more tea propaganda". It is clear from the statistics that in the event of a demand being created for Darjeeling teas, there is no possibility of the supply meeting the demand adequately.

Here are some figures showing Darjeeling's percentage of India's total production (in lbs). According to the annual bulletin of the International Tea Committee, in 1961, north India produced 598.166 million lbs. Punjab produced 4,400 million lbs and south India 174.102 million lbs, giving a total of 776.668 million lbs. According to figures from Calcutta sources in 1960; 536.1 million lbs were produced in north India, and 169.1 million lbs in south India, making a total of 705.2 million lbs.

Due to the Indian calculations being in kilograms, while world trade is computed in lbs, it is not always easy to secure an up-to-date comparison, but in 1960, out of 705.2 million lbs, only 21.0 million lbs came from Darjeeling. In 1961, Calcutta figures show that 352.2 million kilograms were produced in north India, of which only 9.2 million kilograms were manufactured in Darjeeling, or say 3 percent in 1960 and rather less in 1961.

The figures relating to the tea auctions held in Calcutta also show that Darjeeling district produces only about 3 percent of India's total crop, but the estimate may well be on the low side, because quite a fair proportion is shipped direct to London and other places.

If one considers that 25 percent to 30 percent of this small supply is often of a very ordinary character, it will be agreed that it is poor business and doubtful ethics to try to build up new connections by supplying sample teas which cannot be followed up in quantity. The figures, of course, support the opinion that prospects for Darjeeling tea companies are fairly bright.

Subject to proper advertising in export markets, which seems to be in hand, there should be a potential increase in demand from old and new consuming markets of 25 million lbs or upwards, this and next season. That alone could absorb the Darjeeling crop. It, therefore, seems important to start selling Indian teas in bulk or in blends. The main point is to supply good value in competition with coffee, and to do that, and to make headway against coffee, good tea for price is essential. It is doubtful if the trade can do the needful and a Government subsidy may conflict with trade treaties. So the only real remedy is to reduce taxes or grant freight rebates. The two hurdles to tea at present are cost and coffee. Good tea is so rare that apart from professional tea tasters, hardly anybody outside the trade ever tastes its full flavour or inhales its wonderful aroma.

Reports from Pakistan show that the opening of the 1963 season is about normal. Outturn during March was given as 422,000 lbs, compared with 290,000 lbs in the same month as in 1962. Last year, Pakistan, in common with north India, experienced a marked fall in output. Figures were 51.83 million lbs, against 58.46 million lbs the year before.

Tea sold at the Chittagong auctions during March was recorded at a little over 3 million lbs, but the quantity despatched to West Pakistan alone during that month was reported at nearly 4½ million lbs. On these figures, it is not surprising that very little tea from this country finds its way to the U.K.

COMPANY AND PUBLIC NOTICES

STATE BANK OF INDIA

NOTICE is hereby given that a Local Meeting of the shareholders of the State Bank of India on the Branch Register of Shareholders kept at the Calcutta Local Head Office of the Bank will be held at the Calcutta Local Head Office, No. 1, Strand Road, Calcutta, on Wednesday, the 19th day of June, 1963, at 4-00 P.M. (Standard Time) for the purpose of electing one person to be a Member of the Local Board at Calcutta in pursuance of Regulation 48 of the State Bank of India General Regulations, 1955, in place of Shri V. V. Parekh, a Member of the Local Board, whose term of office will expire on the 30th June 1963.

B. VENKATAPPAIAH,
Chairman.

Bombay, 10th April, 1963.

JENSON AND NICHOLSON (INDIA) LIMITED

NOTICE is hereby given that the Annual General Meeting of Members of the Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Tuesday, 21st May, 1963 at 11 a.m., for the following purposes:—

1. To receive and consider the Directors' and Auditors' Reports and the Profit and Loss Account for the year ended 31st December, 1962 and the Balance Sheet as at that date.
2. To declare Dividends.
3. To elect a Director.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Books of the Company will be closed from the 15th to 21st May, 1963.

By Order of the Board,
K. S. REGUNATHAN,
Secretary.

2, Fairlie Place,
Calcutta, 9th April, 1963.

Note:—A member entitled to attend and vote at the above Meeting may appoint a proxy to attend and vote instead of him. A proxy need not also be a Member of the Company.

JESSOP & CO. LTD.

NOTICE is hereby given that in compliance with the provisions of the Preference Shares (Regulation of Dividends) Act, 1960, the Board of Management has sanctioned the payment of an Interim Dividend on 5% Cumulative Preference Shares for the half-year ending 30th April, 1963, at the rate of Rs. 3.25 per share subject to deduction of tax in accordance with the Finance Act currently in force.

The Preference Share Transfer Register will be closed from 20th May 1963 to 23rd May 1963 both days inclusive.

Dividends will be paid only to the Shareholders whose names are registered in the Books of the Company on the 23rd May, 1963 or to their Mandatees.

By Order of the Board,
K. S. BASU,
Secretary.

63, Netaji Subhas Road,
Calcutta, 6th May, 1963.

THE BENGAL FLOUR MILLS CO. LTD.

The Board of Directors of the Company has decided to recommend to the forthcoming Annual General Meeting, the payment of a Final Dividend of 15 per cent for the year ended 31st December, 1962.

BALMER LAWRIE & CO. LTD.,
D. MANSON

Managing Director,
Managing Agents.

21, Netaji Subhas Road,
Calcutta.

2nd May, 1963.

ISSAC HOLDENS (INDIA) LIMITED

Registered Office: 31, Netaji Subhas Road.
Annual General Meeting
NOTICE

NOTICE is hereby given that the register of members and share transfer books of the Company will remain closed from 21st to 28th June, 1963, both days inclusive.

By Order of the Board,
DUNCAN BROTHERS & CO. LD.,
Managing Agents.
Calcutta, 4th May, 1963.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	U.S.I. Hours
Punjab National Bank Ltd.	10-5-63	4 p.m.
Industrial Investment Trust Ltd.	13-5-63	4 p.m.
United Commercial Bank Ltd.	24-5-63	4 p.m.
Escorts Ltd.	27-5-63	10-15 a.m.
Bharat Nidhi Ltd.	27-5-63	3-30 p.m.
Guest, Keen, Williams, Ltd.	31-5-63	11-30 a.m.
Kumardhul Engineering Works Ltd.	31-5-63	3-40 p.m.
State Bank of India	19-6-63	4 p.m.
Jenson and Nicholson (India) Ltd.	21-5-63	11 a.m.

DIVIDENDS DECLARED OR PROPOSED—Buckingham and Carnatic Co. Ltd.—Rs. 12 per share (o) (f), subject to tax; Bangalore Woollen Cotton & Silk Mills Co. Ltd.—Rs. 12 per share (o) (f), subject to tax; Loobah Co. Ltd.—Nil; Rajgarh Tea Co. Ltd.—Rs. 1.75 per share (o) (Gross); Basmatia Tea Co. Ltd.—Rs. 2.00 per share (o) (Gross); National Co. Ltd.—Re. 1 per share (o), subject to tax; Guest, Keen, Williams, Ltd.—8 p.c. (f), subject to tax; Hooghly Flour Mills Co. Ltd.—Nil; United Flour Mills Co. Ltd.—7½ p.c., subject to tax; Burma Mines Ltd.—Nil; Budge-Budge Jute Mills Co. Ltd.—Rs. 8 per share (o) (f) (Gross); Cheviot Mills Co. Ltd.—Rs. 1.75 per share (o) (f) (Gross); Delta Jute Mills Co. Ltd.—Rs. 8 per share (o) (f) (Gross); Bengal Flour Mills Co. Ltd.—15 p.c. (f).

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"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Wednesday, 8th May, 1963.

BANKS

NAMES	Dividends per cent			Paid-up	Latest Market Quotations			NAMES	Dividends per cent			Paid-up	Latest Market Quotations		
				per	as available until							per	as available until		
	1959	1960	1961	Share	8-5-63.	1-5-63	A year ago		1959	1960	1961	Share	8-5-63.	1-5-63	A year ago
				Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs.	
Allahabad Bank P.	18	18	18	100	275/00	277/00	329/00	Indian Overseas Bank	12	14	14-14*	100	154/50	148/00	167/50
Bank of Baroda	14	17	17	50	87/50	88/00	115/00	Industrial Finance Corpn.	..	..	..	50	..	..	..
Bank of India	16	20	20-20*	50	109/50	109/50	117/50	National & Grindlays Bank	12½	13½	14-16*	sh. 15	sh. 31/3	sh. 30/9	sh. 31/1½
Central Bank of India	17-1/5	20 2/5	20-20*	25	59/00	58/50	67/50	Punjab National Bank	20	20	20	10	19/25	19/87	21/87
Chartered Bank	15	15	15	£1	sh. 60/9	sh. 60/7½	sh. 55/6	Union Bank of India	11 2/5	11 2/5	11 2/5	5	5/84	6/48	7/92
Hindustan Commercial	Nil	Nil	Nil-Nil*	50	13/87	13/87	18/12	United Bank of India	4.3	4.3	6-6*	10	7/31	7/31	7/19
Hindustan Mercantile	Nil	Nil	Nil	50	15/62	15/62	17/62	United Commercial Bank	11	12	12	50	72/00	71/00	92/50
Hong Kong & Shanghai	£3	£3½	£3½	HK\$25	£17.	£16½	£17½								
Indian Bank	15	15	15-14*	100	170/00	174/50	175/75								

*1962

JUTE MILLS

NAMES	Dividends per cent				Paid-up per Share				Latest Market Quotations as available until				NAMES	Dividends per cent				Paid-up per Share				Latest Market Quotations as available until			
	1959	1960	1961	1962	Ra.	Ra.	Ra.	A year ago	8-5-63.	1-5-63	A year ago	8-5-63.		1959	1960	1961	1962	Ra.	Ra.	Ra.	A year ago	8-5-63.	1-5-63	A year ago	8-5-63.
Agarpara P.	10	2½	2½	10	10/06	10/06	12/06						Hukumchand P.	28½	28½	28½	7½	22/00	22/00	26/31					
Alexandra P.	44	15	..	100	300/00	300/00	305/00						India	14	12	8	12½	17/50	18/00	17/75					
Alliance P.	6	Nil	10	100	100/00	96/50	121/00						Kamarhatti P.	5	Nil	..	100	181/00	148/00	187/00					
Anglo-India P.	20	7	10	100	228/00	215/00	240/00						Kankannarrah P.	Nil	Nil	..	100	140/00	139/00	132/00					
Auckland P.	27	12	Nil	100	144/00	139/00	181/00						Kelvin P.	15	15	5	100	170/00	170/00	203/00					
Bally P.	25	25	25	100	270/00	270/00	304/00						Khardah P.	20	5	12½	10	16/50	16/50	167/00					
Barnagore P.	30	10	10	£5	180/00	180/00	179/00						Kinnison P.	20	7	Nil	100	140/00	140/00	143/00					
Bengal P.	5	..	..	10	10/25	10/25	11/00						Landowne P.	Nil	Nil	..	100	85/00	85/00	171/00					
Birsa P.	15	15	15	10	28/75	28/81	35/25						Lawrence P.	7	15	10	100	100/00	100/00	115/00					
Budge Budge P.	10	Nil	..	100	156/00	156/00	145/00						Magna P.	12	12½	Nil	10	13/31	13/69	13/12					
Calcutta P.	12	..	..	10	8/12	8/12	8/37						Naihati P.	..	..	..	100	81/00	81/00	115/00					
Caledonian P.	10	5	Nil	100	200/00	200/00	220/00						Naskarpura	..	..	..	10	9/06	9/06	10/50					
Champdany P.	Nil	5	..	10	18/12	134/00	145/00						National P.	7½	Nil	..	10	23/75	23/75	22/50					
Cheviot P.	Nil	5	..	10	23/25	23/87	24/62						Nellimarla P.	3	6	15	10	11/50	11/50	12/06					
Chitavalsah P.	5	Nil	5	10	10/75	10/75	12/44						New Central P.	15	15	Nil	10	11/75	12/19	17/06					
Clive P.	..	..	..	10	7/62	7/62	9/00						Northbrook P.	30	30	20	10	30/25	29/00	39/50					
Dalhousie P.	1	1	Nil	100	145/00	152/00	130/00						Nuddea	8	6	5	50	52/50	52/50	5/69					
Delta P.	7½	Nil	..	100	157/00	141/00	191/00						Presidency	8	6	10	5	5/19	5/56	9/50					
Empire P.	12½	7½	12½	10	14/69	14/69	18/75						Rameswara P.	Nil	Nil	Nil	10	9/56	9/44	7/75					
Fort Gloster P.	25	10	12½	100	371/00	375/00	443/00						Reliance P.	Nil	Nil	Nil	10	10/62	11/12	10/50					
Fort William P.	22½	22½	10	10	26/12	26/12	25/75						Sammugger P.	6	Nil	..	£1	10/50	10/50	35/00					
Ganges P.	10	10	15	10	13/37	13/62	14/43						Shree Ambika P.	9	6	Nil	10	25/00	25/00	25/00					
General Industrial	40	10	..	10	15/44	15/44	55/00						Shree P.	25	25	..	10	21/25	21/50	25/56					
Gouropore P.	30	25	20	10	25/62	24/00	..						Titagarh P.	6	Nil	..	£1	10/50	10/50	10/50					
Hastings P.	6	..	6	100	128/00	128/00	124/00						Union P.	25	6	Nil	100	144/00	142/00	185/00					
Hookahy P.	10	..	..	10	20/00	20/00	27/25						Victoria P.	6	Nil	..	£1	10/50	10/50	10/50					
Howrah P.	12½	10	Nil	10	20/00	20/12	20/75						Waverley P.	30	30	60	1	7/06	7/00	6/50					

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1960	1961	1962		Ra.	Ra.	Ra.	A year ago Ra.		1960	1961	1962		Ra.	Ra.	Ra.	A year ago Ra.
Amalgamated	10	12½	15	10	23/00	23/56	22/87		Mundulpur	..	..	..	10	2/69	3/69	2/69	
Bengal P.	25	21	..	100	286/00	303/00	373/00		Nazira	..	..	..	10	5/00	5/00	7/62	
Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48		New Beerboom P.	16	..	..	10	19/37	20/12	22/87	
Bengal Nagpur	10	26	..	10	22/00	22/00	20/19		New Manbhoom	7½	9	12	10	16/00	15/87	13/75	
Bhalgore	..	..	..	10	4/87	4/87	4/75										
Bharat Collieries P.	..	..	..	10	3/53	3/53	4/12										
Bhulanbararee	..	..	..	10	11/94	11/94	5/00		North West	20	20	..	10	19/75	19/75	22/06	
Bokaro & Ramgur	..	..	..	10	11/19	11/19	14/06					7½	18/00	18/00	20/25		
Borra P.	15	15	..	10	23/87	23/87	23/25										
Burrakur P.	13	13	13	10	16/62	17/00	18/56		Ondal P.	6	7½	..	10	12/00	12/00	14/40	
Central India	8	10	10	10	10/47	10/47	13/00		Parasara P.	10	10	..	10	16/00	16/00	17/88	
Central Kurkend P.	..	..	..	10	3/87	3/87	7/00		Pench Valley	10	10	10	10	18/00	18/19	18/12	
Churulia	8	..	..	4	3/06	3/06	3/06		Pure Sitalpur	..	..	..	10	8/00	8/00	8/00	
Dhomo Main	Nil	Nil	..	10	5/75	5/75	8/00		Raneegunge	15	17	17	10	16/00	16/00	16/75	
East Indian	7½	15	20½	£1	31/87	32/37	47/50		Rewa	20	20	..	10	28/50	28/50	27/75	
Equitable P.	15	10	..	10	25/62	26/50	28/25										
Ghusick & Muslia	Nil	Nil	Nil	10	14/25	13/50	14/00		Samia	10	..	..	10	10/03	10/03	8/87	
Guzdar Kajora	..	..	..	10	2/03	2/03	2/00		Searsole	Nil	Nil	Nil	2½	1/22	1/22	1/22	
Hurridadib	..	..	..	10	8/12	8/12	14/37		Seebore P.	42 8/7	42 6/7	..	7	45/00	45/00	46/62	
									Sendra	8	3½	..	10	6/25	6/25	7/69	
Karanpura Development	8	15	..	100	12/62	12/62	17/06		South Karanpura	2½	Nil	..	10	8/87	9/44	9/25	
	15	15	..	107					Standard	15	10	..	10	16/62	16/62	16/12	
Karanpura Collieries P.	7½	10	10	10	16/75	17/00	19/04		Union	..	..	..	10	10/37	10/37	10/06	
Katras Jherlah	95	40	25	10	37/75	37/75	48/50		Western Bengal	6	7½	..	9	9/25	9/44	9/84	
Khas Kajora P.	..	..	..	10	18/70	18/70	18/70		West Jamuria	Nil	Nil	..	10	4/12	4/12	9/37	

MISCELLANEOUS COMPANIES—Contd.

NAMES		Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES		Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
		1959	1960	1961		8-5-63. Ra	1-5-63 Ra	1-5-63 Ago Ra			1959	1960	1961		8-5-63. Ra	1-5-63 Ra	1-5-63 Ago Ra
ENGINEERING & METAL																	
Arthur Butler (Muzafferpore) P.	..	..	..	10	14/50	14/50	12/94	K Synthetics	..	..	8	10	11/25	11/44	..	..	..
Bhartia Electric Steel	15	10	10	10	13/56	13/62	12/75	James Wright P.	..	..	..	10	44/..	44/..	27/75	..	..
Braithwaite India	22 1/2	25	25	10	28/00	33/00	62/00	Jardine Henderson Ltd P.	..	..	..	10	30/42	30/42	30/43	..	..
Bridge & Roof	30	30	30	10	52/25	52/25	52/25	Jay Shree Industries P.	6	7	7-6*	100	85/50	87/00	80/00	..	..
Britannia Building & Iron P.	10	10	Nil-Nil*	10	3/65	3/65	3/65	Keoram Industries P.	14	14	12	10	16/06	16/87	20/50	..	..
Britannia Engineering P.	10	10	10	10	10/00	10/19	13/90	Lactariene & Co.	2 1/2	5	12-12*	10	23/00	23/37	32/00	..	..
British India Electric Cons.	25	45	20	10	33/12	33/12	42/62	Macneil & Barry Ltd. P.	..	..	..	10	7/00	1/00	7/25	..	..
Burn P. (Engineering)	28 1/2	28 1/2	28 1/2	100	438/00	438/00	711/00	Martin Burn Ltd. P.	27 1/2	27 1/2	27 1/2-25*	10	93/50	93/50	93/00	..	..
Calcutta Steel	5	15	15	10	13/25	13/69	..	Mcneil & Barry Ltd. P.	..	..	..	10	1/69	2/37	2/53	..	..
Dalmia Iron	..	10	10-10*	10	10/50	10/50	12/25	Martin Burn Ltd. P.	27 1/2	27 1/2	27 1/2-25*	10	27/12	26/75	29/00	..	..
Guest, Keen, Williams	24	16	14	10	33/75	33/75	41/00	McLeod & Co. P.	15	15	15	1000	210/00	210/00	215/00	..	..
Hooghly Docking	12	Nil	Nil	60	108/00	108/00	139/00	Metals Box Co. of India Ltd P.	10	10	10	1000	..	..	..	..	..
Indian Iron & Steel P.	10	15	16-16*	10	22/04	22/16	26/15	National Insulated Cable P.	17 1/2	25*	25	10	49/87	49/87	61/37	..	..
Indian Malleable Casting	6	Nil	..	60	6/00	6/00	6/00	National Pipe & Tubes P.	20	25	25-25*	10	24/62	24/50	46/75	..	..
Indian Standard Wagon P.	7 1/2	Nil	..	10	2/50	2/50	3/12	National Rolling & Steel Ropes	15	20	20-20*	10	27/25	27/25	33/25	..	..
Indian Steel & Wire Products	28 1/2	28 1/2	28 1/2	10	29/31	29/31	..	National Rubber P.	10	13	10-15*	10	18/87	18/87	22/60	..	..
Industrial Containers	..	Nil	10	10	22/00	22/00	..	National Tobacco P.	16	16	7	10	12/62	12/50	14/75	..	..
Jay Engineering	12	17/30	17/30-15*	10	22/69	24/25	15/19	New India Investment Corps.	8.7	8.7	..	75	65/00	65/00	70/00	..	..
J. K. Steel P.	12 1/2	20	20-10*	10	14/34	15/00	..	Octavius Steel P.	12 1/2	10	..	100	..	..	..	..	..
Jessop & Co. P.	8.58	8.58	8.58	10	22/19	22/69	25/00	Philips India	12	12	12	10	25/69	26/00	37/75	..	..
Kumardhubi Engineering P.	10	10	11 1/2	8	8/00	8/12	8/00	Publicity Society	37 1/2	10	75-75*	4	26/19	26/19	27/00	..	..
Marshall Sons (India)	10	Nil	Nil	2	3/06	3/12	4/19	Rallis India P.	Nil	4	81-81*	100	116/00	127/00	150/00	..	..
National Iron and Steel	6 1/2	Nil	Nil-Nil*	4	4/25	4/19	5/50	Rohas Industries P.	15	20	10-8*	10	10/56	11/00	16/62	..	..
Saran Engineering	7 1/2	8 1/2	10-12 1/2*	4	9/00	8/00	10/00	Sirsil P.	..	Nil	..	10	8/69	8/87	10/25	..	..
Steel Containers	..	30	20	10	19/77	19/77	22/90	Shaw Wallace P.	5	15	15	10	13/62	14/00	19/30	..	..
Textile Machinery	20	10	10	10	23/45	23/80	25/55	Spencer's Hotel	14	2 1/2	2 1/2	2	0/94	0/94	1/50	..	..
SUGAR BREWERIES ETC.																	
Bairampur Sugar	8	8	8-4*	2 1/2	2/37	2/37	2/53	Union Carbide	18	18	18	10	42/37	42/37	53/87	..	..
Belaunda Sugar	18 1/2	18 1/2	10	7 1/2	8/50	8/50	10/62	Walford Transport	15	30	30	10	2/44	2/44	2/69	..	..
Bharat Sugar P.	..	..	..	10	13/00	13/00	13/00	Concord of India	20	20	20	5	10/25	10/25	11/00	..	..
Carew (Sugar) P.	Nil	Nil	Nil-Nil*	10	12/50	12/50	12/44	Hercules	20	22 1/2	26 1/2	10	25/00	25/00	24/25	..	..
Cawnpore Sugar P.	Nil	Nil	Nil-Nil*	10	10/06	10/06	13/50	Ruby General	10	10	13 1/2	8	8/56	8/36	9/53	..	..
Champaran Sugar	15	15	12-Nil*	10	15/81	15/87	18/00	Standard General	45	..	..	10	6/00	6/00	5/44	..	..
Durbhanga	20	4	Nil	10	8/25	7/37	10/00	Triton	45	45	50	25	132/00	132/00	133/50	..	..
Dyer Meskin (Breweries)	16	25	30	5	28/00	28/00	53/75	Bengal	45	40	25	10	34/25	34/25	38/62	..	..
New Savan Sugar and Jwr	..	..	..	10	5/62	3/62	5/19	Delhi P.	..	..	..	10	14/00	14/00	14/00	..	..
Purbaitan Sugar P.	Nil	..	..	10	11/50	11/50	11/50	Ganesh P.	12 1/2	..	..	12 1/2	15/75	15/75	19/50	..	..
Rammugger Cane & Sugar P.	21 3/4	30	35-30*	10	26/12	30/37	30/44	Hooghly	27 1/2	15	Nil	10	19/75	19/75	19/75	..	..
Raza Gulano	12 1/2	12 1/2	..	10	10/06	10/06	10/94	United	62 1/2	35	10	10	30/00	30/00	38/00	..	..
Ryam Sugar P.	..	..	..	10	5/75	5/75	8/06	Attock Oil	13 1/2	13 1/2	13 1/2	21	sh. 31/-	sh. 32/-	sh. 24/6	..	..
Samsatpur Central Sugar	..	..	..	10	9/82	9/82	9/87	Burmah Oil P.	..	9-2 1/2	..	21	sh. 48/6	sh. 48/6	32/6	..	..
Shree Krishna Gyanodaya Sugar P.	10	15	..	10	7/19	7/06	7/12	Indo Burmah Petroleum P.	25	30	25	10	22/00	23/00	23/50	..	..
Shree Sitaram Sugar	..	..	..	10	7/12	7/12	7/12	Lido Water Oil	22	30	35	10	25/12	26/75	24/00	..	..
Sitalpore Sugar	Nil	4	Nil-Nil*	10	6/12	6/12	6/62	Attock Oil	13 1/2	13 1/2	13 1/2	21	sh. 31/-	sh. 32/-	sh. 24/6	..	..
Unitec Provinces	15	15	..	10	10/62	10/62	14/72	Burmah Oil P.	..	9-2 1/2	..	21	sh. 48/6	sh. 48/6	32/6	..	..
Upper Ganges Sugar P.	7 1/2	7 1/2	7 1/2-7 1/2*	10	65/00	65/00	77/00	Indo Burmah Petroleum P.	25	30	25	10	22/00	23/00	23/50	..	..
MISCELLANEOUS																	
A. P. P. (Restaurant)	3 1/2	7 1/2	..	10	5/90	5/90	5/90	Lido Water Oil	22	30	35	10	25/12	26/75	24/00	..	..
Aluminium Corporation P.	10	12	12-12*	10	13/62	13/87	18/87	Attock Oil	13 1/2	13 1/2	13 1/2	21	sh. 31/-	sh. 32/-	sh. 24/6	..	..
Adani	10	11 1/2	..	10	11/50	11/50	11/50	Burmah Oil P.	..	9-2 1/2	..	21	sh. 48/6	sh. 48/6	32/6	..	..
OIL COMPANIES																	

MISCELLANEOUS

[illegible]

SOUTH INDIA PLANTATION COMPANIES

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		7-5-63	30-4-63	A year ago		1959	1960	1961		7-5-63	30-4-63	A year ago
Amalgamated P.	7½	10	..	10	10/36	10/36	11/06	Malankara	16	15	..	10	15/56	15/56	16/90
Anandam P.	15	15	..	10	15/24	15/24	15/22	Midland Rub. & Prod. P.	10	12½	12½	10	10/50	10/50	11/50
Athimattam	Nil	Nil	..	10	0/80	0/80	0/80	Nilgiri P.	8	..	..	10	8/90	8/90	8/90
Balanor P.	15	15	12	10	12/00	12/00	13/75	Nonsuch	20	20	20	10	21/80	22/15	22/25
Balmadies P.	7½	7½	..	2	1/90	1/90	1/90	Jasoor	15	15	..	2	2/71	2/71	2/75
Be Be P.	6	Nil	..	5	2/15	2/15	2/53	Juchterlony	15	13	12	2	3/75	3/80	4/05
Blue Mountain	12½	12½	10-10*	2	2/44	2/47	2/58	Parkside Nelliherby	27½	27½	22½	10	24/00	24/00	23/73
Chembra Peak	15	20	20-20*	2	3/75	3/60	3/57	Peermade P.	22½	22½	22½	10	22/50	22/50	18/90
Cochin Malabar P.	15	17½	20-20*	3	6/00	6/00	7/04	Peninsular	20	20	..	10	20/70	20/70	22/10
Coffee Lands P.	25	6	..	10	13/50	13/50	16/62	Periakaramalai	12½	13½	20	2	3/00	3/06	3/37
Consolidated Coffee P.	25	20	..	10	17/25	17/25	19/40	Rajagiri Rub. & Prod. P.	20	20	20	10	18/25	18/50	20/25
Coonor P.	20	17½	..	10	18/50	18/50	23/00	Rajendra P.	50	25	..	5	9/80	9/80	11/12
								Swinton	7½	12½	..	2	2/82	2/82	2/82
Coorg P.	20	20	..	2	4/45	4/45	4/95	Teekoy P.	6	Nil	..	10	6/10	6/35	5/45
Cottanad Plantation P.	15	10	..	10	9/31	9/31	10/10	Thirumbadi	7	7	12	1	1/30	1/25	1/57
Devashola (Nilgiri)	25	20	..	10	24/92	24/92	26/05	Travancore Rubber	10	13	..	10	10/50	8/65	12/80
Devon P.	15	15	12	10	12/64	12/66	13/50	Travancore Rub. & Fea P.	7½	8	10	10	8/80	8/70	10/87
Emerald Valley	8	..	..	5	5/06	5/06	5/60	Tropical Plantations	6	8	..	25	19/75	19/75	18/75
Gokul	9	10	..	2	1/90	1/90	1/91	Twyford	10	10	..	10	9/10	9/10	10/75
Halleybury P.	12½	15	..	10	12/62	12/62	13/60	United Nilgiri	19½	21	22	10	20/34	20/34	21/37
Kailas	20	22½	..	2	5/40	5/56	5/00	Vaikundam	25	30	..	10	29/45	29/45	31/70
Kalasa Tea Produce	15	20	25	2	3/45	3/45	3/60	Waterfall Estates P.	12½	12½	..	2	2/35	2/35	2/30
Kil Kotagiri P.	35	25	25	2	5/20	4/86	4/98	Woodland P.	8	10	..	10	7/83	7/83	7/85
Lucky Valley	10	10	10	10	11/00	11/00	10/62								

SOUTH INDIA COTTON MILLS

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		7-5-63	30-4-63	A year ago		1959	1960	1961		7-5-63	30-4-63	A year ago
Bangalore W. C. Silk P.	10	10	18	100	250/00	235/00	250/60	Lakshmi	12	20	30	50	137/25	138/00	165/00
Buckingham & Carnatic P.	10	10	18	100	255/00	255/00	271/80								
Cambodia P.	Nil	9	..	10	13/00	13/00	14/00	Madura	12½	15	15	15	32/50	32/50	38/37
Coimbatore Cotton	6	12	16	100	171/70	171/70	193/80	Mettur Industries	25	30	30-22½*	100	324/00	324/00	400/00
Coimbatore Spg. & Wvg	..	..	..	50	68/00	68/00	82/50	Palani Andavar P.	..	..	..	10	215/00	215/00	232/50
Kothari Textiles P.	10	10	8	10	10/55	10/55	12/10	Vasanta P.	16	20	..	100	276/00	276/00	291/50

SOUTH INDIA SUGAR MILLS

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		7-5-63	30-4-63	A year ago		1959	1960	1961		7-5-63	30-4-63	A year ago
Andhra P.	20	..	..	10	17/36	18/23	21/00	K. C. P.	15	..	..	10	25/07	25/07	22/75
Cauvery P.	Nil	6	8	100	104/00	99/00	102/00	Kothari	..	Nil	Nil	10	7/85	7/85	7/00
Deccan Sugar	25½	25½	12-18*	5	10/00	9/00	10/15	Mysore	80	30	30-30*	10	51/30	51/30	53/40
E.I.D.—Parry	28 4/7	21 3/7	21 3/7*	21	38/25	38/70	40/25	Travancore P.	10	10	..	10	7/12	6/85	7/15
Indian Sugar P.	12½	14	10	10	9/69	9/69	9/60	United Breweries	60	60	60-25*	10	95/00	95/00	82/25
Jeyvare P.	10	8	..	10	15/00	15/00	14/75								

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		7-5-63	30-4-63	A year ago		1959	1960	1961		7-5-63	30-4-63	A year ago
Aluminium Industries	12½	18	..	10	17/75	18/50	24/10	Mysore Chemical Mfgs. P.	20	20	..	10	18/28	18/28	21/75
Andhra Cement P.	10	..	..	10	9/65	9/60	9/80	Mysore Lamp P.	16	20	..	10	34/10	34/10	32/75
Ashok Leyland	8	8	..	5	7/55	7/55	9/00	Mysore Paper	12½	15	15	10	13/95	13/70	13/70
Binny	10	12½	..	100	327/17	327/17	364/35	Mysore Tobacco	12½	10	..	10	9/85	9/80	8/80
Brunton & Co.	Nil	..	..	10	5/30	6/30	5/15	Parrys Cont.	20	30	..	8	3/30	3/30	4/48
Enfield P.	6	6	..	10	9/25	9/25	12/10	Spencer (Provisions)	18	18	18-18*	10	21/90	21/90	23/80
India Cement P.	9	11	9-12*	9	5/65	5/75	6/18	Standard Motors P.	9	9	..	10	11/87	11/87	16/62
Indian Steel Rolling P.	7	..	..	10	10/35	10/40	12/70	T. Stanes P.	27½	32½	..	10	29/05	29/05	31/00
Mettur Chemical Industrial P.	8½	12½	12½-13½*	10	11/46	12/25	13/15	Textool	15	15	..	100	156/00	155/00	183/50
Mysore Chem. & Fert.	8	10	10	10	9/75	9/75	10/35	Tube Investments	10	10	..	100	235/00	235/00	280/00

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		8-5-63	1-5-63	A year ago		1959	1960	1961		8-5-63	1-5-63	A year ago
Ahmedpur Katwa	1.90	1.90	1.75	100	29/00	29/00	31/00	Darjeeling Ropeway	17	..	15	10	8/00	8/00	8/00
Arran Sasaram	5	5	5	100	27/00	27/00	30/50	Dehr. Dobta	1.90	1.90	1.90	100	28/70	28/70	28/70
Bankura Damodar	1.90	1.90	1.75	100	29/50	29/50	29/00	Howrah Amta (P)	6	5	4½	100	46/00	46/00	45/00
Burdwan Cutwa	1.90	1.90	1.75	100	29/00	29/50	29/00	Howrah Sheekhale	6	5	4½	100	45/00	45/00	40/00
Chaparmukh-Silghat	2.90	2.90	2.80	100	35/00	35/00	30/00	Katke Lata Sagar	3.50	3.10	1.90	100	41/00	41/00	41/00
Cherra Chhatka Ropeway	9	12	12	5	5/75	5/75	5/81	Shahdara (Delhi)	6	8	..	100	50/00	50/00	50/75


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SHORTFALLS IN KEY SECTORS, PLAN TO BE REPHASED

A FULL session of the Planning Commission, it is reported, has started examining the shortfalls in the targets of the third five year plan with a view to rephasing it. The slow rate of economic growth has caused widespread disappointment. The progress achieved so far has been inadequate to make any impact on living standards, which, if anything, have deteriorated. The disappointment has been the greater because the review of the progress during the first two years of the third plan, presented by Mr. Gulzarilal Nanda, Central Minister for Planning, to the Lok Sabha the other day, has raised doubts whether the Planning Commission's preoccupation with mobilising funds has not diverted its attention from prescribing appropriate remedies for fulfilling the targets. Although the emergency has put considerable pressure on resources, there is hardly any evidence to show that the shortfalls in the plan have occurred for lack of finance. As far as rupee resources are concerned, the procurement has been as satisfactory as had been hoped for. During the first three years of the third plan, the Central and State Governments have raised additional revenues of Rs. 1,700 crores and Rs. 520 crores, respectively, against an overall target of Rs. 1,710 crores fixed for them. Hence it is odd that the Planning Commission should have called for a changed perspective on taxation in order to meet the needs of development and defence. The stupendous tax effort of the 1963-64 Central Budget has already started to produce strains and stresses in the economy. The prices of capital and consumer goods have shot up since the Budget. The rises in excise duty have boosted the domestic prices of several commodities. Industrial costs have been inflated by the increases in import duty on raw materials and capital goods. Although sufficient resources have been mobilised for the public sector, no worthwhile attempt has been made so far to reinforce the resources of the private sector. The vigour of the private sector can be sustained only by the buoyancy of the capital issues market. Now that investment confidence has suffered a serious setback following the stiff tax measures in the Budget, there has been a growing fear that development in the private sector may be retarded by a shortage of resources. Considering that the private sector has, by and large, fulfilled its targets during the past twelve years, and in view of the vast field left for it in the plan, any setback it suffers may jeopardise the overall economic development.

The concern about foreign exchange is understandable since India has to depend rather heavily on foreign aid for obtaining it. It is indeed fortunate that the progress of the plan has not been hampered so far for lack of foreign exchange because of the assistance of friendly countries. The future prospect of aid is, however, uncertain. Much will depend on the decisions which the Aid-India Club may take at its forthcoming meeting in June. The donor countries have been impressed by India's pressing foreign exchange requirements for development and defence. It is encouraging to know that they have viewed favourably the argu-

ment for giving more untied aid at a cheaper cost for promoting development. Past experience shows that aid tied to specific projects has been difficult to use in full; furthermore, its terms have prevented its use for "maintenance" purposes. It is a sheer economic waste to build up new capacity if it cannot be utilised fully. In order to have the full benefit of foreign aid, it is necessary that adequate foreign exchange should be procured in untied form to be able to work the existing capacity fully.

The performance in the agricultural sector has been very disappointing in that the output during the first two years of the third plan was less than in 1960-61. Production during the current year

farmers are financially in a position to use the facilities. They must be provided with better seeds, sufficient fertilisers and modern implements. They must be taught scientific methods of farming. Energetic steps should be taken to bring more fallow land under the plough. A scientific scheme of rotation of crops should be introduced. It is regrettable that the shortfall in the output of fertilisers has not attracted the attention it deserves.

The performance on the industrial front has also fallen below expectations. Although industrial production rose by an average of 8 percent during the first two years of the third plan, it is doubtful whether even this improvement will be maintained in the current year. There was an increase in the production of iron and steel, aluminium, engineering goods, mineral oils and chemical products, but the output of pig iron, steel castings, forgings, alloy and tool steel and fertilisers was below the targets. Mr. Nanda has expressed concern over the working of Government undertakings. There has been an increase in the approved estimates of several public sector projects. Their inability to stick to time schedules has resulted in serious shortfalls. As a result of inefficient management, they are not expected to contribute the targeted revenue of Rs. 300 crores. Considering that a major portion of the country's resources has been diverted to the public sector at the cost of the private sector, the overall picture has been adversely affected by the shortfalls in Government enterprises. The outlook for private enterprise is also far from encouraging since its output has been held down by extraneous factors beyond its control. Idle capacity in industries has substantially increased during recent months. The engineering industry, for instance, has been

embarrassed by growing idle capacity, although it is expected to work at the maximum level to meet defence requirements. Its working has been retarded by the shortage of power, transport, raw materials and foreign exchange. The recent threat of a substantial cut in the power supply will further curtail industrial activity in West Bengal. Unless prompt steps are taken to obtain additional power supplies from outside sources, such as Rihand, more industrial capacity will go unused. This apart, the growth of the private sector has been jeopardised by the super profits tax since it has substantially reduced the capacity of industry to plough back funds. Several expansion, modernisation and diversification programmes may have to be deferred for shortage of funds. Outside funds have been difficult to get because of the decline in confidence. Banking resources have been more or less fully employed. Banks may not be able to attract sufficient deposits because savings will be affected by heavier personal taxation coupled with compulsory deposits.

As a result of the poor performance, the national income rose by only 2.1 percent during 1961-62, compared with an average rise of 4 percent during the second plan period. But it rose substantially by 7.1 percent in 1960-61. In the circumstances, the decision of the Planning Commission to rephase the plan has not come as a surprise. The view is gaining ground that the targets have not been achieved because the plan itself, besides being lop-sided, is too ambitious. The revocation of several industrial licences during recent months seems to reinforce the belief that too many projects were being attempted in too short a time. The Planning Commission has only been realistic in deciding to prune the plan according to priority and capacity.

EXPORTS: A DEPRESSING PICTURE

EXPORT earnings in 1962-63 at Rs. 686 crores were 3.5 percent higher than in the previous year—a disappointing performance nevertheless on three counts. In the first place, the increase was smaller than the 4.7 percent rise in 1961-62 in spite of the labours of the Board of Trade set up in May 1962. The Board bravely set an export target of Rs. 720 crores but its expectations are shown by the actuals to have been too optimistic in the case of a number of important items. Secondly, India lost ground in several major markets including two, the E.E.C. and Japan, with which trade deficits are already serious. Thirdly, the earnings from manufactured products, upon which India must rely for future expansion of exports, not only did not increase but actually fell by a third.

A comparison of the actuals with the Board's targets and the results of the previous year is instructive. Tea exports in 1961-62 had earned Rs. 122.4 crores and the Board had hopefully set its sights on an earning of Rs. 140 crores for last year. Although the volume of exports increased by 15 million kilograms, it would seem that unit values suffered a marginal decline and earnings, therefore, did not rise proportionately. As a result, tea earned only Rs. 129 crores. But more than the fall in unit value, the gap between actuals and the target is attributable to the inability to export as much as had earlier been hoped, largely because of the smaller north Indian crop.

In jute goods, the fall in export price in the first half of the year from the abnormally high levels of 1961 reduced the earnings despite a sizeable rise in the volume of exports. This trend would seem to have been corrected during October-March; the figures for the year published in *Indian Trade Journal* show an increase in total earnings despite a lower quantum of exports. At Rs. 155.66 crores, jute manufactures earned Rs. 11 crores more than the previous year and Rs. 25 crores more than the target. Likewise, earnings from tobacco were almost Rs. 4 crores higher than the previous year and Rs. 2 crores more than the target.

These unexpected gains were cancelled out by the fall in textiles, both in terms of quantity and value. At Rs. 46.53 crores, earnings were almost Rs. 11 crores lower than the target and Rs. 1.8 crores lower than in 1961-62, confirming that the voluntary export quota of 12½ percent adopted by the

mills has not been able to arrest the declining trend. Rising costs, especially on account of the shortfall in domestic supplies of raw cotton, have handicapped the industry, and it was, therefore, unable to make any headway. For instance, even the limited quota granted by West Germany was used only partially as buyers presumably found Indian prices uncompetitive.

Exports of manganese ore were particularly disappointing, with both volume and earnings down for the second year in succession to reach a level lower than in any of the five preceding years. In part, the fall is explained by the sluggish world demand which India could hardly help; but increasing competition from new sources of supply was perhaps a more important factor. The long-term outlook should be considered anything but bright unless Indian costs of production could be reduced substantially by striving for the economies obtainable from large-scale mining. A long and close look at mining and freight policies is needed, keeping in mind the obvious lesson that mechanisation will tend initially to raise costs until production comes up close to capacity. In the transition period, the safest bet would seem to be to spread the costs between old and new mines. Another pointer to future policy is provided by the Russian example—that of tying up deliveries of manganese ore to West German steel mills with purchases of finished products from them. Something like this has already been attempted through barter and link deals but success must ultimately depend upon the cost factor.

The record of ferro-manganese is more dismal. Its production in modern electric furnaces was undertaken specifically for export but without establishing the necessary conditions for success. Electricity rates, transport costs and the quantity as well as quality of coke available to these units leave much to be desired, and several units have either had to stop production or curtail it drastically. This industry provides a telling example of the failure to plan for new industrial capacity in sufficient depth. It is now being suggested that even the location of some of the ferro-manganese plants is unsatisfactory from the point of view of exports or access to the right raw materials. The decision on location was, of course, made by the sponsors and not by the licensing Ministry, but what is the point of planning, after all, if the Gov-

ernment's technical advisers were unable to foresee the difficulties which have now arisen. In 1962-63, ferro-manganese exports fell, according to the *Indian Trade Journal's* figures, to 12,000 tonnes against 56,000 tonnes in the previous year, resulting in a decline of Rs. 4 crores in earnings. Some two years ago, the Ministry of Steel set up a committee to look into the problems of this industry but whether any action has been taken to set matters right is not known.

Engineering goods earned Rs. 2 crores more than in 1961-62 but exports at Rs. 9.98 crores were almost Rs. 6 crores lower than the target. It will be unrealistic to expect more substantial progress in the present conditions of shortage of raw materials and power. The foundries were short of both pig iron and coke all round the year, inhibiting the export of castings for which a potential market undoubtedly existed. In metals and metal products, there was a sharp fall from Rs. 10.73 crores to Rs. 3.27 crores, chiefly because iron and steel scrap exports dropped by two-thirds, and prime steel fell from about Rs. 2 crores to nil. Steel ingots and billets were exported in 1961-62 when finishing mills in the new steel plants were not ready to absorb the output. This being no longer the case, this item has disappeared from the export list. Scrap exports were affected by poor world demand because of lower levels of steel output in the importing countries; there is reason to think that the fall may have been less precipitate but for the Government's unhelpful policies.

Taking an overall view of the composition of exports during 1962-63, misgivings about the future are unavoidable. Exports of both tea and jute goods are already at high levels and further increases are bound to affect unit prices, unless world demand expands more rapidly than now seems possible. In any case, future prospects will depend, as much if not more, on India's competitive ability vis-à-vis Pakistan's jute and Ceylon's and Indonesia's teas. The tea export duty has been abolished—a sensible move in the light of conditions obtaining in the world market—but the benefit has been greatly offset by the higher incidence of internal levies. The unspoken assumption in the Government's thinking seems to be that the tea industry's progress towards the high third plan output targets will have the effect of reducing costs, making it possible for the grower to maintain prices despite the inflationary pressures. But nobody seems to know whether there will be enough fertilisers to sustain the larger crop, or again whether the tea companies will, after paying the new taxes, have sufficient funds left to plough back for expansion.

In jute, the bulk of the increase in export earnings has come from carpet backing, a new line of production. It remains to be seen whether efforts at modernising the industry and diversifying its production can be continued in the changed circumstances. There is even greater uncertainty about the competition from Pakistan, where the mill industry is rapidly forging ahead under the stimulus of bonus vouchers. It is not yet known what Mr. Morarji Desai proposes to do in response to the Shrivastava Committee's recommendations. But each month that goes by only aggravates the difficulties and the loss of some sacking markets may well be irreversible.

The export contribution from newer industries like engineering and chemicals is unlikely to improve substantially in the short term—a fact that must be squarely faced. For one thing, growing domestic demand will tend to reduce the exportable surplus. Even if home consumption is artificially restrained, a break-through in world markets will not be possible without heavy and self-defeating subsidies until the scale of production can be appreciably increased. This in turn depends on larger supplies of raw materials, power, and also foreign exchange to acquire balancing equipment which many of the units need.

Broadly speaking, the advance towards greater international viability cannot be either quick or easy. There is a close and obvious correlation between the levels of export and economic growth at home. The factors which hold back the latter will inevitably tell upon the former, as the current power crisis in Calcutta plainly shows. Setting one's house in order is thus a pre-condition, and mere export subsidies and incentives offer no last-

ing solution. What lies ahead, therefore, is a trying period of transition in which trade deficits may well worsen before a firm upward trend is estab-

lished. The length and the severity of this transition period will depend upon how much assistance India receives from outside.

SUGAR INDUSTRY IN DOLDRUMS

THE widely fluctuating fortunes of the sugar industry faithfully reflect the Government's shifting policy. It has been very sensitive to the incentives and deterrents contained in the official pronouncements. Last year there was a surplus production and the problem was to clear the glut. This year the problem is one of shortage caused by a steep fall in output and a big jump in the off-take. Domestic consumption was around 2.05 million tons during the four years before decontrol in September 1961. After decontrol, the off-take rose to 2.5 million tons; exports aided by subsidies accounted for another 600,000 tons. Mr. M. N. Pittie presented a comprehensive review of the sugar industry's problems in his presidential address at the annual general meeting of the Indian Sugar Mills Association last Wednesday in New Delhi. (Fuller details of Mr. Pittie's speech appear on a later page of this week's *Capital*.) He anticipates that production during the current season will be only about 2.15 million tons, compared with 2.7 million tons in 1961-62. Several factors have brought about this decline, including unfavourable weather conditions and consequent crop failure, low cane yields and increase in the diversion of cane supplies to *gur* and *khandasari* manufacture, particularly in Bihar and Uttar Pradesh. The low cane output is also due to the fact that at the time of sowing, the Government had not announced the withdrawal of the 10-percent cut in sugar production. When the cut was removed towards the beginning of the current season, it was too late to influence the acreage. The current season's sugar production—2.15 million tons—and the carry-over of 1 million tons from the previous season take the total availability to 3.15 million tons. Present internal demand has been placed around 2.7 million tons and exports at 500,000 tons. Thus towards the close of the season very little stock will be left. It is, therefore, not surprising that the Government has again imposed controls, nearly 17 months after sugar was decontrolled. Mr. Pittie has analysed the trend of production during the period of controls and pointed out that controls, as a rule, have only restricted consumption and pushed down production.

The stock market has reflected the industry's unprofitability. Sugar shares are depressed and few transactions have been taking place. The corporate reports for 1961-62 have been generally disappointing, most companies having either reduced the dividend or passed it. Their production costs have gone up because of the poor quality of cane, increases in wages as a result of the Wage Board's recommendations, rises in the prices of chemicals and other materials, higher railway freight and increases in taxes. Furthermore, the plant and equipment with the factories in U.P. and Bihar, who are major producers, are old and out-of-date, having been installed in the 'thirties.

For the 1963-64 season, the Government has set an output target of 3.3 million tons, which is considered the minimum needed to meet domestic requirements and exports. This can be achieved only if the right type of incentives are offered. By linking the price of cane to its sucrose-content, the Government has introduced a rational system of pricing. It has also meant slightly higher prices for cane, and should encourage the growers to improve its quality. The Government proposes to give financial and other types of assistance for intensive cultivation of cane. In order to raise the yield an acre, there is a proposal to take up blocks of 4,000 acres around each sugar factory in Uttar Pradesh for intensive cultivation. The cost will be shared by the Central Government, the State Government, the mills and the cultivators. Similar schemes are also proposed for Bihar and Punjab. While these are steps in the right direction, Mr. Pittie has made a plea for reviving the incentive scheme which was in force in 1959-60 and 1960-61, with suitable modifications. The fiscal incentive during those seasons was an exemption from excise duty on the excess quantity produced over the output of the previous season. He has urged that steps should be taken to ensure that cane produced within sugar factory areas is not diverted for making *gur* and *khandasari*. The use of cane for producing the latter is wasteful and should be discouraged. It has been estimated that about 50 percent of the cane produced is used for this uneconomic production, and only 35 percent is converted into sugar.

Current News and Comment

World Cotton Prospects Improve

Set up in 1939 with only ten members, including India—all exporting countries—the International Cotton Advisory Committee has now come to be regarded as the world parliament on cotton. This is because with a membership of 40, the Committee now represents 96 percent of total production, 93 percent of consumption, 93 percent of exports and 81 percent of imports of cotton in the world, excluding communist China. Although the Committee has no sanctions to compel member-countries to follow its decisions, its recommendations made from time to time have proved to be of considerable help in promoting co-operation in solving international cotton problems. Great significance, therefore, attaches to the annual meetings of the I.C.A.C. Deliberations at the regular plenary session held for the first time in India in Bangalore were followed with more than ordinary interest because, apart from the widespread fear of competition from man-made fibres, the current season marks a turning point in the world cotton situation since for the first time after 1955-56 world production is likely to exceed world consumption. For the fifth season in succession, world production has risen to a new peak—about 2 million bales more than in 1961-62.

Production is up by about 500,000 bales in the U.S.A., and a smaller crop in Russia is counter-balanced by some improvement in communist

China. The real increase has occurred in other countries where production is estimated at a record 21 million bales, against 19.5 million bales in 1961-62. In contrast to the U.S.A., the supply-demand relationship in other countries has continued to be favourable. Stocks in most of the producing countries are reported to be at or near the minimum. Most exporting countries have enjoyed another good year while importing countries are said to have been living on a hand-to-mouth basis. The world surplus is thus concentrated almost entirely in the U.S.A. where stocks are expected to increase to 11 million bales by the end of the current season, compared with 7.8 million bales a year earlier. The chairman of the Standing Committee of I.C.A.C., Mr. John P. Duncan, attributed the increase in the U.S. surplus to a further marked contraction in U.S. cotton exports and lower domestic consumption. The increase in world production has been due essentially to higher yields in several countries, with Syria establishing a record of 2 bales (roughly 800 lbs) an acre.

The U.S. chief delegate, Mr. Duncan, described intensified competition from man-made fibres as the major long-term problem. This view was endorsed by many delegates from other countries, more particularly West Germany and Japan. In his inaugural speech to the plenary session, India's Central Food and Agriculture Minister, Mr. S. K. Patil, also pointed to the growing competition

from man-made fibres but added that "we may have no fear as entertained in certain quarters about overproduction in cotton at least in the foreseeable future." Mr. Patil said that in spite of their advantages, the high cost of most of the man-made fibres would definitely militate against their replacing cotton on a large scale for a long time to come. If any immediate threat to the supremacy of cotton may arise, it is only from rayon, but it is probably too much to expect that rayon will at any time capture the entire textile market. Apart from the detailed assessment of the statistical position of cotton in different countries, extra long staple cotton figured prominently in the deliberations at the Bangalore session. The supply position of extra long staple this season will easily be the largest on record even though the total acreage is reported to be lower. The improvement in supply is attributed to a record crop in the Sudan and higher yields in general.

In its policy statement on cotton adopted at the concluding session on 8th May, the Committee expressed the view that the outlook for cotton in 1963-64 might be more reassuring than during the current season when it faced a big surplus, particularly in the U.S.A. The available indications are said to point to a better balance between production and consumption next season. Since the long-term outlook depends to a large extent on the U.S. Administration's policy, the Committee welcomed the assurance given by the U.S. delegation that its country would always bear in mind the interest of other cotton producing countries while implementing its production programmes and avoid any likely disruption of the world cotton market. While noting that the decline in cotton consumption has been "cyclical", the policy statement has conceded that the consumption of man-made fibres has risen to new record levels. Many delegates felt that the present price relationship between cotton and cellulose fibres in most countries was more or less appropriate; some expressed the view that a modest increase in price would not have a detrimental effect on cotton's competitive position.

The need for intensifying research for finding new end-uses for cotton has been greatly stressed. The Committee was encouraged by the progress made in improving the yield an acre and the quality of cotton through planned programmes of research into all aspects of cotton production. Progress in this direction is essential to offset the rising production costs, to increase productivity, and to maintain and improve the living standards of cotton farmers. The Committee was, however, critical of the promotional efforts which were said to fall far short of those being made for promoting man-made fibres, in the field of both publicity and technical development. The Committee felt that if increased effort was made in all possible directions, the long-term position of cotton as a textile fibre would be encouraging. The continuous increase in world population and rising incomes, together with the hoped-for improvement in the standards of living should provide cotton with ample opportunities, especially in countries where the per capita consumption is low and where for climatic and other reasons cotton is particularly suitable.

The I.C.A.C.'s decision to set up a permanent committee on cotton production and research will be widely welcomed, especially by India where the average yield is considerably less than half the world average of 185 lbs. Against a record production of 49.6 million bales grown over an area of 83.8 million acres in the world, India accounts for nearly one-fourth of the acreage but hardly a tenth of the

India's Resources
are Precious

WASTE NOT,
WANT NOT

output. It is to be hoped that India will profit by the experience of other cotton producing countries in raising their output through higher yields. India has only to raise the yield from the present miserably low 112 lbs to 140 lbs an acre to achieve the third plan target of 7 million bales, but past experience has not been encouraging enough to inspire the hope that she will be able to produce 7 million bales by 1965-66.

Aid to Co-operative Farming

In order to be able to achieve the food targets in the third plan, the Government of India has revised the pattern of financial assistance to co-operative farming societies in the pilot project and non-pilot project areas in different States. Under the revised scheme, the Central Government's assistance for co-operative farming societies in the pilot projects would be increased, although the State Governments will have to find counter-parts of the outlay from their own resources. Under the programme already finalised by the State Governments for 1963-64—the third year of the third plan—it was decided to organise 588 farming societies in the pilot project areas and 363 such societies in non-pilot project areas, against the respective targets of 1,200 and 800 farming societies suggested by the Central Government. The latter agreed to the programme drawn up by the State Governments, but it subsequently became clear that with the present effort, it might not be possible for the State Governments

to achieve the food targets laid down for the third plan period or for that matter even the target fixed for 1963-64.

The State Governments have, therefore, been asked to prepare revised programmes with a view to concentrating their effort on the organisation of co-operative farming societies in the pilot project areas and to have at least 1,000 such societies by the end of 1963-64. In order to finance this expanded programme, the State Governments will have to find from their own resources additional funds to the extent of Rs. 13 lakhs in order to avail themselves of additional Central assistance to the extent of Rs. 45 lakhs. The State Governments may not be able to finalise the programme in time to be able to organise 1,000 such societies by the end of 1963-64, and some may have difficulty in finding their share of the matching contribution. But the main flaw in Government policy is the assumption that the chief cause of an unsatisfactory increase in food production is cultivators' credit difficulties. It is true that the loans which the Indian cultivator is able to get from the co-operatives, Government agencies and other sources are not adequate for his needs, and he is not able to buy proper implements, seeds of good quality and better manure. But there are other equally important causes for low agricultural production in India, such as defective administrative set-up in the States, lack of cheap and effective manures and seeds and the use of uneconomic methods of cultivation.

There is no doubt that the increase in the number of co-operative farming societies in the pilot

CAPITAL, 16th May, 1963.

project areas and the provision of more liberal financial aid to the cultivator will help in increasing food production provided the scheme is sincerely implemented. But as the teams, which have been visiting different States at the instance of the Planning Commission's panel on agriculture have indicated in their preliminary reports, it will be necessary to make drastic changes in Government policy if the production of agricultural commodities is to be increased according to the third plan targets.

Another important indication which emerges from the findings of these study teams is that in view of the limited time in the current plan period, the approach should be selective. Intensive cultivation of selected agricultural commodities of strategic importance should be undertaken in selected areas which are capable of producing quick results. Although there is nothing contradictory between this selective approach and the pilot projects scheme undertaken by the State Governments, it is apparent that all the pilot projects do not satisfy the condition of producing quick results from the existing natural resources available to them. Since the State Governments' resources are limited, they will have carefully to consider the best means which are available to them to increase agricultural production according to the plan targets.

Raising Coal Output

Although the production of coal in India in 1961-62, the first year of the third plan, did not show any increase over that of the previous year, the output in 1962-63 at a little over 62 million tonnes was quite satisfactory. It is likely that, if proper effort is made, the total output in 1963-64 might come up to the plan target of 67.9 million tonnes. But taking an overall view of the picture, as Mr. H. K. Banerji, president of the Indian Mine Managers Association, did at the recent annual general meeting, it is doubtful whether the third plan target of 97 million tons will be reached by the end of the plan period. Since coal is required by the steel industry, the Indian railways and other industries, any shortfall in the total coal output is likely to affect adversely the rate of industrial growth.

There are many causes for the low production of coal in India, but one of the causes, which has not received the attention it deserves, is the difficulties of the medium and small collieries; they have not been able to modernise their machinery and equipment. Apart from the fact that there is a shortage of the latter, the main difficulty is the lack of funds. It is unfortunate that the collieries have not been able to use the World Bank loan of Rs. 17 crores, out of which only Rs. 9 crores has so far been used, mostly by larger mining concerns. The medium and small collieries are finding it difficult to raise the rupee counter-part loans to be able to use the World Bank loan. The Central Government recently introduced a scheme under which the financial institutions granting loans to collieries are indemnified to the extent of 65 percent. It is estimated that collieries will need at least Rs. 30 crores for their modernisation programmes. Some efforts should be made by the Government to provide this sum to the coal mining industry at reasonable rates of interest.

In order to increase the coal output at a sufficiently rapid rate, smaller collieries will have to be encouraged more than they have been so far. Mr. Banerji's suggestion that the earlier plans should be modified to provide for the opening of comparatively small units, deserves careful consideration. These smaller collieries are more labour-intensive and can increase production from their own resources. But in the case of these small collieries—much more than in the case of bigger units—the price of coal matters much. It is true that the coal prices have been increased, but the rise in prices has not been sufficient to cover the higher wages, higher interest charges and other production costs. There seems to be no escape from the fact that coal prices will have to be increased still further if production is to be sufficiently increased, although such a step will

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inevitably increase the production cost of most industries in India.

In order to increase the production of coal, its transport will have to be thoroughly rationalised. Mr. Banerji has suggested that a master plan should be drawn up for the location of centralised loading arrangements for washed coal, and the link between the centralised loading points and the raising units should be either aerial ropeways or trackless road transport. This will undoubtedly quicken the pace of production. In addition to this, it will be necessary to co-ordinate rail, river and road transport of coal more carefully than has so far been done. This is necessary to avoid the accumulation stocks at pitheads.

Setback on Food Front

That all is not well on the food front has been clear for some time. Rice prices in West Bengal and other areas, where the cereal is the staple food, have risen unchecked to a level which they do not normally touch in lean seasons, and starvation deaths have been alleged in some areas of Orissa and West Bengal. The reason, of course, is the shortage of rice supplies. It is estimated that India's rice production in 1962-63 has fallen by more than 1 million tons, whereas imports have totalled only 700,000 tons. With a smaller available surplus of rice in the world market, and larger requirements of importing countries, India is unable to obtain all that she needs. The Central Government has been asking the States to fill as much of the food gap as possible with wheat, and encourage the wheat-eating habit among the population. This may mitigate the scarcity, but whether it will provide a satisfactory solution is doubtful. In the first place, food habits of the people do not change so quickly, and secondly, it is not certain that India has even enough wheat to fill the gap.

In the circumstances, the talk of floor or minimum prices for agricultural products, including rice, sounds unrealistic. For the same reason, the reported acceptance "in principle" by the Planning Commission of the need to set up an official agency for the procurement of foodgrains directly from the farmer at agreed minimum prices seems rather odd. Under the price policy of the third plan, it is no doubt, proposed to build an integrated price structure which would provide incentives for the farming sector to raise output in accordance with the plan targets. But the unsatisfactory performance during the first two years of the third plan has apparently less to do with prices than with the failure of the organisational machinery which the Government has set up to aid the farmer in raising production. Weather, too, has had a hand in frustrating the drive for higher output. It is obvious, therefore, that the country will have to import on a greater scale than before.

The internal demand has been rising at one million tons a year, while production has not kept pace with the rise in consumption. For example, the entire import of 4 million tons in 1962-63 has had to be pumped into the market to avoid serious scarcities, and the Government has been unable to add anything to the buffer stock which still stands at 2 million tons, against a target of 5 million tons. Without a sizable buffer stock, it will not be possible to ensure adequate distribution of food in areas of scarcity. The Central Government has now made "detailed arrangements" to ensure supplies of foodgrains along with kerosene oil, drugs and medicines, to the network of consumers' stores which are being organised all over the country. This may be a good move to check the price rise, but everything will depend on the efficiency of the proposed procurement machinery, sufficiency of stocks and adequacy of transport arrangements.

Zinc Smelter in Alwaye

Mr. A. O. Wolff, Vice-President of the well-known Canadian firm, Consolidated Mining and Smelting Co. of Canada Ltd, last week gave details of a 20,000-tonne zinc smelter, which his Company is helping to set up in Alwaye in Kerala State. Sponsored by Metal Distributors Ltd of Calcutta, the joint venture will also pro-

duce 48,000 tonnes of sulphuric acid a year as by-product and small quantities of cadmium. The sulphuric acid will meet the needs of Fertilizers and Chemicals Ltd which is also located in Alwaye. The cost of the smelter project is estimated at Rs. 5.08 crores, of which C.O.M.I.N.C.O. will subscribe Rs. 84 lakhs. The balance of the foreign exchange requirements will be met from a loan to be advanced by the Canadian Export Credits Insurance Corporation. Mr. Wolff stated that this will be his Company's first processing project outside of Canada. He felt that the modifications introduced in the super profits tax will help to make the proposed smelter economically viable. The plant is likely to go into production in about three years from now.

It may be mentioned that the Metal Corporation of India has already a project in hand to establish an 18,000-tonne zinc smelter in Udaipur in Rajasthan. India does not produce any zinc at present and imports about 76,000 tonnes of the metal a year. The Development Council for Non-ferrous Metals had estimated the country's requirements of zinc for 1960-61 at 85,000 tonnes, which was expected to go up to 187,500 tonnes by 1965-66. Thus even after the commissioning of the two smelters, consumption will be far in excess of indigenous production.

New Companies in South

During the quarter ended March 1963, 90 companies with an authorised capital of Rs. 9.50 crores

were registered in the southern region of India, comprising the four States of Andhra Pradesh, Kerala, Madras and Mysore. Out of these concerns, 18 are public companies with an authorised capital of Rs. 6.73 crores, and 71 are private companies with an authorised capital of Rs. 2.78 crores. Only one is a public company limited by guarantee. The total investment by way of increase in the paid-up capital of companies is of the order of Rs. 7.63 crores. Out of this, Mysore alone accounts for an increase of as much as Rs. 4.04 crores. The largest contributor to the increase in the paid-up capital is the Mysore Iron and Steel Company Ltd—a Government undertaking which has raised its paid-up capital by nearly Rs. 4 crores.

Of the newly floated companies in the region, there are seven giant flotations. Kerala Heavy Electricals Ltd in Kerala State which has an authorised capital of Rs. 2.20 crores and is to manufacture heavy electrical equipment, tops the list. The others are: Premraj Ganapath Raj and Company Private Ltd (electrical goods; authorised capital Rs. 50 lakhs) and Banu Paper Mills (paper and paper boards; authorised capital Rs. 50 lakhs) in Madras; Autofin Ltd (motor-car, buses, etcetera; authorised capital Rs. 75 lakhs) and Madanapalli Spinning Mills (cotton spinners, doublers, etcetera; authorised capital Rs. 50 lakhs) in Andhra Pradesh; Deepak Insulated Cable Corporation Ltd (electrical equipments; authorised capital Rs. 50 lakhs) and Malur Durga Mills (cotton spinning; authorised capital Rs. 50 lakhs) in Mysore. During the quarter, 52 companies were struck off

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the register of companies as defunct, their total paid-up capital being Rs. 13.02 lakhs; seven companies went into liquidation, the total paid-up capital of which is Rs. 1.89 lakhs. Of the 96 companies registered, processing and manufacture of metals and chemicals claim the largest number, namely, 22, followed by commerce (trade and finance) with 20, transport, communication and storage with 17, processing and manufacture of foodstuffs and textiles with 14 and processing and manufacture of miscellaneous with 10. The remaining seven are distributed over a variety of activities, industrial and otherwise.

The Indian Marine Insurance Act

Surprise has often been expressed that India had no marine insurance law prior to the passing of the Indian Marine Insurance Act, 1906, even though marine insurance had been practised in the country for many years; but the surprise is not entirely warranted. Even in the United Kingdom, the traditional home of marine insurance, no effort was made to devise a legal system to govern insurance contracts until 1906, although the insurance had been practised for many decades. Such statutory provisions as there were, were confined normally to the prescription of particular practices, and merchants, shipowners and their insurers were for long content to accept what was customary.

The historical process of the evolution of the British law is, however, instructive. Judge

Chalmers, who for many years had given his attention to marine cases in the courts and had interpreted the law as it then was, took the view that the law needed to be codified. The Bill which was mostly drafted by him was referred to a committee of underwriters, average adjusters, shipowners and lawyers presided over by Lord Herschell. The Bill was brought before the House of Lords by Lord Halsbury as Lord Chancellor. Eventually, an Act codifying the law relating to marine insurance was placed on the English statute book.

The Indian Marine Insurance Act, 1906, which has been enacted in the current session of Parliament, also seeks to codify the practices relating to marine insurance. However, India had hardly any customary practice or legal decisions sanctioned by time which required to be codified. Indian courts were guided by decisions of British courts and the provisions of the English Marine Insurance Act, 1906. Hence what was required was an enactment of the nature of the Marine Insurance Act, 1906, of the U.K.

The international character of a marine insurance policy makes it necessary that a claimant, who has almost invariably to make his claim in a country other than where the policy was originally issued, should be sure of the protection he intends to have. This will not be possible unless the words convey the same meaning in courts of law as the interpretation given in the country of origin. Section 24 of the Indian Act clearly lays down that a contract of marine insurance shall not be admitted in evidence unless it is embodied in a

marine policy in accordance with the Act. The policy is, in all particulars, a reproduction of the internationally accepted Lloyds S.G. form of policy, which, together with the Rules of Construction, has "generations of legal interpretation hanging almost to every word and certainly to every sentence."

The Law Commission also, while arguing in favour of a legislation of this character, pointed out that when goods are exported from India, the relative insurance policies have to be assigned for protecting the rights of the transferors. It will facilitate business, the Commission has said, if there is uniformity of law. As early as 1944, the Statement of Objects and Reasons of the Bill for amending the provisions of the Transfer of Property Act relating to the assignment of policy of marine insurance also urged the need for introducing legislation of this character. It pointed out that while legislation on the above lines (meaning the law relating to assignment of marine policy) would clarify the law of assignment and subrogation of marine insurance policies, the whole law of marine insurance will not be put on a satisfactory basis unless comprehensive legislation on the lines of the Marine Insurance Act, 1906, of the U.K. is enacted in India.

The Indian Act does not, in essentials, differ from the English Act. It has certain differences, however, but they are only differences in codification. The Indian law, for instance, has clarified that inland transit policy is as much a marine policy as a policy of insurance on overseas shipment. This is well understood in the U.K. and accepted as such. The clarification was needed in India because of varying decisions of Indian courts, some of which held that the Insurance Act had only defined marine insurance business, and there was no definition of marine insurance policy. Unless inland transit policy is recognised as a marine insurance policy, the assignment and subrogation provided for in the Transfer of Property Act may not apply to such policies. The resulting chaos can be considerable. The Indian Act recognises inland policies as a marine insurance policy, and has also incorporated in the body of the Act those provisions from the Transfer of Property Act relating to assignment and subrogation which are essential for the transaction of marine insurance. An important departure in the Indian Act is that under Section 2, the definition of a ship has been included. In the English Act, there was no definition of a ship.

A MARRIAGE LAW

THERE is one bill now before the House of Commons, which has tried to get itself pushed through Parliament on many occasions during the past generation though without success, which now stands a good chance of becoming law this year. If the present Parliament lasts until the end of the ordinary session, I mean the Deceased Wife's Sister Bill. It has been twice passed by large majorities in the House of Commons during the present Parliament, and this session the bill is under the charge of Sir Gilbert Parker. Reuter has already told us that the second reading has been safely passed and the incoming mail will give the figures and perhaps some inkling of the future prospects of the measure. This is a bill which the last Prince of Wales always went specially to the House of Lords to vote for, and the fact that this last Prince of Wales is now King Edward the Seventh, will not hurt the chances of the measure at all. In fact the influence of the Court in all social matters—and this marriage question is entirely a social and not a party one—is very powerful, and makes itself silently felt everywhere throughout all classes, even among Bishops. The British Islands are the only portions of the Great British Empire where a man cannot lawfully wed his deceased wife's sister, with the exception of Newfoundland, Guernsey, and the Isle of Man, but these are only waiting for the decision of the mother country in order to follow suit. This year the bill finds itself in a more genial climate of opinion than ever it has had the good fortune to bask in before, and the chances are that the Bill will now blossom into an Act. And high time too.

FROM

CAPITAL

21st May, 1903

A Ditcher's Diary

NOT SINCE THE L.I.C.-MUNDHRA AFFAIR FIVE YEARS ago has a session of the Indian Parliament been so exciting as the one just over. And the truth is that in Indian public life today there is an awful lot to be excited about. Thanks to Feroze Gandhi's Bill, later Act, on publication of parliamentary proceedings, the Press was able to carry a good deal, not all, about the many scandals Parliament discussed; I am unable to say that the Government came out of it all very well. What disturbed the public mind, and should make Mr. Nehru think hard, is that the Government seemed always to have too much to hide, too many to defend and protect. This is hardly the democratic way; but it is an entirely happy development that Parliament is increasingly insistent on not letting the Government get away with them. In seeking to place the judiciary as a cushion between Parliament and the Government, no good is being done to either Parliament or the Government or the judiciary. I have watched with distress how in recent years the judiciary has been involved in matters that are essentially executive or political; and it is not less distressing that the judiciary has allowed itself to be used thus. The Prime Minister is absolutely right in claiming that it is for him to decide whom he will or will not have in his Cabinet; this is a Prime Minister's prerogative. If Parliament does not agree with the Prime Minister it has the power to ask him to go. Where does the judiciary come into it? The judiciary has nevertheless been brought in, although the right of ultimate decision rests with the Prime Minister. It seems to have escaped him altogether that in placing the executive, of which he is the head, above the judiciary he is setting undesirable precedents. I raise this matter of principle because the juicy scandals about individuals, for the details of which my appetite is less than insatiable, have obscured the main issue. Politics are a murky game in any country; perhaps murkier in some than in others. It is still necessary to ensure that political decisions are not allowed to masquerade as judicial verdicts. Parliament should not permit this, nor should the judiciary.

I AM REACTIONARY ENOUGH TO THINK THAT CERTAIN societies may be justified in believing that they need the ultimate punishment to deter their delinquents from murdering for fun. I know the abolitionists' case well enough, without accepting it for I cannot share their assumptions. In India,

I am inclined to think, juries usually do their best to avoid the death sentence; this is in keeping with the country's religious and humanitarian traditions. For Mr. P. P. R. Sawhney, Delhi's District Judge, the question seems to be not abolition of capital punishment but its modernisation. He thinks hanging should go and be replaced by the electric chair. A colleague's immediate reaction was: "Yes, and just when the condemned man has sat on the hot chair the power station will be engaged in load-shedding". If this is being frivolous on a macabre subject, I see the point. Many States have in fact gone over to the gas chamber from the electric chair. If I remember aright, neither the Rosenbergs nor Caryl Chessman were dead at the first charge. Perhaps there is no such thing as a painless death. Some of the murders in recent years in Europe and the U.S.A. were certainly not painless; and Caryl Chessman's crimes were nasty in the extreme. Where he got some sympathy was the absurd judicial delay that preceded his end. For part of it he was, no doubt, himself responsible; he resorted to all possible devices permitted by the strange laws of the "sovereign" State of California. In India most cases just go on and on; not usually due to the fault of the accused. I have heard Indian lawyers argue that there aren't enough judges, that there are too many cases, that they don't ask for adjournments on trivial grounds and that if they do the judges don't oblige. I do not believe most of this defence. Everything about the law is unbelievably slow in this country; and that is that. Whether the lawyers are as responsible for this as the judges I do not know; I simply dread the possibility of getting involved in any kind of litigation in any kind of capacity—accused, complainant, juror or witness. I am quite certain that a great deal of injustice is happening directly because of delay in the name of perfect justice. This, in my view, should be the Law Commission's first concern, not theories for or against abolition nor whether the electric chair is an improvement on hanging.

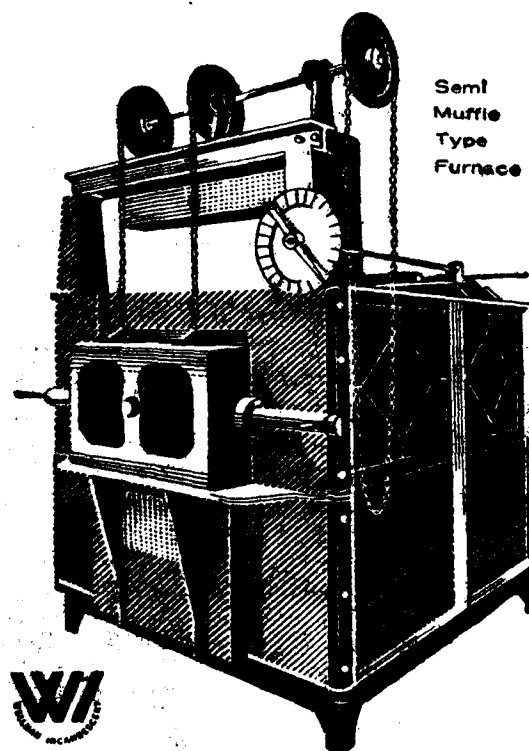
UNLIKE MOST OTHER VISITORS, ACHARYA VINODA Bhava had some complimentary things to say about West Bengal before reaching Calcutta on Sunday. That, I am sure, was not the only reason why the city received him so warmly. Although a section of the Calcutta Press started something of a campaign against the Acharya some weeks ago for a few casual allegedly pro-

Chinese remarks, which got some encouragement when Mr. Nehru said at Digha that he didn't always agree with the Acharya, there is something in the Sarvodaya leader that should appeal to the Bengali ethos. To express a complex phenomenon simply, the Acharya functions on two planes and so does, very often, the Bengali mind. I have often wondered whether Bengal, once the home of terrorism which derived not a little inspiration from the worship of Kali, has ever thought of politics in exclusively political terms. Take, for instance, the Hindu Mela or the Swadeshi movement; for a good many Bengalis nationalism then meant composing or singing in chorus patriotic songs and most of the inspiring lyrics now served on All India Radio were born in that period. The basic inspiration was literary as much as political. I have written here before how politics are mingled with religion in Bengal's community pujahs. If there is something endearing in this duality, as there certainly is, it is also capable of landing its adherents into all sorts of trouble. Bengal's ordeals I need not discuss here, for I am at the moment concerned with dichotomy's demands on the individual. Acharya Vinoda Bhava falls foul not only of the Prime Minister and a part of the Press but also, I imagine, with full-time jeevandanis who see in his quasi-political excursions a dissipation of effort. It is never easy to decide how much to render unto Caesar and how much unto God; for their respective domains are undemarcated.

A DIRECT RESULT OF THE RECENT RECESSION IN Britain, and a healthy one I might add, has been a growing tendency to question the quality of management in British industry. Now this is something on which I have always had strong views. Bearing in mind that Britain is one of the leading countries in the world industrially, it has always surprised me that her general standards of business managements should be so low. Apart from a few British industries, whose standards of management are undoubtedly among the best anywhere, the majority are still managed by methods which are anything but expert and by men who are often too old, too unenterprising and too stupid to recognise the difference between a title and a qualification. Perhaps that is because it is so difficult to acquire anything in Britain which can be offered as a qualification for business management. Of course, there is always the evidence of a lifetime's experience. But these days a single working life may just not be long enough to acquire all the complex techniques of modern management; these have to be absorbed in condensed form and over a much shorter period. In other words, what is wanted is some kind of university-level course in business management in Britain, and I am glad to

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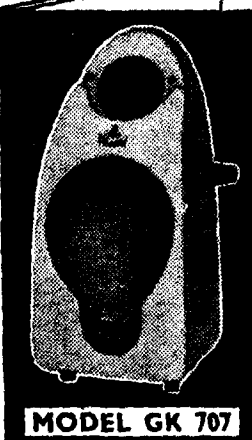


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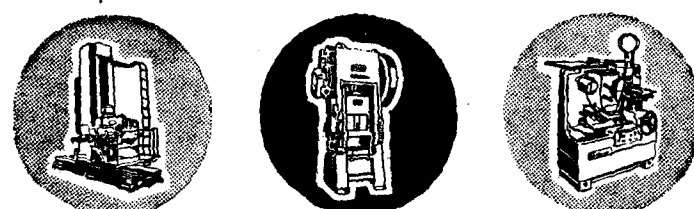
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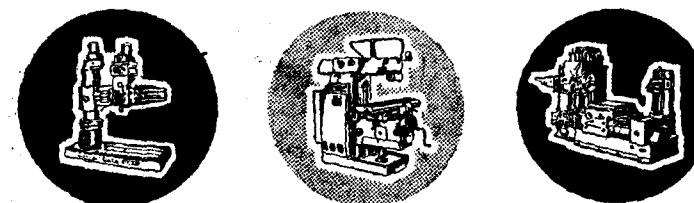
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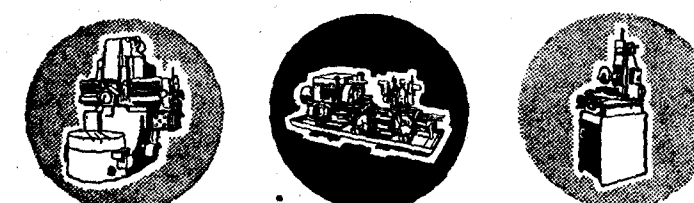
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see that Oxford has decided to provide one. For those who think that it is odd for a venerable institution like Oxford to copy a relative newcomer like Harvard, I can only suggest that it is a sign of the times. Whether or not the proposed Oxford business school is to be entirely post-graduate, or "post-experience", and not itself a graduate institution, has, I believe, not yet been decided. But Professor Hicks, the chairman of the committee which has been set up to consider the project, seems to feel that it should be. For myself, I only hope that its standards will be high, that access will not be too difficult, and that it will recommend itself to other British universities as worthy of early emulation. I should not like to see industrial management in any country become the exclusive preserve of university graduates with post-graduate diplomas; the profession is much too catholic for that. But management is increasingly becoming a job for the general expert, a contradiction in terms which really means the man who can combine the various disciplines such as accounting, salesmanship and so on, which are at the moment the main pathways to the top in British industry today. And the best way to acquire this expertise in the short time available in a single life span is to get it at school.

AT LEAST IN THE WEST, LETTER WRITING HAS BEEN a dying art for many years now. Except, perhaps, in the specialised field of job applications, although recently that has become a science more akin to advertising-copy writing than a cultivated art. But even the business of applying for a job is becoming modernised now, I see, especially at the higher executive levels. It is moving into the field of disc and tape recordings. I believe the new technique is already well advanced in the United States where the long distances may justify a substitute for the preliminary personal interview. But it is now invading Britain as well and there, characteristically, considerable opposition is being met with; the other day an advertisement for a television rental managing director warned specifically that "gramophone records or tape recordings will disqualify". The advocates of the new method point out that it is more direct than a letter and that it gives a prospective employer some idea of the applicant's "speaking personality". There may be something in this latter point, although one would have thought that the ability to draft a good letter was at least as important a qualification as a smooth line of patter. The trouble is that both can now be expertly cultivated, and nowadays the drafting of applications is becoming a specialised technique on which professional advice is available. In other words, it is now recognised as yet another branch of selling. A really top-flight approach these days, especially in the United States, can involve much more than a letter or even a tape recording; very often the applicant will include photographs of himself, his wife and children, his parents, his house, his car and even his friends, just to prove he is moving in the right circles. If you are thinking that all this runs into money, then you would be right. In fact, the current practice in the West of applying for any job which even vaguely calls for the kind of qualifications which an executive possesses, or thinks he does, can account for a fair proportion of the average annual family budget. I have not yet heard of its being admitted for tax relief. We in India are still some way from this, although not perhaps as far as we may imagine. Personally I shall be extremely sorry when the ad-man gets his reforming hands on some of those picturesquely-worded job applications which are still one of the few consolations of having to recruit junior clerical staff in this country.

A WESTERN JOURNALIST WAS INTERVIEWING Russian official.

"What, in your opinion, is Capitalism?"

"Capitalism", came the coldly disapproving reply, "is the exploitation of man by man".

"And Communism?"

The official drew himself up proudly: "Communism is exactly the opposite".

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DELTA, BUDGE-BUDGE, CHEVIOT JUTE DO WELL

THE Andrew Yule group of jute companies have produced excellent results for 1961-62. The directors point out that provided a sufficient supply of quality jute is available in the next season and a realistic parity is maintained between the prices of fibre and manufactured goods, the outlook for the current year should be considered favourable. But production costs will certainly rise due to the heavier taxation and the emergency risks insurance scheme. Since the jute industry as a whole will have to pay an extra sum of over Rs. 3 crores a year towards labour bonuses, there will be a further rise in labour costs.

The profit of the Delta Jute Mills Co. Ltd was Rs. 38.24 lakhs for the year ended November 1962, after transferring Rs. 12.20 lakhs (against Rs. 5.51 lakhs) to depreciation, compared with a loss of Rs. 9.12 lakhs in 1960-61. A taxable ordinary dividend of 12 percent, including an interim of 4 percent, has been declared, which is more than five times covered and offers a yield of 7.6 percent at the present price of Rs. 157 a share of Rs. 100 each. The dividend was passed for 1960-61. Taxation absorbs Rs. 13.65 lakhs, capital reserve Rs. 1.84 lakhs and development rebate reserve Rs. 7.62 lakhs. The carry-forward is Rs. 28.674, against a debit balance of Rs. 8.97 lakhs brought in. Out of the taxation provision, a sum of Rs. 1.75 lakhs will be paid towards the super profits tax. Gunny sales rose from Rs. 1.73 crores to Rs. 3.24 crores and stocks of jute goods from Rs. 13.86 lakhs to Rs. 32.37 lakhs. It has been decided to extend the modernisation of the fine side drawing and spinning machinery up to 95 percent of the mill's registered lousage at an estimated cost of Rs. 2.50 lakhs.

The Budge-Budge Jute Mills Co. Ltd made a profit of Rs. 37.70 lakhs for the year ended October 1962, after transferring Rs. 6.09 lakhs (against Rs. 6.30 lakhs) to depreciation, compared with a loss of Rs. 9.36 lakhs in 1960-61. A taxable ordinary dividend of 12 percent, including an interim of 6 percent, has been declared, which is more than eight times covered, and works out to a yield of 7.7 percent at the present price of Rs. 156 a share of Rs. 100 each. There was no dividend for 1960-61. Taxation absorbs Rs. 19.40 lakhs, out of which super profits tax will account for Rs. 5.30 lakhs. Development rebate reserve is allocated Rs. 2.37 lakhs, capital reserve Rs. 9,000 and general reserve Rs. 1.46 lakhs. The carry-forward is Rs. 30,613, against a debit balance of Rs. 8.91 lakhs brought in. Gunny sales were Rs. 2.6 crores, against Rs. 2.16 crores and stocks of jute goods increased from Rs. 14.30 lakhs to Rs. 20.52 lakhs. The directors have decided to modernise the fine side drawing and spinning machinery up to 95 percent of the mill's registered lousage at an estimated cost of Rs. 3.50 lakhs.

The profit of the Cheviot Mills Co. Ltd was Rs. 41.58 lakhs for the year ended November 1962, against a loss of Rs. 16.01 lakhs in the previous year, after increasing depreciation from Rs. 6.87 lakhs to Rs. 7.87 lakhs. A taxable ordinary dividend of 25 percent, including an interim of 7.5 percent, has been declared, which is more than four times covered. The yield is 10.8 percent at the present price of Rs. 23.25 a share of Rs. 10 each. The dividend was only 5 percent for 1960-61. Taxation absorbs

Rs. 12 lakhs, development rebate reserve Rs. 6.73 lakhs, capital reserve Rs. 3,120 and general reserve Rs. 12.49 lakhs. The carry-forward is Rs. 1.02 lakhs, against Rs. 1.21 lakhs brought in. Gunny sales rose from Rs. 2.05 crores to Rs. 2.71 crores and stocks of jute goods were Rs. 20.98 lakhs, against Rs. 11.46 lakhs.

National Resumes Dividend

THE National Company Ltd has declared a taxable ordinary dividend of 10 percent for the year ended October 1962, which is covered more than nine times and works out to a yield of 4.2 percent at the present price of Rs. 23.75 a share of Rs. 10 each. There was no dividend for the previous two years. The profit for the year is Rs. 33.25 lakhs, compared with a loss of Rs. 6.32 lakhs, after providing Rs. 16.41 lakhs (against Rs. 1.92 lakhs) for depreciation and development rebate reserve is allocated Rs. 11.95 lakhs, taxation Rs. 5.50 lakhs and general reserve Rs. 9,507. The directors say that part of the dividend will be exempted from tax because a portion of the Company's income is also likely to be exempted from income tax. They take an optimistic view of the current working in view of the prospect of an abundant supply of raw jute.

The expansion and diversification schemes have made considerable progress. It is proposed to have a complement of 255 broad looms out of which 215 have already been working. A capital expenditure of more than Rs. 1 crore has been incurred since the close of the year. The Company has also installed 103 silver spinning frames. The overall production of the mills has increased. The Company has borrowed funds from the State Bank in addition to the loan which has already been taken from the National Industrial Development Corporation. The directors foresee the need for a total loan of about Rs. 5 crores in order to meet the increased capital requirements.

Share Offer from Multimetals

THE subscription list for the Rs. 25-lakh public issue of Multimetals Ltd will open on 22nd May and will remain open until 28th May. The entire public issue has been underwritten. A sum of Rs. 2.50 a share is payable on application and Rs. 2.50 a share on allotment. The Company is setting up a factory in Kota (Rajasthan) for the manufacture of non-ferrous metal products including copper and copper alloy hollow and solid sections and copper printing rolls. (Fuller details of the issue appear on a later page in this issue of Capital.) The Company will be a pioneer in the production of copper printing rolls in India. The manufacturing licences provide for an annual production of 1,800 tons of copper and copper alloy hollow and solid sections and 3,000 pieces of copper printing rolls a year on a double shift basis. Land in Kota has already been acquired and construction work is expected to start in June. The

plant, it is expected, will be ready for production by about the middle of next year.

The Company has secured the technical and financial collaboration of Revere Copper and Brass Incorporated, New York. The amount which the U.S. firm will invest plus foreign exchange amounting to Rs. 54.64 lakhs has agreed to release under a D.L.F. loan will cover the cost of imported equipment. The project, it is estimated, will cost Rs. 1.50 crores, of which Rs. 1.27 crores will be spent on buildings and plant and machinery. It is proposed to meet the cost by the issue of share capital for Rs. 75 lakhs and by bank loans to the tune of Rs. 75 lakhs. The Company has an authorised capital of Rs. 1 crore—all in equity shares of Rs. 10 each. The issued capital will be Rs. 75 lakhs, of which shares worth Rs. 25 lakhs are reserved for allotment to the Company's foreign collaborators, Rs. 22.50 lakhs are being allotted to Metal Distributors Ltd, Calcutta, and Rs. 2.50 lakhs are being taken up by the directors and their associates. The balance of the issue amounting to Rs. 25 lakhs is being offered for public subscription. The board of directors includes Mr. G. D. Binani, Mr. A. C. Dutta, Mr. R. K. Bagri, Mr. J. M. Kennedy, Mr. J. H. Eikenberg and Mr. S. C. Gladstone.

Prospects for Burma Mines

THE chairman of the Burma Mines Ltd says in his statement that the Government of Burma will fully nationalise the Burma Corporation (1951) Ltd by taking over the "B" shares of the Company in due course. These shares are now being held by the Burma Mines Ltd. For the year ended June 1962, the Burma Corporation incurred a substantial loss of £351,951. But the Company's operation during the quarter ended December 1962 resulted in a small profit, reducing the estimated loss for the half-year ended December 1962 to £8,093, compared with an estimated loss of £168,202 in the corresponding period of 1961. The satisfactory results of the December quarter, it has been stated, are likely to continue. At the end of the current financial year the Corporation may again be operating on a profitable basis each year, although it must take time to eliminate the previous losses. The activities of the insurgents in the northern Shan States continue unabated. It is hoped that vigorous steps will be taken by the Government of Burma to ensure the security of the personnel engaged by the Company. This should help the Corporation to work on a profitable basis. A substantial rise in the price of silver, it is stated, has been welcomed by the Company. The future profitability depends largely on a rise in the world price of lead which has shown some improvement during recent months.

The Burma Mines Ltd has made a profit of £12,559 for the year ended December 1962, compared with £7,456 in 1961. Taxation absorbs £4,150 (against £2,925). The carry-forward is £174,204, against £164,295 brought in. Due to the absence of a dividend on the half-interest in the

Burma Corporation (1951) Ltd, which constitutes the major investment of Burma Mines, the directors have been forced to pass the dividend.

Rajgarh Tea Pays More

THE profit of the Rajgarh Tea Co. Ltd (an Assam garden) has improved from Rs. 1.75 lakhs in 1961 to Rs. 3.63 lakhs for the year ended December 1962, after providing Rs. 71,147 (against Rs. 63,633) for depreciation. The taxable ordinary dividend has been raised from 13.5 percent to 17.5 percent, absorbing Rs. 1.05 lakhs. The yield is 8.2 percent at the present price of Rs. 21.37 a share of Rs. 10 each. Taxation is allocated Rs. 2.25 lakhs (against Rs. 80,000), development rebate reserve Rs. 330 (against Rs. 614) and general reserve Rs. 40,000 (against Rs. 25,000). The carry-forward is Rs. 38,418, against Rs. 46,229 brought in. The crop was 2,307 quintals, compared with 2,166 quintals, and the average sale price rose by Rs. 1.04 to Rs. 6.35 a kilogram. The 1963 crop has been estimated at 2,250 quintals.

Basmatia Tea Cuts Dividend

THE Basmatia Tea Co. Ltd (an Assam garden) has made a profit of Rs. 3.94 lakhs for the year ended December 1962, compared with Rs. 4.48 lakhs for 1961, after providing Rs. 1.09 lakhs (against Rs. 89,311) for depreciation. The taxable ordinary dividend has been cut from 25 percent to 20 percent, absorbing Rs. 1.53 lakhs. The yield is 7.3 percent at the present price of Rs. 27.25 a share of Rs. 10 each. Taxation absorbs Rs. 2.42 lakhs (against Rs. 1.90 lakhs). Of this, the super profits tax will be Rs. 18,500. Development rebate reserve is Rs. 600 (against Rs. 4,586). The carry-forward amounts to Rs. 46,930, against Rs. 48,172 brought in. The crop was 2,869 quintals, against 3,136 quintals. The average sale price rose from Rs. 6.01 a kilogram to Rs. 6.60 a kilogram. The 1963 crop has been estimated at 2,900 quintals.

Phillips Carbon Black Shows Loss

PHILLIPS Carbon Black Ltd shows a loss of Rs. 3.25 lakhs for the period from 1st April to 30th November, 1962, after providing Rs. 69,351 for depreciation. The Company has changed the accounting year from March to November. Hence the present accounts cover a period of eight months only. During the year ended March 1962, the loss was Rs. 3.01 lakhs, after transferring Rs. 75,456 to depreciation. Although it was originally intended to start producing carbon black before the end of 1962, the working was interrupted by unavoidable delay. The unit for the conversion of raw materials operated from October 1962, but the full plant could not work before the end of December 1962. The factory produced about 1 million lbs of carbon black, when it started working at the end of 1962. The first commercial deliveries were made early in January 1963, and they were well received. Regular sales of carbon black have started since. The directors hope that production at the full annual capacity of 30 million lbs will be achieved before the end of the current year. The Company has meanwhile been permitted by the Government to increase the capacity by a further 10 million lbs. As for the supply of raw materials, coal tar

has started arriving regularly, but its supply may fall short soon in view of the rising production of the factory. So it may be necessary to supplement the domestic supply of coal tar by imported feed stock.

The Company issued rights ordinary shares towards the end of last year at a premium of Rs. 3 a share of Rs. 10 each. The dividend has again been passed. A debit balance of Rs. 3.25 lakhs has been carried forward.

Nit from Marshall Sons

MARSHALL Sons and Co. (India) Ltd has produced disappointing results for the year ended June 1962. The dividend has again been passed. There has been a loss of Rs. 8.37 lakhs, compared with one of Rs. 3.26 lakhs in 1960-61, after writing off bad debts for a sum of Rs. 2,548. Depreciation absorbs Rs. 1.05 lakhs and gratuities paid to retired staff Rs. 3.42 lakhs. Taxation for previous years is allocated Rs. 44,500. Bringing in a loss of Rs. 5.64 lakhs, a debit balance of Rs. 18.08 lakhs has been carried forward.

Referring to the outlook for the current year, the directors say that the order-book has been fairly satisfactory, but the tea estates have either cancelled or delayed their orders for machinery due to the uncertainties created by the state of emergency. They have, however, taken steps to make good the loss of the tea machinery business. They have also effected a substantial reduction in expenditure. Sales of machinery were Rs. 2.68 crores, against Rs. 2.69 crores, but the profitability of this business has declined due to the increased sales of road rollers on which profits are regulated by Government controls. An associate Company called Marshall Sons and Co. (Manufacturing) Private Ltd has been formed in Madras. It has been negotiating with foreign manufacturers and the Government of India for producing some essential machinery, especially required by the Government. Marshall Sons and Co. will be the selling agents for the products manufactured by the new Company. This should help expand the business in engineering products.

Finlay Group of Mills Do Well

ALL the three textile mills in the Finlay group—Finlay, Swan and Gold Mohur—have done exceedingly well in 1962 which is in pleasant contrast to the general performance of the industry during the year. The gross profit of the Finlay Mills Ltd has risen by 31.6 percent from Rs. 44.64 lakhs to Rs. 58.74 lakhs even though the sales have been barely maintained at Rs. 3.03 crores, against Rs. 3.02 crores in 1961. In the case of Swan Mills, sales are up by 7.8 percent from Rs. 2.17 crores to Rs. 2.34 crores, while the gross profit has risen by as much as 48 percent from Rs. 34.30 lakhs to Rs. 50.79 lakhs. Both Finlay and Swan have maintained the dividend at Rs. 23 and Rs. 21.60 a share, less tax, respectively. Gold Mohur, however, has reduced the dividend from Rs. 21.50 to Rs. 19.50 a share, less tax, although its performance is by far the best. For its sales have recorded an increase of about 14 percent, and the gross profit has shot up by 61.6 percent from Rs. 20.81 lakhs to Rs. 33.63 lakhs.

Explaining the dividend cut, the chairman, Mr. C. H. Campbell, says that the proposed reduction has been

recommended after very careful consideration. The Company has a machinery rehabilitation programme in hand involving considerable capital expenditure to be incurred during the next five years. The directors are of the opinion that during this period when large amounts have to be found to meet depreciation and development rebate, the amount to be distributed as dividend should be at a level which can be expected to be maintained after these prior charges have been met.

While these Companies have made an excellent showing in 1962, the outlook for the current year is not considered to be equally promising. In his statement to shareholders, which has been circulated along with the directors' reports, the chairman, Mr. Campbell, says that he is unable to take an optimistic view of the future because of the rising costs of production. He thinks it might be difficult to maintain the profits at the 1962 level even though the market conditions at present are satisfactory, and there is a good demand for the products of these mills. The stock of finished goods with the mills is also at a satisfactory level. But the Company's position concerning the supply of cotton is far from satisfactory, and does not look like improving in the near future. Cotton prices are going up and an import duty on raw cotton has been reimposed. In addition, production costs are mounting up. The Finlay group of mills use large quantities of imported cotton and the position appears to be steadily deteriorating, both in points of availability and prices. Mr. Campbell has criticised the compulsory scheme for the export of cloth. He says that the group has made every effort to increase its exports, but it has had only moderate success and the progress so far has been disappointing. The mills have had to purchase "export performance" from other mills in order to avoid paying a penalty. Mr. Campbell has expressed doubts about the success of the compulsory scheme in augmenting foreign exchange earnings.

As a result of the change in the basis of valuation of finished goods and stocks in process, there is an additional tax liability of about Rs. 10.70 lakhs for Finlay Mills, Rs. 12.35 lakhs for Gold Mohur and Rs. 6.65 lakhs for Swan. And the bonus award has involved an additional payment of Rs. 29 lakhs for Finlay, Rs. 20 lakhs for Gold Mohur and Rs. 10 lakhs for Swan.

Finlay Mills: After providing Rs. 10.02 lakhs (against Rs. 10.11 lakhs) for depreciation, Rs. 73,000 (against Rs. 46,000) for development rebate and Rs. 22.56 lakhs (against Rs. 14.35 lakhs) for taxation, the net profit amounts to Rs. 21.72 lakhs, compared with Rs. 16.28 lakhs in 1961. A sum of Rs. 8.07 lakhs (against Rs. 14,000) has been set aside for expenses for previous years and Rs. 2.09 lakhs (against Rs. 40,000) has been earmarked for under-provision for taxation for previous years. No provision has been made for general reserve which received Rs. 3 lakhs in the preceding year. The proposed dividend absorbs Rs. 11.50 lakhs, leaving a sum of Rs. 31,083 to be carried forward, against Rs. 26,894 brought in.

The directors state that the Alexander and Finlay Thread Company in which the Company has a 50 percent share earned a profit of Rs. 1.48 lakhs after allowing Rs. 77,000 for depreciation. Delivery of 38 ring spinning frames is expected to commence shortly, and an order has been placed for a further 18 ring spinning frames. One new high speed winding and warping unit was installed and certain automatic pirn winding machinery

was replaced. In addition, approximately 16,000 spindles are being converted to modern drafting. Orders have also been placed for a new stenter and mercerising machine for the bleach house. The Company has a paid-up capital of Rs. 50 lakhs (all in equity shares), and it is supported by free reserves amounting to Rs. 75.68 lakhs. The Rs. 100-paid share of Finlay Mills is currently quoted around Rs. 310, offering a gross return of about 8 percent.

Swan Mills: After providing Rs. 11.51 lakhs (against Rs. 11.92 lakhs) for depreciation, Rs. 1.92 lakhs (against Rs. 23,000) for development rebate and Rs. 19.69 lakhs (against Rs. 9.35 lakhs) for taxation, the net profit amounts to Rs. 10.56 lakhs in 1961. The directors have set aside Rs. 1.28 lakhs (against Rs. 32,000) for taxation for previous years Rs. 55,000 (against Rs. 16,000) for previous years' expenses and Rs. 3 lakhs (against nil) for tax on bonus shares. The proposed dividend absorbs Rs. 12.96 lakhs (the same), leaving a sum of Rs. 3.38 lakhs to be carried forward, against Rs. 1.10 lakhs brought in. The directors state that the delivery of the 35 ring frames referred to in the previous year's report has stated and the frames are being erected. A new high-speed winding and warping unit has been installed. Certain doubling and pirn winding machines have been replaced. In addition to the new ring frames, approximately 10,000 spindles are being converted to modern drafting. An order has been placed for two water tube boilers. The Company's paid-up capital of Rs. 60 lakhs—all in equity shares—is supported by free reserves amounting to Rs. 56.92 lakhs. The Rs. 100-paid share of Swan Mills is quoted around Rs. 280 cum-dividend, offering a gross return of about 8.4 percent.

Gold Mohur: The Company has made a gross profit of Rs. 33.63 lakhs, against Rs. 20.81 lakhs in 1961. After providing Rs. 6.76 lakhs (against Rs. 3.95 lakhs) for depreciation, Rs. 4.51 lakhs (against Rs. 3,300) for development rebate, Rs. 8.60 lakhs (against Rs. 7.07 lakhs) for taxation and deducting over charges, the net profit amounts to Rs. 11.25 lakhs, against Rs. 8.09 lakhs in the preceding year. After providing Rs. 1.83 lakhs (against Rs. 16,000) for expenses for the previous year and Rs. 90,000 (against Rs. 20,000) for under-provision for taxation for previous years, there remains a balance of Rs. 8.48 lakhs, which is insufficient for the payment of the reduced dividend. The directors have, therefore, transferred a sum of Rs. 1.50 lakhs (against Rs. 3.50 lakhs) from general reserve. The proposed dividend absorbs Rs. 9.75 lakhs (against Rs. 10.75 lakhs), leaving a sum of Rs. 29,942 to be carried forward, against Rs. 6,662 brought in.

The directors state that the 36 new ring spinning frames have been installed and are in operation. A new high-speed winding and warping unit has also been installed. Twenty-four automatic looms have been received and are under erection. A further 24 automatic looms have been ordered. An order has been placed for a further 23 ring spinning frames, which are expected to be received early next year. Certain doubling and pirn winding machinery has also been replaced. In addition, approximately 17,000 spindles are being converted to modern drafting. The Company has received permission to install an additional 15,000 spindles to balance the spinning and weaving equipment. The Company has a paid-up capital of Rs. 50 lakhs (all in equity shares) and it is supported by free reserves amounting to Rs. 60.34 lakhs. The Rs. 100-paid share of Gold Mohur is quoted nominally

around Rs. 230, offering a gross return of about 9.2 percent.

Shreeniwas Cotton Disappoints

THE working results of Shreeniwas Cotton Mills Ltd for 1962 are in sharp contrast to the Company's performance in the previous year. In 1961, the gross profit increased by 15.5 percent from Rs. 70.53 lakhs to Rs. 83.49 lakhs, and it raised the dividend from Rs. 18 to Rs. 20 a share. But in 1962, the gross profit has fallen by 24 percent to Rs. 63.30 lakhs and the dividend has been reduced from Rs. 20 to Rs. 14 a share, less tax. The reduced dividend is, however, on the increased capital of Rs. 1 crore, against Rs. 90 lakhs in the preceding year. Apart from the various common factors which affected the fortunes of the cotton textile industry last year, Shreeniwas Cotton has had to pay about Rs. 11 lakhs more by way of retrenchment compensation and gratuity in 1962.

After providing Rs. 23.78 lakhs (against Rs. 15.09 lakhs) for depreciation and Rs. 13.40 lakhs (against Rs. 21.75 lakhs) for taxation, the net profit amounts to Rs. 22.96 lakhs, compared with Rs. 40.61 lakhs in 1961. The Company has had to provide Rs. 2.40 lakhs for taxation for 1961 and Rs. 7.62 lakhs for bonus paid in excess of provisions for three years to 1960. Since the balance of profit is not sufficient to pay the proposed dividend, the directors have withdrawn Rs. 1.88 lakhs from investment reserve and Rs. 3.50 lakhs from the general reserve. The ordinary dividend accounts for Rs. 25,000 (the same). The Company has added further machinery worth about Rs. 34 lakhs during the year and the depreciated block of the Company at the end of December 1962 stood at Rs. 1.60 crores. Further programme of machinery installation valued around Rs. 40 lakhs is in hand for the current year. The Company has received sanction for 20,000 additional spindles, out of which 5,000 spindles have already been installed and the remaining will be installed in stages within the current and next year. At its current quotation of Rs. 230, the share of Shreeniwas Cotton offers a gross return of about 6.5 percent.

New Great Eastern Mill Pays More

THE New Great Eastern Spinning and Weaving Co. Ltd reports encouraging results for 1962, which has enabled the directors to step up the dividend from Rs. 12 to Rs. 18 a share, less tax. Despite a fall of nearly 11 percent in the sales from Rs. 2.90 crores to Rs. 2.58 crores, due mainly to the closure of the mills for some time on account of fire, the gross profit has increased by about 11.6 percent from Rs. 23.93 lakhs to Rs. 26.72 lakhs. The directors have provided Rs. 12.09 lakhs (against Rs. 7.74 lakhs) for depreciation and Rs. 5.49 lakhs (against Rs. 2.33 lakhs) for development rebate. The proposed equity dividend absorbs Rs. 5.40 lakhs, against Rs. 3.60 lakhs. After providing for the preference dividend and making certain other adjustments, there remains a balance of Rs. 1.80 lakhs to be carried forward, against Rs. 1.54 lakhs brought in. Additions to fixed assets in 1962 totalled Rs. 43.94 lakhs, against Rs. 17.12 lakhs in the preceding year. Capital work in progress was of the order of Rs. 16.60 lakhs, against Rs. 29.04 lakhs. The directors propose to increase the share capital of the Company from Rs. 30 lakhs to

Rs. 35 lakhs by the issue of 5,000 equity shares of Rs. 100 each. The new shares, it is proposed, will be issued at par to shareholders in the ratio of one share for every six held. The Rs. 100-paid share of the Company is quoted nominally around Rs. 270.

Jawahar Mills Cuts Dividend

THE working results of Jawahar Mills Ltd for 1962 show a modest setback over the previous year's performance. Sales are down from a little over Rs. 1 crore to Rs. 99.51 lakhs; the gross profit is lower at Rs. 15.21 lakhs, against Rs. 16.97 lakhs and the dividend has been reduced from 15 percent to 12 percent, less tax, that is, from 75p to 60p a share of Rs. 5. After providing Rs. 3.66 lakhs (against Rs. 3.75 lakhs) for depreciation, Rs. 5.47 lakhs (against Rs. 6.15 lakhs) for taxation and deducting other charges, the net profit amounts to Rs. 5.22 lakhs, compared with Rs. 5.88 lakhs in 1961. From the net profit, a sum of Rs. 2.33 lakhs has been spent on bonus for previous years and Rs. 15,304 on charity and donations, leaving a balance of Rs. 2.74 lakhs. Including a sum of Rs. 8,391 representing the refund of sales tax, a sum of Rs. 2.82 lakhs is available for appropriations. Provision for development rebate amounts to Rs. 10,789 (against Rs. 10,000) and donations takes away Rs. 45,000 (against Rs. 50,000). The proposed dividend absorbs Rs. 2.03 lakhs (against Rs. 2.54 lakhs), leaving a balance of Rs. 23,599 to be carried forward. The Rs. 5-paid share of Jawahar Mills is currently quoted around Rs. 10 cum-dividend.

Mahendra Mills Repeats

THE directors of Mahendra Mills Ltd of Kalol, have decided to maintain the dividend for 1962 at 14 percent, less tax. The preliminary figures about the Company's working results which have been released along with the announcement of the dividend, show a modest setback. In spite of an increase of about 16 percent in the sales from Rs. 2.34 crores to Rs. 2.70 crores, the gross profit is slightly lower at Rs. 38.66 lakhs, compared with Rs. 39.02 lakhs. Appropriation includes statutory development rebate Rs. 57,000 (against Rs. 2.38 lakhs), depreciation Rs. 20.16 lakhs (against Rs. 20.19 lakhs), and taxation Rs. 11.02 lakhs (against Rs. 8.20 lakhs). Dividends, ordinary and preference, absorb Rs. 5.04 lakhs (the same). The Company has received a licence from the Government for the installation of 500 automatic looms with preparatory machinery and processing equipment. The Rs. 100-paid share of the Company is currently quoted around Rs. 200.

Omega Cable to Enter Market Soon

THE Omega Insulated Cable Co. (India) Ltd, which is setting up a factory in Ambattur (near Madras) for manufacturing different kinds of cables, will soon be in the market, some time in June, to raise capital for the project. The Company has been licensed to manufacture 45 million core yards of V.I.R. and P.V.C. cables and 280 miles of paper insulated power cables a year. It has applied to the Government for an industrial licence to manufacture 3,000 tons of A.C.S.R. and A.A. conductors a year. Construction work on the factory has been started and

machinery, it is expected, will arrive by the end of the year. If all goes well, the factory is likely to go into production in April 1964.

The Company has an authorised capital of Rs. 3 crores, of which Rs. 70 lakhs, it is proposed, will be issued in the beginning. Out of the issued capital of Rs. 70 lakhs (all in equity shares), the directors and their friends are expected to take up shares worth Rs. 30 lakhs. The balance of Rs. 40 lakhs is likely to be offered for public subscription shortly. Arrangements are in progress for getting the public issue underwritten. The capital outlay on the project, it is estimated, will cost Rs. 1.05 crores, which it is proposed to meet by the share capital of Rs. 70 lakhs and borrowings from banks to the tune of Rs. 35 lakhs. The Company has received a licence from the Government for importing machinery worth Rs. 33 lakhs under the U.S. Export-Import Bank third loan. Mr. M. N. M. Veerabhadra Chari, the managing director of Dhanalakshmi Mills and a director of South India Viscose and Madras Aluminium, will be the chairman of Omega Insulated Cable Company.

Cibatul to Make Epoxy Resins

CIBATUL Ltd, Atul, (Gujarat State) had long been planning to manufacture epoxy resins which are used for various industrial purposes such as adhesives, coatings, laminates, tooling, casting, etcetera. It was in August 1961 that the Company applied to the Government for an industrial licence to manufacture 540 tons of epoxy resins a year, but it was only last month that the Government of India approved the proposal and an inter-Ministerial meeting recommended to the Licensing Committee to issue a letter of intent to the Company in order to enable it to submit final proposals for meeting the foreign exchange requirements of the project. The Government is of the view that if a unit is set up for the manufacture of these resins, it will save a lot of foreign exchange which is now being spent on importing them.

At present, imports of epoxy resins are allowed to actual users as also against established importers' quota. Among the imported raw materials needed for the manufacture of epoxy resins, the major item of import is epichlorohydrine. Cibatul is being asked to undertake the manufacture of this important raw material in order to avoid its imports at the earliest. The Government, it is said, has informed the Company that it will not be allowed any Swiss credit for importing the capital equipment required for the project. The Company is, therefore, being asked to make its own arrangements for foreign exchange to the satisfaction of the Government. The letter of intent is likely to be issued soon to the Company on condition that it will export at least 20 percent of its output in order to provide for the repayment of the foreign exchange loan.

Prospects for Premier Tyres

RELEASING the third annual report of the Premier Tyres Ltd for 1962 to the Press on 6th May, Mr. Chandrakant S. Desai, a director of the Company told newsmen that the present output of 425 tyres a day will be raised to 700 tyres a day as soon as the 40 percent power cut effected by the Kerala Government from 5th February due to the failure of the winter monsoon, is restored.

The electricity cut, it is expected, will be restored before the end of the current month. Mr. Desai also stated that the Company was likely to reach its licensed capacity of 800 tyres a day within a couple of months.

The directors' report says that the Company rolled out its first tyre on 27th May, 1962, but it was not until late in September that commercial production was started after the Company had completed rigid tests, both on the test wheel at the factory and on roads under varying conditions.

Within a space of a little over three months, the Company was able to effect sales of tyres of the value of Rs. 25.69 lakhs. During 1962, the Company incurred a loss of Rs. 60.12 lakhs, after providing Rs. 40,000 for managing agents' commission and Rs. 19.18 lakhs for depreciation and Rs. 24.84 lakhs for development rebate, compared with a gross profit of Rs. 2.37 lakhs in 1961. This loss of Rs. 60.12 lakhs has been reduced by Rs. 1.84 lakhs, being balance at the end of the previous year and the loss of Rs. 58.28 is being carried forward. An amount of Rs. 1.17 lakhs was outstanding on 31st December, 1962, being allotment and calls in arrears in relation to equity and preference shares together. Since then a further sum of Rs. 3,000 has been received leaving a balance of Rs. 1.14 lakhs. In view of the heavy loss to be wiped out, the directors have not recommended any preference dividend for 1962 and the arrears of preference dividend add up to Rs. 9.51 lakhs. The Rs. 100-paid share of Premier Tyres is currently quoted around Rs. 107.

New India Pays the Same

THE directors of New India Assurance Company Ltd have recommended a dividend of Rs. 4.50 and a bonus of Rs. 1.50, making a total distribution of Rs. 5.70 a share, subject to tax, for 1962, which is the same as in the preceding year. The dividend of Rs. 4.50 a share is to be paid from the profits for the year, and the payment of bonus of Rs. 1.20 a share is to be made from the balance of capital reserve of Rs. 19.60 lakhs built up from compensation received for the Company's life business. The preliminary report on the Company's working shows that it has fared well during the year. Subject to audit, the net premium income of the Company exceeds Rs. 13.6 crores, showing an increase of Rs. 1 crore over the previous year. The profit after tax provisions and transfer to departmental reserves is expected to exceed Rs. 71 lakhs. The Rs. 15-paid "A" share of New India Assurance is quoted around Rs. 60.50.

Polson Earns More, Pays Less

THE shareholder of Polson Ltd can hardly derive any comfort from the Company's improved performance during 1962—both sales and gross profit are higher—because the dividend has been reduced from Rs. 17 to Rs. 14 a share, less tax. The Company's sales are up by about 9 percent from Rs. 1.54 crores to Rs. 1.68 crores, and the gross profit has risen by about 5.8 percent from Rs. 17.25 lakhs to Rs. 18.32 lakhs. The dividend has had to be cut because of the sharp decline in the disposable surplus resulting from the substantially larger provision for taxation, which has been raised from Rs. 5.90 lakhs to Rs. 9.96 lakhs, which in-

cludes Rs. 2.19 lakhs for super profits tax.

The provision for depreciation amounts to Rs. 2.63 lakhs, against Rs. 2.68 lakhs. The development rebate reserve absorbs Rs. 29,284, against Rs. 62,671, and the general reserve has been allocated a mere Rs. 200, against Rs. 1 lakh in 1961. The proposed dividends absorb Rs. 4.77 lakhs, against Rs. 5.65 lakhs, leaving a sum of Rs. 18,866 to be carried forward, against Rs. 86,392 brought in. The directors state that the Company's products are meeting with increasing competition in the internal as well as foreign markets. The export business has suffered a further setback due to restrictions in the importing countries which were hitherto served by the Company. The Rs. 100-paid share of Polson is quoted nominally around Rs. 191.

Rajalakshmi Mills Cuts Dividend

THE 5 percent cut in the dividend by the Rajalakshmi Mills Ltd, Coimbatore, from 20 percent to 15 percent, less tax, for the year 1962 reflects the Company's poor working results. Although the sales are down by only 5.7 percent from Rs. 1.39 crores to Rs. 1.31 crores, the gross profit has shrunk by nearly 26 percent from Rs. 27.34 lakhs to Rs. 20.05 lakhs. The profit margin has been squeezed by the all-round increase in manufacturing costs and the lower realisations from the sale of staple fibre yarn. The raw material bill has risen from Rs. 70.28 lakhs to Rs. 90.22 lakhs; the wage bill is higher at Rs. 23.71 lakhs, against Rs. 22.65 lakhs and electricity cost was up at Rs. 3.07 lakhs, against Rs. 2.69 lakhs. After providing Rs. 6.17 lakhs (against Rs. 5.66 lakhs) for depreciation, Rs. 87,000 (against Rs. 1.20 lakhs) for development rebate and Rs. 4.85 lakhs (against Rs. 8 lakhs) for taxation, the net profit amounts to Rs. 8.16 lakhs, compared with Rs. 12.48 lakhs in the preceding year.

The proposed ordinary dividend absorbs Rs. 4.49,790, against Rs. 5,99,439 and preference dividend accounts for Rs. 16,900 (the same). A sum of Rs. 1.89 lakhs has been provided for donations, charity and bonuses for prior years and another Rs. 15,000 have been set aside for donation to B. Rangaswami Naidu Trust. The provision for bonus for 1962 is lower at Rs. 1.50 lakhs, against Rs. 2.90 lakhs. After making all these appropriations, there remains a small sum of Rs. 4,995 to be carried forward, against Rs. 9,410 brought in. The directors state that the construction of a new unit of the Company in Karamadai is progressing according to schedule. Production, it is expected, will start by the end of the current year. The total net assets of the Company at the end of December 1962, were valued at Rs. 96 lakhs. It has a paid-up capital of Rs. 30 lakhs, of which bonus shares amount to Rs. 10 lakhs. Preference capital accounts for Rs. 2 lakhs. The reserves and surplus of the Company total Rs. 38 lakhs. The gross block of Rs. 1.14 crores has been written down to Rs. 54 lakhs. The Rs. 50-paid share of Rajalakshmi Mills is currently quoted around Rs. 85, offering a gross yield of about 9 percent. The share has touched a high of Rs. 122 last year.

Buckingham and Carnatic Does Well

THE Buckingham and Carnatic Company Ltd reports fairly satisfactory results for the year 1962, although the increase in the gross

profit from Rs. 1.83 crores to Rs. 1.88 crores is small, compared with the rise in the sales from Rs. 12.36 crores to Rs. 13.23 crores. The improvement, although small, is encouraging in view of the generally unsatisfactory performance of the cotton textile industry last year. After providing Rs. 47.48 lakhs (against Rs. 45.14 lakhs) for depreciation, Rs. 37.58 lakhs (against Rs. 31.20 lakhs) for bonus and Rs. 55.29 lakhs (against Rs. 46.60 lakhs) for taxation, the net profit, however, is lower at Rs. 47.24 lakhs, compared with Rs. 60 lakhs in 1961. With Rs. 2.15 lakhs brought in and Rs. 4.86 lakhs transferred from reserve for taxation the disposable surplus is Rs. 54.25 lakhs.

The dividend has been maintained at 18 percent (6 percent interim and 12 percent final) and it absorbs Rs. 32.13 lakhs. Preference dividend amounts to Rs. 2.08 lakhs (the same). Appropriations of the year's profit include Rs. 5 lakhs (against Rs. 6.50 lakhs) for debenture redemption fund, Rs. 5 lakhs (against Rs. 6.51 lakhs) for development rebate reserve, and Rs. 8 lakhs (against Rs. 12.80 lakhs) for general reserve, leaving a sum of Rs. 2.05 lakhs to be carried forward. The directors state that the production was maintained at a satisfactory level throughout the year. Exports amounted to Rs. 1.64

crores. The directors anticipate an increase in costs during the current year due to the additional tax burden imposed by the emergency legislation. During the year, debenture stock of the face value of Rs. 19.63 lakhs was purchased and cancelled and an amount equivalent to the face value of the stock cancelled was transferred from the debenture redemption fund to the general reserve.

Kothari Textiles Earns Less

THE directors of Kothari Textiles Ltd have recommended the payment of the usual 6 percent preference dividend and also an ordinary dividend of 8 percent for the year ended December 1962. The ordinary dividend for the previous year was 8 percent. Although the profit for 1962 is lower than that of the previous year, the dividend is maintained at 8 percent by transferring Rs. 3.50 lakhs from general reserve. According to the preliminary figures, the net profit amounts to Rs. 3.11 lakhs, against the previous year's Rs. 4.13 lakhs. Depreciation amounts to Rs. 15.51 lakhs (against Rs. 15.96 lakhs). Development rebate reserve gets Rs. 1.89 lakhs (against Rs. 2.13 lakhs) provision for taxation Rs. 5.75

lakhs (against Rs. 7.20 lakhs). A sum of Rs. 9 lakhs is transferred to general reserve from reconstruction reserve.

Bangalore Woollen Pays the Same

THE working of the Bangalore Woollen, Cotton and Silk Mills Co. Ltd for the year ended December 1962, shows a profit of Rs. 68.02 lakhs, after providing Rs. 16.96 lakhs for depreciation. The profit includes Rs. 17.45 lakhs, being the proceeds on sale of assets. The profit for the previous year was Rs. 59 lakhs, after providing Rs. 15.80 lakhs for depreciation. With Rs. 2.25 lakhs brought forward from the previous year, the total amounts to Rs. 70.27 lakhs. Out of this, provision for taxation gets Rs. 32 lakhs (against Rs. 27 lakhs). A sum of Rs. 4.40 lakhs (against Rs. 1.90 lakhs) is transferred to development rebate reserve. A sum of Rs. 9 lakhs (against nil) is transferred to general reserve. The preference dividend at Rs. 7.80 a share, subject to deduction of tax, amounts for Rs. 46,800. The interim ordinary dividend at Rs. 6 a share absorbed Rs. 7.29 lakhs. The proposed final ordinary dividend at Rs. 12 a share will absorb Rs. 14.58 lakhs. The total ordinary dividend for the year amounts to 18 percent

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(the same). The balance of Rs. 2.53 lakhs is carried forward.

The directors' report says that production in all departments was well maintained and progress was made in the manufacture of "varsity" suiting, a Terylene polyester fibre/wool blend material. Its reception in the market has been encouraging. With ample supplies of filature and spun silk yarn available, the silk department worked to capacity. Sales of yarn, cloth and waste amounted to Rs. 6.16 crores, against Rs. 6.19 crores last year. Sales would have been higher had it not been for the temporary accumulation of process stocks of Union fabrics. The Company has entered into contracts with the Government for the supply of a large quantity of Angola shirting to the Defence Services. Due to higher taxation, costs are expected to rise in 1963. Trading results were adversely affected by rising prices of raw materials, additional contribution to the employees' State insurance, excise duty on yarn, additional bonus for 1961 and the liability under the obligatory export scheme. Provision for taxation includes the estimated liability to the super profit tax. The additional costs have been offset by the realised profit on the sale of the Hebbal Mill machinery, and this has made it possible to transfer about Rs. 13.50 lakhs to reserves.

Binny Cuts Dividend

BINNY and Co. Ltd has earned a profit of Rs. 37,93,428 for the year ended December 1962, after providing Rs. 22,552 for depreciation, Rs. 2,40,000 for bonus and Rs. 94,170 for pension and gratuity. The profit for the previous year was Rs. 65,86,262, after providing Rs. 20,696 for depreciation, Rs. 2,10,000 for bonus and Rs. 100,000 for pension and gratuity. But the previous year's profit included a profit of Rs. 24,23,585 on the sale of land and buildings and also the receipt of Rs. 15,62,563 being the managing agency commission for 1960 from the managed companies. Adding to the year's net profit, the sum of Rs. 3,46,495 brought forward from the previous year and with a sum of Rs. 4,927 being past provisions no longer required, the total available for appropriation comes to Rs. 41,44,850. Of this the provision for taxation comes to Rs. 16,00,000 which includes additional provision for 1961, against Rs. 16,80,285 in the previous year. The additional dividend of Rs. 3.25 a share for 1961 amounted to Rs. 3,25,000. The interim dividend of Rs. 8 a share for 1962 has absorbed Rs. 8,00,000. The proposed final dividend of Rs. 13 a share will absorb Rs. 13,00,000. The balance of Rs. 1,19,850 is carried forward.

Substantial increases were achieved during the year in the turnover of the handloom textile department and of the engineering sales department. The net profit on trading before taxation and after excluding profit on the sale of fixed assets and other non-recurring credits, has improved to Rs. 9,37,993 (against Rs. 63,507). Investment income has also improved to Rs. 28,31,850 (against Rs. 23,34,282). The directors' report says that the proposed dividend of 13 percent final on the ordinary shares represents the minimum distribution necessary to avoid the penal provisions of Section 104 of the Income Tax Act, 1961. The total dividend for the year amounts to 21 percent (against 25 percent last year).

In the sphere of development, the report says that during 1962, the Company completed its investment in its new engineering subsidiary com-

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pany's paid-up equity capital of Rs. 35 lakhs.

Anglo-French Textiles Modernises

THE chairman of the Anglo-French Textiles Ltd, Mr. R. M. King, has discussed the difficulties of the textile industry in his statement to shareholders. India's exports of cotton piecegoods suffered a setback in 1962, since they fell from 574.30 million yards in 1961 to 508.31 million yards in 1962—the lowest in last 12 years. This happened in spite of the various incentives available under the export promotion scheme and the introduction during the second half of 1962 of a scheme of obligatory exports. The overseas markets in recent years have become increasingly competitive and quality-conscious. The United Kingdom took from India 150 million yards in 1961, and increased its off-take from Pakistan from 23 million yards to about 38 million yards and from Hongkong from 85 million yards to 99 million yards. In the context of this decline, Mr. King suggests that the Government should examine the question of entering into a voluntary trade pact with the U.K. If entry of cloth into the U.K. is handled by established importers in that country, then it is not improbable that some of the ground lost last year would be regained.

The Company's export sales of cloth and yarn declined to Rs. 73.05 lakhs from Rs. 1.03 crores in 1961. The deliveries of cloth and yarn to buyers in India during the year remained more or less steady at Rs. 2.03 crores (against Rs. 2.02 crores in 1961). In terms of quantity, the Company exported 8 million yards of cloth in 1962 and delivered in India 17 million yards, against 10.7 million yards and 18.4 million yards, respectively, in 1961. The fall in exports was not to be counterbalanced by increased deliveries in India, and stocks carried at the end of the year were correspondingly larger.

The working results for the year ended December 1962, shows that the gross profit before depreciation, and taxation fell from Rs. 40.36 lakhs to Rs. 27.29 lakhs. The persistent cost inflation, lower realisations on internal sales and increasingly competitive export markets explain this decline. The dividend for the year has been cut to 12 percent from 16 percent of 1961. Depreciation provision of Rs. 6.80 lakhs (against Rs. 10.14 lakhs) has been calculated on the basis of the rates prescribed by the Indian Income Tax Rules, 1962. Modernisation loan redemption reserve has received an increased allocation and is now Rs. 4 lakhs. The transfer to general reserve has been reduced to Rs. 3 lakhs.

The chairman feels that the plant and machinery should be modernised, the finishing department enlarged and improved, production and sales diversified and working capital increased if the Company is to hold its own in competition with the cotton textile units elsewhere in India. The modernisation programme made slower progress during the year, chiefly because of the inability of suppliers to adhere to contracted delivery. Capital expenditure on completed works amounted to Rs. 7.73 lakhs, of which Rs. 1.72 lakhs represented expenditure on such works in the earlier years. Incomplete capital expenditure at the end of the year stood at Rs. 8.81 lakhs. During the year, the blow-room was improved by the addition of four super cotton cleaners, one intermediate frame was converted to D-zone drafting bringing the number of frames so converted to ten. Seven ring frames

drafting system. Conversion of the remaining 13 intermediate frames to D-zone drafting and 40 ring frames to GX-2 high drafting is expected to be completed during the year. Sixteen MDF-5 high speed draw frames have already been received and are being erected, and 11 second hand carding engines are being purchased. The modernisation of the ring spinning department is now expected to be completed by the end of the year. Three sizing machines were provided with accelerated drying arrangements.

The Company has obtained an industrial licence for replacing 289 plain looms by 250 automatic looms. An import licence for the purchase of Howa NZ type automatic cop change looms from Japan has been received.

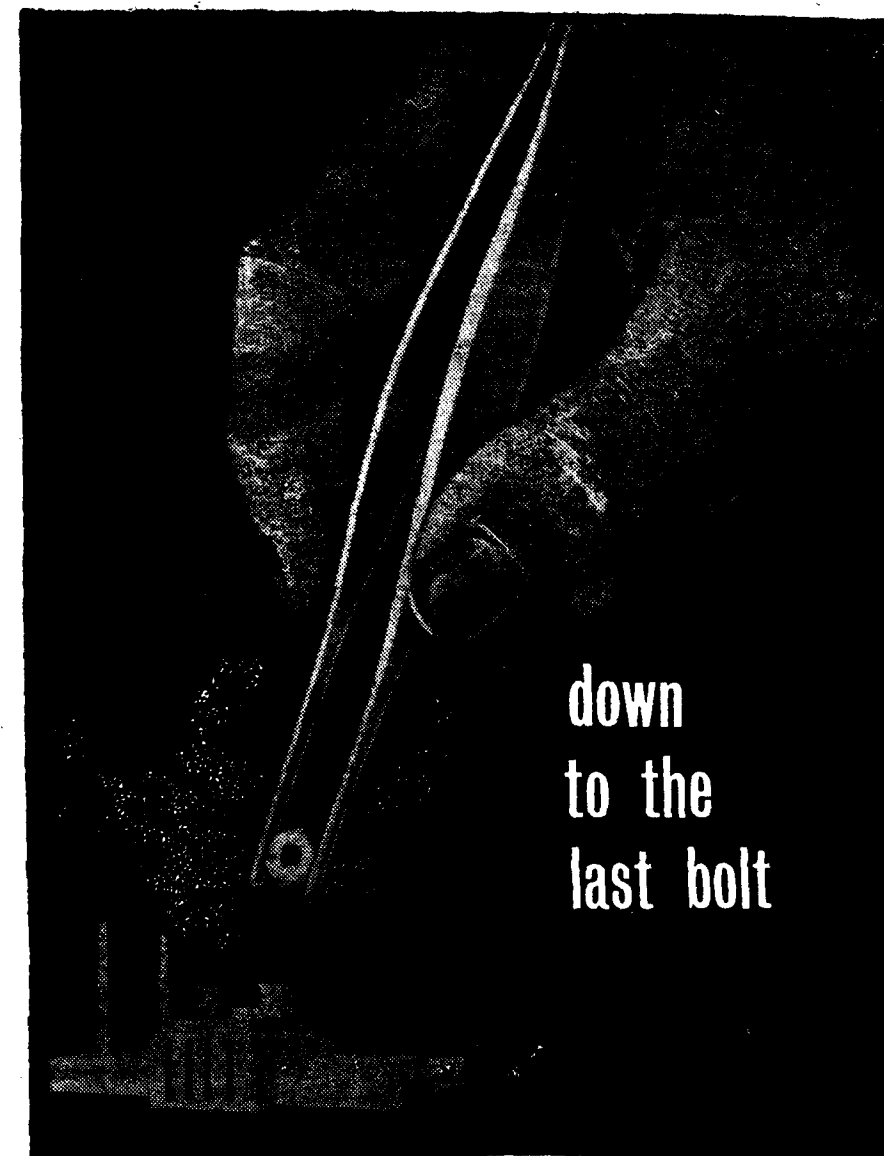
Progress of Kerala Lakshmi Mills

THE second annual report by the directors of Kerala Lakshmi Mills Ltd for the year ended December 1962, says that as orders for machinery could not be placed in time because of the delayed receipt of the import licence, the managing agents (Messrs Thiagaraja Chetty and Sons) arranged to get preparatory machinery on a lease and lend basis from sister concerns, and the mill commenced production on the November 1962. But the mill has not yet got sufficient preparatory machinery, so it spins only finer counts. The directors also add that the Company has not received any allotment of foreign cotton, to secure which, efforts are being made. Although 6,720 spindles had been fully erected as on 31st December, 1962, only 2,100 spindles are being worked due to the 40 percent power cut enforced by the State Electricity Board from 1st February, 1963. When the power cut is lifted, all the spindles will be worked and the full capacity of 24,000 spindles will be reached before the end of the current year. Orders have now been placed for one line of blow room and three sets of super drafters on deferred payment terms, and they are expected to be received and installed before the end of this year.

The amount of Rs. 53,629.20 expended till the commencement of production has been capitalised as the same was incurred during the construction. As the period of working during the year under report was only about seven weeks (during November and December 1962), there was a small trading loss of Rs. 9,619.71, which together with depreciation and development rebate of Rs. 1,53,063 (after capitalising Rs. 4,760) leaves a carry-forward loss of Rs. 1,62,682.71 for the next year.

Peermade Tea Profit Falls

IN spite of a fresh crop record touching 1,104,598 kilograms, the Peermade Tea Co. Ltd reports a marked decline in the net profit for the year ended December 1962. The fall amounts to Rs. 2,47,048 from the profit level of 1961, and it is mainly due to a recession in the tea market and the statutory increase in wages. The net profit for the year ended 31st December, 1962, amounts to Rs. 3,34,790, compared with the previous year's net profit of Rs. 5,81,838 after meeting all expenses and after providing Rs. 4,29,750 for taxation (against the tax provision of Rs. 5,48,000 in 1961). With the amount of Rs. 72,279 brought forward from the previous year and with a sum of Rs. 14,408 being excess provision for taxation in previous years no longer required, the total amount available for appropriation comes to



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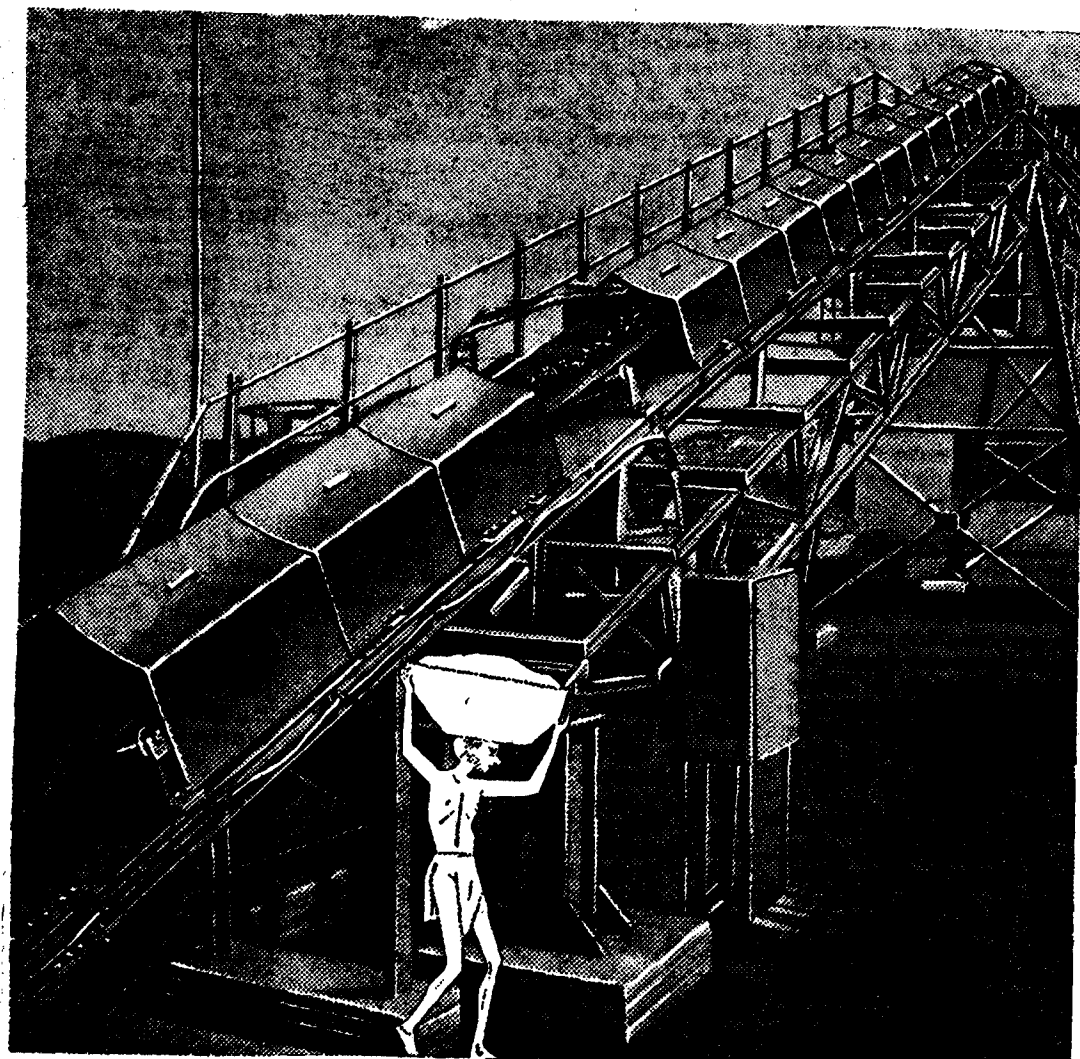
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Rs. 1,491 is transferred to development reserve (against Rs. 1,176). No amount is transferred to general reserve, while Rs. 100,000 was transferred to general reserve in the previous year. The preference dividend of 6.765 percent, subject to tax, accounts for Rs. 10,147. The interim dividend of 7½ percent on ordinary shares has absorbed Rs. 1,27,500. The proposed final dividend of 12½ percent on the ordinary shares will absorb Rs. 2,12,500. The total dividend for the year amounts to 20 percent (against 25 percent). The balance of Rs. 69,839 is carried forward. The total tea crop for the year established a fresh record at 1,104,598 kilograms exceeding the 1961 record by 21,033 kilograms. The all-in cost of production was lower at 364.24nP against 371.54nP a kilogram in the previous year. But the average sale price showed a sharp decline at 383.73nP a kilogram, compared with 420nP a kilogram in the previous year. The estimated tea crop for 1963 is put at 1 million kilograms.

Less from Savamalai Estates

THE Savamalai Estates Ltd has fared badly in the year ended November 1962, and the directors have had to reduce the dividend from 16 percent to 15 percent (32nP to 30nP on the Rs. 2-paid share), less tax. The pre-tax profit is down by as much as 37.4 percent from Rs. 1.98 lakhs to Rs. 1.24 lakhs, because of the smaller coffee crop which has pushed the all-in cost from Rs. 1,587 to Rs. 2,120 a tonne. This is mainly because the Company harvested a total coffee crop of 207 tonnes, made up of 146 tonnes of Robusta and 61 tonnes of Arabica, compared with the record 292 tonnes in the preceding year. The outlook for the current year, however, is considered to be a little better as the Company hopes to harvest 247 tonnes of coffee—175 tonnes of Robusta and 72 tonnes of Arabica. The all-in cost is estimated at Rs. 2,006 a tonne. Assuming a similar valuation of Rs. 2.20 a point returned in 1961-62, a modest increase in earnings is expected during 1962-63. Out of the 1961-62 profits, the directors have provided Rs. 26,625 (against Rs. 26,608) for depreciation and Rs. 64,640 (against Rs. 1,97 lakhs) for taxation. A sum of Rs. 2,000 has been transferred from the general reserve. The proposed dividend absorbs Rs. 82,526. After making various appropriations, there remains a modest balance of

Rs. 699 to be carried forward, against Rs. 19,574 brought in. The Company incurred a capital expenditure of Rs. 15,418 during the year. It has a paid-up capital of Rs. 5.5 lakhs—all in equity shares—of which bonus shares account for Rs. 3.7 lakhs. The reserves and surplus total Rs. 3.20 lakhs. The total net assets of the Company at the end of November 1962 were valued at Rs. 10.9 lakhs. At its current quotation of Rs. 4 cum-dividend, the Rs. 2-paid share of Savamalai Estates offers a gross return of about 7.9 percent.

Tropical Plantations Maintains

THE directors of the Tropical Plantations Ltd have maintained the dividend at 8 percent for the year ended December 1962. The net profit amounts to Rs. 2 lakhs, after providing Rs. 2.28 lakhs for taxation. This compares with the previous year's net profit of Rs. 2.81 lakhs, after providing Rs. 2.90 lakhs for taxation. With Rs. 12,239 brought forward from the previous year and with Rs. 1,131 being the agricultural income tax refund, the total available for appropriation amounts to Rs. 2.14 lakhs. Out of this, Rs. 40,000 is transferred to general reserve. The proposed dividend will absorb Rs. 1.60 lakhs. The balance of Rs. 14,062 is carried forward.

The tea crop for the year amounted to 271,706 kilograms at an all-in-cost of Rs. 2.62 a kilogram. The average price realised amounted to Rs. 3.15 a kilogram. The total rubber crop for the year amounted to 329,487 kilograms at a cost of Rs. 2.15 a kilogram. The average price realised amounted to Rs. 3.03 a kilogram.

Sri Ranga Vilas Skips Again

THE directors of Sri Ranga Vilas Ginning, Spinning and Weaving Mills Ltd have again passed the dividend for the year ended December 1962. The Company's working shows a loss of Rs. 60,792, after providing the normal depreciation of Rs. 4.37 lakhs. The profit for the previous year was Rs. 51,663, after providing Rs. 3.14 lakhs for depreciation. The amount brought forward from the previous year was Rs. 9,966. Adding Rs. 1.50 lakhs transferred from the mortgage loan redemption reserve account, there is a total of

Rs. 1.60 lakhs. After adjusting against this amount a sum of Rs. 90,116 being the arrears of depreciation for 1961 and also the loss of Rs. 60,792 for 1962, there is a balance of Rs. 9,058 which is carried forward. The directors' report says that payments due to the Industrial Finance Corporation have been met on due dates and the next instalment due on 1st January, 1964, is Rs. 1 lakh only. This will also be met on the due date. The directors say that they have transferred Rs. 1.50 lakhs from mortgage loan redemption reserve for making the adjustments and appropriations noted above.

The factory cost has gone up during the year by Rs. 2.35 lakhs, compared with the previous year. The directors' report says that cotton prices were high during the year, while there was no change in the ceiling rates for yarn. After the close of the year, there was an upward revision in the ceiling prices of yarn up to 40s, while the prices of higher counts were reduced. Since the bulk of the yarn manufacture consists of counts up to 40s, the directors hope that better results will be achieved during the current year. Sales of yarn during the year were higher at Rs. 85.25 lakhs, against Rs. 77 lakhs.

State Bank of Mysore Maintains

THE State Bank of Mysore has maintained the dividend at 10 percent, taxable, for 1962. The bank's income for the year totalled Rs. 1.45 crores, against Rs. 1.26 crores for 1961. After making the usual and necessary provisions and providing for taxation, the net profit was Rs. 18.41 lakhs, against Rs. 20.67 lakhs. The fall in the net profit was because of the heavy incidence of additional establishment charges incurred due to the implementation of the bank award and the revision of the scales of pay and allowances of officers and the cost of deposit insurance. Transfers to the reserve fund totalled Rs. 4.50 lakhs. Bonus to staff absorbed Rs. 4.10 lakhs and dividend Rs. 10 lakhs. Reserves of the bank stand at Rs. 64.50 lakhs. Deposits and other accounts totalled Rs. 25.91 crores, against Rs. 22.99 crores. Investments recorded an increase of Rs. 1.78 crores during 1962. Advances were placed at Rs. 12.98 crores, against Rs. 13.15 crores at the end of 1961. The ratio of advances to deposits was 50.09 percent, against 57.20 percent. Out-

Pandyan Insurance Results Impress

THE working of the Pandyan Insurance Co. Ltd for the year ended December 1962 is satisfactory. Transfers from the fire and marine revenue accounts to the profit and loss account totalled Rs. 3.57 lakhs and Rs. 2.62 lakhs, respectively. The miscellaneous revenue account reported a loss of Rs. 37,210. The amount at the credit of the profit and loss account, including the amount brought forward is Rs. 7.85 lakhs. In December 1962, the directors made an allotment of 10,000 new equity shares of Rs. 100 each as a capital bonus through the capitalisation of the entire sum of Rs. 7.50 lakhs standing to the credit of the share premium account together with Rs. 2,500 lakhs forming part of general reserve. Because of this, the amount standing to the credit of general reserve was reduced from Rs. 45.50 lakhs to Rs. 43 lakhs. The directors have recommended a dividend of 20 percent gross for the year on the increased capital of Rs. 30 lakhs. Insurance funds at the disposal of the Company totalled Rs. 22.27 lakhs, comprising Rs. 8.90 lakhs under the fire account, Rs. 11.39 lakhs under the marine account, and Rs. 1.94 lakhs under the miscellaneous account.

New Capital Issues

FOUR companies are the latest to be given consent to issue capital totalling Rs. 104.85 crores. Of these, Hindustan Steel alone will raise Rs. 100 crores. One company will issue bonus shares two equities and one equity plus debenture stock. The consent for three companies is valid for 12 months. For the fourth, consent for equities is valid for six months and for debentures 12 months. The following are the details:

Hindustan Steel Ltd, Ranchi, will raise capital of the value of Rs. 100 crores divided into 1 million equity shares of Rs. 1,000 each to be issued privately for cash at par. The proceeds will be used for construction, expansion and operation of public sector steel projects and coal washery projects.

The Khatau Makanji Spinning and Weaving Company Ltd, Bombay, is to issue capital of Rs. 59,85,000 divided into equity shares of Rs. 100 each to be issued as fully paid bonus shares, on capitalisation of the Company's general reserves to a like extent, in the ratio of one such share for each equity share held.

Atul Products Ltd is issuing Rs. 3 crores capital comprising 100,000 equity shares of Rs. 100 each to be issued for cash at a premium of Rs. 25 a share, and debenture stock of the value of Rs. 2 crores to be placed with the State Bank of India as collateral security for a loan or advance to be obtained from them. The proceeds of the issue will be used on various expansion projects of the company.

The Plantation Corporation of Kerala Ltd, Kottayam, will issue capital of Rs. 1.25 crores divided into 12,500 equity shares of Rs. 1,000 each to be subscribed privately for cash at par.

standings at the end of 1962 totalled Rs. 47.58 lakhs, against Rs. 39.85 lakhs. Advances against warehouse receipts showed considerable improvement, total outstanding being Rs. 28.69 lakhs, against Rs. 21.94 lakhs.

The Stock Markets

UNCERTAINTIES AFFECT TRADING IN CALCUTTA

Wednesday Evening.

THE settlement passed uneventfully in the Calcutta stock market on Wednesday. The carry-forward charges are about normal. There has been a substantial decline in turnover and operators have been unwilling to extend their commitments in view of various uncertainties. Although the selling pressure has not been pronounced, fresh support has been poor. Hence share prices have generally declined even on small selling enquiries.

The investors have generally kept off since the corporate news has not been encouraging. The latest company reports show that profits have been squeezed, although turnover and activities have risen. The production costs have gone up and taxation too has mopped up a substantial portion of profits. As a result, dividends have been repeated, if not cut. Considering that the inflationary effects of increased taxation and rising Government expenditure are likely to make their influence increasingly felt in the coming months, industrial costs may soon move upwards.

Lyons Range has taken a cautious view of the near-term outlook because of the prospect of forward trading being resumed under some restrictions. It is feared that there may be a renewed effort to sell. Whether this factor has already been discounted is difficult to say, although the technical position has taken a turn for the better because the load of floating stocks has become substantially lighter. A major restraining factor for the time being is the shortage of funds. Although the seasonal demand of the busy season has virtually come to a close, interest rates have been high. Banking resources are already sufficiently employed; there are little possibilities of deposits increasing because of heavier personal taxation and compulsory savings.

The market does not seem to have responded to the prospect of the Aid-India Club approving the necessary foreign aid to India when it meets again at the end of next month. Lyons Range has been particularly worried by the growing idle capacity in industries. The breakdown of a generator of the Calcutta Electric Supply Corporation has caused a good deal of concern. Although vigorous efforts have been made to obtain additional power supplies from the D.V.C. and power supplies from the D.V.C. and the Rihand, it is difficult to see how a further cut in the power supply to Calcutta and neighbourhood can be averted, for the time being at least.

Indian Iron have fluctuated narrowly in poor trading. The prices of engineering shares have fallen because of lack of interest. The payment of a higher dividend by Texmaco has been counteracted by a smaller dividend from Braithwaite. The latter has paid the dividend on an increased share capital. Guest, Keen, Williams, Jessop, Burn and Indian Standard Wagon have been neglected.

Miscellaneous shares have moved down in the absence of fresh support. Indian Copper have recovered somewhat after an earlier sharp fall on rumours of a dividend cut. Alkali Chemical have not responded to the payment of an interim divi-

dend. British Paints have been subdued despite satisfactory results. Union Carbide have been neglected following the heavy impact of the super profits tax, as has been shown in the latest report. As for the recent public issue of 250,000 ordinary shares of Rs. 10 each by the English Electric Co. of India Ltd, allotment has been made as follows: applications for 25 shares have been allotted 20 shares; for 50 shares, 30 shares; for 75 to 100 shares, 50 shares; for 125 to 200 shares, 70 shares; for 225 to 375 shares, 80 shares; for 400 to 500 shares, 100 shares; for 525 to 800 shares, 120 shares; for 925 to 1,525 shares, 150 shares; for 2,000 to 2,025 shares, 200 shares; for 4,025 shares, 350 shares and for 5,000 shares, 480 shares.

There have been a few bright patches in the jute section. Champdany have shot up on paying a higher dividend. Kamarhatti, Kankarnah, Soorah and Caledonia have been steady on paying good dividends. The steadiness in Reliance has been maintained, since the latter has offered to buy all shares from the existing shareholders at the current market price of Rs. 11.50. Coal shares have been sluggish since the Government has not yet taken a decision concerning an increase in the price of coal. Cotton mill shares have lacked support because production, especially of medium and coarse cloth, has become unprofitable. Paper shares have declined on pressure. Business has been difficult in sugar shares because of the discouraging outlook for the industry. Stray business has been transacted in tea shares. Investors are inclined to wait until the marketing of the new season's tea starts next Monday.

Government securities have been steady, although turnover has been small. Interest has largely been confined to short-dated loans which have been scarce. The 3-percent Conversion Loan 1986 have improved to Rs. 63.80. The steadiness of this section has been due to the prospect that the new loans recently issued will meet with satisfactory response. Selected State Government loans have improved somewhat on institutional buying.

Bombay

SHARE PRICES FALL ON BROAD FRONT

OPERATORS REMAIN CAUTIOUS

Wednesday Evening.

THE Bombay stock market started the new account on Monday in a subdued mood. Turnover has declined considerably and share prices have climbed down on a broad front because of profit-taking sales and absence of fresh support. Operators have preferred to keep their commitments light in view of the fact that there may be fresh selling pressure if the Government permits forward trading. Although no great decline is foreseen, the near-term trend may not be upward since there has been no follow-up support. The corporate news has not been con-

sidered encouraging. The latest results of cotton mills show that almost every unit has incurred a loss on the production of medium and coarse cloth. The export prospect for cloth is far from encouraging since the Indian product has been priced out of many foreign markets following keen competition.

Tata Steel have declined and the ordinary scrip has closed at Rs. 133.25. Among engineering shares, Tata Locomotive, Premier Construction and Alcock Ashdown have lost fractionally. Influential support has helped maintain Mukand Iron around Rs. 18.56 on prospects of expansion. Among motor-vehicle shares, Hindustan Motors and Premier Automobiles have reacted on profit-taking.

Cotton mill shares have shown a mixed trend. Khatau have been firm on prospects of a bonus issue in the proportion of one bonus share for every share held. Kohinoor have been bought on favourable corporate rumours. Century, Bombay Dyeing, Svadeshi, Standard and Simplex have reacted on profit-taking. India United ordinary and Morarjee have shed some of their gains.

Business has declined considerably in miscellaneous shares. Among sugar shares, interest has been taken in Belapur and Maharashtra Land Ceilings Act would not be enforced

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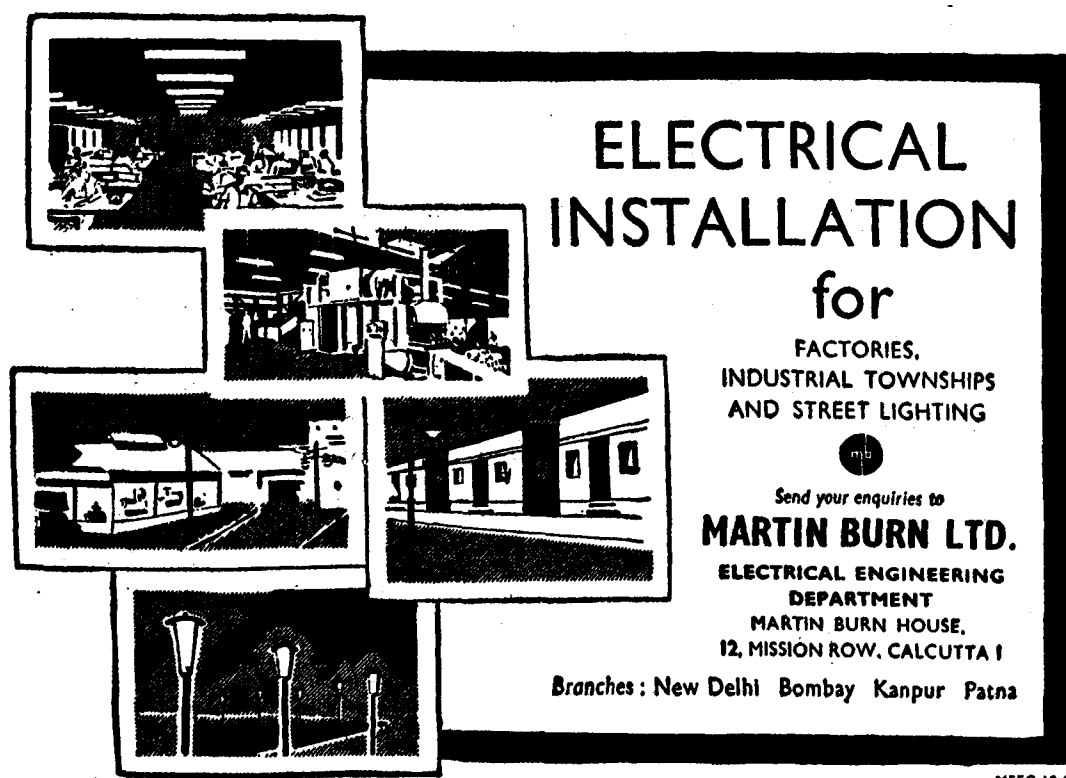
INDIA EXCHANGE, CALCUTTA-1.

ANNOUNCEMENT.

With reference to the prospectus relating to offer of 24,800 9.3% "B" Redeemable Cumulative Preference Shares, the public is hereby informed that in response to requests made by the Underwriters and Brokers to the issue, arrangements have also been made for receipt of applications and cheques for Shares at the following branches of the Bankers of issue in addition to the branches already stated in the Prospectus:—

1. State Bank of India, their main and all branches at Calcutta.
2. The United Commercial Bank Ltd.,
 - a) All the branches at Calcutta, Bombay, Delhi, Ahmedabad, Hyderabad, Madras, Indore (where originally main branches only were included).
 - as also
 - b) All the branches at Amritsar, Bangalore, Baroda, Patna, Varanasi, Allahabad and Poona.

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for some time. Cement shares have been quiet. Associated Cement and Dalmia have fallen. Except for scattered interest in B.B. Petrol, mining shares have been subdued. Pressure has reduced the prices of Scindia Steam and Great Eastern Shipping among steamship company shares. National Rayon have fallen on adverse corporate rumours. Baroda Rayon have been quiet. Among chemical shares, Tata Chemical have been available at Rs. 15.40. Synthetics and Chemicals have lost at Rs. 142, as have Indian Dyestuff at Rs. 410. Scattered support has been extended to Voltas. Small interest has been taken in S.I.M. Maneklal and Permanent Magnets.

Turnover has been small in bank shares and fluctuations have been narrow. New India Assurance have been steady on repeating the divi-

dend. Electric company shares have declined in the absence of interest. Tata Hydro have been quoted at Rs. 104 and Ahmedabad at Rs. 91.30.

Madras

TURNOVER DECLINES STEEPLY

LIMITED SUPPORT TO PLANTING SHARES

Tuesday Evening.

THERE has been an appreciable fall in turnover in the Madras stock market during the past week. Except for scattered support in

selected planting shares, the trend has been softer. Investors have been discouraged by the heavy impact of the super profits tax, which is indicated in the latest company reports. The stock market is also getting worried over the growing shortage of funds. Interest rates show no sign of declining in spite of the fact that the busy season has ended. The possibility of support from the Life Insurance Corporation has been discounted in view of the fact that it will have to invest substantial funds in the forthcoming Government loans. Business has been negligible in clearing shares and operators have been cautious lest prices should move downward when forward trading is resumed.

Small interest has been shown in selected State Government loans. Except for scattered support in

Pandyan, bank shares have generally been neglected. Among electric company shares, West Coast have been bought on hopes of the compensation which will be paid by the Government of Kerala for acquiring the Company's undertaking. In the sugar section, E.I.D. have lost at Rs. 37.35, but Kothari have been steady at Rs. 7.85. Deccan have been transacted at Rs. 9.62 and K.C.P. at Rs. 24.50.

In the planting section, interest has been shown in Blue Mountain at Rs. 2.37, in Consolidated Coffee at Rs. 17 and in Periakaramalai at Rs. 3. Nennery have been steady on paying a taxable ordinary dividend of 15 percent. Cowooddy have declared an interim taxable ordinary dividend of 7.5 percent and Lucky Valley a taxable ordinary dividend of 10 percent. Thirumbadi have been steady at Rs. 1.30 on declaring an interim taxable ordinary dividend of 10 percent.

Turnover has fallen considerably in the cotton mill shares. Scattered support has been forthcoming for Buckingham, Bangalore Woollen and Binny. South India Viscose have reacted to Rs. 144.50 and Travancore Rayon to Rs. 26. Kadri have declared a taxable ordinary dividend of 6 percent. Jawahar a taxable ordinary dividend of 12 percent and Kothari a taxable ordinary dividend of 8 percent. Adoni have been steady on paying a taxable ordinary dividend of 8 percent.

Among miscellaneous shares, cement scrip have met with stray buying. Dalmia Cement have been transacted at Rs. 13.05 and India Cement at Rs. 5.60. Andhra Cement have paid a taxable ordinary dividend of 9 percent and Travancore Cement a taxable ordinary dividend of 7 percent. Business has passed in F.A.C.T. at Rs. 7.35 and in Seshasayee Paper at Rs. 7.90. Ashok Leyland have been steady at Rs. 7.40, but Aluminium Industries have reacted to Rs. 17.40. Mettur Chemicals have been done at Rs. 12.25. Travancore Ogale have declared a taxable ordinary dividend of 6.5 percent and Bangalore Printing a taxable ordinary dividend of 5 percent.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs. 28/81—28/81—28/25—28/75—(35/37).
Burrakur Coal—Rs. 16/62—16/81—16/37—16/81—(19/37).
Dunlop Rubber—Rs. 33/94—34/00—33/00—33/37—(44/12).
Guest, Keen, Williams—Rs. 33/50—33/87—33/50—33/87—(41/94).
Hindustan Motor—Rs. 16/91—17/00—16/69—16/87—(20/50).
Howrah Jute—Rs. 20/00—20/06—20/00—20/06—(21/12).
Indian Aluminium—Rs. 33/37—33/87—32/69—33/87—(40/81).
Do. (New)—Rs. 15/25—15/25—15/25—15/25.
Indian Copper—Rs. 4/15—4/15—4/06—4/08—(5/13).
Indian Iron & Steel—Rs. 22/10—22/30—21/98—22/20—(28/36).
Indian Cable—Rs. 30/06—30/06—30/06—30/06—(36/50).
J. K. Cotton—Rs. 13/69—13/69—13/56—13/62—(21/06).
Jaipur Udyog—Rs. 10/75—10/81—10/69—10/81—(14/31).
Kesoram Industries—Rs. 22/75—23/00—22/37—22/75—(32/00).
Orient Paper—Rs. 33/95—34/00—33/90—34/00—(44/10).
Orissa Cement—Rs. 13/81—14/00—13/81—14/00—(19/56).
Rohtas Industries—Rs. 10/53—10/75—10/44—10/75—(16/37).

Shree Gopal Paper—Rs. 23/44—24/12—23/37—24/12—(27/50).
Textile Machinery—Rs. 23/20—23/80—23/15—23/75—(25/95).

GOVERNMENT SECURITIES

3 % Loan (1966-68)—Rs. 96/15—96/20—96/15—96/20.
3 % " (1966)—Rs. 63/60—64/00—63/60—63/70.
3 1/2 % " (1970-75)—Rs. 86/30—86/35—86/30—86/35.
3 1/2 % " (1964)—Rs. 99/50—99/55—99/50—99/50.
3 1/2 % " (1965)—Rs. 99/35—99/40—99/35—99/35.
3 1/2 % " (1968)—Rs. 98/80—98/80—98/80—98/80.
3 1/2 % " (1974)—Rs. 95/60—95/60—95/60—95/60.
4 % U.P. (1969)—Rs. 95/25—95/25—95/25—95/25.
4 % Andhra (1969)—Rs. 96/35—96/35—96/35—96/35.
4 1/2 % Madras (1974)—Rs. 96/75—96/75—96/75—96/75.
4 1/2 % Orissa (1974)—Rs. 96/55—96/55—96/55—96/55.
4 1/2 % Loan (1985)—Rs. 100/16—100/16—100/16—100/16.
4 1/2 % Bihar (1974)—Rs. 96/25—96/25—96/25—96/25.
4 1/2 % U.P. (1974)—Rs. 96/65—96/65—96/65—96/65.
4 1/2 % Rajasthan (1974)—Rs. 96/50—96/50—96/50—96/50.
4 1/2 % Orissa (1972)—Rs. 95/25—95/25—95/25—95/25.
4 1/2 % U.P. (1970)—Rs. 96/50—96/50—96/50—96/50.

BANKS

Allahabad (Pref.)—Rs. 98/00—98/50—98/00—98/50.
Punjab National—Rs. 19/12—19/25—19/00—19/06—(21/87).
United Bank of India (Rs. 10/- paid)—Rs. 7/31—7/37—7/00—7/31—(7/44).
United Commercial—Rs. 70/50—71/75—70/50—71/50—(91/50).

COTTONS

Aditya Mills—Rs. 9/87—9/87—9/87—9/87.
Basanti—Rs. 11/50—11/56—11/50—11/56.
Bowreah—Rs. 23/50—23/50—23/50—23/50.
Bharat Commerce—Rs. 22/25—22/50—22/25—22/50—(29/87).
Cawnpore—Rs. 6/44—6/50—6/44—6/50—(8/56).
Dunbar—Rs. 27/50—27/50—27/50—27/50—(33/87).
Elgin ("B" Pref.)—Rs. 6/56—6/56—6/44—6/50.
J. K. Manufacturers—Rs. 9/50—9/50—9/50—9/50.
Jiyajerao—Rs. 9/12—9/12—9/12—9/12.
New Victoria—Rs. 1/40—1/50—1/37—1/50—(1/91).
Sree Niwas—Rs. 2/37—2/37—2/37—2/37.
Swadeshi (Pref.)—Rs. 70/00—70/00—70/00—70/00.

COALS

Amalgamated—Rs. 22/87—22/94—22/81—22/94—(22/00).
Associated Laidkhi—Rs. 4/19—4/19—4/19—4/19.
Bhalgora—Rs. 4/81—4/87—4/81—4/87.
Bharat Collieries—Rs. 3/44—3/56—3/44—3/56—(4/25).
Burrakur (2nd Pref.)—Rs. 6/00—6/00—6/00—6/00.
Bengal—Rs. 285/00—286/00—285/00—286/00—(380/00).
Equitable—Rs. 26/81—26/81—26/81—26/81—(28/25).
Searsole—Rs. 1/19—1/25—1/19—1/25—(2/03).
Western Bengal—Rs. 9/12—9/19—9/12—9/19—(10/31).

JUTES

Agarpara—Rs. 10/12—10/12—10/00—10/00—(12/12).
Anglo-India—Rs. 227/00—228/00—226/00—227/00—(249/00).
Cheviot—Rs. 23/50—24/37—22/87—24/31—(25/87).
Champdany—Rs. 19/50—24/12—19/25—24/00.
Delta—Rs. 157/00—157/00—156/00—156/00—(192/00).
Fort Gloster—Rs. 372/00—372/00—372/00—372/00—(455/00).
Ganges—Rs. 13/31—13/31—13/19—13/31—(14/94).
Gourepore (Pref.)—Rs. 89/50—89/50—88/50—88/50—(92/50).
Do. (Ord.)—Rs. 25/50—25/56—25/50—25/50.
Hooghly (Pref.)—Rs. 10/62—10/62—10/62—10/62—(17/75).
India—Rs. 17/94—18/00—17/87—18/00—(17/75).
Kamarhatti—Rs. 181/00—186/00—181/00—186/00—(187/00).
Kankarrah—Rs. 139/00—144/00—139/00—142/00—(132/00).

Lansdowne—Rs. 84/50—84/50—84/50—84/50.
National—Rs. 23/06—23/06—23/06—23/06—(22/50).
New Central—Rs. 11/75—12/00—11/63—12/00—(17/06).
Nuddea—Rs. 57/00—57/50—55/00—55/25—(72/50).
Presidency—Rs. 5/12—5/19—5/12—5/19—(5/69).
Reliance—Rs. 10/75—11/75—10/37—11/62—(17/75).
Soorab—Rs. 22/75—22/75—22/31—22/75—(25/56).
Union—Rs. 156/00—158/00—156/00—158/00—(185/00).
Waverley—Rs. 7/17—7/17—7/06—7/12—(6/50).

MININGS

Karanpura Development—Rs. 12/50—12/50—12/50—12/50—(17/06).
Metal Corp.—Rs. 8/12—8/12—7/94—7/94—(13/75).
Orissa Minerals—Rs. 27/50—27/50—27/37—27/37—(42/60).

CEMENTS

Ashoka—Rs. 7/19—7/19—7/19—7/19—(8/69).
Dalmia (Bharat)—Rs. 13/25—13/25—13/25—13/25—(13/62).
Sone Valley—Rs. 4/12—4/19—4/09—4/19—(5/44).

ELECTRICS

Calcutta—Rs. 14/37—14/40—14/12—14/12—(14/94).
Do. (Pref.)—Rs. 7/94—8/00—7/94—8/00—(8/87).
Mozufferpur—Rs. 11/50—11/50—11/50—11/50—(11/75).

CHEMICALS

Alkali & Chemical—Rs. 35/50—35/50—33/87—33/87—(51/50).
Calcutta Chemical—Rs. 18/00—18/12—17/87—17/87.

ENGINEERING

Binani Metal—Rs. 10/25—10/37—10/25—10/31—(12/69).
Britannia Eng.—Rs. 9/94—9/94—9/81—9/81—(13/00).
Dalmia Iron—Rs. 10/50—10/60—10/50—10/50—(12/12).
Hindustan Wire—Rs. 9/94—9/94—9/94—9/94—(11/94).
Indian Iron & Steel (Pref.)—Rs. 82/50—83/50—82/50—83/50—(85/00).
Indian Standard Wagon—Rs. 28/87—29/00—28/81—28/87.
Jessop & Co.—Rs. 22/00—22/37—21/94—22/37—(24/62).
J. K. Steel—Rs. 15/00—15/00—15/00—15/00—(20/06).
Jay Engineering—Rs. 21/62—21/75—21/62—21/75—(21/75).
Kumardhubi—Rs. 8/06—8/09—7/87—8/00—(8/25).
Marshalls—Rs. 2/75—2/87—2/75—2/87—(3/94).
Machinery Manufacture (Pref.)—Rs. 55/50—55/50—55/50—55/50—(55/50).
Raymon—Rs. 3/87—4/00—3/81—3/95—(6/81).
Wellman Incandescent—Rs. 7/50—7/50—7/25—7/25.

INSURANCES

Hercules—Rs. 24/25—24/25—24/12—24/19—(24/25).
New Asiatic—Rs. 9/31—9/37—9/00—9/06—(8/12).
Ruby General—Rs. 8/40—9/44—8/40—9/44—(9/72).

MISCELLANEOUS

Aluminium Corp.—Rs. 13/62—13/62—13/25—13/25—(18/94).
Asiatic Oxygen—Rs. 9/75—9/81—9/44—9/06—(8/12).
Asian Refractories—Rs. 7/56—7/62—7/31—7/31.
Assam Hardboard—Rs. 5/00—5/00—5/00—5/00.
Associated Hotels (Pref.)—Rs. 50/50—50/50—50/50—50/50—(48/00).
Angelo Brothers—Rs. 21/87—22/12—21/87—22/12—(23/87).
B. I. Corp.—Rs. 8/75—8/81—8/62—8/62—(10/62).
Do. (Pref.)—Rs. 113/00—113/00—113/00—113/00—(113/00).
Bharat Nidhi—Rs. 5/37—5/50—5/37—5/37—(5/50).
Calcutta Tramways—Rs. 11/37—11/37—11/37—11/37—(12/12).
Dr. Paul Lohmann (Renunciation)—Rs. 0/19—0/56—0/19—0/56.
East Anglia—Rs. 9/81—9/81—9/62—9/62.
General Tyres—Rs. 9/06—9/19—8/87—8/94—(6/56).
Goodyear India—Rs. 35/75—35/87—35/25—35/25—(47/75).
Godfrey Phillips (Pref.)—Rs. 61/25—61/25—60/75—60/75—(57/00).
Hindustan Aluminium—Rs. 13/50—13/50—13/12—13/12—(17/31).

New Mouchooshi—Rs. 13/00—13/00—13/00—13/00.
Patrakola—Rs. 132/00—133/00—132/00—133/00.
Soom—Rs. 35/00 x r.—35/00—30/62—30/75—(50/25).

DEBENTURE

3 1/2 % (1935-65)—Calcutta Port Trust—Rs. 93/50—98/50—98/50—98/50.

London

OPERATORS TURN CAUTIOUS

IMPACT OF ELECTION RESULTS

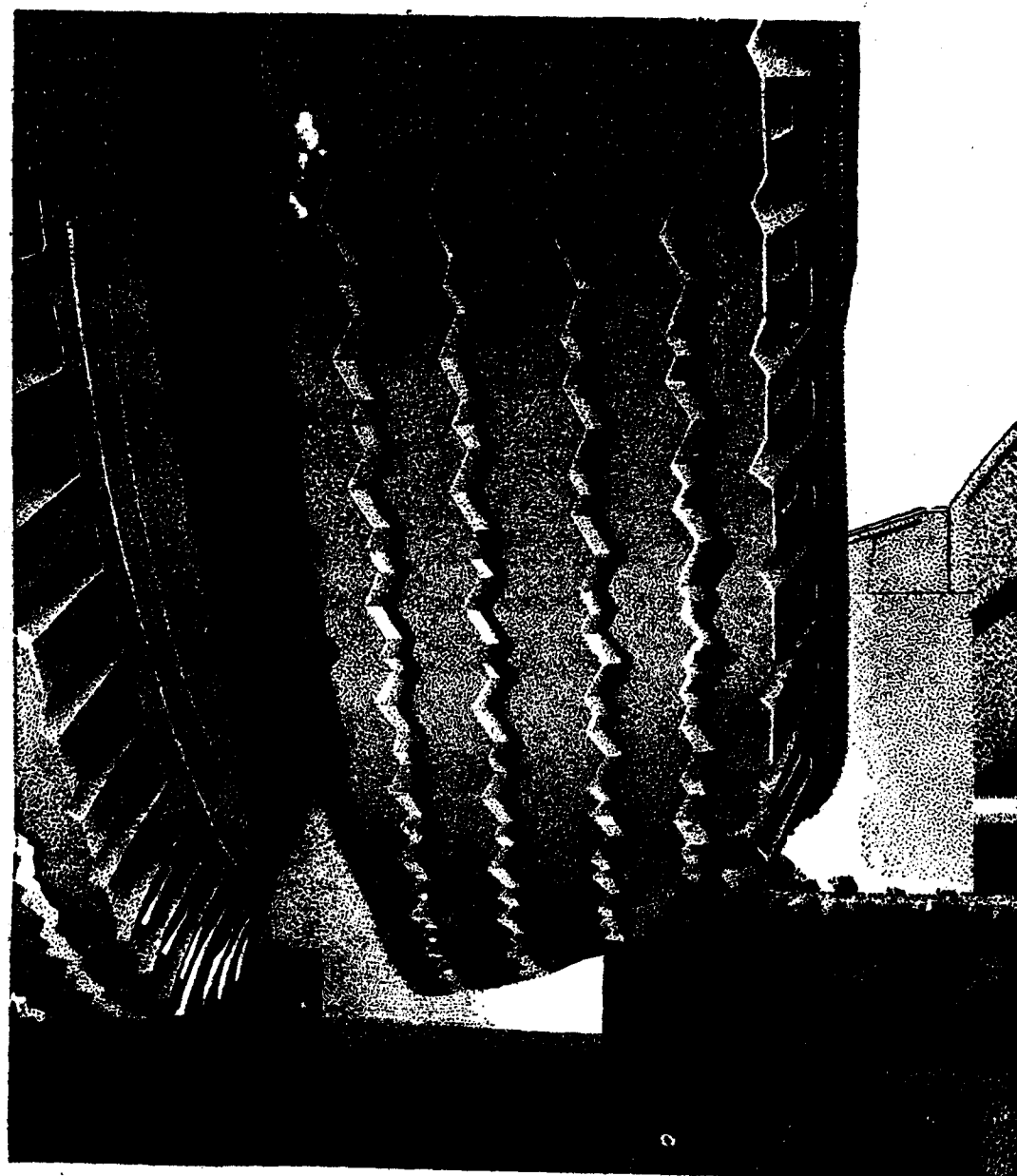
London, 15th May.

THE stock market was dominated by political uncertainties during the past week, and there was a general reluctance on the part of buyers to open new commitments. There was considerable speculation as to when the general election would take place, and after the Conservatives' big setback in the local council elections last week, a decision by the Government to go to the country it seemed, was going to be protracted. There was no lack of favourable factors and the forecast by the National Institute of an upsurge in the economy later in the year was of considerable interest, while encouraging company news continued to claim a good deal of attention. Although buyers held back, there was very little selling and, therefore, prices did not move far. Falls in equities were fairly widespread, but they were mostly small. An outstanding firm feature was Marks and Spencer which responded smartly to the very good results. Gilt-edged found moderate support and prices steadily hardened. Dollar stocks, as usual, moved sympathetically with transatlantic trends. Gold shares came under the influence of South African political uncertainties at one time, but a better trend developed later. Coppers also tended to edge forward. Oils saw-sawed narrowly, but the recent strength of Burmah Oil was a feature which was in response to vague take-over talk. Rubbers lost ground following further disappointing company statements, but teas improved.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	U.S.T. Hours
Jenson and Nicholson (India) Ltd.	21-5-63	11 a.m.
United Commercial Bank Ltd.	24-5-63	4 p.m.
Escorts Ltd.	27-5-63	10-15 a.m.
Bharat Nidhi Ltd.	27-5-63	3-30 p.m.
Guest, Keen, Williams, Ltd.	31-5-63	11-30 a.m.
Kumardhubi Engineering Works Ltd.	31-5-63	3-40 p.m.
State Bank of India Co. Ltd.	19-6-63	4 p.m.
Steel Containers Ltd.	7-6-63	12-30 p.m.
Industrial containers Ltd.	7-6-63	3-15 p.m.
British Paints (India) Ltd.	26-6-63	11 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Hansqua Tea Co. Ltd.—17 1/2 p.c. (o), subject to tax; Lucky Valley (Nilgiri Hills) Tea Estates Ltd.—Re 1 per share, subject to tax; Kamini Engineering Corporation Ltd.—8 1/2 p.c. (o), subject to tax; Union Carbide India Ltd.—50 n.p. per share (f), subject to tax; British Paints (India) Ltd.—3 1/2 p.c. (f), subject to tax; Concord of India Insurance Co. Ltd.—Re 1 per share, subject to tax; Champdany Jute Co. Ltd.—35 p.c. (f), subject to tax; Balmer Lawrie & Co. Ltd.—18 p.c. (f); Indian Copper Corporation Ltd.—18 p.c., subject to tax.



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RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		10-5-63	3-5-63	11-5-62
Liabilities—				
Notes in Banking Dept.	...	18,06.54	14,55.82	28,04.3
Notes in Circulation	...	23,4,08.63	23,20,24.43	21,61,26.06
Total Notes Issued	...	23,62,15.17	23,34,00.25	21,88,23.79
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.04
Foreign Securities	...	1,05,08.43	1,05,08.43	1,05,00.07
Total of A	...	2,22,84.53	2,22,84.53	2,22,76.11
B. Rupee Coin	...	1,12,87.12	1,15,52.20	1,14,60.99
Rupee Securities	...	20,26,43.52	19,06,43.52	18,50,86.78
Total	...	23,62,15.17	23,34,00.25	21,88,23.79

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	81,00.00	81,00.00	80,00.00
National Agricultural Credit (Stabilisation) Fund	...	7,00.00	7,00.00	6,00.00
Deposits—				
(a) 1. Central Govt.	...	5,02.53	51,49.27	49,05.30
2. State Govts.	...	7,06.98	8,08.22	18,78.10
(b) Banks—				
(i) Scheduled Banks	...	79,53.69	79,08.65	...
(ii) State Co-operative Banks	...	2,43.37	2,00.07	...
(iii) Other Banks	...	6.38	4.40	...
(c) Others	...	1,70,27.10	1,71,06.20	1,51,46.31
Bills Payable	...	25,00.06	29,39.48	29,77.17
Other Liabilities	...	71,41.21	70,86.77	63,73.42
Total	...	5,59,60.70	5,65,03.66	5,42,84.25
Assets—				
Notes	...	18,06.54	14,55.82	26,04.13
Rupee Coin	...	3.12	1.22	1.31
Small Coin	...	2.44	2.33	2.93
National Agricultural Credit (Long Term Operations) Fund	...	...	...	...
(a) Loans and Advances to—				
(i) State Govts.	...	27,17.02	27,17.21	...
(ii) State Co-operative Banks	...	9,17.98	9,29.70	...
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	...	2,84.88	2,84.88	...
National Agricultural Credit (Stabilisation) Fund	...	...	...	...
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. treasury Bills	...	55,27.26	46,58.29	70,59.87
Balances Held abroad	...	7,48.54	7,59.85	4,79.77
Loans and Advances to Govt.	...	70,10.52	62,45.04	1,09,85.07
Loans and Advances to—				
(i) Scheduled Banks	...	45,97.25	41,85.70	...
(ii) State Co-operative Banks	...	1,11,74.00	1,11,04.24	...
(iii) Others	...	1,82.27	1,87.27	...
Investments	...	1,72,36.87	2,02,09.55	1,55,25.49
Other Assets	...	37,42.21	37,02.36	36,27.82
Total	...	5,59,60.70	5,65,03.66	5,42,84.25

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		3-5-63	26-4-63	4-5-62
(i) Demand Liabilities—				
(a) Demand Deposits	...	50,35.58	53,43.35	54,49.27
(b) From others	...	8,93,89.86	8,91,56.92	7,83,61.34
(c) Borrowing from Banks	...	25,27.33	30,60.80	29,02.69
(d) Others	...	62,53.25	62,64.93	60,45.01
(ii) Time Liabilities—				
(a) Time Deposits	...	...	...	...
(1) From Banks	...	28,42.59	27,69.23	16,49.30
(2) From others	...	11,91,70.61	11,94,38.44	11,80,25.09
(b) Borrowing from Banks	...	18,84.55	13,85.30	11,73.55
(c) Others	...	10,32.45	10,14.78	13,02.71
(iii) Borrowing from State Bank—				
(a) Demand Liabilities	...	6,75.93	5,91.97	4,32.96
(b) Time Liabilities	...	11,63.46	11,28.00	15,52.00
(iv) Borrowing from Reserve Bank	...	40,20.15	31,36.45	14,14.75
(v) Cash	...	51,25.23	54,23.02	51,28.03
(vi) Balances with the Reserve Bank	...	77,20.67	75,54.69	80,45.06
(vii) Money with other Banks in current account	...	20,06.91	20,91.27	18,03.72
(viii) Money at call and short notice	...	42,54.80	49,06.55	50,61.69
(ix) Investments in Central and State Govt. Securities	...	6,18,29.45	6,14,81.34	5,62,77.33
(x) (a) Loans, Cash credits and Overdrafts	...	13,24,14.07	13,21,25.08	12,07,70.38
(b) Due from Banks	...	8,86.93	7,20.27	5,79.93
(xi) Inland Bills purchased and discounted	...	2,12,58.36	2,15,21.64	1,78,76.65
(xii) Foreign Bills purchased and discounted	...	56,30.07	53,26.24	46,27.49
(xiii) Total of X, XI and XII	...	16,01,90.43	15,96,93.23	14,38,53.45

Money

THE CALCUTTA MONEY MARKET

CALL RATE GOES UP FURTHER

Wednesday, 15th May.

THERE has been a slight decrease in the general level of advances in the Calcutta money market during the past week. The credit given to the sugar industry has declined slightly. The requirements of the iron, steel and engineering industries have gone up moderately. There has been no change in the advances given to the jute and cotton mills, and to the foodgrains and seeds trade. In the interbank market, conditions have become tight and the call rate has gone up to 6 percent after having been down to 4½ percent.

The local exchange market continues to be very dull. The supply of gunny and tea bills remains poor as before. The demand for remittance has been moderately good. The downward movement of sterling has been arrested and it has improved in relation to most currencies except the Deutschmark, the Swiss franc and the Austrian schilling.

SILVER WAS QUIET IN CALCUTTA during the past week due to the absence of demand. The price fell from the previous week's level of Rs. 275.25 to Rs. 274.50 quoted today for ready delivery. There was no business in forward. The London and New York prices were 109½d and 127½ cents. No trading took place in gold which was unofficially quoted at a higher price of Rs. 117.50 a 10 grammes.

DURING THE WEEK ENDED 10TH MAY, Government of India Treasury bills for Rs. 68,47,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 14th May. The total amount offered was Rs. 2,62,00,000. Tenders at Rs. 99.420 percent and above were accepted in full and those at Rs. 99.410 percent were allotted approximately 86 percent. Lower tenders were rejected. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.360 percent a year approximately. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 20th May.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 15th May to 18th May at Rs. 99.426 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 8th May to 11th May amounted to Rs. 13 lakhs only.

THERE WERE RISES OF RS. 27.35 crores to Rs. 2,362.15 crores in the total note issue and of Rs. 23.85 crores to Rs. 2,344.09 crores in active notes, according to the return of the Reserve Bank of India for the week ended 10th May, 1963. The currency expansion was covered by increasing rupee securities of the paper currency reserve by Rs. 30 crores to Rs. 2,026.44 crores. This was done by transferring securities from the Banking Department in which investments fell by Rs. 30.43 crores to Rs. 172.37 crores. Deposits of the Government of India fell by Rs. 66 lakhs to Rs. 50.83 crores and those of State Governments by Rs. 1.01 crores to Rs. 7.07 crores. Balances of scheduled banks

at Rs. 79.53 crores showed a rise of Rs. 44 lakhs. Balances held abroad again fell by Rs. 11 lakhs to Rs. 7.48 crores. Investments at Rs. 172.37 crores showed a fall of Rs. 30.43 crores. Loans to scheduled banks rose from Rs. 41.86 crores to Rs. 45.97 crores, of which advances against usance bills were Rs. 30.73 crores (Rs. 31.06 crores). Ways and means advances stood at Rs. 70.11 crores, against Rs. 62.45 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 3rd May, 1963, shows a drop of Rs. 2 crores to Rs. 558.02 crores in total deposits. Investments in Government securities are up by Rs. 3.21 lakhs to Rs. 233.72 crores, while other authorised investments remain unchanged at Rs. 7.84 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have dropped by Rs. 3.94 crores to Rs. 307.64 crores. Cash and balances are, in consequence, shown at Rs. 21.31 crores or Rs. 96 lakhs higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 3rd May, 1963, shows Demand and Time liabilities at Rs. 1,032.06 crores (Rs. 25.27 crores on account of borrowing from banks) and Rs. 1,247.39 crores (Rs. 16.85 crores), compared with Rs. 1,038.26 crores (Rs. 30.61 crores) and Rs. 1,246.07 crores (Rs. 13.85 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have risen by Rs. 5.28 lakhs and Rs. 3.56 crores to Rs. 54.28 crores and Rs. 77.21 crores, respectively. There is a rise of Rs. 3.48 crores to Rs. 618.29 crores in investments. Advances and bills discounted at Rs. 1,601.90 crores show an increase of Rs. 4.97 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.8 percent and 70.3 percent, against 5.6 percent and 69.9 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 17-5-63.			
Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
17-5-63	20-8-63	2,00.00	Rs. 2.380%
10-5-63	13-8-63	2,00.00	Rs. 2.354%
3-5-63	6-8-63	2,00.00	Rs. 2.350%
26-4-63	29-7-63	2,00.00	Rs. 2.349%
19-4-63	22-7-63	2,00.00	Rs. 2.354%
11-4-63	14-7-63	2,00.00	Rs. 2.360%
5-4-63	8-7-63	2,00.00	Rs. 2.370%
29-3-63	2-7-63	2,00.00	Rs. 2.370%
22-3-63	25-6-63	2,00.00	Rs. 2.370%
15-3-63	18-6-63	2,00.00	Rs. 2.365%
8-3-63	11-6-63	2,00.00	Rs. 2.363%
1-3-63	4-6-63	2,00.00	Rs. 2.365%
22-2-63	25-5-63	2,00.00	Rs. 2.365%
15-2-63	18-5-63	2,00.00	Rs. 2.365%
(Monthly Maturities 000's omitted)			
May 1963		4,00.00	
June 1963		8,00.00	
July 1963		10,00.00	
August 1963		6,00.00	
Total		28,00.00	

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
3-5-63	95.30	110.00
26-4-63	95.30	98.45
19-4-63	80.29	123.77

THE INDIAN SUGAR MILLS ASSOCIATION
NEED FOR A PROGRESSIVE APPROACH TO STEP UP
SUGAR PRODUCTION—CONTROLS NO SOLUTION

In his Presidential address at the 30th Annual General Meeting of the Indian Sugar Mills Association held at New Delhi on the 15th May, 1963, Shri M. N. Pittle said:

Sugar Situation

Events on the sugar front have moved rather briskly. Last year, when we met, the industry was grappling with the problem of surplus. Today we are faced with the problem of inadequate supplies. The principal reason leading to this situation has been an unprecedented rise in offtake on the one hand and a precipitous fall in production on the other. The Annual offtake for internal consumption had stagnated around 20/50 lakh tons for four consecutive years prior to decontrol in 1961. The outlook for exports then was equally bleak—the International Sugar Agreement was in operation and the prospects of any increase in our export quota of 50,000 tons were extremely poor. Therefore, while sugar output in 1960-61 reached the peak level of 29.8 lakh tons, there was no outlet for the surplus production and stocks were piling up. Sugar was decontrolled in September, 1961 and the offtake for internal consumption rose to about 25 lakh tons. Meantime the International Sugar Agreement also broke down and restrictions on exports ceased. The net effect was the increase in total offtake from 21/22 lakh tons to about 31 lakh tons.

In the background of this increased offtake, the industry was looking forward to higher production but to our disappointment production has registered a precipitous fall and is now estimated to be around 21.50 lakh tons. Unfavourable weather conditions, and the resulting poor cane crop brought in its wake increased diversion of the limited cane supplies to gur and khandasari. But such fluctuations are inherent in an agro based industry. The decline in production is therefore a natural phenomenon and we should take it in that spirit rather than be weighed down by the occurrence.

Voluntary Regulation

With the fall in production and the apprehension that prices might rise the industry conscious of its responsibilities initiated voluntary measures such as fair price shops in various zones such as Bengal, Bihar, U.P., Punjab, South and the Deccan. Fair price shops had already started functioning in New Delhi. We were eagerly awaiting release of a quota so that the entire scheme could be put into full operation, but meanwhile statutory controls were imposed by the Government on the 17th April, 1963. I wish the Government had given at least a month's trial to the voluntary control scheme of the industry. Had the opportunity been given, it might well have been that the necessity of statutory controls and all the repercussions thereof could have been avoided.

Control Inhibit Production and Consumption

The history of Sugar vis-a-vis controls is indeed enlightening. This history of sugar is one of control, decontrol, recontrol, partial control and control again. Controls as a rule have stifled consumption and reduced production. Production of gur and khandasari which remain uncontrolled is promoted at the cost of sugar. The consumer too usually is not able to get his full requirements at the prices envisaged. In sharp contrast to this, the policy of decontrol and incentives whenever followed has stimulated

both production and consumption. Therefore the ultimate answer is increased production and not controls.

Control Price

The level at which Control prices have been fixed this year has caused great hardships particularly to a large section of the industry in the North where even a fair price has been denied to the units situated in East U.P., Bihar, Punjab. It is an accepted and time honoured principle of price fixation that the prices fixed should be such as to take into account the cost and provide for a reasonable profit margin.

Much of the hardships could have been avoided had separate prices been fixed for East U.P., South Bihar, North Bihar, Punjab and Meerut Division. One finds it difficult to understand when separate prices have been fixed for smaller number of factories in regions like Rajasthan, West Bengal, Assam, etc. where the number of factories is hardly one, two or three, why such large sections of the industry in sub-regions of the North have been denied separate prices. It is indeed paradoxical that the lowest prices have been fixed for these regions having the highest costs of production. Unless the prices are revised, factories would be adversely affected. Equity demands that they should be at least given fair prices so as to ensure that they meet their cost of production and are left with reasonable profit margins. Such a step would inspire confidence in the large section of the industry and entice them to plan for higher production next year.

1963-64 Sugar Production

All out efforts should be made to increase sugar output to at least 33 lakh tons in 1963-64 which is the absolute minimum we need to produce in order to meet the requirements of internal consumption and exports. I am convinced that the production target can be achieved provided cane price is suitably increased within the framework of the recovery linking formula. The industry should also be given incentives to start early and maximise production. Coupled with these measures, steps should be taken to ensure that the Sugarcane produced within the Sugar factory areas is crushed by the factories alone. Bonding of cane should be strictly enforced and those failing to fulfil commitments should be penalised.

Low Profitability

Profits are the very life blood of any industry and their importance in the sugar industry cannot be overlooked in the context of the need to step up sugar production. Unfortunately, the level of profits presently obtained in the sugar industry are far from satisfactory. Studies made by the Wage Board regarding profits during 1958 (when controls were imposed in the North), the analysis of 1961-62 financial results carried out by the Association, the decision of the Tripartite Committee in U.P. and the latest Reserve Bank Study published in its Bulletin of June, 1962 all very clearly point out that the sugar industry is making extremely meagre profits and if it has to meet its requirements for rehabilitation, modernisation, expansion, etc., which in the ultimate analysis would benefit the consumer, profits have to be raised to reasonable levels.

Price Policy

Although it has been the declared policy of the Government to maintain

fair prices in the interest of the growers, the industry and the consumers, in actual practice the industry is not able to realise a fair price. When there is over-production, the prices decline and the industry does not realise the "fair" price. Again, in years of shortage, if the prices tend to rise slightly, say by 5% or so, over the fair price, controls are clamped and prices fixed at levels, which in several cases are, not commensurate with fair price level.

Sugar Priceline

The three principal elements that constitute the price of sugar are: the cost of cane, State and Central taxes and the manufacturing charges. Usually cane costs account for 45%, taxes 35% and manufacturing charges 20%, of the ex-factory price of sugar. It would thus be seen that over 80% of the price, the industry has no control. Of the balance 20% costs towards manufacturing, such as salaries, wages, repairs, renewals, interest, stores, etc., account for 18% leaving about 2% as gross profit which is further taxed, leaving less than 1% as net profit to the industry.

Since the last Tariff Commission Enquiry of 1957-58, costs have gone up. The emergency risk insurance alone would entail an additional burden of Rs. 1.75 crores and the incidence of the Wage Board Award would be around Rs. 4.5 crores. Further, costs of materials such as coal, firewood, lime, filter cloth, chemicals, etc., have gone up by 17; 47; 30; 13 and 17 percent respectively. Interest rates and railway freight have gone up by 25% and 10% respectively. Moreover due to the steep decline in production, the incidence of overheads is bound to rise. No doubt the manufacturing expenses have increased, but the rise in these is relatively much less compared to increase in cane costs and taxes. Thus, over 1952-53 cane costs have increased by over 25% and taxes by over 155%. Exclusive of excise duty, the rise in sugar price over 1952-53 level is hardly 15%, against an increase of over 26% in the general price level.

Expansion

An important remedy that could go a long way in curing many ills of the sugar industry is the increase in volume of production per factory. This should be achieved in a two-fold manner—by expanding the existing factories and ensuring that sufficient cane is made available to them to start early in November and close by the middle of May. Just like the yield of sugarcane per acre, production of sugar per factory continues to remain very low in India compared to other countries. The daily crushing capacity in India is extremely low—about 1,100 tons per day against over 3,000 tons in most of the other countries. Though during the last decade the installed capacity in India increased by about 100%, the daily crushing capacity of the factories increased hardly by 25%. The number of factories increased from 139 in 1951-52 to 183 in 1962-63. Increased volume of production per factory would reduce the cost of production and lend economic stability to the existing units.

Cane Development

Over 30 years have lapsed since the establishment of the industry, but the yield of sugarcane has remained stagnant around 15 tons per acre and the sugar content has also not shown any significant improvement though several crores of rupees have been collected by

way of excise duty, cane cess and co-operative commission, etc. The Punjab Government have recently decided to utilise the entire cane cess collections for cane development. Other States like U.P. and Bihar should emulate this fine example.

The intensive cane development scheme evolved by the High Power Committee appointed in U.P. is a step in the right direction and such schemes should be taken up in other States as well. Steps should be immediately taken to increase the irrigation facilities, especially in the East U.P., and Bihar, where they are almost non-existent. Vigorous efforts should be made not only to breed indigenous varieties, but to give fair and extensive trials to foreign varieties as well. In the matter of research I am convinced that autonomous Research Board would greatly improve the working of our Research stations and will go a long way in bringing the grower, industry and the Research institutions closer. Facilities of rail and road transport around factory areas are extremely poor. These need to be improved considerably and the factory areas should be saturated with a network of good roads.

For achieving success in the work of cane development it is of paramount importance that the agency responsible for the various schemes should be suitable for the purpose. Small committees at the factory level consisting of the representatives of the growers, Government and the factory should be set up. The entire funds for cane development, which should be at least 50% of the cess collected from the factory, should be placed at their disposal to be used at their discretion.

Land Ceilings

In the context of this compelling need to increase cane productivity, it is really unfortunate that Governments of U.P. and Maharashtra are thinking of taking over farms attached to sugar factories, under Land Ceilings Act. These farms do useful extension service and have promoted an industrial outlook in Agriculture. It will therefore be a retrograde step to take over these farms.

Recovery Linking

The scheme of payment of cane price based on the recovery was enforced from the current season in replacement

THE
UNITED COMMERCIAL
BANK LTD.

(HEAD OFFICE: CALCUTTA)

G. D. BIRLA

Chairman

CAPITAL

Subscribed ... Rs. 5,60,00,000

Paid-up ... Rs. 2,23,33,937

Reserve Fund

& Other

Reserves ... Rs. 3,03,00,000

• Branches throughout India.

• Foreign Branches in Pakistan, Malaysia, Singapore, Hongkong & United Kingdom.

• Agents in other places.

• Provides world-wide Banking Service for Business and Individuals.

S. T. SADASIVAN

General Manager

of method of paying for cane on the basis of weight. Though much opposition and apprehension was voiced at the time of the introduction of the scheme in practice, it has worked out very well and has been even welcomed by a large number of growers.

Gur and Khandsari

In India 35% of the cane produced is converted into sugar and about 50% finds its way to gur and khandsari. Conversion of a given quantity of cane into sugar, yields about 50% more sugar than its conversion into gur and khandsari. Sound economic considerations therefore demand that production of gur and khandsari is not encouraged. Under the present set up, due to the inequitable levy of taxes on factory sugar, a filip has been provided to the production of gur and khandsari. If sugar production is to

be freed from this problem, the disparity of taxes should be removed.

East U.P. and Bihar

The Industry in East U.P. and Bihar which comprises of 61 sugar factories is the weakest link in the chain of the sugar industry and representing such a big segment, it certainly impairs the health of the industry in general. It is not an impossible task to improve the conditions of these factories if steps are taken to merge, shift and expand the existing factories, improve road and rail communications and provide irrigation facilities, fertilisers, etc.

Exports

The emergence of India as an exporter of sugar has been a most welcome development during recent years. In 1962, we exported 3.73 lakh tons, and during 1963 our exports are expected to be about 5.00 lakh tons. The

foreign exchange earned during 1962 amounted to Rs. 14.82 crores and is expected to be around Rs. 30.00 crores, during 1963.

For the first time in the history of Indian Sugar Industry, raw sugar was produced to meet export requirements. In all, about 2.50 lakh tons of raw sugar is expected to be produced by 39 factories. Our success in producing raw sugar opens a vast field for export in future.

Indian Sugar is Cheap

India is one of the World's cheapest sugar producers. The impression that Indian sugar is costly results from the fact that exports of sugar from India have to be normally subsidised, but this is not due to high cost of Indian sugar but due to the extremely low prices which usually prevail in the "Free" markets. Comparing the cost

of production of various countries it emerges that India is one of the cheapest sugar producers in the world.

Future Needs

The set-back in production this year and the imposition of Controls need not cause any apprehension about the long term prospects of the Industry. The Industry looks forward to increase in production with the hope that it will bring additional payments to the cane grower, increased benefits to the worker, larger revenue to the exchequer, greater foreign exchange earnings to the country, plentiful supplies of sugar at reasonable prices to the consumer and an equitable return to the industry.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

POWER CABLES PVT. LTD.

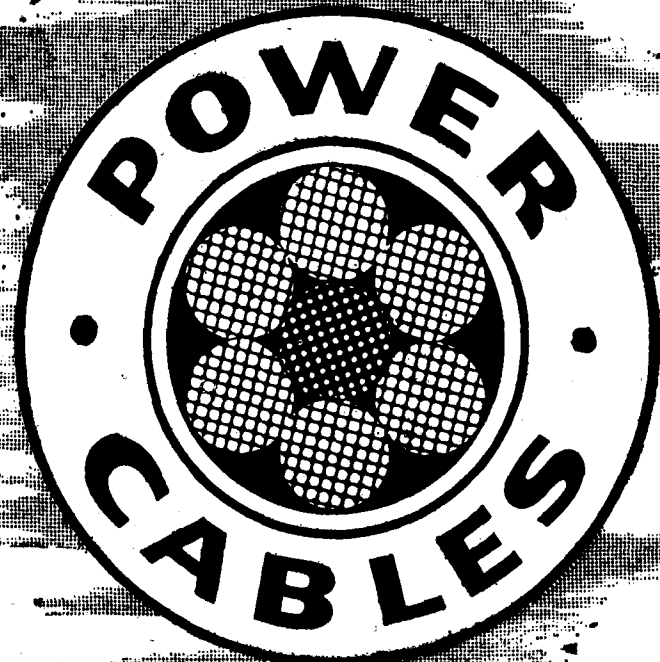
Proudly Announce

Commencement of production of

POWERARC WELDING ELECTRODES

under technical supervision of

WESTINGHOUSE, U.S.A.



Mr. E. H. Turnock (left), Chief Engineer, Westinghouse, U.S.A. is seen above, handing over the first consignment of Powerarc Welding Electrodes manufactured at Vithalwadi Works, to Mr. D. D. Desai (right), Chairman, Power Cables Pvt. Ltd., Bombay.

PRODUCTION CAPACITY:
120,000,000 running feet

POWER CABLES PVT. LTD., P.B. 1522, BOMBAY 1 • WORKS: VITHALWADI & BARODA

THIS IS ONLY AN ANNOUNCEMENT AND NOT A PROSPECTUS

Applications for shares will be entertained only on the basis of Prospectus, copies of which are available at the Registered Office of the Company and in the Offices of its Bankers, Underwriters and Brokers.

Consent of the Central Government has been obtained to this issue.

The Subscription List will open at the Commencement of Banking hours on Wednesday the 22nd day of May, 1963, and will remain open until the close of Banking hours on Tuesday the 28th day of May, 1963.

MULTIMETALS LIMITED

(Incorporated under the Companies Act, 1956 on the 2nd Day of August, 1962).

SHARE CAPITAL

Authorised:—		
10,00,000 Equity Shares of Rs. 10/- each	Rs. 1,00,00,000	
Issued, Subscribed & Paid-up:—		
7 Equity Shares of Rs. 10/- each, fully paid-up, payment having been made in cash by the subscribers of the Memorandum of Association	Rs. 70	

PRESENT ISSUE

7,49,993 Equity Shares of Rs. 10/- each at par	
Out of the Present Issue:—	
2,50,000 Equity Shares of Rs. 10/- each at par are reserved for allotment to the Company's Foreign Collaborators namely REVERE COPPER AND BRASS INCORPORATED of New York for cash in accordance with the provisions of the collaboration agreement hereafter referred to, on which application money @ Rs. 2.50 nP. per share has been received	Rs. 25,00,000
2,25,000 Equity Shares of Rs. 10/- each at par have been reserved for allotment to Metal Distributors Ltd., Calcutta for cash in accordance with the provisions of the collaboration agreement hereafter referred to on	

DIRECTORS

Shri G. D. Binani, Industrialist & Merchant, 38, Strand Road, Calcutta-1.
Director of:—The Binani Metal Works Ltd., Cominco Binani Zinc Ltd., Metal Distributors Ltd., Star Metal Refinery Pvt. Ltd., etc.
Mr. J. M. Kennedy, Industrialist, 230, Park Avenue, New York 17, N. Y. U.S.A.
The Chairman of the Board and of the Executive Committee of Revere Copper and Brass Incorporated, New York, Vice-President, Director, Chairman of the Executive Committee—Ormet Corporation, New York.
Director, Vice-President—Ormet Generating Corporation, New York, etc.
Mr. A. C. Dutta, Merchant, 56, Purna Das Road, Calcutta-29.
(Alternate for Mr. J. M. Kennedy).
Director of:—The Metal Corporation of India Limited, The Eastern Smelting & Refining Co. Pvt. Limited, etc.
Mr. J. H. Eikenberg, Industrialist, 230, Park Avenue, New York 17, N. Y. President of:—Revere Copper and Brass Incorporated, New York.

Mr. W. F. Collins, Legal Counsellor & Secretary of Revere Copper & Brass Incorporated, 230, Park Avenue, New York 17, N. Y. U.S.A.
Director of:—Ormet Corporation, New York.

Mr. R. G. Edwards, Stock Broker, 5, Little Russell Street, Calcutta-16.
(Alternate for Mr. W. F. Collins).
Managing Director of:—Place, Siddons & Gough Pvt. Ltd. and Director of Braithwaite & Co. (India) Ltd., Fort Gloster Industries Ltd., Indian Iron & Steel Co. Ltd., etc.

Sardar Ajalb Singh, Industrialist & Merchant, Bungalow No. 1, Indranagar, Jamshedpur.
Director of:—The Indian Steel & Wire Products Ltd., Shaw Wallace & Co. Ltd., The Assam Bengal Cement Co. Ltd., etc.

Mr. S. C. Gladstone, Merchant, Gillander House, Netaji Subhas Road, Calcutta-1.
Managing Director of:—Gillanders Arbuthnot & Co. Ltd. and Director of Clive Buildings (Calcutta) Ltd., D. Waldie & Co. (Lead Oxides) Ltd., Mackintosh Burn Ltd., Waldies Industries Ltd., Waldies Zinc Pigments Ltd., etc.

Shri Ghanshyamdas Binani, Industrialist & Merchant, 38, Strand Road, Calcutta-1.
Managing Director of:—The Binani Metal Works Limited and Director of Cominco Binani Zinc Limited, Metal Distributors Limited, Metal Distribu-

tors (U.K.) Limited, London, Star Metal Refinery Pvt. Ltd., etc.
Mr. R. K. Bagri, Businessman, Barrington House, 59/67, Gresham Street, London E.C.2.
Director of:—The Binani Metal Works Ltd., Cominco Binani Zinc Ltd., Metal Distributors Ltd., Metal Distributors (U.K.) Ltd., London, etc.

UNDERWRITERS

The entire public issue of 250,000 Equity Shares of the face value of Rs. 25,00,000/- has been underwritten as follows:—

1. Place, Siddons & Gough Pvt. Ltd., 6, Lyons Range, Calcutta-1.	10,00,000
2. Battivala & Karani, Union Bank Building, Dalal Street, Fort, Bombay.	10,00,000
3. The Bank of Baroda Ltd., Apollo Street, Bombay-1.	5,00,000
	25,00,000

In the opinion of the Directors the resources of the Underwriters are sufficient to discharge their obligations.

AUDITORS

Price, Waterhouse, Peat & Company, B-4, Gillander House, Calcutta-1.

BANKERS TO THE ISSUE
1. The Bank of Baroda Limited,
2. The Bank of India Limited,
3. National and Grindlays Bank Ltd.,
4. First National City Bank.

SOLICITORS

Orr Dignam & Co., 29, Netaji Subhas Road, Calcutta-1.

BROKERS

CALCUTTA:
1. Place, Siddons & Gough Pvt. Ltd., 6, Lyons Range, Calcutta-1.
2. Ramharain Kayan & Co., 7, Lyons Range, Calcutta-1.

BOMBAY:
1. Battivala & Karani, Union Bank Building, Dalal Street, Fort, Bombay-1.
2. Merwanjee Bomanjee Dalal, Allahabad Bank Building, Apollo Street, Fort, Bombay-1.
3. Lewis & Jones, Bank of Baroda Building, Apollo Street, Fort, Bombay-1.

MADRAS:
1. Paterson & Company, 22, Errabalu Chetty Street, Madras.
2. Maconochie & Co., Mercantile Bank Buildings, Madras-1.

NEW DELHI:
1. Raj Paul Chadha & Co., Delite Cinema Building, Asaf Ali Road, New Delhi.

which application money @ Rs. 2.50 nP. per share has been received Rs. 22,50,000
24,993 Equity Shares of Rs. 10/- each at par reserved for allotment to Indian Promoters, Directors and their associates for cash Rs. 2,49,933

Available for Public Subscription:—
2,50,000 Equity Shares of Rs. 10/- each at par Rs. 25,00,000 Rs. 74,99,933
Rs. 75,00,000

Payable:—

(i) On application Rs. 2.50 nP. per share.
(ii) On allotment Rs. 2.50 nP. per share.

The balance of Rs. 5/- per share will be payable by one or more Calls as may be determined by the Directors.

APPLICATIONS MUST BE FOR A MINIMUM OF 50 SHARES OR MULTIPLES THEREOF.

LOAN CAPITAL

The Company has no mortgages, debentures or other loan capital outstanding but agreement has been reached with The Bank of Baroda Limited and The Bank of India Limited to grant loans of the total amount of Rs. 75 lakhs to be secured by equitable mortgages on the present and future fixed assets of the Company. The terms as to interest, repayment, etc. are referred to in greater detail elsewhere in the Prospectus.

2. Harbans Singh Mehta & Co., 33, Regal Building, Parliament Street, New Delhi.

REGISTERED OFFICE
Binani Buildings,
38, Strand Road, Calcutta-1.

OBJECTS OF THE COMPANY

The Company was incorporated on 2nd August, 1962 with the objects stated in its Memorandum of Association and in particular to undertake the manufacture of Copper and Copper Alloy Rods, Tubes, Sections, Copper Printing Rolls for the Textile Industry.

The Company has obtained a Certificate of entitlement to commence business from the Registrar of Companies, West Bengal, dated, 12th November, 1962.

MANUFACTURING LICENCE

An Industrial Licence No. L/IB(2)/N-65/60 dated 9th August, 1960 has been issued by the Government of India to Shri G. D. Binani, a Promoter and Director of the Company. The Licence has been endorsed in the name of MULTIMETALS LIMITED by the Government on 5th September, 1962.

The Licence provides for the yearly manufacture of 1,800 tons of Copper and Copper Alloy hollow and solid sections. The licence also provides for the manufacture of 3,000 pieces of Copper Printing Rolls on double shift basis which has since been increased by the Government to 5,000 pieces in terms of their letter No. 3(6)Met/61 dated 2nd January, 1962.

PROSPECTS

Copper and Copper Alloy Rods, Tubes, Sections, etc. proposed to be produced by the Company are extensively used by the Railways, Communications, Defence and Electrical Industries as well as by manufacturers of engineering plant and components tyre tube valves, etc.

The Tariff Commission has estimated that, as against the requirements of about 5,338 tons during 1961, the requirements of these products will be increasing to about 15,000 tons by 1965-66.

There is no production of Copper Printing Rolls in India at all and the entire indigenous requirements are met by imports. The production of Copper Printing Rolls is extremely specialised and there are very few plants in the world producing this item. The Company will be pioneers in the production of Copper Printing Rolls in India.

TECHNICAL AND FINANCIAL COLLABORATION

The Company has made arrangements for technical and financial collaboration with Revere Copper and Brass Incorporated, New York. Revere, with annual

sales exceeding Rs. 110 crores, are one of the largest producers of non-ferrous products in the world. Besides providing 'know-how' and technical assistance, they will also participate in the share capital of the Company to the extent of Rs. 25 lacs in terms of a collaboration agreement dated 15th June, 1962. The Government of India has approved the collaboration arrangement by letter No. 12/(1)Met/61 dated 13th February, 1962. The consents of the Controller of Capital Issues and the Reserve Bank of India have been obtained for the issue of shares to Revere for cash. The amount proposed to be invested by Revere, along with foreign exchange amounting to Rs. 54.64 lacs agreed to be released by the Government of India under D.L.F. Loan No. 157, is expected to cover the entire capital cost of imported plant and equipment.

PLANT SITE, WATER AND POWER

The Company has taken on lease 37.71 acres of land at Kota from the Government of Rajasthan in the area reserved for heavy industries on 99 years' lease, renewable for a further similar period. The Company has agreed to pay rent @ Rs. 30/- per acre per year which amounts to Rs. 1,131-30 nP. from 6th December, 1962 the date of taking over the possession of the land.

The Rajasthan State Electricity Board has agreed to supply power and an abundant supply of water is available close to the plant site.

APPLICATION FOR SHARES

Applications must be made on the form attached to the Prospectus (or on a printed copy thereof). Application forms properly completed must be lodged together with the amount payable on application before the closing date of the subscription list to the Bankers of this issue or with any of their existing main branches at:—

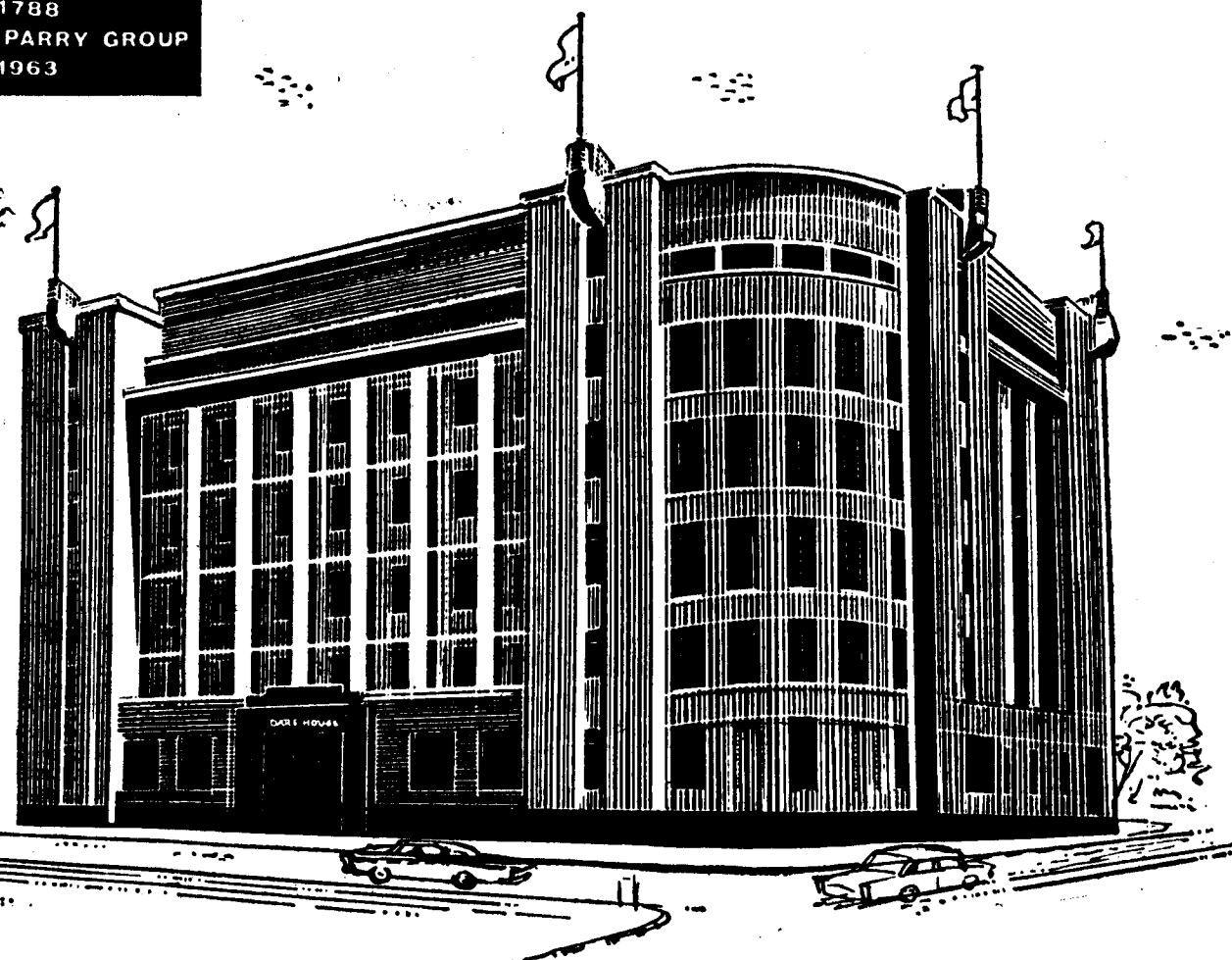
Ahmedabad, Amritsar, Bangalore, Baroda, Bombay, Calcutta, Delhi, Hyderabad, Indore, Madras, New Delhi, Nagpur, Poona Camp, Poona City and Surat.

Remittances should be made by cash, draft or cheque and should be crossed "Account Payee" only. If payment is made by cheque or draft, the cheque or draft must be drawn on a Bank situated in the town at which the application is submitted. Cheques or Drafts should be drawn in favour of any one of the following Bankers A/s. "Multimetals Ltd."

1. The Bank of Baroda Ltd.
2. The Bank of India Ltd.
3. National and Grindlays Bank Ltd.
4. First National City Bank.

A separate cheque or draft must accompany each application form.

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POWER RESOURCES IN RURAL AREAS SURVEYED

(FROM OUR NEW DELHI CORRESPONDENT)

UNDER the auspices of the General Electric Company of the U.S.A., a survey of the generation and utilisation of power in rural areas of the developing countries was recently carried out. The survey covered India and some countries of Latin America. The report includes an on-the-site investigation of certain villages in Rajasthan, Maharashtra, Uttar Pradesh and Orissa. The survey was made before the recent increase in allocations for power development during the third year of the third plan. The targeted power capacity shown in the report may, therefore, be out of date but not its conclusions, which should be of some interest to India. The report says: In the past decade, India has carried out a fairly rapidly electrification programme, increasing the installed capacity from 2.3 million kilowatts in 1950 to 5.7 million kilowatts in 1961.

While the rate of growth in the past decade has been high, 8.6 percent a year, it has been inadequate to meet the nation's rising requirements. As a result, in the next five years under the third five year plan, India plans to double the annual rate of expansion to 17.4 percent and more than double the generating capacity to 12.7 million kilowatts. This expansion in the generating capacity in the next five-year period will take place almost entirely in the public sector, costing Rs. 1,039 crores or approximately \$(U.S.) 2,000 million. The expansion of power in private industrial plants totals only 5 percent of this, or Rs. 50 crores. The total expansion in generating capacity for the third five year plan will be about equally divided between the increased capacity of large-scale coal-fired thermal plants and hydro-electric plants, 3.6 million and 3.2 million kilowatts, respectively. The expansion of diesel generating plants is negligible, and these stations which totalled only 5 percent of the nation's public utility capacity in 1961, will decline to 3 percent in 1966.

Generating Capacity

India's generating capacity is becoming increasingly orientated towards large-scale hydro-electric and coal-fired thermal stations serving the major transmission grids because of the low cost of electricity generation in these stations. "The average cost of generating electricity during the third plan period in hydro-electric stations is estimated at six mills, whereas diesel power costs are estimated to total 52 mills." The low cost of hydro-electric power generation in India is to be expected in a nation which has only used a small fraction of its hydro-electric potential. India has an estimated hydro-electric potential of 40 million kilowatts. Even the planned expansion by 1966 will use only an eighth of this potential. There are, therefore, many favourable sites for hydro-electric development in India. The earlier versions of the third five year plan had anticipated the creation of 9.1 million kilowatts of hydro-electric capacity by 1966, but this was revised downwards to 5.1 kilowatts because of the difficulties of international financing and high overall capital requirements. Even so, the relative importance of hydro-electric power will increase in India to account for about 40 percent of the total capacity and more than half of all power production by 1966.

India generated 20,000 million kilowatt hours of electricity in 1961 and her industry used more than 60 percent of this total. The domestic and commercial consumption for lighting totalled only about 12 percent of the total power generated—a relatively small proportion—nearly all of which was consumed in urban areas. Irrigation consumption totalled only 4.2 percent of the power generated.

Only one-fourth of 1 percent of all the electricity consumed in 1960 was used for domestic purposes in rural areas. In spite of a fairly rapid rural electrification programme, this consumption of electricity for domestic purposes in rural areas is expected to remain only one-third of 1 percent of all the electricity consumed by the end of the third five year plan, and less than 1 percent in 1975. This low level of rural electricity consumption reflects not only the relatively small number of the rural population living in electrified villages and towns—9.6 million in 1960, which is expected to increase to 19.7 million in 1965—but also the very low level of per capita consumption of electricity in these rural areas estimated at 4 kilowatt hours in 1960, which is expected to increase to only 5.5 kilowatt hours in 1965. India's policy of electrifying the country by the construction of Statewide grid systems has allowed the various State Electricity Boards to construct their most economical large-scale generating plants serving Statewide urban connecting grids, and to realise the additional generating cost economies achieved by higher load factors," the report says.

Electrical Grids

By 1961, India had succeeded in electrifying all towns above a population of 201,000, almost nine-tenths of the 856 towns in the 10,000 and 20,000 population range, more than one-half of the 3,101 communities in the 5,000 to 10,000 population range, but only a small fraction of the more than 500,000 villages under a population of 5,000. It is anticipated that the electrical grids in India will reach all communities above a population of 5,000 by 1966, about one-half of the 10,000 villages with populations between 2,000 and 5,000, and about 7 percent of the 545,000 villages in India with populations under 2,000. These smaller villages will be electrified depending on their proximity to larger towns or their being within a reasonable distance of transmission lines established between load centres and generating facilities. As a consequence, the electrified villages will typically be those most directly benefiting from the rising incomes in the urban and industrialising sector of the economy and thus most able to pay the cost of electrification and able to use electricity productively.

The progress of the various Indian States in rural electrification differs sharply. Four States—Madras, Kerala, Andhra Pradesh and Punjab—have made considerable progress. These States had electrified the following proportions of their total villages and towns: 36, 32, 10 and 8 percent, respectively. Various factors tended to make rural electrification easier in these States. In Kerala, there is a relatively low proportion of smaller villages, only 12 percent of the villages have a population of less than 500, compared with

the all-India average where two-thirds of all villages have populations under 500. In Madras and Andhra Pradesh, the typical village also tends to be somewhat larger in size, increasing the minimum load of the village electrical installation. Significant pumping loads supplement the lighting loads. In addition, Madras, Kerala and Punjab have each developed electric transmission and grid systems served by a large proportion of low cost hydro-electric power.

However, though these States are serving the "optimum villages" first, their rural electrification programmes are being heavily subsidised by the urban industrial and domestic consumers. In Madras, for example, a State which has succeeded in electrifying the largest proportion of villages, the State Electricity Board estimated that the total annual subsidy to rural users in 1958, when only 4,000 villages were electrified, was Rs. 1.50 crores, or \$(U.S.) 3 million. The subsidy is estimated to total almost half the cost of supplying rural electricity and is high in relation to the planned annual investment of Rs. 6 crores.

The State Electricity Board of Madras is now expanding its rural electrification programme by connecting approximately 1,300 villages a year. In this connection, the State

electrical engineers conduct load surveys in prospective villages in order to determine the priority of order to connect those villages first where the losses would be minimised. According to this formula, the estimated annual revenue required from a village before connection is authorised is 10 percent of the capital cost of the extension of power to the village, including transmission and distribution line and transformer costs. It is estimated that of this 10 percent, 1.7 percent goes to pay the cost of power, 3 percent to power operation and maintenance costs, 2.5 percent to depreciation, and 3.5 percent to interest. However, cost experience in 1961 indicated that annual revenue would have to equal 18.2 percent of the capital cost of a rural extension before the system would pay its way. This was because the basic cost of power and the operation and maintenance expenses had both more than doubled.

Rural Power Rates

Given rural electricity rates as low as 1.5 and 2.1 cents a kilowatt hour, the State Electricity Boards in India have not undertaken to serve rural communities isolated from transmission grids by small-scale diesel generation except on an interim load building basis awaiting a grid connection. In small-scale diesel generation, given diesel fuel at 50 U.S. cents an imperial gallon, about one-half of which is taxes levied to lessen the foreign exchange drain, the cost of power from small diesel generators is prohibitive for rural use. At a load factor of 30 percent, using 50 cents worth of fuel, the total cost a kilowatt hour ranges from about 12 U.S. cents for a 25-kilowatt unit down to about 7 U.S. cents for a 100-kilowatt unit. Reflecting the high cost of small-scale diesel electric power



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generation, there are only a relatively small number of public utility diesel power-stations in India.

In spite of the higher cost of serving the rural consumer, the rural electricity rates today are often as low and at times lower than those of the urban consumer. In Madras State, for example, low tension power is supplied at a rate of 10p (2.1 U.S. cents) a kilowatt hour for such agricultural processing industries as rice hulling, flour grinding, oil pressing, sugarcane crushing and cotton ginning. For cottage industries and for agricultural water pumping, the rate is 7p a unit (1.5 U.S. cents).

As a result of these low rates, there is considerable incentive to shift irrigation pumping from the bullock or diesel engine pump to electric pumps, and by 1960, it was estimated that 28 percent of all the power generated in Madras State was consumed in irrigation pump sets. The losses in rural electricity in Madras were, therefore, incurred even though the rural load contains a relatively high proportion of pumping and industrial demand; pumping takes up about 50 percent of the rural load, rural industries 25 percent, and domestic use only 25 percent. The cost of lifting water from wells for

irrigation in each acre of paddy crop by alternative methods is as follows: by bullocks Rs. 500, by diesel engine pump Rs. 83, and by electric pump Rs. 56.

Generally speaking, the on-the-site investigations of village communities showed only a limited opportunity for the productive application of electric energy supplied by small-scale generating units. As for irrigation pumping, direct diesel pumping is invariably more economical than electric pump sets supplied with electric energy from small-scale generating units. Furthermore, given the pattern of land tenure in India—in many cases three to four acre holdings—it is difficult to justify the use of either a diesel or an electric pump in them. The Indian Government is making attempts to consolidate holdings, but in many parts of the country the size of the holdings is so small that even consolidated holdings will require common sharing of the pumped water supply, an arrangement which has so far been extremely difficult to arrange to the satisfaction of the parties concerned.

There also appears to be very little potential for the consumption of electricity by small industry at the village level because the traditional industries—textiles, tanning, oil expelling, shoe-making, etc.—simply cannot compete with the larger and more efficient units in the market towns and cities. Currently, these industries are economically marginal or sub-marginal. It appears that the only reason that these industries have not been completely wiped out is that the local product is viewed as having special properties—ghani oil, for example, is said to be purer, healthier, more tasty and resistant to deterioration than the mill product—or the artisan is willing, in the absence of suitable alternatives, to pay a heavy price in terms of hard work, under-nourishment and poverty for being able to continue with the trade.

Again, if it is appropriate under certain circumstances, e.g., lack of access to market towns or the existence of a local market, to perform certain processing operations at the village level such as grain grinding or oil expelling, then it would appear to be more economical to use the shaft power of an internal combustion engine directly rather than convert shaft power to electric energy to power an electric motor. From the standpoint of domestic usage, particularly for illumination, it is less costly to use kerosene or gasoline-mantle lanterns than it is to use this same fuel to power a small-scale engine-generator which supplied electricity to an electric light bulb.

Limited Opportunity

Given this limited opportunity for the application of electric energy, on the one hand, which works against the possibility of achieving an appreciable load factor, and the favourable economics of shaft power as against electric energy for satisfying principal existing requirements for power, it appears doubtful that the introduction of electric energy by means of a small-scale generating unit can be justified at the village level. This is not to say, of course, that power may not be worthwhile social and political investment for purposes of improving rural amenities and avoiding dissidence. For example, one business executive stated to the survey team that a "power plant was worth 100 policemen" since power provides the basis for entertainment, education and vocational opportunities for an otherwise restive rural populace. However, it is important to be clear concerning the costs of providing such services and whether in the absence of significant productive applications of electric energy in

agriculture and small industry, such services would prove to be transitory.

At the outset of the field surveys, it was assumed that a small-scale engine-generator (10-15 kilowatts) capable of using alternative indigenous fuels would be an effective and economical means for supplying electric energy to individual villages. This hypothesis was not borne out in either Latin America or India. From the standpoint of the scale of generation—in the limited number of instances where it was judged that electric energy might make a productive contribution at the village level (population 2,000 to 3,000), it is estimated that a 50-kilowatt unit would be the minimum size required. In addition, it would be advisable to install excess capacity at the outset to provide for future load growth. Furthermore, some reserve or standby capacity should be allowed for in order to assure a dependable supply.

Rural Development

A major conclusion of the field survey teams is that the planning and implementation of rural electrification projects need to be more effectively focussed on viable rural development opportunities.

India's village industry programme, the report says, dates back to the teaching of Mahatma Gandhi and his followers which brought about a new consciousness of the importance of traditional village industries as a means of upgrading the village life. Partly as a challenge to the British, but mostly out of personal conviction, Gandhi and his followers had created the All-India Spinners' Association and the All-India Village Industries Association for the revival and encouragement of traditional rural industries including the *charkha* (hand spinning) and weaving industries. There was an important social context to these efforts and village self-sufficiency was one of the prime objectives. In 1956, as part of a national small industry programme which was having considerable impact on urban areas, 26 pilot projects were sanctioned with the special aim of accelerating rural industrialisation.

One of the objectives of this scheme was to develop a pattern of industrial extension services which would be necessary in undertaking rural industrial development blocks. The effort was to concentrate in part on new industries, and in part on the traditional village industries. The most successful village industries in these schemes were expected to be builders' hardware, soap-making, fruit and vegetable preservation, electrical goods and accessories, general engineering workshops, agricultural implements, saw mills, foundry and blacksmithery and bucket and steel trunk making units.

Of the 26 pilot projects, only 15 were really started, and of these only nine were considered successful. The most successful in the final analysis were those involving traditional industries; namely, *khadi*, *Ambar charka*, or handlooms. Even here the "successes" were subsidised heavily.

It is generally recognised, however, that this effort was not particularly successful. Industry has gravitated to those centres where it can operate effectively, namely, where raw materials, labour, power, capital, and markets were present (i.e., the congested super cities). During 1951-57, 47.2 percent of the new manufacturing enterprises were located in Class I cities (over 100,000 population) where 41.8 percent of the urban population resides. On the other hand, Class II and III cities (20-100,000 population) with 26.9 percent of the population received only 19.3 percent of the new manufacturing enterprises. Finally, towns with a population of less than

20,000, received 33.1 percent of the new enterprises. This preliminary assessment of industrialisation does not reflect the size of the new manufacturing enterprises. It can be expected that the distortion in favour of the large cities (particularly Calcutta and Bombay) is even more pronounced than shown since the average size of new manufacturing establishments in the large cities is bound to be substantially larger in terms of number of employees, capital, etc., than the average for small towns.

The contention that rural villages can be economically industrialised, even for mechanised service industries, is questionable. "Past experience indicates that the likelihood of economic success of industrial decentralisation would be greater in a programme concentrating on small rural towns from 10,000 to 20,000 population, nearly all of which already have been electrified through grid extension in India. This programme would then have its impact on the surrounding rural economy."

In India, it is difficult to conceive of the village as a self-generator of new industry, although the traditional industries (*khadi*, *coir*, handlooms, etc.) evolved over time from within the resources of the village. Modern small industries imply an urban training not available within the village. This training must be imported either by bringing entrepreneurs and skilled workers to the village, or by selecting promising villages and training them.

The Karve Committee, which helped pave the way for the small industry programme in India, had this to say about the pattern of industrial decentralisation: "The pattern of industrial activity that should gradually emerge is that of a group of villages having its natural industrial and urban centre. These small urban centres will be similarly related to bigger ones. Thus a pyramid of industry broad-based on a progressive rural economy will be built up. In such an organisation, small centres can experience a co-operative interest in the bigger ones, and these latter would develop a genuinely supporting, instead of an exploitative, relationship towards the smaller towns and the countryside."

This brief discussion highlights the fact that the issues of urban versus rural development, of centralised versus decentralised growth, and regional balance in development, are clouded by many complexities, which are unlikely to be resolved in the near future. Consequently, economists, sociologists, and planners will have to do some "educated" guessing. Such an educated guessing effort was undertaken in India at a seminar on rural industrialisation sponsored by the Ford Foundation in March 1960.

The main conclusion of this meeting seemed to be that industrial decentralisation would at best mean decentralisation from the very large urban centres towards the smaller towns. Rural industrialisation could not be conceived as a village goal, but as an area objective. Within given areas of rural India, nodal growth centres would provide a need and opportunity for clusters of small industry. It is around these clusters, probably located in market towns, that a foundation for rural industrialisation might be established.

It was further proposed that the block instead of the village be considered as the centre of gravity and planning unit for rural industrialisation. The Block administration has been super-imposed on the traditional administrative machinery of India, but only for development purposes. The traditional administrative units were the village, the *tehsil* or *taluka* (with a population of 200,000), the district (with a population of about 1

million), and the State. Yet the block may well be the most practical unit for agro-industrial planning.

PLAN TARGETS

Progress in Agriculture

The Deputy Chairman of the Planning Commission, Mr. Gulzarilal Nanda, recently admitted that there had been serious shortfalls in the third plan targets, during the first two and a quarter years of the current quinquennium. He cited the case of agriculture. Too many agencies; it is now admitted, have been created for raising agricultural production. But there has been lack of co-ordination between the agencies functioning under different authorities. So there has been a diffusion of responsibility. The progress of irrigation could be cited as a case in point. Against the five-year target of creating 16.2 million acres of irrigational potential, 1.07 million acres were achieved in 1961-62 while 1.65 million acres are expected to be achieved in 1962-63. The actual utilisation in 1961-62 was 890,000 acres and in 1962-63, 1.39 million acres of irrigation potential is likely to be used, compared with the five-year target of 12.8 million acres. The Planning Commission says: "In the construction and maintenance of field channels and the effective use of irrigation potential created on major and minor irrigation projects, one of the main difficulties has been the enforcement of obligation resting upon the beneficiaries. These responsibilities have now been placed on in *panchayat raj* institutions, especially *panchayat samitis* and *village panchayats*. The necessary legislation already exists in some States and is to be introduced in the other States. Funds available in the State budget can be used for carrying out such work."

This could be regarded as the basic mistake of the Planning Commission. Firstly, if by passing a legislation the objects could be achieved, this country would already have reached the take-off stage of economic growth. The Planning Commission, in its first appraisal of the third plan, says that "the community development budget has been re-oriented so as to concentrate on agricultural production to the maximum extent."

Thousands of crores of rupees have been spent on agriculture. The Prime Minister of India at one stage had banned the import of foodgrains into India. Since then, millions of tons of foodgrains have been imported and the Government, instead of making this country self-sufficient in food, has only succeeded in creating some employment opportunities in rural areas.

It is time that the Commission reread the first report of the grow-more-food campaign. The report said that the cultivator was shrewd enough to take up the cultivation of such crops as paid him the highest price. The cultivation of sugarcane in a case in point. There has been no grow-more-sugarcane campaign, yet the area under sugarcane has increased rapidly, simply because it fetched more money to the cultivator. It is the price policy in the United States which enables that country to feed the hungry in world in general and India in particular. Instead of fixing production targets, if the Planning Commission could devise an effective price mechanism, this country would have been exporting wheat by now.

The mid-plan reappraisal of a plan by the Planning Commission should be welcomed. The appraisal, it is expected, will review targets and shortfalls, if any, in their achievement, and delays in the execution of projects. It will also reassess the

requirements in the had core of the plan. The appraisal will take note of the defects in the system of planning and the shortages of trained and experienced personnel. At present, there is a clear realisation in the Udyog Bhavan that there is a great deal of overlapping in work which has created the present confusion. The Commission, it is said, is determined to fix responsibilities.

F. I. C. C. I.

Mr. Bharat Ram on Exports

The president of the Federation of Indian Chambers of Commerce and Industry, Mr. Bharat Ram, discussed his impressions last week in a Press conference concerning his recent three-week tour of New York, Mexico city, London and Brussels. He was obviously impressed by the functioning and performances of the European Common Market and expressed himself in favour of such an organisation for Asia. Referring to the E.C.M., he said that it was a historic experiment as far as the "Six" were concerned. Although the conditions in south-east Asia are different, it will be worth while for an organisation like the E.C.A.F.E. to study the successful working of the secretariat which runs the E.C.M. As a beginning, Mr. Bharat Ram is not opposed to a sort of Customs union between India and her neighbours.

In this connection, the president recalled that in the course of the negotiations for the accession of the United Kingdom to the European Economic Community, the member States had provisionally agreed to certain interim measures for the reduction of tariff barriers on some Indian exports pending the working out, in due course, of more comprehensive solutions concerning India's trade with the Community. There is no reason why the contemplated reduction in the tariffs on Indian goods should not be unilaterally given straightaway even though negotiations with the U.K. have broken down, Mr. Bharat Ram argued.

Industries in developed countries are undoubtedly in a better position to bear the burden of adjustment and should not, therefore, restrict the traditional and new exports from developing countries. At the same time, the developing countries like India have got to go a long way to meet the challenge of world markets which are getting more and more sophisticated. Not only must greater attention be paid to prices and quality of Indian exports, but there must also be a keener awareness of the techniques to create additional demand abroad for this country's goods. "I cannot help feeling that we are not responsive and sensitive enough to the changes that are taking place in the world markets and it should be remedied as quickly as possible", the president said.

Mr. Bharat Ram said that the tax concessions—particularly for new industries, offered by India were being negatively in the absence of similar concessions in the capital-exporting countries. "This is a handicap which foreign entrepreneurs face, and the remedy lies in the hands of their Governments. In point of fact, the Governments of the capital-exporting countries will be doing a great service if they go further and offer positive tax concessions to their capital seeking investments in developing countries."

BOKARO STEEL PROJECT

U.S. Aid Prospects

Last week, President Kennedy gave an unequivocal support to an Indian request for U.S. aid for the

construction of a \$1,504-million steel plant in Bokaro, near Calcutta. "India needs that steel," he told reporters at his Press conference. He expressed that hope that the U.S. Congress will approve American aid for the proposed project.

At the Press conference, the President was asked the following question by a reporter: "In view of the Clay report, do you think that the Bokaro steel mill project in India should be rejected on the ground of public versus private (financing)?"

The President replied: "No. There is such a need for steel that is going unfulfilled. Provided it is an efficient project, I would think we would assist it if it meets what the economy of India requires. I must say that I do not quite get the logic of those who so vehemently oppose this much-needed project; not to take possession of a steel mill already constructed but to build one—so there is an important distinction."

The President pointed out that the United States has lent millions of dollars to Canada for a nationalised electrical project. "I think we ought to do it," the President said with emphasis. "I think we ought to do it. Now, Congress may have other views. I think it would be a great mistake not to build it. India needs that steel."

Taking note of President Kennedy's endorsement of American support for the Bokaro steel plant at his Press conference, Professor J. K. Galbraith, U.S. Ambassador to India added the following statement: "I am sure all of my Indian friends will join with me in welcoming this statement of President Kennedy. I hope everybody will realise that numerous technical and administrative problems remain to be worked out in connection with the project. Also, as President Kennedy made clear, Congress has the final right of decision, for it must provide the requisite funds. However, I feel sure that with understanding and patience, things can be worked out and the United States and India will collaborate on this vitally important and, if I may say so, highly exciting enterprise in Indian industrialisation."

"The policy of the United States is to recognise the existence of a large range of choice in economic development. We want to see the tests of efficiency and results rigidly applied. Beyond this, it is not our policy to insist dogmatically on any particular design for development. In the past, we have respected India's preference for power development in the public sector. President Kennedy's comment on Bokaro reflects the same attitude towards steel production. In recent weeks, a few people have predicted with something almost approaching pleasure that Americans would never give support to publicly-owned enterprise. I am not at all sorry to disprove them. During these last months, I have had occasion especially to admire the skill with which Mr. Subramaniam combined patience with his friends with persistence towards the project. It is in good hands," Professor Galbraith said.

Answering subsequent questions, the U.S. Ambassador declared that the question of Bokaro during a "relatively long running-in period would not pose any insuperable problem." He pointed out that anybody could operate an inefficient steel mill, but the real problem was to build up the "organic machine" which would run a steel plant efficiently and inexpensively.

As for the anticipated high capital cost of the project, the U.S. Ambassador to India said that it was un-



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avoidable because the proposed mill was intended to make sheets and plates. Moreover, the import duty to be paid on machinery and components was included in the estimate prepared by the U.S. steel mission.

MAN-MADE FIBRES

Tariff Probe Ordered

The Government of India has asked the Tariff Commission to review the cost structure and other allied aspects of the man-made fibre industry in the country. The Commission has been asked to examine and report on the fair prices for all types of deniers of viscose filament yarn and other man-made fibre yarn except acetate rayon yarn. The Commission has also been requested to recommend the fair ex-mill prices as also the fair prices payable by consumers. In making its recommendations, the Commission will

bear in mind the need for fixing a concessional price for the quantity of yarn supplied to manufacturer-exporters in lieu of the surrender of a percentage of their import entitlement under the export promotion scheme. The Commission will also take into account the cost of raw materials, power, wages and other overheads and any other factor which may be considered relevant.

The Government feels that this industry has now come to a stage when a review of its cost structure and other allied aspects should be undertaken so as to make the man-made fibres available to consumers at reasonable prices, while assuring the industry of a fair return. The Government has decided to refer these issues to the Tariff Commission. The Commission will examine the entire cost structure of all man-made fibres (both cellulosic and non-cellulosic), including staple fibre yarn

but excluding acetate rayon yarn which has already been examined by the Commission.

ALUMINIUM

The Koyna Project

The Vereinigte Aluminium-Werke A.G. (V.A.W.), of West Germany, will make its know-how available for the establishment and operation of the Koyna aluminium project in the south of Bombay. With the commencement of bauxite mining, a start is to be made on the construction of a complete plant for the production of aluminium oxide, primary-aluminium pig and semi-finished products (wire and rolling mill products). The project, which is being set up by the Khatau group in collaboration with the Maharashtra Government and the V.A.W., envisages a plant with an initial output of 20,000 tons and, later on, 50,000

CAPITAL, 16th May, 1963.

tons a year. Capital expenses are estimated at about 180 million Deutschmarks for the first stage of construction.

The major suppliers of bauxite to West Germany are Yugoslavia, Greece, and France. India is also one of the supplying countries with its share of 24,460 tons, out of a total of 1,563,287 tons of bauxite imported in 1961. India's share actually amounted to 27,493 tons out of a total of 1,326,047 tons imported in 1962.

MOTOR-VEHICLE PARTS

Making Ring Gears

Repco Ltd., Australia's biggest manufacturer of replacement parts for motor-vehicles has interests in Bimetals Bearings Ltd. of Madras. It is now proposed to manufacture fly wheel ring gears which will be made by the new Company, India Pistons-Repco Ltd.

CAPITAL, 16th May, 1963.

London

PROSPECTS FOR REVIVAL OF U.K. ECONOMY

(FROM OUR LONDON CORRESPONDENT)

AN interesting conflict of views appeared at the National Production Advisory Council meeting recently. It concerns a question that worries a great many people. Mr. Maudling noted the revival of confidence in industry and maintained that the Budget had provided sufficient stimulus to bring about the required expansion, although its full effects would not be seen "until the summer." On the other side, Mr. George Middleton, while admitting that the economic situation was improving, insisted that another strong stimulus was needed if this was to continue.

Who is right? Inevitably, the present problem is being judged by memories of 1955 and 1959, when previous Chancellors intervened in a quiescent economy. In both cases, unemployment was quickly absorbed and expansion turned into boom until a payments crisis forced the Government to retreat. For several reasons, the 1963 effort looks like being different.

First of all, virtually the whole of the huge Budget deficit which is going to pump purchasing power into the economy represents Government spending and not tax cuts. In fact, total tax revenue is going up, not down. This means the Government can make sure that the money is spent; it need not depend much on people's decisions on whether to spend or save according to their state of "confidence." The money spent on schools and hospitals, roads and power stations, will, of course, spread out into wages and salaries and profits, where it will start off a second round of demand—the "multiplier" effect. The stimulus so far provided may, therefore, be sufficient to help the national product grow by rather more than 4 percent—perhaps 4½ or 5 percent. To achieve this no further action is needed. But whether this kind of expansion will absorb the bulk of the unemployed is an entirely different matter. That is probably what Mr. Middleton had in mind.

In the first place, the two previous expansion periods, 1955 and 1959, coincided with a big rise in industrial capital investment. The resulting demand for steel, machinery and heavy engineering work brought jobs back to the depressed areas. In any case, the world crisis of ship-building had not yet begun. This time industrial capital expenditure is more likely to be down than up in the next 12 months and public capital spending, which should more than offset this fall, provides more jobs for the construction industries than for heavy engineering—except for the additional power-station programme.

Secondly, the coming expansion will bring out the steep rise in productivity for which industry has been preparing both by the heavy re-equipment of the past few years and by the special economy campaigns of the past 18 months. It would not be surprising if an overall growth of 4 percent could be achieved this time with very little extra labour. Leaving aside the seasonal swing of employment, the number of people out of jobs at the peak of next winter may still be very high. Whether any further tax cuts or other stimulants could alter this fact with-

out at the same time producing inflationary pressures in the rest of the economy, is open to doubt.

Public Works

However, if the 1963 advance is unsatisfactory from the point of view of jobs, it is unlikely to press heavily on the balance of payments. Public works, which bulk so large in the present pump priming effort, need bricks, mortar and labour, all of which are easy on imports. In previous expansions, the stress was on durable consumer goods and industrial machinery: home supplies on both were soon taken up and massive imports were sucked in to meet the continuing demand.

Any expansion in consumer goods or other industrial products this year can be largely supplied from existing home capacity without drawing any resources away from exports or pulling in large imports of semi-finished materials, machinery or consumer goods. Imports must, of

course, rise as production rises, because the U.K. depends on imports for food and raw materials. But the increase is unlikely to cause undue pressure on the balance of payments, at any rate over the next 12 months.

Meantime, the all-time peak in British exports reached in March turns out to be rather less elevated than the provisional figures suggested. The high export figure was partly due to the backlog of shipments delayed by physical obstacles in the first two months of the year, and it also included some ships, which tend to give a lift to the trade returns in any month in which they are handed over. This is brought out by the full analysis now made by the Board of Trade.

But the March record also included a recovery in exports of cars which had fallen away in the fourth quarter of last year, and substantial shipments of heavy electrical machinery and submarine cable. The March

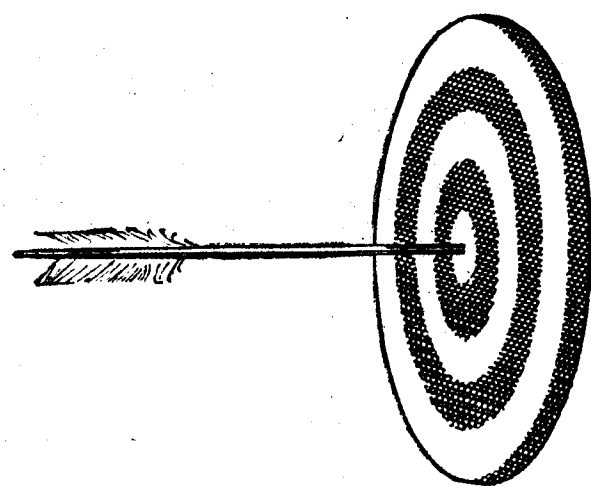
record was good, although not perhaps as exceptional as it seemed.

Exports to western Europe, which had shown signs of flattening out after the middle of last year, rose sharply again in the first quarter of 1963 when they were 4 percent above the level of the second half of last year.

Increased deliveries to the E.E.C. accounted for the greater part of this. Exports to France and West Germany were particularly good. Other markets, which had been looking weaker last year, also recovered in the first quarter, partly because of a rise in exports of petroleum products. Exports to E.F.T.A. countries were 2 percent more than in the second half of last year, mainly reflecting the delivery of ships to Norway. Exports to Russia rose in the first quarter, but this was offset by a fall in exports to the rest of eastern Europe.

Recovery in Exports

There was some recovery in exports to the sterling area in the first quarter, which was largely due to the delivery of a warship worth over £4 million to South Africa in March. Exports to Australia and India also rose. On the other hand, exports to the United States were 11 percent less than in the fourth quarter of 1962, and it remains to be seen whether they will recover now the aftermath of the dock strike is out of the way.



TARGET - OIL !

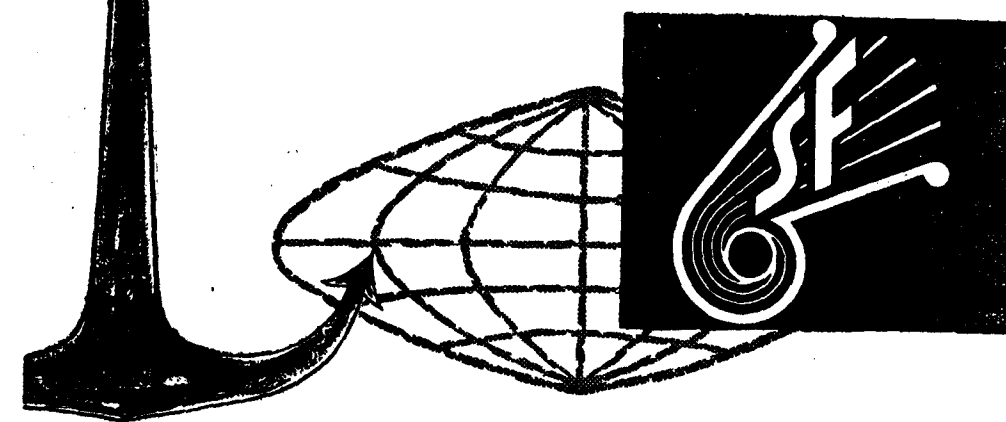
One of the methods used to test a newly completed well for its oil production potential makes use of a special type of gun which is lowered into the hole and fired by an engineer on the surface. The well is first lined with steel casing, cemented to hold it in place. The gun barrel is lowered into the well. When the "trigger" is pulled, 50 or more bullets pierce the casing,

and the cement—and the possible oil producing rocks. If any oil is present in the zone being tested, it will run into the well and be brought to the surface. Then the production crew takes over the operations. But if no oil is encountered the well is classed as a dry hole and the drillers move off to continue the search elsewhere.



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Jute

JUTE MILLS WORRIED OVER POWER SHORTAGE

THE power shortage is a major hurdle in the way of development of industries; it also hampers the smooth operation of the existing ones. This is especially so in the far-flung belt within the area of control of the Calcutta Electric Supply Corporation. All industrial establishments, located within this area, have had to remain idle because of sudden load-shedding caused by the failure of supplies from the D.V.C. grid or from the C.E.S.C. system itself. The load demand in this zone has, in fact, outstripped all the estimates drawn up so far. Industries have obviously grown much faster than the development of power supply capacities. Knowledgeable circles now apprehend that even the much augmented capacity which will result after the Durgapur plant is installed, will fall short of the area's demand. By the time the 150-megawatt unit goes on stream around 1966, the demand of industries in this part of the State will rise further. The existing C.E.S.C. generators have to be worked without respite. As a result, serious breakdowns occur occasionally. Industries are, therefore, thrown out of gear for indefinite periods bringing in its trail forced idle capacities, loss of production and dislocation of production schedules. Markets behave erratically and prices fluctuate between wide limits, scaring away customers and also involving trade and industry in unforeseen losses.

Erratic Supplies

The jute industry has also been hit because of erratic power supplies. In order to meet export requirements, the industry has been using its capacity fully. It has almost completed an ambitious modernisation and diversification scheme at colossal expenses. With supplies of fibre at economic rates, it is now in a position to earn more foreign exchange—particularly dollars—if it can continue to use the capacity at an even tempo. Referring to the problem of power shortage facing the industry, Mr. Manubhai Shah, Central Minister for International Trade, assured in the course of his address to the Board of Trade in Calcutta that its needs would be met.

But since the failure of the new 50-megawatt turbo-alternator set of the C.E.S.C.'s generating system in Cossipore a week ago, compulsory load-shedding has been resorted to all over the control area with the exception of the zone served by the southern generating system on a regulated scale. The area affected has been grouped into four sections, and every zone has to suffer a power cut for the minimum period on alternate days. Jute mills are now working three shifts in all the sections, except the weaving departments which operate only two shifts. At a meeting held under the auspices of the West Bengal Government's Commerce and Industries Department towards the week-end, at which the representatives of the Indian Jute Mills Association were present, the industry agreed to a programme of adjusting working hours in a way that load-shedding might not cause much setback to production. All H.T. consumers affected have been divided into four groups. The jute and engineering industries have been allotted the fourth order of priority for power supplies following defence, public utilities and such continuously operating industries as chemicals, glass and foundries. The power supply restrictions in force between

6-30 and 8-30 p.m. on the weaving departments of jute mills will continue during the period of emergency, but mills will be allowed to work on the weekly offday. These arrangements will not affect those mills which receive power from the southern power-station.

Extent of Loss

The latest power cut has, however, caused some adverse effect on the production of jute goods. The extent of the loss, it is estimated, may be of the order of 10 percent. Similar conditions prevailed during last summer, but through the co-operation of the C.E.S.C., the D.V.C. and the industry, the production trend was kept practically unaffected. The number of hours worked was 200 and the total output 97,800 tonnes in March 1962, 200 and 97,000 tonnes in April, 208 and 99,700 tonnes in May and 200 and 97,800 tonnes in June.

The industry and trade have already made long-standing commitments against firm contracts. The dislocation of power supply will not only affect the total output but will also increase the cost of production due to higher overheads and forced idle hours. So there may again ensue a decline in the demand for Indian jute goods due to a rise in production costs. Overseas consumers will, therefore, resort to substitutes or meet their requirements from other producing countries.

In view of the vital stakes involved, the industry cannot afford to let the vagaries of power supply foil its drive for maintaining the tempo of production. So it should develop its own standby arrangements by setting up captive power plants as soon as possible. The Government of India has agreed to consider such requests favourably on production of "no objection certificates" from the West Bengal State Electricity Board. The latter has decided to issue such certificates liberally in favour of individual jute mills. Meanwhile, im-

port licensing and foreign exchange allocation formalities should be simplified, for any investment on a standby power plant will be a sound one, helping the industry to offer more employment opportunities to labour and maintain an even flow of jute goods to the internal and overseas markets.

A satisfactory parity between the prices of raw jute and manufactured goods, combined with a broadening demand, enabled the Indian jute mills industry to continue production at the peak levels in 1962-63. In spite of the larger output, stocks are reasonable and mills have a comfortable order-book position. The outlook seems to have improved further of late. Russia has already bought a sizable volume and is expected to lift much more under the Indo-Soviet trade agreement. Furthermore, the Continent is evincing keener interest in Indian hessian. The E.C.M. countries are also believed to be increasing their purchases of jute fabrics from the Indian market. Although the U.S.A. has taken a good quantity and holds a large stock—equivalent to above four months' consumption at the current level of its intake—the country's demand for hessian, especially broad carpet-backing cloth, is rising fast. One should not be surprised if the U.S.A. enters the market soon in a big way. This expectation is reinforced by its recent purchase of 10 million yards. As for sacking, India's defence demands are reported to be satisfactory. Australia, meanwhile, has been taking more woolpacks, and the Middle East is also lifting heavy goods from India. In spite of the devaluation of the peso, making imported goods dearer in the Argentine, the latter's packing needs are being met by importing more heavy goods from India. A recent expert survey pointed out that the Argentine offtake could be boosted considerably by an extension of the bilateral trade agreement with that country. The latest pro-

duction statistics for April and April-end stocks of jute goods show that the mills sold their entire output during the month without any difficulty.

I.J.M.A. Output Figures for April

The I.J.M.A. jute goods output statistics show only a small increase of about 1 percent from 104,500 tonnes in March 1963 to 105,400 tonnes in April. Of this, hessian constitutes 43,800 tonnes (41.5 percent), against 44,400 tonnes (42.4 percent), sacking 43,200 tonnes (40.9 percent), against 42,700 tonnes (40.9 percent), and miscellaneous goods 18,400 tonnes (17.4 percent), against 17,400 tonnes (16.6 percent). The number of hours worked was unchanged at 208. The slight fall in hessian was compensated by almost an equal rise in the production of miscellaneous goods. In April 1962, the mills worked for 200 hours, and reported a total output of 97,000 tonnes—37,000 tonnes of hessian (38.1 percent), 45,000 tonnes of sacking (46.4 percent) and 15,000 tonnes of other varieties (15.4 percent).

U.S. Burlap Consumption Down

The decline of U.S. burlap consumption in April to 77 million yards from 84.7 million yards for the previous month did not seem to produce any reaction in the jute goods market on Tuesday. Operators regarded April as a generally lean month for burlap sales in that country. They were awaiting substantial orders from the U.S.A. on the belief that it would soon enter the Indian hessian market in a big way. In spite of a very low intake during January due to the strike of longshoremen and the fall in April consumption, the January-April intake was higher at 318.7 million yards this year, against 310.7 million yards for the corresponding period of 1962. The monthly averages worked out to 79.6 million yards and 77.6 million yards, respectively. U.S. stocks registered a fall of 3.8 million yards to 300.2 million yards at the end of April. Of this, 156.1 million yards were spot stocks and 144.1 million yards afloat. At the April rate of consumption, stocks will last 3.8 months. At this period last year, the stock duration was 4.41 months on the same basis.

Crop Study of Jute

The average size of the jute-growers' holdings is the largest in

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Bihar around 6.7 acres, followed by Assam's 5.2 acres and West Bengal's 4.15 acres, according to tentative findings of the cost study team on jute and paddy sponsored by the Economic Research Section of the Indian Central Jute Committee. Preliminary data on the size of holdings as between districts shows Saharsa in Bihar having the highest average of 8.4 acres and Midnapore in West Bengal reporting the lowest of 3.21 acres.

Among the different systems of tenancy, owner-cultivation predominates, accounting for more than 90 percent of the cultivated land in Bihar and 80 percent in Assam and West Bengal. Next in order is the share-rented (*bhagchasi*) tenancy, absorbing 14 percent of the cultivated land in West Bengal, 10 percent in Assam and 7 percent in Bihar. Under the latter system, land is taken on lease for which rent is paid in kind in either fixed quantities of particular crops or as percentages of crops actually produced. The existence of other modes of tenancy is insignificant. The cost study programme is expected to fill the gaps in current knowledge on the distribution of the area under jute between white and Tossa varieties. Although a fairly reliable assessment in this direction is unlikely to be available before the final year of the survey, preliminary data in Bihar corroborate the findings of the State Government's marketing surveys conducted between 1957 and 1960.

Since 1960, the cultivation of Tossa jute has gained about 2 percent at the expense of the white accounting for 32 percent of Bihar's total acreage. Between the districts, the distribution varies widely. In Purnea district, which accounts for the bulk of the area under jute in Bihar, Tossa forms 37 percent, while almost the entire area in Saharsa district is sown with the white variety.

In West Bengal, the eastern districts of Nadia and Murshidabad have as much as 66 percent of the total jute acreage under Tossa. The cultivation of Tossa is more extensive in the western districts of the State, known as the Daissee area. The latter consists of the Hooghly, Burdwan and 24 Parganas districts where the acreage under capsularis is less than 30 percent. The northern districts of West Dinajpur, Malda, Jalpaiguri and Cooch Behar,

where jute is grown mostly in low-lying flooded areas, more than 70 percent of the land is under the white variety.

Raising Jute Yield

The easiest and cheapest way to achieve a large increase in the yield of jute an acre is to spray the leaves of plants with urea aqueous solution, according to the Jute Agricultural Research Institute of the Indian Central Jute Committee. Foliar spray of urea has been found to increase the fibre yield from white jute by 116 percent. In Tossa, the yield is 35-percent higher. Urea, because of its easy solubility, is the most suitable nitrogenous fertiliser for foliar application to jute plants. The foliage will readily absorb urea, which is a neutral organic salt that can do the leave no harm.

The dosage an acre recommended for both white and Tossa jute is 20 kilograms of urea, made into an aqueous solution of 430 gallons (at the rate of 45 grammes of 1-percent urea a gallon) and sprayed in four equal applications. The first spraying should be given at the crop age of 35 to 40 days, the next three following at an interval of a week each. Spraying should be done in the morning with the spray directed to the underside of leaves. Any ordinary sprinkler may be used for spraying but a modern sprayer of the hand or pressure type will do the job more efficiently and with the minimum of waste.

THE JUTE MARKETS

Manufactured Goods: The Calcutta jute goods market opened in a buoyant mood earlier in the past week on reports of heavy load-shedding of about 132 megawatts on 8th May following the breakdown of the new 50-megawatt turbo alternator set of the C.E.S.C.'s Cossipore station. Fears of a heavy power cut affecting the production of jute goods induced frantic short-covering. Shippers were keen on ready and near positions in the spot market. The emergence of the U.S.A. with a bulk order for 10 million yards of hessian for ready and near delivery and scattered overseas enquiries were yet other stimulants. Dealers availed themselves of the opportunity and hammered the prices to the year's best levels at which a heavy volume of business was transacted. For two days, the prices retained their buoyancy when some mills also made good business. But more mills came out as sellers on Saturday by which time it was learnt that the dislocation to the production schedule of the industry would be minimised substantially by power shedding in a well-planned scale. Besides, the publication of the production and stock figures of the I.J.M.A. mills during April showed that the entire April output was well absorbed. Market circles did not seem to attach much significance to the 9.8-percent decline in the U.S. burlap consumption to 77 million yards in April. The market reacted heavily towards the close on nervous selling by holders, wiping out a major portion of the week's gains. Turnover was large and the undertone hesitant at the close.

In the spot market, sacking showed gains on balance, of 50nP to Rs. 113.60 for May, 55nP to Rs. 113.70 for June, 35nP to Rs. 114 for July-September, 25nP to Rs. 113.75 for October-December and 50nP to Rs. 113.25 for January-March 1963. Hessian showed a lower gain of 15nP to Rs. 50.25 for May, 45nP to Rs. 49.25 for June but in July-September, it lost 15nP to Rs. 48.40, in October-December 75nP to Rs. 47.50 and in January-March 65nP to Rs. 47.

In the futures market, B Twills May scored a gain of 60nP to

Rs. 113.20, after fluctuating widely between Rs. 117.90 and Rs. 112.55 while hessian May made Rs. 130 more to Rs. 49.56, after moving between Rs. 53.20 and Rs. 48.10. At the close, the differential between May ready and futures declined from 84nP to 69nP in hessian and was unchanged at 50nP in sacking.

Wednesday's quotations were as follows:

	May	June	July-Sept	Oct.-Dec.	Jan.-March
40in. 71oz.	36.90	36.65	26.35	35.90	35.40
40in. 80z.	39.50	—	—	—	—
40in. 100z.	50.05	49.10	48.70	47.70	47.00
B Twills	113.75	114.00	114.35	114.00	113.75
Cornacks	113.75	116.25	116.75	116.25	115.75
Heavy Cees	—	—	—	—	—
(Plain)	113.50	113.75	114.00	114.00	113.75
A Twills	136.00	136.00	136.50	137.50	136.50
Liverpools	128.50	128.00	128.00	128.00	127.50

Raw Jute: The weather was fair throughout the past week, so it helped plant growth. Interculture and racking operations have almost been completed and plant roots are having enough humidity and sunshine. Upcountry jute mills are expecting a bumper crop and feelers are being dropped for the commencement of trading in the new crop. With a virtual depletion of stocks with farmers, daily arrivals in upcountry agencies have dwindled considerably and routine business is passing in small lots of selected fibres at the best available prices. The trend is quietly steady but turnover low.

In the Calcutta spot jute market, a dull trend prevailed throughout the past week. Mills did not show any interest in business except for small lots of better grade fibre to meet their day-to-day blending requirements. A small turnover was transacted at the prevailing rates, basis Rs. 28.25 a maund for Assam Bottoms, ready, f.o.r. Calcutta. Sentiment was subdued in the future market. Upper Assam White Bottoms June opened and closed at the floor level of Rs. 30 a maund, after fluctuating narrowly between Rs. 30 and Rs. 30.02 on stray covering. Turnover was negligible, and the undertone was hesitant at the close. Operators were awaiting official permission to commence forward business in the new crop.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)		T.S.D.	
	Current Prices	Minimum Prices	Rs.	Rs.
	A Qtl.	A Md.	A Qtl.	A Md.
Assam Agartala	—	—	—	—
Jute	75.50	29.00	80.38	30.00
Northern Jute	76.36	28.50	79.04	29.50
Western Desal	—	—	—	—
Jute	72.34	27.00	73.68	27.50
Selected Daissee	89.75	33.50	85.74	32.00
Assam-Agartala	—	—	—	—
Tossa	87.07	32.50	83.05	31.00
Mesta:	—	—	—	—
Assam-Northern	69.66	26.00	72.34	27.00
Local Daissee	69.66	26.00	72.34	27.00
Bihar Dist.	62.96	23.50	66.98	25.00
Pakistan N. C.	88.00	a bale.	May-June	—

THE U.K. JUTE MARKETS

FIBRE STEADIER

(FROM OUR DUNDEE CORRESPONDENT)

The raw jute market was firm in Pakistan last week and it was indicated that minimum export prices would be maintained at the present level for next season. This fact brought out more buying interest here, but there were still sellers offering the lower grades of both white and Tossa jute at under the official rates. This applied to old and new crop fibre.

The spot market in Dundee was steadier despite the fact that a considerable quantity of jute was available ex warehouse. Holders of these parcels were refusing to accept less than their quoted rates, and

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this was most noticeable in the case of Tossa qualities.

Excessive rain was reported from some of the growing districts in East Pakistan, and this tended to harden new crop prices. However, there were sellers of Mill Lightnings at £107, Mill Hearts at £93 and Grade Hearts at £80, c.i.f., U.K., for August-September shipment. Grade Tossa-4 was offered at £107 and Outport Tossa-2/3 at £96 October-November.

Prices of old crop jute were irregular, and a wide range was being quoted. The lowest rates were at £111 for Mill Lightnings, at £92 for Mill Hearts and at £77 10s for Grade Hearts, for May-June shipment. Grade Tossa-2/3 was at £123 10s and Grade Tossa-4 at £105 10s. Dacca Tossa-5 was available to a limited extent at £125 and Dacca Tossa-6 at £107 10s. Outport Tossa-2/3 was now lowest at £94 10s and Outport Tossa-4 at £85 May-June. Cuttings were steady at £54 10s for S.N.C. and at £45 5s for N.C.

The Siam market was firmer and fewer offers are being made. Grade A was at £74, grade B at £69 and grade C at £65, delivered mill Dundee for May-June shipment.

The Calcutta goods market became much dearer during the past week. Stocks of goods held by the Calcutta mills during April showed very little change. Business was taking place here in imported goods prior to the rise in prices, but the position was now quieter. Quotations were at 75s 3d for 40in. 100z. and at 55s for 71oz. a 100 yards f.o.b., Calcutta for May shipment, at 74s 9d and 55s 3d June and at 73s 9d and 55s 3d July-September. B Twills were at 173s, 173s 3d and 173s for the respective shipment periods.

Certain descriptions of yarns and cloth were in good demand, but other qualities were difficult to sell at present. The wide cloths for tufted carpet backings were selling steadily, but linoleum hessians were very quiet.

I.J.M.A. PRODUCTION FIGURES FOR APRIL

The Indian Jute Mills' Association reports the total production of jute goods for April as follows:

Description	Quantity
1. Gunny Bags	
(a) Hessian	6,946 tonnes (6,856 tons)
1,82,60 thousand metres	(1,99,7 lakh yds.)
1,38,1 lakh nos.	
(b) Sacking	41,691 tonnes (41,033 tons)
9,10,23 thousand metres	(9,95,4 lakh yds.)
4,35,1 lakh nos.	
2. Gunny Cloth	
(a) Hessian	36,653 tonnes (36,271 tons)
12,98,15 thousand metres	(14,19,7 lakh yds.)
(b) Sacking	1,494 tonnes (1,470 tons)
28,56 thousand metres	(31,2 lakh yds.)
3. Other Manufactures	18,414 tonnes (18,123 tons)
4. Total Production (All Kinds)	1,05,398 tonnes (1,03,733 tons)

Summary	
(000 metres and 00,000 yds.)	
Hessian	Apr. '63 Mar. '63 Apr. '6
	14,90.75 14,87.45 12,45.2
	(15.19) (15.27) (13.62)
Sacking	9,38.79 9,32.26 9,72.1
	(10.27) (10.20) (10.63)
(000 tonnes and tons)	
Hessian	Apr. '63 Mar. '63 Apr. '6
	43.8 44.4 37.0
	(43.1) (43.7) (36.5)
Sacking	43.2 42.7 45.0
	(42.5) (42.1) (44.3)
Others	18.4 17.4 15.0
	(18.1) (17.1) (14.7)
Grand Total	1,05.4 1,04.5 97.0
	(1,03.7) (1,02.9) (95.5)
Hours worked	208.0 208.0 200.0

N.B.—These statistics are based on replies received and represent all members of the Association and Gagalbhai with estimates for two non-member mills. The figures in brackets are in British units.

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Books

SHIFTS IN PATTERN OF EMPLOYMENT

Unemployment and Structural Change. (Published by the International Labour Office, Geneva. Price \$2 or 14s. pages 206.)

In a dynamic economy, structural changes are inevitable. These may be caused by "technological innovations", exhaustion of natural resources, e.g., mines, changes in taste and fashion, and discovery of new products. Structural changes may also be brought about by changes in Government policy towards protection and tariff or in its planned expenditure. Shifts in the pattern of employment are unavoidable, although the incidence of the problem depends on the nature of structural changes, how fast they take place and the industries they affect. For example, in a small town, the problem of resultant unemployment and the difficulties of absorbing the unemployed labour may prove acute. In large cities, the adjustment problem is more easily mitigated by transferring the unemployed workers to new industries in the locality or to new lines of production. One should not, however, generalise, since every structural change is different from the other and each affects the society in a different way. The study, however, points out that the economic distress of an industrially concentrated area depends upon the size of the declining industry's labour force, the rate of industry's decline and the severity of the secondary repercussions within the region.

The problem is not so acute with young workers who can adapt themselves to changes and can move from one place to another more freely in search of employment. Recruitment of older workers is rendered difficult as they are less inclined to move, generally due to domestic reasons and, secondly, they are usually less adaptable to changes.

This authoritative study by the I.L.O. discusses the various measures of relief for the unemployed and the methods which can be adopted to bring about a speedy solution of the interim adjustment problem. Examples have been drawn from the postwar economies of different countries to show the nature of structural changes which had taken place and the effectiveness of the measures taken to ameliorate the resultant distress and unemployment. Generally speaking, the reabsorption of labour has been less difficult where the Government has consciously pursued a policy of a high level of general employment and has thereby generated a high level of effective demand in the community.

Considerations of economic efficiency often clash with those of social stability when a country seeks to formulate its policy for trade and tariff protection. The fear of dislocation in the domestic economy has caused even industrially advanced countries like the U.S.A. to "go slow" with drastic tariff reductions in favour of the products of the less developed countries. The British Government, too, made arrangements with Hong-kong, India, and Pakistan to limit their export quotas for cotton fabrics to the U.K. over a period of three years to arrest the rapid decline of the British cotton textile industry in the 1950s.

A case study based on the postwar economy of West Germany has been presented in the appendix. This timely publication should attract the attention of Government policy-

makers, trade union leaders and the public at large.

BUSINESS ORGANISATION

Fundamentals of Business Organisation. By Y. K. Bhushan. (Published by Sultanchand and Sons, Nai Sarak, Delhi 6. Price Rs. 13, pages 756.)

The book is meant for students preparing for B.Com. and other pro-

fessional examinations. The topics dealt with include the principles of pricing, cost control, warehousing, produce exchanges, etcetera. The language of the book is simple, and previous years' questions have been reproduced. These two features might appeal to students who are particularly allergic to attending lectures.

RURAL TRANSPORT

Case Studies of the Role of Bullock Carts and Trucks in Rural Transport. (Published by the Programme Evaluation Organisation, Planning Commission, Yojana Bhaban, Parliament Street, New Delhi 1. Pages 142.)

At the request of the Committee on Transport Policy and Co-ordina-

tion, the Programme Evaluation Organisation of the Planning Commission undertook a survey to assess the rôle of bullock carts in rural transport over the last decade or so. Since the study had to cover, for considerable stretches, an untrodden path (both *kutchra* and *pucca*), it was decided to cover five selected mandis and their hinterland through an intensive case study. The nature and extent of the use of bullock carts, the ground lost by them to mechanised transport and the underlying economic factors have been studied in each of these market areas. The main points emerging from these case studies have been summed up in the last chapter. In spite of the many limitations of the study, it does provide some basis for understanding the likely course of development of rural transport in the near future.

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Commodity Markets

RAW RUBBER CONSUMPTION INCREASES STEADILY

(BY OUR SOUTH INDIAN CORRESPONDENT)

THE Indian rubber products industry is likely to require 75,000 tons of raw and synthetic rubber in 1963, according to present estimates. This would be an increase of 13,000 tons over the previous year's consumption. Indigenous production of natural rubber, on the other hand, would expand only to about 40,000 tons if the estimates of the Rubber Board would materialise. The manufacturers are, however, pessimistic; they do not anticipate anything more than 35,000 tons.

This gap between production and consumption will be partially bridged by synthetic rubber produced in India's first synthetic plant in U.P. The plant with an initial capacity of 20,000 tons set up by the Kilachand group with the technical collaboration of Firestone is nearly completed, and production will begin shortly. According to one estimate, the rubber manufacturing industry's entire requirement of 15,000 to 20,000 tons of synthetic rubber during the current

year would be completely met by this new plant. The ultimate capacity of this plant is 30,000 tons a year. Another synthetic plant with a 20,000-ton capacity is likely to come up in some other part of the country.

Mr. P. S. Vaidya, president of the Indian Rubber Industries Association recently drew attention to the increasing use of poly-butadiene rubbers, particularly for motor-vehicle tyres. In his opinion, the Indian tyre industry would have to use more and more of poly-butadiene rubbers if its products were to stand competition in other markets both in price and quality. He was addressing the recent annual general meeting of his Association. He pleaded for the setting up of a plant to produce this kind of rubber in India to meet indigenous demand.

Consumption requirements of raw rubber are increasing and the rubber growing industry in this country is not able to keep pace with this growth. There has been a marked

expansion of manufacturing capacity in India recently. The Government intends to see some 5.2 million tyres and an equal number of tubes produced, compared with the current level of 1.7 million. Some of the earlier estimates of the future consumption requirements will have to be modified in the light of the fast growth in the manufacturing sector. According to one planting estimate, production of natural rubber in India is not likely to rise at a faster rate than 2,500 tons of additional supply each year for at least the next four or five years. The overall picture which emerges is that rubber imports will have to continue for some time to come. Since indigenous produced synthetic rubber will act as the main gap filler in future, natural rubber may have to fight for its share of the market.

Cashew Kernel Exports

According to a trade estimate, exports of processed cashew kernel from India so far this year amounted to about 600,000 cases of 50 lbs each. This represents an increase of 50,000 cases over the exports during the same period last year. A section of the shippers now hold the view that exports in 1963 would touch 2 million cases, compared with 1.8 million cases last year.

Kernel prices have improved slightly from 44 to 46 cents. The market is currently firm following

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purchases by Russia to the tune of 60,000 cases at around 45½ cents a lb. According to market reports, enquiries from the United States have also been coming in, and business to the tune of 25,000 cases has taken place recently at prices between 45½ cents and 46 cents. For some time, this country which is the principal buyer of this commodity, had not been showing any interest at more than 44 cents. Russian entry might have induced the American buyers to revise their price ideas.

It is said that America still has a wide gap to cover. Import by this country so far this year did not exceed 500,000 cases, compared with its normal annual of about 1.2 million cases. Raw nut imports from Africa so far this season are placed at 120,000 tons and another 15,000 tons more are expected. With the Indian production of about 50,000 tons, the overall raw nut supply is considered comfortable. The difficulty of an unworkable raw nut price that existed recently seems to have disappeared.

Plantation Strike Threat

The plantation workers of Kerala under I.N.T.U.C. leadership are planning to stage a token strike on 20th May in support of their demand for a speedy settlement of the problem of their bonus for the past two years. The plantation workers are very dissatisfied about the delay in finalisation of the quantum of their bonus for three years. The State Government made several efforts at various levels to bring the employers and labour to a settlement, but none of them has succeeded so far. The Chief Minister is likely to make a final bid shortly. In the meanwhile, the Labour Minister has indicated that the Government might refer the issue for arbitration or adjudication.

Good General Demand for Dusts

(BY A SPECIAL CORRESPONDENT)

AT the Calcutta Sale held on 8th May, there was a good general demand for Dust teas. Some 29,445 packages were on offer, but the main tendency was towards easier rates and Medium C.T.C. descriptions were quite well supported at prices which were generally easier, but selected small and powdery teas sold well. The strong enquiry recently prevalent for good C.T.C. types was weaker, and this sale was irregular and often easier; a few selected lines, however, were firm to dealer. Plain orthodox dusts were quiet and eased further as the sale progressed, but towards the close, some recovery was evident. "Tea for price" was again a strong feature. The Assam varieties were well supported, but at easier rates; good liquoring invoices, however, were firm and sometimes dearer. The limited quantity of Legg-cuts on offer sold at generally easier rates.

Coomoor auction mart will be in operation during 1963. The first sale was held on 23rd March and fortnightly auctions will follow during the year. This part of the east now holds tea auctions in Calcutta, Cochin and Coonoor in India and Colombo in Ceylon. The new venture is not likely to affect Calcutta, but may in time make inroads into the amount of tea sold through Cochin, although the main idea appears to be to establish a market for internal consumption in the south.

A large proportion of tea gardens in south India, it is reported, are in need of renovation or may be replanting, but in spite of the poor conditions, south India increased its output in 1962 whereas north India fell away considerably.

The Minister of Industries of Assam recently informed the State

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Assembly of a scheme to insure 300,000 workers. The proposals have been worked out by the Assam Tea Provident Fund trustees in consultation with the Life Insurance Corporation of India. The premium may amount to Rs. 50 lakhs to cover the age group 18 to 40. A separate scheme will probably be arranged for staff members. The Emergency Risk Insurance will presumably cover goods, factories and include crops and inland transport against damage by enemy action.

The Planning Minister for Assam, Mr. K. P. Tripathi, inaugurated the first general meeting of the Tea Association of India Cachar Branch recently, when he urged the Central Government and the Tea Board to provide more assistance to the tea industry. He said that the present difficulties were due to lack of replanting as well as bottlenecks, but he considered the outlook for tea in Cachar district as cause for pessimism.

The president of the T.A.I., Mr. S. R. Daga, called on the Government and the Planning Commission to fix tea production well in advance of the start of any plan period. He remarked that the target for the third plan was not fixed until near the end of the second plan. As tea bushes still take some years to mature, this recommendation sounds reasonable.

Mr. Daga criticised the extra levy on excise and pleaded that Cachar estates should be allowed to arrange for deferred payments. He also felt that the increase in wages recommended by the Wage Board were without sufficient justification. He added, "he hoped that in the final report the Board would consider the question of linking wages with productivity. This important question is receiving attention in other countries."

Mr. K. L. Khaitan, the branch chairman, dealt with floods and communications. He drew attention to the urgency of controlling floods as they affected rail and river service and even transport. He also suggested that the authorities should supply foodgrains at subsidised rates, and that for transport and fertilisers, subsidies should be extended to estates with more than 300 acres.

Weather reports from north India for April are not very encouraging, although in upper Assam, conditions have improved due to useful rain. But hail is reported to have caused some damage. Central Assam reports poor outturn, but prospects in the lower region are good. North Cachar has had rain, but it remains too hot and dry in the south where severe hailstorms have occurred. In eastern Doorgas, outturn is poor, but the prospect is now better. In the Cachar areas, it is too cold and here also hail has done damage. In the western areas, yield has been poor, but prospects are brighter. Terai reports good rain and some hail and Darjeeling advises hail, poor crops and bad prospects.

Calcutta sales of Dust teas continue to meet with a good enquiry. Meantime, offerings in Cochin met with a further seasonal decline in quality all round and reports from London state there was a falling off in demand at the auction on 29th April.

It is pleasing to note from a report in the Press that the Government of West Bengal has decided to allow tea gardens to retain their surplus lands. It is understood investigations are continuing and presumably in special cases the Land Acquisition Act will be invoked. This is sound policy, although some reluctance to finance tea estates was recently reported. Most of the gardens in West Bengal are intrinsically sound credit risks and as when expansion of acreage and yields progresses, it will be advisable to continue with deve-

lopments in areas already provided with the necessary facilities as to factories, workers and general amenities. With reference to expansion, it also has to be borne in mind that old land can be renovated and replanted on modern scientific principles considerably cheaper than opening up virgin land. In fact, in the conditions ruling today, it cannot be desirable to further denude good forest lands of useful timber.

New tea auctions in Calcutta for exports are not expected to open before June, or maybe end-May. Meantime, there appears to be a quantity of Dust teas still to come on offer from last year. The proportion of Dusts to Leaf appears to grow larger year by year which is, of course, a natural trend, for it stands to reason that the smaller the atom, the quicker will boiling water produce a brew. Dusts make a stronger infusion than leaf from the same garden and, therefore, suit mechanical vendors. Although flavour, aroma and quality may be lacking the tannin is present. This mixed with milk and sugar provides a cheap and satisfactory beverage to workers.

Improvement in Coffee

Fortunately for tea growers, there has been a moderate increase in the price of coffee. Some robusta marks have improved. Gradually, over the past four years and thanks to international agreements, helped in small degree by climatic conditions, it is thought that the world coffee market is moving towards more stable conditions. The F.A.O. reports that coffee consumption has been increasing over the past five years at the rate of 4 percent a year. This indicates that 20 percent or more coffee is going into consumption. This is said to be due to higher incomes and, for a spell, low coffee prices as well as some reduction in world duties and taxes and better quality as well as an expanding demand for instant coffee. There has also been a decline in production since the record supplies of 1959-60, and the U.S. Department of Agriculture expects this downward trend in output will continue. But it will be seen that the competitive power of coffee is formidable.

CHEMICALLY RESISTANT COVERING MATERIALS

The National Chemical Laboratory, Poona, has developed a process for making chemically resistant material. The latter are required for covering laboratory work benches, flooring and in tank lining used for transporting alkalis and acids. At present, rubber or ebonite is used for these purposes. Rubber modified plastics are forming new series of compounds which yield products with high impact strength. Many thermoplastic resins modified with butadiene-resins have shown improved physical properties. This makes them suitable for brake lining and clutch facings composition. These are all costly and involve the use of chemicals, some of which have to be imported. The National Chemical Laboratory has successfully developed a process for preparing stable and homogenous sheets and structures having desired properties from indigenously available cashew-nut shell liquid. With the exception of accelerator, other raw materials such as cashewnut shell liquid, hexamine and zinc oxide, etcetera, are all available indigenously. The capital expenditure required for a plant capable of preparing 50 lbs of chemically resistant sheetings a day is estimated at Rs. 12,000. The investment data is for preparing only the polymer. No imported equipment is required.

COMPANY AND PUBLIC NOTICES

BRITISH PAINTS (INDIA) LIMITED

REGISTERED OFFICE: 32, CHOWRINGHEE ROAD, CALCUTTA-16.

NOTICE is hereby given that the Thirty-ninth Annual General Meeting of the Shareholders of the above Company will be held at the Registered Office of the Company at 32, Chowringhee Road, Calcutta-16, on Wednesday, the 26th June, 1963, at 11 A.M., to transact the following business:—

1. To receive the Report of the Directors and adopt the Audited Accounts for the year ended 31st December, 1962.
2. To declare a Dividend.
3. To elect a Director.
4. To consider, and if thought fit, to pass the following Resolution, with or without modification:—

"That due notice in writing signifying the intention of a Member to propose him as a Director having been left at the Registered Office pursuant to Section 257 of the Companies Act, 1956 Mr. Robert George Edwards be and is hereby appointed as a Director of the Company."

5. To appoint Auditors and to fix their remuneration.

To Transact as Special Business

6. To consider, and if thought fit, to pass the following Resolution, with or without modification, as a special Resolution:—

"That with effect from the First day of September, 1962, Mr. R. A. Godwin, the Managing Director of the Company, will be entitled to receive from the Company remuneration for his services in accordance with the terms set out in an Agreement dated the 26th day of April, 1963, made between the Company of the one part and Mr. R. A. Godwin of the other part."

7. To transact any other ordinary business that may be brought before the meeting.

By Order of the Board,

S. R. ROY,
Secretary.

Dated at 32, Chowringhee Road, Calcutta-16, the 14th day of May, 1963.

N.B. 1. The Share Transfer Books of the Company will be closed from the 12th June, 1963 to the 26th June, 1963, both days inclusive.

2. A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself, and the Proxy need not be a Member.
3. Subject to the confirmation of the Members in the Annual General Meeting, the related Dividend Warrants in respect of the Shares registered in the Books of the Company on the date of this Meeting will be ready for despatch on the 2nd day of July, 1963, to the Holders thereof.

The explanatory statement as required by Section 173(2) of the Companies Act, 1956 in regard to the Special Business cited above has been forwarded to Members together with a copy of this notice.

THE TITAGHUR PAPER MILLS COMPANY LIMITED

Registered Office: Chartered Bank Buildings, Calcutta-1.

RIGHTS SHARES—UNPAID INSTALMENT MONEY.

NOTICE is hereby given that the Board of Directors of the Company, at its meeting held on the 8th May, 1963, decided that interest on the instalment money, i.e., Rs. 7.50 per share due on the 5th April, 1963, in respect of Rights shares allotted on the 27th February, 1963, would be waived provided that such instalment money is paid in full to the Company on or before the 18th May, 1963, and that allottees who fail to pay such instalment money on or before the 18th May, 1963, shall be liable to interest thereon at the rate of 9 per cent per annum calculated from the 6th April, 1963, until payment. Furthermore the Rights shares allotted and in respect of which the instalment money remains unpaid after the 18th May, 1963, shall be liable to forfeiture in the terms of the Articles of Association of the Company.

Allottees concerned are therefore advised to make a prompt and punctual remittance of the outstanding instalment money to reach the Company on or before the 18th May, 1963. Payment thereafter must be accompanied by the appropriate interest calculated from the 6th April, 1963, to the date of payment.

By Order of the Board,

F. W. HEILGERS & CO. (PRIVATE) LIMITED,
Managing Agents.

Dated 8th May, 1963.

THE TITAGHUR PAPER MILLS COMPANY LIMITED

Registered Office: Chartered Bank Buildings, Calcutta-1.

FRACTIONAL CERTIFICATES.

NOTICE is hereby given that the Board of Directors of the Company, at its meeting held on the 8th May, 1963, has extended the last date for submission of the Fractional Certificates for another three months, and the holders thereof are hereby requested to present, positively on or before the 7th August, 1963, the Fractional Certificate together with another like certificate for conversion into one fully paid-up 'A' Ordinary (Equity) Bonus share of Rs. 10/- in the capital of the Company pursuant to the Special Resolution passed on the 20th December, 1962.

Such application must be made in writing and signed by the person making the same.

By Order of the Board,

F. W. HEILGERS & CO. (PRIVATE) LIMITED,
Managing Agents.
Dated, 8th May, 1963.

BALMER LAWRIE & CO. LTD.

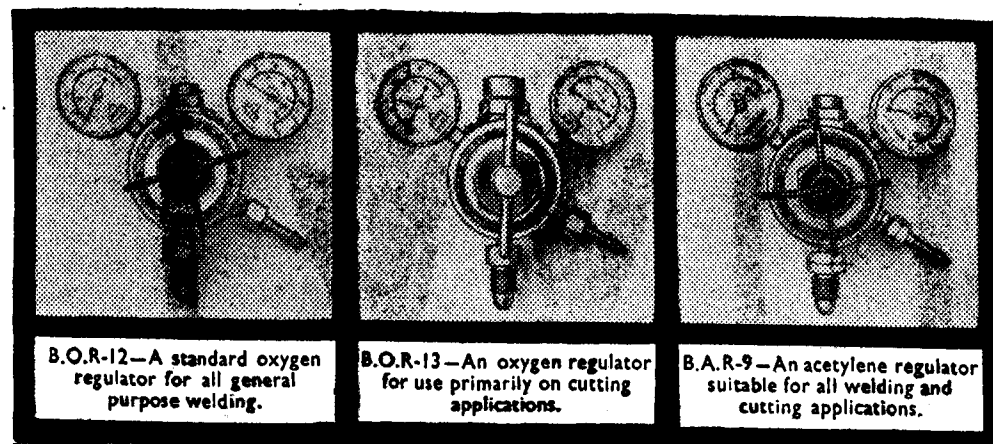
THE Board of Directors of the Company has decided to recommend to the forthcoming Annual General Meeting, the payment of a final dividend of 18 percent for the year ended 31st December, 1962.

BALMER LAWRIE & CO. LTD.

D. MANSON,
Managing Director.

21, Netaji Subhas Road,
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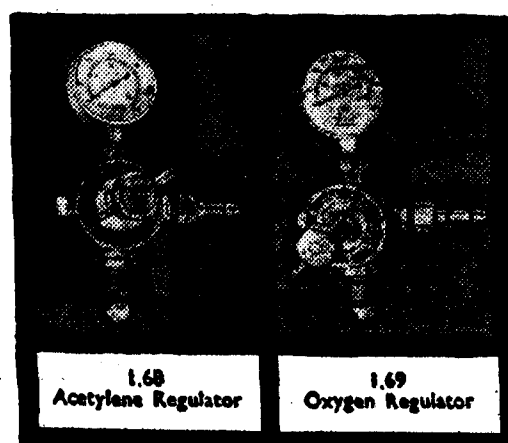
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INDIAN OXYGEN LIMITED

THE BENGAL FLOUR MILLS CO. LTD.

NOTICE is hereby given to the members of the above-named Company that the Annual General Meeting (being the one hundred and twenty-ninth Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Friday, 7th June, 1963, at 12-30 p.m. to consider the Accounts of the Company for the year ended 31st December, 1962, and to transact other ordinary business.

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 23rd May, 1963 to 7th June, 1963, both days inclusive.

By Order of the Board,

BALMER LAWRIE & CO. LTD.,
D. MANSON,
Managing Director,
Managing Agents,

21, Netaji Subhas Road,
Calcutta, 1st May, 1963.

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

INDUSTRIAL CONTAINERS LTD.

NOTICE is hereby given to the members of the above-named Company that the Fifth Annual General Meeting will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Friday, 7th June, 1963, at 3-15 p.m. to consider the Accounts of the Company for the year ended 31st December, 1962, and to transact other ordinary business.

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 23rd May, 1963 to 7th June, 1963, both days inclusive.

By Order of the Board,

BALMER LAWRIE & CO. LTD.,
D. MANSON,
Managing Director,
Secretaries.

21, Netaji Subhas Road,

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

STEEL CONTAINERS LTD.

NOTICE is hereby given to the members of the above-named Company that the Fifth Annual General Meeting will be held at the Registered Office of the Company, 21, Netaji

Subhas Road, Calcutta, on Friday, 7th June, 1963, at 3 p.m. to consider the Accounts of the Company for the year ended 31st December, 1962, and to transact other ordinary business.

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 23rd May, 1963 to 7th June, 1963, both days inclusive.

By Order of the Board,

BALMER LAWRIE & CO. LTD.,
D. MANSON,
Managing Director,
Secretaries.

21, Netaji Subhas Road,
Calcutta, 10th May, 1963.

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

FOR Mining or Purchasing ore having SiO₂ — 5.30, CaO — 53.15, MgO — 40.21% in desired quantities.

Enquire of:—

NATIONAL INDUSTRIES,
Katni (M.P.)

CAPITAL, 16th May, 1963.
INDIAN COPPER CORPORATION LIMITED

(Incorporated in England)

DIVIDEND NO. 37.

NOTICE is hereby given that at the Thirtieth Annual General Meeting to be held in Committee Room No. 2 (2nd Floor) of the Bengal Chamber of Commerce and Industry, Royal Exchange, Calcutta, on Wednesday, the 14th August, 1963 at 11-30 A.M. the Directors will recommend payment of a Dividend (No. 37) for the year ended 31st December, 1962 of 18% (4.32 pence i.e. 24 Naye Paise per unit of stock) subject to deduction of Tax in respect of the Issued Capital of ₹1,371,300. Subject to confirmation of members, the dividend will be paid on the 6th September, 1963 to all members registered in the books of the Company at the close of business on the 15th June, 1963.

The Registers of Members will be closed from the 17th June, 1963 to the 6th July, 1963, both days inclusive.

By Order of the Board,

E. A. JOHNSTON,
Assistant Secretary.

Gillander House,
Netaji Subhas Road,
Calcutta-1.

Dated the 15th May, 1963.

Note: Profit and Appropriation figures have not been given in this Notice in view of Rule 52 of the Defence of India Rules which inter-alia prohibits a mining undertaking from publishing such figures.

The Company meetings and dividends table appears on page 713.

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED

(Incorporated in England)

5% RUPEE DEBENTURE STOCK, 1970

Interest for the half-year ending 30th June, 1963

NOTICE is hereby given that interest at the rate of Rs. 25/- (less Indian Income Tax) per Rs. 1,000/- of Stock will be paid on 1st July 1963 to Debenture Stockholders registered in the books of the Company on 21st June, 1963. Applications for transfers received at the Company's office at Victoria House, Post Box 304, Chowringhee Sq., Calcutta, upto 21st June, 1963, will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above interest.

Debenture Stock Transfer Books will be closed from 22nd June, 1963 to 29th June, 1963 both days inclusive.

By Order of the Board,

D. P. M. KANGA,
Agent.

Victoria House,
Calcutta, 13th May, 1963.

THE CHAMPDANY JUTE CO. LIMITED

THE Directors, at a Board Meeting held today, decided to recommend to the Shareholders in General Meeting the payment of a final dividend at the rate of 35% or Rs. 3/50 per each share of Rs. 10/-. The dividend will be subject to deduction of tax.

A notice calling the Annual General Meeting on 11th June, 1963, will be published shortly.

By Order of the Board,
JAMES FINLAY & CO., LIMITED,
Managing Agent.

2, Netaji Subhas Road,
Calcutta, 14th May, 1963.

"CAPITAL" STOCK AND SHARE LIST
THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta Bombay Madras London Stock

Exchange Associations and other sources.

Figures given after stroke (/) mean Naye Paise.

Wednesday, 15th May, 1963.

All rights reserved

GOVERNMENTS LOANS

Outstanding Amount	Year of issue	Repayable	Market quotations
2,48,91,07,000	3 1946	1986 or later	63/70
8,93,33,000	3 1896-97	(At the option of the Government of India after a months notice	62/50
1,16,17,46,000	3 1938	1963 65	99/90
1,10,11,78,000	3 1943	1966 68	96/20
30,33,10,000	3 1950	1964	98/90
14,77,48,000	23 1946	1976	93/50
1,15,05,33,000	3 1948	1970-75	96/35
1,58,17,94,000	3 1944	1964	99/50
1,53,67,92,000	3 1955	1965	99/35
58,05,92,000	3 1958	1963	99/90
58,63,53,000	3 1956	1974	95/60
58,99,30,000	3 1957	1967	99/00
1,54,59,21,000	4 1957	1972	99/10
74,61,44,000	4 1958	1973	99/00
1,97,40,92,000	3 1956	1967	98/05
1,56,58,41,000	3 1958	1968	97/65
1,90,85,42,000	3 1958	1968	96/90
81,06,39,000	4 1959	1970	98/20
82,65,41,000	3 1960	1966	99/10
98,50,17,000	4 1960	1980	98/10
65,96,55,000	4 1961	1981	98/10

GOVERNMENT OF INDIA
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PORT TRUST LOANS

Outstanding Amount	Year of issue	Repayable	Market quotations
2,48,91,07,000	3 1946	1986 or later	63/70
8,93,33,000	3 1896-97	(At the option of the Government of India after a months notice	62/50
1,16,17,46,000	3 1938	1963 65	99/90
1,10,11,78,000	3 1943	1966 68	96/20
30,33,10,000	3 1950	1964	98/90
14,77,48,000	23 1946	1976	93/50
1,15,05,33,000	3 1948	1970-75	96/35
1,58,17,94,000	3 1944	1964	99/50
1,53,67,92,000	3 1955	1965	99/35
58,05,92,000	3 1958	1963	99/90
58,63,53,000	3 1956	1974	95/60
58,99,30,000	3 1957	1967	99/00
1,54,59,21,000	4 1957	1972	99/10
74,61,44,000	4 1958	1973	99/00
1,97,40,92,000	3 1956	1967	98/05
1,56,58,41,000	3 1958	1968	97/65
1,90,85,42,000	3 1958	1968	96/90
81,06,39,000	4 1959	1970	98/20
82,65,41,000	3 1960	1966	99/10
98,50,17,000	4 1960	1980	98/10
65,96,55,000	4 1961	1981	98/10

GOVERNMENT OF INDIA
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BANKS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		15-5-63	8-5-63	A year ago		1959	1960	1961		15-5-63	8-5-63	A year ago
Allahabad Bank P.	18	18	18	100	275/00	275/00	329/00	Indian Overseas Bank	12	14	14-14*	100	145/60	154/50	161/28
Bank of Baroda	14	17	17	50	87/50	87/50	105/00	Industrial Finance Corpn.	..	..	..	50	..	..	..
Bank of India	16	20	20-20*	50	110/00	109/50	115/00	National & Grindlays Bank	12½	13½	14-16* sh	15 sh	30/10½	sh 31/3	sh 36/-
Central Bank of India	17-1/5	20 2/5	20-20*	2½	56/50	59/00	63/00	Punjab National Bank	20	20	20	10	10/06	19/20	21/80
Chartered Bank	15	15	15	£1	st 60/7½	sh. 60/9	sh. 56/7-	Union Bank of India	11 2/3	11 2/3	11 2/3	5	5/24	5/24	7/92
Hindusthan Commercial	Nil	Nil	Nil-Nil*	50	13/87	13/87	18/12	United Bank of India	4.3	4.3	6-6*	10	7/31	7/31	7/44
Hindusthan Mercantile	Nil	Nil	Nil	50	15/62	15/62	16/06	United Commercial Bank	11	12	12	50	71/50	72/00	91/50
Hong Kong & Shanghai	23	23½	23½	HK\$25	£17	£17	£17½								
Indian Bank	15	15	15-14*	100	165/45	170/00	176/00								

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		15-5-63	8-5-63	A year ago		1959	1960	1961		15-5-63	8-5-63	A year ago
Agarpara P.	10	2½	2½	10	10/00	10/00	12/12	Hukumchand P.	25½	28½	26½	7½	22/00	22/00	26/31
Alexandra P.	44	15	..	100	300/00	300/00	305/00	India	14	12	8	12½	18/00	17/50	17/75
Alliance P.	6	Nil	10	100	100/00	100/00	108/00	Kamarbhatti P.	5	Nil	..	100	185/00	181/00	187/00
Anglo-India P.	20	7	10	100	226/00	228/00	238/00	Kankannar P.	Nil	Nil	..	100	142/00	140/00	132/00
Auckland P.	27	12	Nil	100	144/00	144/00	148/00	Kelvin P.	15	15	..	100	170/00	170/00	203/00
Bally P.	25	25	25	100	270/00	270/00	310/00	Khardan P.	20	5	12½	10	16/50	16/50	17/31
Barragore P.	30	10	10	45	180/00	180/00	180/00	Kinnison P.	20	7	Nil	100	140/00	140/00	167/00
Birla P.	5	..	..	10	10/25	10/25	10/64	Lansdowne P.	Nil	Nil	Nil	100	84/50	85/00	143/00
Budge Budge P.	15	15	15	10	28/75	28/75	35/37	Lawrence P.	7	15	10	100	100/00	100/00	171/00
Calcutta P.	10	Nil	..	100	156/00	156/00	158/00	Magna P.	12	12½	Nil	10	13/31	13/31	13/12
Caledonian P.	12	..	..	10	8/12	8/12	8/37	Naihati P.	..	..	..	100	81/00	81/00	115/00
Champdany P.	10	5	Nil	10	24/00	24/00	206/00	Naskarpara	..	..	..	10	9/06	9/06	10/50
Cheviot P.	Nil	5	..	10	24/31	23/25	25/87	National P.	7½	Nil	..	10	23/06	23/75	22/50
Chitavalab P.	5	Nil	5	10	10/75	10/75	12/87	Nellmaria P.	5	6	15	10	11/50	11/50	12/06
Clive P.	..	..	..	10	7/62	7/62	9/00	New Central P.	15	15	Nil	10	12/00	11/75	17/06
Dalhousie P.	7½	1	Nil	100	145/00	145/00	132/00	Northbrook P.	8	6	5	50	30/25	30/25	39/50
Delta P.	12½	Nil	12½	100	156/00	157/00	192/00	Nuddes	5½	5½	5½	50	55/25	52/50	5/69
Empire P.	12½	7½	12½	10	14/69	14/69	19/12	Presidency	8	6	10	6	9/56	9/56	9/50
Fort Gloster P.	25	10	12½	100	372/00	371/00	455/00	Rameswara P.	Nil	Nil	Nil	10	11/62	10/62	7/75
Fort William P.	22½	22½	10	10	26/12	26/12	26/62	Reliance P.	6	Nil	..	£1	10/50	10/50	10/50
Ganges P.	10	10	13	10	13/31	13/37	14/94	Sammugger P.	25	25	..	10	22/75	21/25	25/56
General Industrial	40	10	..	10	15/44	15/44	55/00	Shree Ambica P.	9	6	Nil	10	25/00	25/00	35/00
Gourepore P.	30	25	20	10	25/50	25/50	..	Soorab P.	25	25	..	10	22/75	21/25	25/56
Hastings P.	6	6	6	100	128/00	128/00	124/00	Titaashur P.	6	Nil	..	£1	10/50	10/50	10/50
Hoochly P.	10	..	..	10	20/00	20/00	27/25	Union P.	25	6	Nil	100	158/00	144/00	185/00
Howrah P.	12½	10	Nil	10	20/00	20/00	21/12	Victoria P.	6	Nil	..	£1	10/50	10/50	10/50
								Waverley P.	30	30	60	1	7/12	7/06	6/30

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		15-5-63	8-5-63	A year ago		1959	1960	1961		15-5-63	8-5-63	A year ago
Amalgamated	10	12½	15	10	22/94	22/87	22/00	Mundulpur	..	..	..	10	3/69	2/69	2/69
Bengal Bhatdee	25	21	..	100	286/00	373/00	380/00	Nazira	..	..	..	10	5/00	5/00	7/62
Bengal Nagpur	..	..	..	10	4/42	3/46	3/48	New Beerbhoom P.	10	..	..	10	19/37	19/37	22/87
Bhaigora	..	26	..	10	22/00	22/00	20/18	New Manbhoom	7½	9	12	10	16/00	16/00	13/75
Bharat Collieries P.	..	..	..	10	4/87	4/87	4/75								
Bhulanbararee	..	..	..	10	3/56	3/53	4/25								
Bokaro & Ramgur	..	..	..	10	11/94	11/94	5/25								
Borra P.	15	15	..	10	11/19	11/19	14/08	North West	30	20	..	10	19/75	19/75	22/06
Burrakur P.	13	13	13	10	23/87	23/87	23/25								
Central India	8	10	10	10	16/81	16/62	18/56	Ondal P.	6	7½	..	10	12/00	12/03	14/40
Central Kurkend P.	..	..	..	10	10/47	10/47	12/87	Parasae P.	11	11	..	10	18/00	18/00	17/88
Churulia	Nil	..	..	4	3/06	3/06	3/06	Pench Valley	10	10	10	10	18/00	18/00	18/12
Chemo Main	Nil	..	..	10	5/75	5/75	7/50	Pure Sitalpur	15	..	..	10	8/00	8/00	8/00
East India	7½	15	20½	£1	31/87	31/87	51/00	Raneegunge	20	17	17	10	16/00	16/00	16/56
Equitable P.	15	10	..	10	26/81	25/62	28/25	Rewa	20	20	..	10	28/50	28/50	28/25
Ghazick & Muslia	Nil	Nil	Nil	10	14/25	14/25	14/00	Samia	10	..	..	10	10/03	10/03	8/87
Guzdar Kajora	..	..	..	10	2/03	2/03	2/00	Searsole	Nil	Nil	Nil	10	1/25	1/22	2/03
Hurrididib	..	..	..	10	8/12	8/12	8/12	Seebore P.	42 6/7	42 6/7	..	2½	45/00	45/00	47/15
								South Karanpura	6	3½	..	10	6/25	6/25	7/69
Karanpura Development	8	6	..	100	12/50	12/62	17/06	Standard	13	10	..	10	16/62	16/62	16/00
Karanpura Collieries P.	7½	10	10	10	16/75	16/75	19/04	Union	..	..	..	10	10/37	10/37	10/06
Katras Jherriah	95	40	25	10	87/75	87/75	48/37	Western Bengal	6	7½	..	10	9/19	9/25	10/81
Khas Kajora P.	..	..	..	10	18/70	18/70	18/70	West Jamuria	Nil	Nil	..	10	4/12	4/12	9/37

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		15-5-63	8-5-63	A year ago		1959	1960	1961		15-5-63	8-5-63	A year ago
Basant P.	..	..	..	10	11/56	12/75	7/87	Elgin P.	11½	17½	17½	10	18/56	18/56	21/60
Banga Luxmi	..	..	..	10	28/00	28/00	28/00	J. K. Cotton (Rayon) P.	10	10	..	10	13/62	13/94	22/00
Bengal Nagpur P.	Nil	..	..	10	3/00	3/00	3/81	Jay Shree	..	..	..	100	106/00	106/00	114/00
Bharat Commerce	10	20	20	10	22/50	23/08	29/87	Muir P.	Nil	..	..	2½	1/50	1/44	1/91
Birla Cotton	10	20	20	10	26/75	26/75	27/00	New Victoria P.	Nil	Nil	..	10	9/00	9/00	10/06
Bowreah P.	10	20	..	10	23/50	24/00	39/12	Orissa Textiles P.	3	Nil	..	10	12/00	12/00	11/00
Cawnpore Textiles	7-1/5	10	..	5	6/50	6/75	8/56	Rampoor Cotton	Nil	Nil	Nil	100	2/00	2/00	2/00
Delhi Cloth & Genl P.	12	13	13	25	42/44	44/37	61/50	Swadeshi (Kanpur) P.	5.51	..	..	10PO	6/75	6/75	8/62
Dunbar	20	20	..	10	27/50	27/56	33/87								

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		14-5-63	7-5-63	A year ago		1959	1960	1961		14-5-63	7-5-63	A year ago
	Ra	Ra	Ra		Ra	Ra	Ra		Ra	Ra	Ra		Ra	Ra	Ra
Ahmedabad Advance P.	7	16	..	100	170/00	170/00	209/00	Indian	..	..	..	250	761/25	761/25	..
Apollo	..	..	..	2	2/12	2/12	2/36	Indore Malwa United	7	8½	10	100	187/00	185/00	180/00
Beharilal Ramcharan	Nil	Nil	..	100	76/00	76/00	77/00	Khatana Maknaji P.	18	32	..	100	440/00	432/50	510/00
Bombay Dyeing, etc.	14	14	14	25	62/10	62/10	67/90	Kohinoor	9½	15	18	100	320/00	318/00	310/00
Bradbury P.	10	10	25	50	150/00	150/00	198/75	Lakshmi-Vishnu P.	Nil	5.7	6	100	98/00	101/00	147/00
Century	..	..	..	100	114/00	114/00	155/00	Morarijee Goculdas P.	21½	24	24-24*	100	435/00	435/00	420/00
Central India P.	Nil	Nil	Nil	100	140/00	140/00	160/00	Mysore Spg. & Mfg. P.	10	14	14	50	46/00	46/00	64/70
Corla	20	30	30	50	142/00	142/00	164/00	New City of Bombay	..	..	..	100	142/50	142/50	181/00
Dawn	9	..	..	200	325/00	325/00	372/50	New Great Eastern P.	..	..	..	100	255/00	270/00	307/00
Edward Textiles	14	18	22	50	100/00	104/00	137/00	Phoenix	..	..	..	100	208/00	208/00	270/00
Elphinstone P.	..	..	..	100	320/00	320/00	315/00	Sassoon & Alliance	Nil	Nil	..	10	12/24	12/24	14/00
Finlay	..	..	..	100	170/00	170/00	223/00	Sassoon Spinning	25	17	20	10	48/75	48/75	64/00
Gokak	..	..	..	250	810/00	810/00	..	Simplex	15	10	Nil	100	125/50	134/50	172/00
Hindustan	..	..	..	10	23/04	22/32	22/32	Shree Niwas P.	20	15	18	20	237/00	240/00	281/00
India United	..	..	..	10	2/52	2/60	3/52	Svadeshi P.	14	17	..	100	248/00	248/00	289/00
	..	..	..	10	23/04	22/32	22/32	Swan	..	..	..	100	300/00	300/00	331/25
	..	..	..	10	23/04	22/32	22/32	Tata	10	20	..	25	58/00	60/50	77/50
	..	..	..	10	23/04	22/32	22/32	Western India	..	..	..	25	785/00	785/00	802/50

TEA COMPANIES—Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until												
	1959	1960	1961		Rs.	Rs.	A year ago		1959	1960	1961		Rs.	Rs.	A year ago										
Grob	14	6	6	5	9/00	9/00	10/31	Singell	Nil	Nil	Nil	100	36/75	36/75	37/25										
Hoograjuli (Assam)	25	20	20	10	27/12	27/12	24/44	Singtom	5	2	..	10	3/50	3/50	4/62										
Hoolungoree	20	10	7½	100	195/00	195/00	172/00	Soom	30	50	40	10	30/75	31/00	50/25										
Jutlibari	10	30	30	10	31/50	32/00	32/00	Sungma	10	15	15	10	13/00	13/00	14/62										
Kingsley Golaghat P.	35	35	..	100	140/00	130/00	212/00	Teesta Valley	Nil	Nil	8 4/7½	10	11/25	11/25	13/19										
Kotamullai P.	Nil	Nil	Nil	5	10/31	10/31	10/37	Tukvar	..	..	..	10	7/12	7/12	7/06										
Krishnabehari	10	15	8	10	10/50	10/50	10/12	DOOARS																	
Krang Tea	Nil	Nil	..	10	8/06	8/06	8/06	Banarhat P.	32½	22½	21	100	226/00	226/00	294/00										
Ledo	Nil	Nil	Nil	10	17/25	17/25	17/75	Baradighi	25	30	25	10	23/25	23/25	26/00										
Maud Tea & Seed	7½	10	7½	10	14/81	14/81	15/25	Bhatkawa	10	15	15	10	18/00	18/00	21/25										
Methoni	15	5	14	10	17/31	17/31	21/25	Birpara P.	22½	17½	12½	100	160/00	160/00	153/00										
Moheema	10	Nil	..	10	11/50	11/50	11/50	Carron	15	20	5	100	145/00	145/00	145/00										
Mothola	25	30	30	100	507/00	507/00	507/00	Choonabhatti P.	30	32½	20	100	210/00	210/00	262/00										
Murphulani (Assam)	20	5	15	10	26/50	26/50	26/50	Ellenbarrie	5	5	5	100	184/00	184/00	178/00										
	25	10.63	20.63	10	28/75	28/75	28/75	Engo	Nil	60	30	100	136/00	136/00	136/00										
Naga Hills	5	10	10	10	22/25	22/25	21/50	Ethelbati	Nil	5	5	10	13/12	13/12	8/37										
Namburnadi	16	12	..	10	14/56	14/56	14/00	Gairkhata	12½	25	20	10	21/50	21/50	25/12										
New Cinnatollah	Nil	Nil	Nil	100	302/00	302/00	120/00	Gopalpur	9 2/4	12	2	25	19/50	19/50	20/00										
Rajgarh	35	40	13½	10	21/37	21/37	22/50	Hantapara P.	12½	15	5	100	110/00	110/00	124/00										
Sapoi	20	22½	20	10	19/87	19/87	18/44	Hasimara P.	12½	17	18½	10	12/56	12/56	30/18										
Seajuli	17½	22½	15	10	21/12	21/12	22/50	Hulidibari	22½	22½	19 2/7½	10	12/62	13/12	27/81										
Selotian	25	25	25	10	27/75	27/75	27/25	Jaybirpara	5	10	Nil	10	11/75	11/12	14/06										
Tengpani	17½	30	30	10	35/00	35/00	35/00	Killcott	17½	25	15	10	16/25	16/25	18/87										
Tezpor P.	20	20	12½	10	15/37	15/37	17/12	Manabarrie	5	10	6	10	59/50	59/50	56/37										
Tongani	Nil	Nil	..	10	6/50	6/50	6/25	Nagaisuree	17½	25	15	100	140/00	146/00	169/50										
Tyoon	30	10	15	10	34/37	34/37	37/87	New Dooars P.	32½	35	20	100	230/00	230/00	296/00										
OACHAR								Odiabari	10	12½	7½	100	14/25	14/25	15/25										
Arcuttipore	Nil	Nil	..	10	7/00	7/00	7/00	Phaskowa	Nil	Nil	Nil	100	129/00	129/00	127/05										
Baitakhal	5	2½	..	10	7/31	7/31	6/69	Rajabhat	10	15	15	10	16/75	16/75	20/62										
Central Cachar	5	5	7½	100	73/00	73/00	74/75	Rancherra	10	15	15	10	27/31	27/31	26/00										
Eastern Cachar	Nil	Nil	..	10	4/12	4/12	2/37	Rydak	30	25	20	10	36/25	36/25	36/00										
Kallinugger Khoreel	6	6	..	100	87/00	87/00	86/00	Sarugaon	40	40	40	10													
Hattikhira	5	Nil	8	10	9/12	9/12	12/44	TERAI																	
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00	Atal	10	5	..	10	8/75	8/75	8/15										
Loobah	Nil	Nil	..	10	4/37	4/37	4/25	Belgachi	20	20	..	10	20/50	20/50	21/62										
North Western	30	30	20	100	160/00	160/00	205/00	Gungaram	15	20	12½	100	117/00	117/00	159/00										
Pathemara	Nil	Nil	Nil	10	7/50	7/50	7/50	Hansqua	17½	20	15	10	20/00	20/00	16/25										
Roopacherra	Nil	Nil	..	10	13/62	13/62	13/62	New Chumta	15	15	12 6/7½	10	24/62	24/62	33/50										
Rungamatie	7½	5	5	50	53/50	53/50	58/50	New Terai	15	22½	..	10	36/00	36/00	36/00										
Sonai River	Nil	Nil	..	10	9/12	9/12	9/12	Pahargomiah	25	20	..	10	31/12	31/12	31/25										
DARJEELING								Putinbaree	26	14	..	10	45/00	45/00	45/00										
Bloomfield	Nil	Nil	..	10	3/00	3/00	3/25	Tirrihannah P.	40	40	..	10	49/00	49/00	49/00										
Chamong	Nil	Nil	..	10	9/00	9/00	10/25	CHITTAGONG																	
Darjeeling Tea & Chn.	Nil	30	..	100	197/00	197/00	164/00	Kodala	Nil	Nil	..	10	9/25	9/25	9/25										
Ditaram	5	8	..	100	102/50	102/50	102/50	Kornafull	Nil	Nil	..	10	13/96	13/06	12/50										
Gfelle	Nil	Nil	8 4/7½	10	11/69	11/69	11/44	Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00										
Lingia P.	12½	15	10	10	14/56	14/56	14/56	SYLHET																	
Longview	14	12½	..	10	11/00	11/00	11/00	Chundeecherra	15	22½	..	10	26/00	26/00	24/37										
Margaret's Hope	10	15	15	10	11/62	11/62	12/75	Dauracherra	Nil	Nil	22½	10	7/56	7/56	6/94										
Mim	10	22½	20	100	191/50	191/50	191/50	Kaliti	Nil	Nil	Nil	10	10/00	10/00	9/25										
Nagri Farm	20	30	25	10	27/00	27/00	25/44	New Samanbagh P.	Nil	25	Nil	10	18/37	18/37	20/81										
Okayi	32½	25	25	100	595/00	595/00	600/00	Patrakola	40	32½	40	100	133/00	140/00	138/00										
Pashok	10	10	..	10	20/00	20/00	20/00	Rajnagar	Nil	Nil	..	10	9/58	9/58	9/58										
Poobong	Nil	Nil	Nil	10	7/50	7/50	7/75	Telapara	17½	22½	32½	100	99/00	99/00	112/00										
Pussimong P.	Nil	Nil	Nil	10	8/87	8/87	7/75	1 Hectares.																	
Runglee Runglot	10	35	20	100	386/00	386/00	386/00	MISCELLANEOUS COMPANIES																	
Seeyok	15	15	..	10	8/50	8/50	8/50																		

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1959	1960	1961		15-5-63	8-5-63	A year ago	1959		1960	1961	15-5-63		8-5-63	A year ago		
MININGS																	
Burma Mines	2 41/42	23/5	Nil	3½S	0/44	0/44	0/44	Alkali & Chemical Corp. of (I)	9½	12	15-15*	10	33/87	36/31	51/50		
Chrestien Mica Industries P.	15	15	12½	100	9/85	9/85	12/50	Sathgate & Co. Ltd. P.	Nil	Nil	..	5	0/84	0/84	0/87		
Indian Copper Corporation	25	25	20	5Dd	8/85	8/85	8/62	Bengal Chemical & Pharm. P.	7	7	10	100	97/00	97/00	112/00		
Metal Corporation P.	27	27	27	2s	4/08	4/18	5/13	Calcutta Chemical P.	18	18	18-18*	10	17/87	18/00	17/75		
Orissa Mineral Development	36	36	28-20*	10	7/94	8/12	13/75	Frank Ross P.	..	..	..	6	3/25	3/25	3/25		
					27/37	27/69	42/60	Smith Stanistreet P.	25	25	25-25*	5	12/81	12/81	16/28		
CHEMICAL INDUSTRIES																	
ELECTRIC LIGHTING, POWERS																	
Ashoka Cement	4½	7	7-7*	10	7/19	7/12	8/69	Agra Electric Supply	10	11	11-11*	100	120/00	120/00	125/00		
Assam Bengal Cement	..	..	..	100	3/03	3/03	3/69	Bareilly Electric Supply	10	11	11-11*	10	14/37	14/37	11/75		
Bengal Potteries	14 29/00	15	..	11Dd	0/69	0/69	0/181	Bhagalpur Electric Supply	5	11	11-11*	10	12/44	12/44	12/25		
Bisra Stone Lime	18.7	30	31-10*	2½	5/44	5/44	7/00	Calcutta Electric Supply	8	8	10-8*	10	6/00	6/00	6/03		
					35/00	35/00	35/62	Cuttack Electric Supply	6½	7½	7½-7½*	£1	14/12	14/31	14/84		
Dalmia Cement (Bharat) P.	12	12	12	100	13/28	12/87	13/62	Dishergarh Power Supply P.	6½/5	10	10-10*	100	88/00	88/00	93/00		
				11Dd	2/15	2/15	2/75	Jhansi Electric Supply	9½/5	..	..	10	5/90	5/90	6/08		
							2/75	Jubbulpore Electric Supply	9½/5	10	10-10*	10	11/25	11/25	11/00		
								Mirzapur Electric Supply	10	..	..	9	12/00	12/00	7/08		
								Muzafferpore Electric Supply	8	12½	12½-12½*	10	11/50	12/25	11/75		
								Muttara Electric Supply	8	..	..	10	11/12	11/12	10/37		
								Patna Electric Supply	10	10	10-10*	10	10/56	10/56	11/62		
								Shahjahanpur Electric P.	5	6½	6½-6½*	10	7/00	7/00	6/75		
								Silua (Jheriah) Electric	5	9	9-9*	10	8/25	8/25	8/08		
								United Provinces Electric	10	11	11-11*	100	115/50	115/50	126/00		
								Upper Juma Valley Electric	12½	13½	13½-13½*	10	14/08	14/08	15/25		
CEMENT, LIME, SLATE, ETC.																	
Jaipur Udyog P.	Nil	6	8-8.36*	10	10/81	10/75	14/31	Muttara Electric Supply	8	..	..	10	11/12	11/12	10/37		
Kumardhubi Fireclay & Silica P.	48	18	18	10	18/45	18/45	18/45	Patna Electric Supply	10	10	10-10*	10	10/56	10/56	11/62		
Orissa Cement P.	11	15	15	10	14/00	13/62	19/58	Shahjahanpur Electric P.	5	6½	6½-6½*	10	7/00	7/00	6/75		
Reliance Firebricks & Pottery	40	22	15-10*	5	22/75	22/75	18/25	Silua (Jheriah) Electric	5	9	9-9*	10	8/25	8/25	8/08		
Sone Valley Portland Cement	Nil	4	..	10	4/19	4/12	5/44	United Provinces Electric	10	11	11-11*	100	115/50	115/50	126/00		
Sutna Stone & Lime	20	27½	30	10	35/00	35/00	37/00	Upper Juma Valley Electric	12½	13½	13½-13½*	10	14/08	14/08	15/25		

SOUTH INDIA PLANTATION COMPANIES

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		14-5-63	7-5-63	A year ago		1959	1960	1961		14-5-63	7-5-63	A year ago
Amalgamated P.	7½	10	..	10	10/36	10/36	11/06	Malankara	16	15	..	10	15/56	15/56	16/90
Anandam P.	15	15	..	10	15/24	15/24	13/22	Midland Rub & Prod P.	10	12½	12½	10	10/80	10/50	11/50
Atthimattam	Nil	Nil	..	2	0/80	0/80	0/80	Nilgiri P.	5	3	..	10	8/90	8/90	9/00
Balanor P.	15	15	12	10	12/00	12/00	13/75	Nonsuch	20	20	20	10	21/80	21/80	22/25
Balmadies P.	7½	7½	..	2	1/90	1/90	1/90	Jssoor	15	15	..	2	2/71	2/71	2/80
Be Be P.	6	Nil	..	5	2/15	2/15	2/53	Juchterlongy	15	13	12	2	3/75	3/75	3/88
Blue Mountain	12½	12½	10-10*	2	2/37	2/44	2/57	Parkside Neilgherry	27½	27½	27½	10	24/00	24/00	23/00
Chembr Peak	15	20	20-20*	2	2/73	3/75	3/57	Peermade P.	22½	22½	25	10	21/87	22/50	20/10
Cochin Malabar P.	15	17½	20-20*	3	6/00	7/04	7/04	Peritussular	20	20	..	10	20/70	20/70	22/10
Coffee Lands P.	25	6	..	10	13/50	13/50	16/62	Periakaramalai	12½	13½	20	2	3/00	3/00	3/52
Consolidated Coffee P.	25	20	..	10	17/00	17/25	19/25	Rajagiri Rub & Prod P.	20	20	20	10	18/25	18/25	20/35
Coomoor P.	20	17½	..	10	18/50	18/50	23/00	Rajendra P.	50	25	..	5	9/80	9/80	11/12
								Swinton	7½	12½	..	2	2/82	2/82	2/82
Coorg P.	20	20	..	2	4/45	4/45	4/93	Teekoy P.	6	Nil	..	10	6/10	6/10	5/45
Cottanad Plantation P.	15	10	..	10	9/31	9/31	10/10	Thirumbadi	1	7	12	1	1/30	1/30	1/57
Devashola (Nilgiri)	25	20	..	10	24/92	24/92	26/05	Travancore Rubber	10	13	..	10	10/50	10/50	12/45
Devon P.	15	15	12	10	12/66	12/66	13/50	Travancore Rub & Tea P.	7½	8	10	10	8/90	8/80	10/85
Emerald Valley	8	..	..	5	6/25	5/08	5/00	Tropical Plantations	8	8	..	25	19/75	19/75	18/75
Gokul	9	10	..	2	1/90	1/90	1/91	Twytford	10	10	..	10	9/10	9/10	10/75
Halleyburia P.	12½	15	..	10	12/50	12/62	13/60	Unitco Nilgiri	19½	21	22	10	20/34	20/34	21/12
Kallas	20	22½	..	2	5/50	5/40	5/05	Vaikundam	25	30	..	10	29/45	29/45	31/70
Kalasa Tea Produce	15	20	25	2	3/45	3/45	3/60	Vasanthi Estates P.	12½	12½	..	2	2/35	2/35	2/27
Kil Katagiri P.	35	25	25	2	5/48	5/20	4/98	Woodland P.	5	10	..	10	7/83	7/83	7/85
Lucky Valley	10	10	10	10	11/00	11/00	10/90								

SOUTH INDIA COTTON MILLS

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		14-5-63	7-5-63	A year ago		1959	1960	1961		14-5-63	7-5-63	A year ago
Bangalore W. C. Silk P.	10	10	18	100	250/00	250/00	245/00	Lakshmi	12	20	30	50	137/25	137/25	166/00
Buckingham & Carnatic P.	10	10	18	100	266/00	255/00	266/00								
Cambodia P.	Nil	9	..	10	13/00	13/00	13/16	Madura	12½	15	15	15	32/50	32/50	38/20
Chimborazo Cotton	6	12	16	100	155/00	171/70	189/00	Mettur Industries	25	30	30-22½*	100	324/00	324/00	400/00
Chimborazo Spg & Wvg	..	..	..	50	68/00	68/00	82/50	Palani Andavar P.	..	..	..	10	215/00	215/00	232/50
Kothari Textiles P.	10	10	8	10	10/55	10/55	12/10	Vasanthi P.	16	..	..	100	276/00	276/00	291/50

SOUTH INDIA SUGAR MILLS

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		14-5-63	7-5-63	A year ago		1959	1960	1961		14-5-63	7-5-63	A year ago
Andhra P.	20	..	..	10	17/36	17/36	21/00	K. C. P.	15	..	..	10	24/50	25/07	22/75
Cauvery P.	Nil	6	..	100	105/00	104/00	101/00	Kothari	..	Nil	..	10	7/85	7/85	7/00
Deccan Sugar	25½	25½	12-18*	5	9/62	10/00	10/25	Mysore	50	30	30-30*	10	51/30	51/30	53/40
E.I.D.—Parry	28 4/7	21 3/7	21 3/7*	21	37/75	38/25	40/12	Travancore P.	10	10	..	10	7/12	7/12	7/30
Indian Sugar P.	12½	14	10	10	9/69	9/69	9/60	United Breweries	60	60	60-25*	10	95/00	95/00	82/25
Jeyore P.	10	8	..	10	15/00	15/00	14/75								

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividend per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		14-5-63	7-5-63	A year ago		1959	1960	1961		14-5-63	7-5-63	A year ago
Aluminium Industries	12½	18	..	10	17/40	17/75	24/00	Mysore Chemical Mfg. P.	40	20	..	10	18/28	18/28	21/75
Andhra Cement P.	10	..	..	10	9/85	9/85	10/10	Mysore Lamp P.	16	20	..	10	34/10	34/10	32/75
Ashok Leyland	8	8	..	5	7/40	7/55	8/95	Mysore Paper	12½	15	15	10	13/80	13/95	13/70
Binny	10	12½	..	100	327/17	327/17	364/85	Mysore Tobacco	12½	10	..	10	9/85	9/85	8/90
Brunton & Co.	Nil	..	..	10	5/10	5/30	5/15	Parrys Cont.	30	30	..	1	3/33	3/30	4/48
Enfield P.	5	6	..	10	9/25	9/25	12/10	Spencer (Provisions)	18	18	18-18*	10	21/75	21/90	23/60
India Cement P.	9	11	9-12*	5	5/60	5/65	6/13	Standard Motors P.	9	9	..	10	11/87	11/87	16/82
Indian Steel Rolling P.	7	..	..	10	10/40	10/35	12/68	T. Stanes P.	27½	42½	..	10	29/05	29/05	31/00
Mettur Chemical Industrial P.	35	12½	12½-13½*	10	12/25	11/40	13/15	Textool	15	15	..	100	156/00	156/00	183/00
Mysore Chem. & Fert.	5	10	10	10	9/75	9/75	10/33	Tube Investments	10	10	..	100	235/00	235/00	290/00

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1959	1960	1961		15-5-63	8-5-63	A year ago		1959	1960	1961		15-5-63	8-5-63	A year ago
Ahmedpur Katwa	1.90	1.90	1.75	100	29/00	29/00	31/00	Darjeeling Ropeway	..	..	15	10	8/00	8/00	8/00
Arrah Sasaram	5	5	5	100	27/00	27/00	30/80	Dohn dohta	17	20	15	10	13/87	13/87	19/50
Bankura Damodar	1.90	1.90	1.75	100	29/00	29/00	30/80	Futwah (Jampr)	1.90	1.90	1.90	100	28/70	28/70	28/70
Burdwan Cutwa	1.90	1.90	1.75	100	29/00	29/00	30/80	Howrah Amta (P)	6	5	4½	100	48/00	48/00	45/80
Chaparmukh-Silghat	2.90	2.90	2.80	100	35/00	35/00	30/00	Howrah Sheekhola	6	5	4½	100	48/00	48/00	40/00
Cherra Chhatrak Ropeway	9	12	12	5	6/75	6/75	5/81	Katakha: Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41/00
								Shahdara (Delhi)	6	8	..	100	50/00	50/00	50/75

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THE NEW DEVELOPMENT POINT OF VIEW

LAST week's Commonwealth Trade Ministers' conference in London was not, after all, a total waste of time so far as the under-developed countries are concerned. The object of the meeting was primarily to discuss the agenda for the G.A.T.T. conference in Geneva. The British Government took great pains to ensure that hopes of anything more than this should not be allowed to spring up. In the event, this move was only partially successful. The meeting did not provide the under-developed countries with any concrete opportunities for increased trade within the Commonwealth; the British did make their point that the Commonwealth can never provide them with an alternative to Common Market membership or to the need to work for expanded world trade; and the manner in which the whole thing was played down to the British public did discourage the kind of sentimental attitude which tends to regard the Commonwealth as a later-day empire united under the Crown and determined to develop as a unit. But the under-developed countries, India included, appear to have broken through this stifling envelope of British-orientated thoughts and feelings and stated a case which not only carried weight at this conference, but also made an impact in Geneva. Briefly, it is that too much attention is at present being given to expanding trade between the developed countries—admittedly a good thing in itself—to the exclusion of promoting exchanges between all countries, with special privileges accorded to those who need them most.

With the developed world itself being at present deeply divided on trading matters, it is not surprising that the case of the under-developed countries has, for once, been most forcefully stated and sharply defined. This is an advance indeed. It might mean a sharp modification in the present unsatisfactory view taken of development problems in many countries already well developed. More specifically, it might spell progress along the road to replacing the currently faltering flow of international development aid, at least in part, by increased trading opportunities. In this respect the London conference has been an unexpected success, and may indeed find its way into history as the first occasion on which the case for the under-developed countries was stated clearly, firmly, and in united chorus.

What then are the details of this case as so far formulated? Mr. Manubhai Shah put the whole thing in outline in the speech he made at the London meeting. His point was that G.A.T.T. does not provide the kind of liberal trading opportunities which the under-developed countries want, and want in a hurry. He complained that the reduction of Commonwealth preferences, which might result from British commitments under the "Kennedy round", could hurt the under-developed without providing any compensatory advantages. And he urged that such advantages, which are urgently needed, should take the form of a general lowering of tariffs and quota res-

trictions on the products of the poorer countries. In his own words: "If the forthcoming trade negotiations in the G.A.T.T. are to have any significance for developing countries like India, it is of the greatest importance that they should result in the maximum possible concessions on products of particular interest to us..." Mr. Shah then specified simple manufactured articles, processed and semi-processed goods and primary products, and pointed out that in most industrialised countries such exports are generally subject to higher levels of tariff and other trade barriers than the more sophisticated products from the industrialised countries themselves. This is true, and the under-developed countries can scarcely be expected to take much interest in the G.A.T.T. until something is done about it. At the London conference the British Government made a fair attempt to put the case for the G.A.T.T., and bearing in mind that Britain is one of the smallest offenders against under-developed countries among the world's largest trading nations, its words may have carried some weight. But the obvious fact remains that Britain has more to gain from the Geneva negotiations and that anything she may say about promising future prospects is automatically suspect.

Again in the words of Mr. Shah: "If the negotiations do not result in tariff cuts which are at least as deep and as wide on products of interest to developing countries as on the more sophisticated products traded between the industrialised countries the G.A.T.T. would

there may be some difficulty in getting agreement among the under-developed countries themselves as to what is in their true interest. The fifth point provides that reductions in tariffs of at least 50 percent should be made on the processed and semi-processed exports of under-developed countries, and the sixth, that there should be a progressive reduction of internal charges and revenue duties on their products, with complete elimination by 1966. On the face of it, the chances of this last one ever being accepted by the developed countries, even in principle, do not appear high.

But the most important point, and the one which is both the most general and the least likely to encounter opposition, is that a new institutional machinery should be set up in the G.A.T.T. for dealing with the special problems of under-developed countries. There is obvious scope in this for the kind of benevolent pre-variation towards the claims of the under-developed in which so many of the larger trading nations have frequently indulged. But its adoption would mean a foot in the international trade organisation, a toe-hold which the under-developed countries could progressively widen and use to swing world opinion round to their own way of thinking.

In one sense, of course, the argument put forward by the British representative at the London conference was correct. The Commonwealth will benefit from any relaxation of world trade barriers secured through the "Kennedy round". Certainly the under-developed countries are entitled to formulate and propagate their own particular points of view, but this does not detract from their vested interest in more liberal world trade, and is no substitute for it either. Before the London conference it was widely accepted that the G.A.T.T. round would be a dialogue between the United States on the one hand and France, as the most obdurate and outspoken member of the

Common Market, on the other. The emergence of the under-developed countries' point of view has not materially changed this. It has only served to remind the two main contestants that their bargaining is of more than academic interest to the rest of the world. There is no doubt that the United States appreciates this, although its past record of trade protection is one of the reasons for the current strength of self-sufficiency theories in western Europe. It is France who has been the greatest obstacle to the achievement of any "across-the-board" reduction of tariffs, and who must, therefore, be the main target at which the efforts of the under-developed countries are aimed. This fact has already emerged from last week's discussions in Geneva.

However, there are two facts which the under-developed countries should remember in their new-found unity, if in fact this has now been established. The first is that but for French initiative the Common Market would never have come into being, and without the bargaining power this organisation has provided, there would be no question now of the United States being prepared to cut its tariffs by 50 percent. In this sense the Common Market, despite its current autarkic leanings, has served the cause of more liberal world trade rather than hindered it. And the second is that France can claim considerable credit for the way in which she has helped the trading positions of her ex-dependencies—which together form a fair proportion of all the world's under-developed countries—through promoting their Associate status in the Common Market. So the moral bargaining power of the under-developed countries in the G.A.T.T. negotiations has not been as high as it would seem at first sight. The real opportunity probably lies in the future, and its realisation will certainly be assisted if the present concerted viewpoint of the under-developed countries can be broadened, strengthened and made more articulate.

HIGH COSTS HIT TEA INDUSTRY

THE volume of tea exports increased by 7 percent during the year ended March 1963, but the rise in terms of value was only 5.5 percent. This confirms that, despite the up-trend at the Calcutta auctions from October, the average unit value of exports over the whole year has marginally declined. This is not necessarily an unwelcome development since the whole point of reducing export duties and granting a drawback of excise on exports was to make Indian teas more competitive in world markets. But the point to note is the effect on tea companies' finances at a time when their outgo on many items of operating costs is on the rise. Besides, there is the burden of the super profits tax; even if that is excluded as an extraordinary levy arising from the emergency, the question remains whether tea companies will be able to absorb the continuous rise in overheads through larger production. If they cannot, the result will be a squeeze on their profits which must impair the capacity to expand, jeopardising the third plan target set for the industry.

While the target need not be considered sacrosanct, the rising home demand is a factor to reckon with. India now consumes 40 percent of her total production; and it will be difficult to meet future demand without cutting into the exportable surplus if the present rate of increase continues. As a leading firm of brokers has said in its review of the 1962-63 season, the "threat" on this account to India's export prospects is "more immediate than many people realise". One can, however, look upon the strength of home demand not as a "threat" but as a blessing, since it assures the grower an alternative market if international supplies exceed the demand. In fact, India is the only major tea-producing country with a second line of defence in the form of an assured and substantial home market. But an over-emphasis on the home market cannot but affect exports and the larger interests of the country. Setting policy on the right course to maintain a balance between the two is by no means easy, and the Government manages to make the task more difficult for itself

by disregarding the advice available to it from responsible organisations of the industry.

A case in point is provided by the recent tax measures. The abolition of the export duty is indeed a sensible step because this levy was wholly indefensible at a time when India was actively trying to persuade the E.C.M. countries to permit duty-free imports into Europe. But what benefit will the elimination of export duty confer when domestic production costs have been raised by well-nigh an equal amount through the 20 percent surcharge on excise? In the case of the two zones which account for the bulk of the exports, the actual net relief is as little as 1nP or 3nP a kilogram. This, of course, does not take into account the incidence of higher costs following the increase in the excise and other levies on the stores and supplies that the tea industry requires to maintain production. While no precise estimates are yet available, it is safe to assume that tea placed on auction in India or exported direct to London will in either case cost more than last year, offsetting the advantage sought to be gained by removing the export duty. This apart, the abolition of the drawback of excise reduces the incentive to export at a time when the aim of policy should be just the opposite. With the major U.K. market close to the saturation point, much aggressive selling will be needed to develop others—a task which need not be left wholly to the Tea Board. But can private initiative be mobilised if the incentive to export is whittled down in this manner?

Looking to the future, the more important policy requirement is to ensure that the tea industry has the wherewithal to invest on expansion. The broad picture, regardless of minor variations from year to year, is of profits being squeezed by rising costs. Apart from the general inflationary pressure unavoidable in a period of rapid growth, there is also the incidence of the obligations for workers' welfare which legislatures have imposed on the industry. There is a widespread notion that an expanding industry should be able to spread rising overheads over its larger output. This theory does

not stand up to the test of experience; in an essentially agricultural enterprise like tea, costs do not decline to anything like the same extent as in manufacturing units. As a contributor to the last annual number of *Capital* pointed out, green leaf must be paid for according to weight; excise duties, cesses and octroi rise in proportion and there is no reduction in transport costs either. The rigours of the super profits tax will further aggravate this general decline in profitability, and net effect must be to weaken the industry financially.

The Government, already having to buttress tea finances by special loans and replanting subsidies from the Tea Board, will find itself carrying a larger burden of responsibility, especially because of its concern for weaker, uneconomic gardens. This is exactly what official policies must strive to prevent if debilitating dependence upon outside help is not to become a permanent feature. In other spheres, the emphasis in official thinking is changing towards giving freer play to market forces in recognition of the value of private initiative and healthy competition. To extend this thinking to the tea industry would imply making it possible for growers to earn enough to pay for their own expansion. This means restraining not only the impulse to pile tax upon tax but also curbing excessive zeal for the worker's welfare.

There is no doubt that employers must lend a hand to the State in realising its social objectives. But it will be folly to push ahead in this sphere so fast that international cost comparisons are distorted. Disregard would involve either losing the export markets or making up the difference between costs at home and world prices through subsidies, hidden or explicit. In either case, the community stands to lose as much as, if not more than, the industry. Indian tea may be priced out of export markets in the same way as manganese ore. It is to be fervently hoped that the Government will heed the writing on the wall and act before it is too late.

The setback in the north Indian tea crop last year because of adverse growing conditions in the best picking months reduced the total world availability below the 1961 level. The long-term trend, however, is for production to rise steadily in all growing countries. Since domestic consumption accounts for only a small proportion of the crop in countries other than India, an increase in their output means an almost equal rise in the supplies to the world market. So far the demand has kept pace with supplies but there is no guarantee that this will always be so. The F.A.O. report which forecast a glut around 1965 was admittedly wrong in several particulars and a fresh forecast is necessary. But must India wait before this is completed to think out the steps which she may initiate in concert with other growers to achieve some measure of international price stabilisation?

FAILURE OF GOLD CONTROL

THE sharp rise in the price of gold from Rs. 92 to Rs. 118.50 for 10 grammes since the enforcement of the Gold Control Rules is a second reminder that an assault on age-old customs will not succeed through half-hearted measures. The first reminder came when the Gold Bond scheme introduced in November 1962 failed in its objective of attracting the metal out of the hoards. This scheme had to be abandoned later. Although the Gold Control Rules have been described as comprehensive, there are some gaping loopholes which make them difficult to enforce effectively. The provision that the people need not declare their gold ornaments has restricted the success of the control measures. It looks as if most of the gold bullion has been converted into jewellery and is being held in that shape. Since the promulgation of the Rules, only 27.5 million grammes of gold, valued at Rs. 13 crores at the international price, have been declared by dealers and refiners; individuals have declared only 12.7 million grammes of gold holdings. But the total hoards in the country are believed to be worth more than Rs. 2,000 crores at the international price. It is thus clear

that gold control has barely touched the fringe of the problem.

It may be argued that there has not been sufficient time yet to tighten up the administrative machinery for enforcing the Rules. Even granting that this deficiency is removed, it is doubtful if the objectives can be achieved. The official view about the object of the Rules has now shifted in emphasis from the reduction of gold price to discouragement of smuggling. When the Rules were promulgated, it was complacently stated that the price would be forced down to the international level of about Rs. 70 a tola. The present price is nearly Rs. 130 a tola. It is obvious that smuggling is closely linked with the price factor; if the domestic price were to move down to the international level, there would be no incentive for smuggling. However, this is not to suggest that the control measures have not restrained smuggling. A check has been put on the free transferability of gold. It has become difficult for smugglers to deal in gold in the sense that it cannot be sold except in the form of ornaments. Obviously, if the metal is smuggled in the form of ornaments, this difficulty will not arise. The recent seizures of contraband gold seem to indicate that smugglers have become active again. As a result, the value of the rupee has depreciated in overseas markets. Considering that smuggling has been a major source of foreign exchange leakage—to the extent of Rs. 25 crores to Rs. 50 crores a year—it is essential that vigorous steps should be taken to eradicate it. But it should be borne in mind that it will be almost impossible to stop

Prospects for Man-made Fibres

The man-made fibre industry has made spectacular progress over the past decade or so, with world output rising from a mere 48 million lbs in 1951 to 8,665 million lbs in 1962. Man-made fibres constitute an important chunk of the total international output of fibres, their share being 25 percent, compared with 65 percent of cotton and 10 percent of wool; in 1952, these percentages were 15, 75 and 10, respectively. In India also, the record of man-made fibres is quite impressive. As against 5 million lbs in 1951, the output in 1962 is placed at 57 million lbs of viscose filament yarn and more than 70 million lbs of staple fibre. For the cotton textile industry in India, the immediate problem, however, is not competition from man-made fibres, but to find a material which will blend with cotton in order to make good the shortfall in supplies.

In his address at the annual meeting of the Association of Man-Made Fibre Industry, the chairman, Mr. A. R. Ramanathan, has urged the Government to help the research-orientated man-made fibre industry to reach optimum production and stabilise prices. The development of this industry, says Mr. Ramanathan, deserves priority in the allocation of foreign exchange. His case rests on the argument that the cotton textile industry is a net spender of foreign exchange, and there seems little hope of stepping up domestic production of cotton in the near future to a level which will appreciably reduce dependence on imports. He says that with the achievement of self-sufficiency in man-made fibres, Indian textiles will gain new dimensions and will even earn a sizable amount of foreign exchange by entering the overseas market at increasingly competitive prices. Increase in the production of man-made fibres, especially staple fibres, will help reduce the dependence on foreign cotton. The switch-over to cellulose-based fibres appears advisable since the raw materials required for their development, namely, bamboo and cotton linters, are available from indigenous sources.

Apart from the fact that foreign exchange available for the expansion of man-made fibres has been inadequate, the industry, for the present, is subject to stringent controls. The prices of man-made fibres have been frozen at the 1957 level in

smuggling unless the incentive for it is removed by bringing down the domestic price of the metal to about the international level. The mere fact of increasing the risks attached to smuggling will not, by itself, eliminate smuggling.

As for the spurt in gold price, the trend is not difficult to understand since the demand for the metal has revived whereas the supply is short. It is unfortunate that no active measures have so far been taken to reduce the demand. The 14-carat specification for ornaments did cause a temporary decline in demand. But the glittering ornaments turned out of special alloys with 14-carat gold content have stimulated the demand. Unless the gold habit of the people is curbed, substantial funds will continue to be immobilised in the form of jewellery. The demand for ornaments apart, an important factor which has encouraged the hoarding habit is the value of the yellow metal as a hedge against inflation. To attribute the increased demand for gold in recent months to the busy season is to over-simplify the problem itself. The rise in the demand has coincided with the steady increase in the prices of commodities. As inflation proceeds, the attraction for gold will become greater. The prices of commodities have been pushed up by the rises in production costs, following the imposition of heavier import and excise duties; the shortage of several agricultural products including foodgrains, has added to the inflationary pressure. If the people are to be weaned away from hoarding gold, one of the measures must be to hold the prices of other commodities down.

Current News and Comment

spite of the all-round rise in costs. Meanwhile, market prices are showing a downward trend and stocks with spinners have been piling up. Mr. Ramanathan has suggested that the Government should allow spinners to sell such quotas as are not lifted by the consumers within a prescribed time limit. Despite the various problems that the industry has to face, the outlook for man-made fibres is promising, he says, because of the growing population, rising living standards and changing consumer tastes. Besides, the almost unlimited variety of yarns which these fibres make available have increased the ability of the designer to produce new, better and different fabrics on a scale which would otherwise be impossible. Man-made fibres have also made possible the production of high quality fabrics at prices "within the reach of the common man."

Progress in Machine Tools

The production of machine tools in India has increased from a little over Rs. 7.25 crores in 1961 to over Rs. 12 crores in 1962. However, as Mr. C. Subramaniam, Central Minister for Steel and Heavy Industries, stated in his speech at the training centre for Hindustan Machine Tools project to be set up near Ernakulam, the machine tool output has not still reached the modest target of Rs. 30 crores set in the third plan. By the end of the plan-period, the total demand for machine tools will rise to Rs. 65 crores. The present production capacity in the country is far below it. Mr. Subramaniam said that the achievement of the public sector enterprise was better than that of the private enterprises in the industry; Hindustan Machine Tools had not only been functioning efficiently, but had also been gathering resources within itself to double its production capacity in Bangalore and to put up more units elsewhere. But the Minister would have given a more realistic picture if he had gone a step further to analyse the causes for the poor performance of the machine tool industry in the private sector. Private enterprise has not been able to put up new units because the Government has not approved many of the foreign collaboration schemes proposed by the entrepreneurs. Besides, the licences issued for importing machinery, components and raw mate-

rials have not been adequate. Financial assistance to the industry was also insufficient.

Machine tools are important for India's economic development. Their importance has increased in view of the defence requirements. It is, therefore, necessary for the Government and the private sector to make renewed efforts to develop the industry so that it is able to achieve the third plan target. The industry has to depend on foreign collaboration for designs, technical know-how and capital goods to a much larger extent than many other units. Hindustan Machine Tools itself owes its progress to such foreign collaboration on a generous scale. The Government's insistence that the royalty rate in foreign collaboration should not exceed 5 percent is unreasonable, since this leaves only a little less than 3 percent to the foreign firm and is not attractive enough. As has been suggested by the Machine Tools Industries Association, the maximum rate of royalty should be fixed at 7½ percent and the duration at ten years in order to attract foreign collaboration for producing machine tools.

In the interest of developing this vital and strategic industry, it is also necessary to allow the concerns to earn a profit of 12 percent on their capital investment. The tax holiday on new enterprises should be extended from five to ten years. In spite of the prevailing foreign exchange shortage, it is necessary to grant licences to the industry rather liberally for importing machinery, raw materials, etcetera. By doing so, much foreign exchange spent on the import of machine tools will be saved and the country's industrial base will be strengthened. It is quite evident that in spite of the good progress of Hindustan Machine Tools and the expansion programme it has put through, private sector units are necessary to meet at least half the Indian requirements by the end of the third plan period.

Population and Economic Growth

While inaugurating last week in Bangalore the summer school of demography organised by the Institute of Economic Growth, Dr. V. K. R. V. Rao, member of the Planning Commission, emphasised the need to study the all-India and regional growth of population, its distribution, class composition and status to be able to undertake systematic planning. Unfortunately, many mistakes have been made in planning in India because of wrong estimates of population growth. According to Spengler, it is necessary to invest 4 percent of a country's national income annually if the population is increasing at the rate of 1 percent a year in order to maintain current living standards. Since India's population, according to the 1961 census, is increasing at the annual rate of a little over 2.1 percent, the above formula would suggest that nearly 8½ percent of the national income needs to be invested in a year to protect the existing standards of living of the people. Or else, it will be necessary to check the growth of the population.

Contrary to popular belief, there is nothing inconsistent between a rising rate of economic development and an increasing rate of population growth. In fact, it is only natural that with economic growth, the population should be expected to increase. But India's case is exceptional. As against the pattern in most advanced countries, where with rising rates of economic development and population growth the death and birth rates have both tended to decline, in India the death rate has declined with economic development but

India's Resources

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the birth rate has increased. The death rate in India started falling some ten or 15 years ago and might now be estimated at 18 a 1,000 a year. The birth rate, on the other hand, began to increase and is now in the neighbourhood of 40 a thousand a year. The death rate has declined because epidemics are now better controlled, medical help and sanitation have improved and with higher incomes, the people's resistance to disease has increased. In the more developed western countries, the birth rate also began to decline with an improvement in the people's living standards because of their mental attitude, urbanisation and family planning, to mention only a few of the causes. As Dr. Rao pointed out, the people of India cannot afford to ignore the psychological aspects of economic development. If the birth rate continues at 40 a 1,000 a year or increases further, it will become impossible to solve the unemployment problem and to raise the people's standard of living.

It is, therefore, necessary to make the programme of family planning more effective than in the past. For this purpose it is not enough to spread information on family planning in cities and rural areas. It is also necessary to provide cheap and effective means of birth control. In spite of much talk about family planning, the methods are not yet widely known in India. A study of population trends is also necessary to bring about a balanced regional development of the economy. While the mean rate of growth in the ten years ended 1961 was of the order of 21.1 percent, compared with 13.2 percent in the decade ended 1951, the rate of increase in some States such as Assam, U.P. and West Bengal was much higher. This indicates the need for greater economic development of these regions.

Plea of Scrap Exporters

Ferrous scrap exports in 1962 at 165,000 tons were 56 percent down from the 1961 figure of 375,000 tons. The performance this year is likely to be even more disappointing since shipments during the first quarter are placed at no more than 35,000 metric tons. The fall in foreign exchange earnings is likely to be much heavier because of the substantially lower prices now being fetched abroad. For the past many months, the overseas prices of No. 2 bundles and turnings and borings—the main export grades—have been quoted around £10 to £11 a metric ton c.i.f. Japan as against £15 to £17 about the middle of 1961. Domestic prices also have suffered an almost corresponding decline during this period, with No. 2 bundles down from Rs. 165 to Rs. 90 a ton, and turnings and borings declining from Rs. 140 to Rs. 60 a ton. It would be a different matter if the slump in scrap exports were due entirely to a change in the market conditions abroad. But the trade blames the setback in exports mainly on the unrealistic and unimaginative policy adopted by the Government.

In its memorandum to the Central Minister of International Trade, Mr. Manubhai Shah, the Scrap Traders and Exporters Association has drawn the Government's attention—not for the first time—to the sharp fall in scrap exports and to the adverse circumstances facing the trade. The memorandum points out that the severely restrictive and irreconcilable features of the present export policy are the outcome of the defective basis adopted by the Government in framing its export policy. The Government's policy is based on the findings of the Scrap Committee which have already been seriously questioned by the trade.

The Scrap Traders and Exporters Association has again made a plea that an independent and expert agency like the T.C.M. be requested to conduct a physical survey of the arisings of various grades of scrap as well as their domestic requirements in order to secure the most economical utilisation of the surplus. Meanwhile, says the Association, the export of steel melting scrap should be freed from all restrictions in order to improve the utilisation of the surplus. The trade, on its part, is prepared to guarantee supplies to domestic users for a period of time to satisfy the Government that free export of scrap will cause no hardship to domestic users.

Since practically the entire surplus of the order of 1.3 million tons of scrap a year is at present

unexploited for want of encouragement to scrap export, the Association has put forward a number of suggestions, which, if implemented as a long-term policy, would help improve exports, to 1 million tons a year in a period of two or three years. The Association has asked for the removal of the overall export quota restriction which is unrealistic in the context of an estimated annual arisings of 1.5 million tons and a domestic demand of about 200,000 tons. It has also demanded the lifting of the ban on export of No. 1 sheet cutting and heavy melting scrap with a view to providing outlet for the sizable surpluses in these grades as also to help exporters meet the competition of the foreign suppliers offering superior grades. The Association has also suggested various incentives for encouraging intensive collection of scrap and for making good the heavy losses incurred on exports. Introduction of a concessional railway freight of 50 percent of the current rates is considered to be very necessary for encouraging the collection of scrap from the outlying areas; as it is, collection continues to be mostly confined to economic zones around the port towns of Bombay, Calcutta and Madras.

The Association has asked for permission to use the entire export earnings from scrap for importing finished steel. The anomalous and adverse fluctuations in the ocean freight rates for scrap are also said to be inhibiting scrap exports. For a commodity with an average export price of about £11 a ton c.i.f., a freight incidence of £3 is heavy. The Association has suggested that the ocean freight should be reduced to a flat 50s a ton for all grades. In the face of the prevailing low overseas demand and price for scrap and in view of the increasing foreign competition, a free export policy by itself may not be adequate to promote exports to the desired level. The Association has, therefore, suggested that the existing incentives should be further liberalised. It feels that if improvements and relaxations of the policy coupled with export incentives and freight concessions, as suggested by it, are introduced, the exports might soon rise to around 50,000 tons a month in spite of unattractive conditions in export markets.

Fire Losses in U.K. and India

The British Insurance Association recently announced that the fire wastage in Britain was worth £55 million in 1962. This total is about four-and-a-half times the level of fire damage 16 years ago. Fire losses in Britain during the last few years have been particularly heavy. Although 1962 was not characterised by as dry a summer as 1960 (a dry summer is often regarded as one of the major causes of fire damage), the losses baffled many, and a variety of reasons have been offered. The Times is reported to have commented rather unkindly on the B.I.A.'s elaboration of the causes. It said that "before any tears are shed on behalf of the insurance companies, it would be interesting to see by how much fire insurance premium has increased in the same period and to what total".

This caustic comment seems to ignore the precise significance of fire wastage in a country. Fire damage means a loss of national wealth. Although the insurance companies try to keep the economic fabric of the community in a state of constant repair, they do not in that way add to the national wealth. They merely help to replace the loss by a process of pooling the resources of the community. These resources could have been used to add to the wealth of the community had there been no waste to replace. As for premiums, it has been pointed out that the premium income of British companies in 1946 amounted to £87 million, on which the underwriting profit was about £5 million (5.7 percent), while in 1961 premiums totalled £293 million and the underwriting profit was £5.3 million (1.8 percent). The companies would have been better off had there been less fire damage.

There is no computation in India of the money value of fire damage in a year. The regional reports of the Insurance Association of India refer to a number of fires, but the list is incomplete, since the insurance companies are not required

to report all fire losses. Even if they were to report all such losses, the compilation would not include losses which are not insured with the insurance companies. These, in India, are not inconsiderable. So there is need for a statistical return of fire wastage in India during a particular year. This will enable the country to determine the annual value of fire damage. Fire losses, by and large, are due to carelessness, and if a careful enquiry is made about the causes, many useful conclusions might emerge.

The underwriting balance of Indian insurers in relation to their net premium income was 15.2 percent in 1959 and 23.7 percent for non-Indian insurers in the fire section. In 1960, it was 12.9 percent and 27 percent, respectively, against 1.8 percent of British companies in their worldwide fire business in relation to their premium income in 1961 which totalled £293 million.

Rise in Freight Rates Proposed

A delegation of the India-U.K. Continental Shipping Conference is now in this country with a proposal to increase the freight rates by 15 percent on all west-bound cargoes from India to the U.K. and the Continent. A rise in the freight rates is sought because operational costs of shipping lines have increased considerably during the past few years. There has been no increase in the freight rates since 1957. In fact, the freight on jute and jute goods was cut in 1961. It is authoritatively learnt that the Conference lines are willing to accept a smaller increase in the rates for the time being, provided a further increase is considered within a year. However, such a move will be contrary to the agreement between the Government of India and the Conference lines that no increase in the freight may take place within two-and-a-half years after any rise.

The proposed increase in freight cannot be viewed with complacency at this time when export promotion is a vital necessity. An important factor which hinders exports is that price of Indian commodities have become uncompetitive in overseas markets. Since freight constitutes a substantial portion of the total cost of commodity, any rise in it will affect the competitive power of Indian products. Under the circumstances, it is hoped that the Government of India and trade interests will try to impress on the delegation the adverse effects of a freight rise on the Indian economy.

PROTECTION VS. FREE TRADE

It looks as if the battle between Protection and Free Trade would have to be thrashed out again as it was a couple of generations ago. John Bright always challenged Protectionists to produce a workable plan, and they could never do it. The moment you begin to penalise the imports from foreign countries, you at once invite a war of tariffs. We see a small object lesson of this kind begin already between Canada and Germany. It will be interesting to watch its developments and ultimate results. A return to protection in Great Britain under the specious guise of differential duties in favour of colonial produce would simply mean, in the long run, dearer bread to the working classes, and dearer raw material to those great manufacturing industries (cotton, for instance) on which British commercial prosperity so largely depends. Dearer raw materials means reduced profits and lower wages. This would be a bleak outlook for the industry just mentioned considering that even now there are in Lancashire ten thousand looms out of employment. The politician who dislocates Britain's present international trade relations with other countries by penalising their goods with differential import duties, will soon learn all the ins and outs of a Protection policy, but it will be in the same costly fashion as that by which the Irish pilot learned his profession. He discovered the rocks by bumping up his ships against them. There were a good many shipwrecks, but he learned navigation.

FROM
CAPITAL
28th May, 1903

A Ditcher's Diary

WHY SHOULD I BE CHARY OF CONFESSING QUITE candidly that I had not expected either Acharya Kripalani or Dr. Ram Manohar Lohia to come anywhere near the Lok Sabha through the recent by-elections in Uttar Pradesh? Yet I was, initially; and the reason, I suppose, is that there is in us all not merely a budding Dr. Gallup but also some sort of an aspiring prophet. The fact is, let us ruefully admit, that we can foresee the future but dimly, if at all. For once the editorial "we" includes some of the astutest politicians the world has ever known. Mr. Nehru apparently persuaded himself that a message from him and Hafiz Mohammed Ibrahim would be safely home. But fallibility is by no means a monopoly of men in office. The long list of complaints produced by both Acharya Kripalani and Dr. Lohia about the most unfair way in which the election and the preceding campaign had been conducted is surely evidence enough that neither had seriously hoped to get through; their post-poll remarks were in fact pre-fabricated excuses for defeat. Prophets' pitfalls apart, what is the significance of the latest bunch of by-elections? To try to interpret the results in terms of right, left or centre is to get lost in a futile and utterly profitless exercise. If the Congress lost valuable contests in Amroha, Farrukhabad and Trivandrum II, it also scored notable victories in unsure constituencies in West Bengal, Madras and Kerala, some of them urban. What the Congress will do well to note is that popular discontent with its myriad inconsistencies is more widespread than it has so far been prepared to admit. Men like Mr. Morarji Desai, whose difficulties are at least as monstrous as is their conceit, should see this before an Indian Cromwell beseeches them in the bowels of Christ to think it possible that they may be wrong. All this said, the Congress deserves to be congratulated that even in an emergency it invites by-elections in which it hopes, and does its worst, to win but allows conditions in which it can be, sometimes, handsomely defeated. Of how many countries, in any part of the world, could you say that?

ALMOST EVERYTHING APPEARS TO HAVE GONE wrong at one stage or another with the U.S.A.'s latest sortie into space, except the one element, the human, which the world is being taught daily to rely less and less on. The sheer cool courage shown by Major Gordon Cooper in face of re-

peated mechanical failures was entirely exemplary. But it will be a long time before N.A.S.A. and others concerned have satisfactorily explained why there were so many "malfunctions", if that is the word, from beginning to end, exposing the astronaut to unimaginable hazards. This is the kind of thing that shakes one's faith in the Americans' supposed mastery of the machine. It is simply not enough to say that the Russians never publicise their failures, that the U.S. Press advertises every detail and so produces a wrong "image" of U.S. skills in spacecraft. I do not believe that there are no inter-service rivalries in the Soviet Union; I do not believe that the Russians' advance in this department of human endeavour is explained by their spending more money on these projects than the Americans. It would not have mattered so much if the U.S. expedition had not succeeded in climbing Everest; after all, there were many British failures in the Himalayas before they eventually "did it". Space is another matter, for here the U.S.A. has accepted the Russian challenge and then, so far, failed to match the Russian record. And the Americans' performance in technology is second to no other people's. Why then do so many gadgets in a relatively small space capsule go awry once aloft? When I read that something or other had gone out of order and, because of that, Major Cooper's capsule might just be burnt up on re-entry into atmosphere, I was filled with nothing short of horror. There was, fortunately, no loss of nerve on the Major's part; and so he is still alive. But if there had been, the tragedy would have been attributed, not unfairly, directly to U.S. engineers and technicians. And if excessive publicity is the U.S. scientists' handicap, why not hold up the ballyhoo until a flight is over and all are safe on terra firma?

AS I READ THE PROCEEDINGS OF THE DRUG INQUIRY Commission in Calcutta, I thought of the Russians shot at dawn for offences far less murderous than adulterating drugs. If somebody has to pay with his life, it is surely easy enough to decide whether it is to be an innocent patient or a profiteer who has so little regard for a fellow human being's life. Most of the cases, of course, are not fatal. You just pay good money for rubbish which does you no good but doesn't kill you either. I don't think even that is good enough in a matter like this, for serious diseases may go undiagnosed for weeks, perhaps until the point of no treatment

has been reached. Those who know Sir Biren Mookerjee know of his total outspokenness. They will not be surprised that during the enquiry Sir Biren said things few judges would have said. But then this is not a judicial enquiry; and having watched some judicial enquiries of late I am not at all unhappy that Sir Biren Mookerjee heads the Drug Inquiry Commission. Not having anything to do with the drug industry is a great advantage; and Sir Biren has been more than an ordinary industrialist all his life. He has not only paid his taxes, as he rarely forgets to remind you, and also made money, on which we need no reminder; he has always insisted on the ultimate in efficiency. And one of my constant theses has been that incompetence begets more corruption than a positive will to be dishonest. Efficient units do not need to cheat; and the drug enquiry has already shown that what's wrong with West Bengal's pharmaceutical industry is that there are too many units with too meagre resources in both finance and technical competence. Sir Biren rightly pointed out the fallacy in blaming the Government's drug control machinery for the prevailing anarchy and, at the same time, demanding nationalisation of the drug manufacturing industry. Nationalisation rarely improves matters, in any industry. What the Federal Government in the U.S.A. does, for drugs and canned food, is to ensure the strictest inspection at factory level; and the results, I personally know, are impeccable. Meanwhile, why cannot the better units, which are many, publicise what steps they take to ensure quality?

COMPARED WITH INDIA'S POPULATION PROBLEMS, the misgivings being expressed in Britain at the moment about the prospects of a 20-million increase in numbers by the end of the century, seem almost trivial. But they are serious enough for Britain, and anybody who knows what modern life is like on that congested little island will understand why. At present the population is just over 50 million; according to the latest surveys, by the year 2000 it will have topped the 70-million mark. That might not be so bad if these extra numbers did not have to be housed, employed and their movement generally catered for on standards which would bear little comparison with those existing today. The experts can be forgiven for wondering, whether it is going to be possible, given the inexorable limits set by the island's scant acres; just where is the room going to be found for all the new and larger houses, the expanded industries and the booming transport system which this jump in population will entail? Already the south-west of England gives the impression of being just one big suburb surrounding London. What will it be like when 70 million

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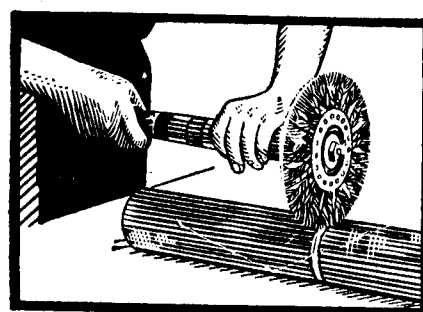
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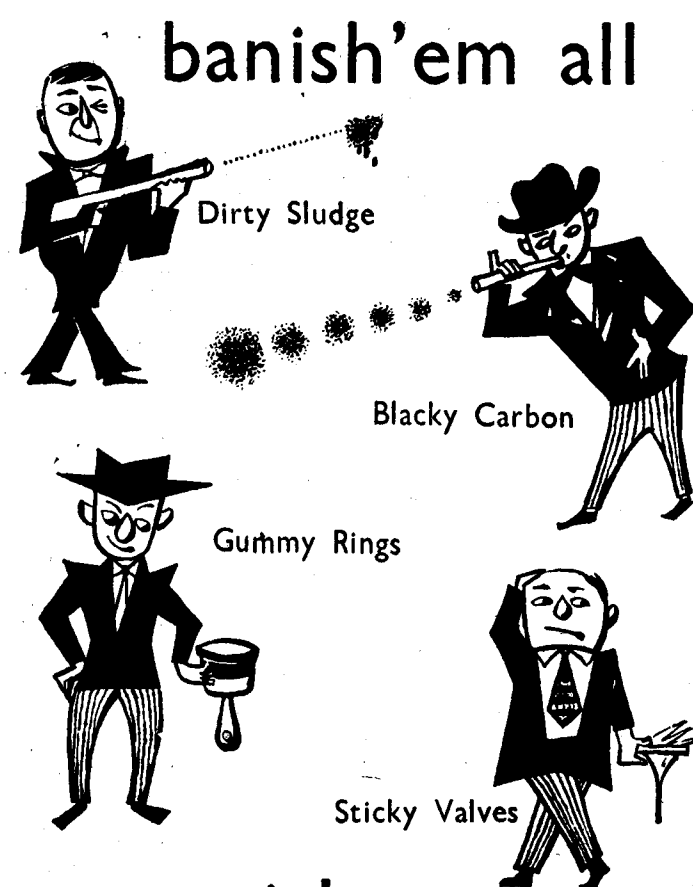


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people have been housed and accommodated in the more luxurious and spacious standards which are bound to develop during the next 37 years? Is Britain to become just one large slab of asphalt with scarcely a blade of grass in sight? Britain's problem is, of course, only the world's in miniature, and advanced by, say, a couple of hundred years. By then the population of this planet will have risen to such a terrifying total that the only reason it is not causing more concern at the present time is that nobody living now will be there to see what it is going to be like. Quite apart from the stupendous economic problem of coping with the simple animal needs of such numbers, just where are they all to be accommodated? The answers I have heard to this question so far do not exclude the inevitable conclusion that man must eventually exchange his present economic discomforts for the equally serious one of unbearable congestion. I often wonder whether such high-population enthusiasts as, for example, Mr. Colin Clark, pay sufficient attention to this point. But I bet their ideas of personal comfort imply some measure of privacy and exclusion from the enforced company of their fellow human beings.

A HIGHLY SUCCESSFUL SALESMAN I KNOW TOLD ME once that his secret was always to trust to luck and his intuition. He laughed at me when I said I thought selling these days was a scientific matter and that success could only be achieved by constant application and single-minded dedication to the job. His business was selling to retail shops, and as an example of what he meant he informed me that unless he gets an order from the first two visits he makes in any day, he simply gives up and goes home. His point is that success breeds an atmosphere of success, and that a run of failures early in the day is sufficient to create a psychological climate of failure which makes the rest of it as good as a write-off. So much for the old recipe for success: "Try, try and try again". I had always considered these methods my friend uses were perhaps more appropriate for the professional gambler than for the modern salesman. But after reading the results of a survey of salesmen and their habits made in Britain recently, I am not so sure. On the whole they seem to be a highly unscientific lot, although one of the reasons for this may be the circumstances under which they have to operate. For example, the discovery that an average salesman spends only 75 minutes of every working day in face-to-face selling, could be partly due to the distance between clients and to difficulty in finding parking space for his car. But the fact that he takes up most of his time at retailers by waiting about or making social small talk, surely calls for some explanation. The delays may not be his fault at all, and certainly the cheery chat is probably necessary in all but the extreme, high-pressure type of selling. But the general impression from this survey is that far too much of a salesman's time is wasted, that selling methods are altogether too casual and that, to quote the findings, there is a "sad lack" of training. His main assets appear to be his enthusiasm and his unshakable belief in himself. Perhaps it is these which make it so difficult to impress on him the necessity of method and planning. Certainly it is so in the case of my friend, who would not be in the least appalled to learn that a salesman in Britain spends three hours of his eight-hour working day in his car, one hour eating lunch (and I bet that is an underestimate), most of his time with the client making casual conversation and, on an average of nine calls a day, only seven minutes actually selling to each customer. I imagine he would consider that anything else would be taking the originality, the adventure, and most of all the personal satisfaction, out of his profession.

THE DINER HAD BEEN WAITING A LONG TIME FOR his order. At last his waiter approached and said, "Your fish will be coming in a minute or two now, sir."

The man looked interested. "Tell me," he said, "what bait are you using?"

THE DITCHER

Guide for Investors

GROWTH PROSPECTS OF COTTON MILL SHARES

(BY A SPECIAL CORRESPONDENT)

THE cotton mill shares have shown mixed trends, since mills producing fine and super-fine cloth have done fairly well during 1962, while those manufacturing medium and coarse cloth find it difficult to make both ends meet. The gross profits of Mafatlal Fine, Finlay Mills, Gold Mohur and Swan Mills have risen while Standard, Shree Nivas and Sassoon Mills have made less profits in 1962 than in 1961.

The industry's overall performance during 1962 has generally been far from encouraging. The cloth output declined from 5,141.5 million yards in 1961 to 4,983.3 million yards in 1962 and yarn production fell by 331 million lbs. Exports have also fallen below expectations. Cloth exports were only 512 million yards in 1962, against 575 million yards in 1961. Yarn exports declined from 65,702 bales in 1961 to 55,000 bales last year. The loss of export markets has partly been due to political factors and partly to economic ones. The competition in the overseas markets has increased a great deal. Several importing countries have set up their own cotton mills. But the main reason why Indian products are being priced out of foreign markets is that the domestic cost of production has sharply risen. Although there has been a small improvement in exports in terms of quantity during the current year so far, the cause for worry is that the total value of exports has declined. Cloth shipments from January to February 1963 were, for example, 100.34 million yards, compared with 100.23 million yards in the corresponding period of 1962. But the total value realised declined from Rs. 8.1 crores to Rs. 7.3 crores. Not only have the mills been forced to cut prices in foreign markets due to competition, but many of them have also been compelled to export at cut prices in view of the compulsory export scheme. In fact, many mills have had to export at substantial losses in order to fulfil their export obligations.

Taking a broader view of the prospects for the current year, it does not look as if the industry will do better than in 1962. During the first quarter of this year, there has been no improvement in overall production. The cloth output amounted to only 1,181 million yards, compared with 1,249 million yards in the corresponding period of 1962 while that of yarn declined from 477 million lbs to 468 million lbs. Investors are naturally concerned most with the prospect of profitability of mills. Considering that the price of cloth has been held down under a scheme of voluntary control, the industry may find it difficult to improve its profits. It is, in fact, feared that mills manufacturing medium and coarse cloth may have to suffer a further loss of profits during the current year. There has, meanwhile, been a substantial rise in the production cost. Indigenous cotton has become more costly since its ceiling price has been increased by Rs. 125 a candy. The prevailing market prices have generally hovered around the ceiling prices. Furthermore, the production cost of mills has been boosted by the surcharge on power bills, higher wages, the increased contributions of employers to the employees' State insurance, the rise in excise duty on various chemicals and dyes and the increased

Customs duty on machinery and equipment. Even the existing level of profits on the manufacture of fine and super-fine cloth may be affected by the new levies of the 1963-64 Budget. The war risks insurance scheme has also added to the production cost. But the most disturbing feature is that the industry's profit will be substantially squeezed by the super profits tax. So investors have been inclined to take a cautious view about the dividend outlook.

In spite of these difficulties, the industry seems to be confident of fulfilling the third plan production target of 5,800 million yards of cloth a year by 1966. But in order to enable the industry to make progress, it is essential to take active steps to surmount the hump. If cloth and yarn exports are to be increased, their prices must be cut by reducing production costs. This can be done if the industry is helped to undertake modernisation and rehabilitation schemes. It has been estimated that modernisation may cost about Rs. 254 crores during the third plan. But now that the super profits tax has virtually made it impossible to plough back funds, it is difficult to raise finance for this purpose.

As for the supply of domestic cotton, the prospect for the current year has improved greatly. The present crop should be about 5.4 million bales. With adequate imports of foreign cotton, the industry has been more or less assured of an adequate supply. The total mill consumption, it is estimated, is not likely to be more than 5.8 million bales.

Ambika Silk Mills Fares Well

THE Ambika Silk Mills Co. Ltd reports highly encouraging results for 1962, with substantial improvement in sales as well as profit. The dividend, however, has only been maintained at Rs. 20 a share, subject to tax. Sales have increased by about 36 percent from Rs. 1.26 crores to Rs. 1.71 crores, and the gross profit has shot up by nearly 50 percent from Rs. 21.06 lakhs to Rs. 31.35 lakhs. The ratio of gross profit to sales has improved from 16.7 percent to 18.3 percent. Appropriations include Rs. 3.02 lakhs (against Rs. 2.71 lakhs) for depreciation, Rs. 17.31 lakhs (against Rs. 8.40 lakhs) for taxation, Rs. 42,000 (against Rs. 38,000) for development rebate reserve and Rs. 3.50 lakhs (against Rs. 3.54 lakhs) for general reserve.

After providing for the payment of the proposed dividend which absorbs Rs. 4 lakhs and making some minor adjustments, there remains a balance of Rs. 26,452 to be carried forward, against Rs. 4,482 brought in. The directors state in their report that the Company's fabrics continued to be in good demand and its exports fetched Rs. 3 lakhs. The Company installed during the year one singeing machine and one friction calendaring machine. An order has been placed for one stentering range valued at about Rs. 5 lakhs, and the machine is expected to arrive shortly. Printing department has been expanded to enable the Company to intensify its activities in printing, processing and other allied sections. The

Rs. 100-paid share of Ambika Silk is currently quoted (nominal) around Rs. 220, offering a gross return of about 10 percent.

Bharat Vijay Mills Pays Less

THE Bharat Vijay Mills Ltd, Kalol, has reported disappointing results for 1962. Although sales have been well maintained at Rs. 113.20 lakhs, against Rs. 112.80 lakhs, the gross profit is down by as much as 48 percent from Rs. 21.37 lakhs to Rs. 11.04 lakhs. The dividend has been reduced from 20 percent to 15 percent and even for paying the reduced dividend, the directors have had to withdraw Rs. 1.70 lakhs from general reserve. In view of the substantial additions to the fixed assets made during the year, provision for depreciation is higher at Rs. 4.07 lakhs, against Rs. 2.63 lakhs. The allocation to statutory development rebate reserve has been increased from Rs. 1.22 lakhs to Rs. 2.28 lakhs. Provision for taxation is also up from Rs. 1.88 lakhs to Rs. 2.88 lakhs and, in addition, the Company has had to provide Rs. 1.66 lakhs to make good the short provision for taxation for 1961. A sum of Rs. 75,000 has been earmarked for a special reserve. No provision has been made for general reserve and dividend equalisation reserve which received Rs. 6 lakhs and Rs. 4 lakhs, respectively, in 1961. After bringing in Rs. 1.05 lakhs from the previous year and adding Rs. 1.70 lakhs transferred from general reserve, the directors have provided for the ordinary and preference dividends which absorb Rs. 2.10 lakhs (against Rs. 2.70 lakhs), leaving a small sum of Rs. 4,343 to be carried forward.

The Company made additions to building, plant and machinery to the tune of Rs. 19.66 lakhs. Orders have been placed for further equipment of the value of Rs. 13.48 lakhs. The Company has received the Government's permission to install 192 automatic looms for replacing plain looms. The Rs. 100-paid share of the Company is quoted nominally around Rs. 350.

Gokak Mills Sales Up, Profit Down

DESPITE a small increase in sales from Rs. 4.23 crores to Rs. 4.3 crores and a rise in the premium received under the export incentive scheme from Rs. 5.03 lakhs to Rs. 11.75 lakhs, the gross profit of Gokak Mills Ltd for the year 1962 is down by nearly 22 percent from Rs. 74.92 lakhs to Rs. 58.30 lakhs, necessitating a cut in the dividend from 18 percent to 12 percent, less tax. The setback in the profit is attributed to the increase in production costs without any corresponding increase in the selling prices of yarn. The cost of cotton and staple fibre consumed is up from Rs. 2.58 crores to Rs. 2.66 crores and the wage bill has gone up from Rs. 66.86 lakhs to Rs. 70.30 lakhs. After providing Rs. 14.30 lakhs (against Rs. 15.14 lakhs) for depreciation and Rs. 20 lakhs (against Rs. 22.25 lakhs) for taxation, the net profit amounts to Rs. 19.72 lakhs, compared with

Rs. 31.69 lakhs in 1961. The directors have set aside Rs. 1.22 lakhs (against Rs. 1.38 lakhs) for development rebate reserve and allocation to the debenture redemption reserve has been reduced from Rs. 5 lakhs to Rs. 4 lakhs. The general reserve No. 1 gets only Rs. 64,000, against Rs. 11 lakhs in the preceding year. The directors have transferred a sum of Rs. 3.35 lakhs to the contingency reserve which is considered to be adequate to meet any possibility of paying the super profits tax. A sum of Rs. 87,423 (against Rs. 1.08 lakhs) has been provided for additional tax for the previous year and Rs. 1.99 lakhs (against Rs. 1.64 lakhs) has been set aside for additional bonus for the previous year. The proposed dividend of 12 percent (against 18 percent) absorbs Rs. 8.79 lakhs (against Rs. 11.89 lakhs), which is to be paid out of the dividend reserve which has been created with an allocation of Rs. 8.80 lakhs from the year's profit. After writing back Rs. 94,126, being excess provisions of previous years, there is a negligible balance of Rs. 244 to be carried forward, against Rs. 20,774 brought in. The directors in their report have expressed regret at the lower profit, but have recalled the warning given by the chairman, Mr. F. H. Kemple, at the last annual meeting that although the results for the first four months of 1962 were satisfactory, the shareholders should not expect the results for the full year to be as good as in 1961. The directors add that the Company's yarn is in good demand. The programme of development and rehabilitation of the mills had to be slowed down because of the restricted availability of import licences and the deferred deliveries quoted by local manufacturers. The Company has installed two cheese winders and five doublers. The Rs. 100-paid share of Gokak Mills is currently quoted around Rs. 146 cum dividend, offering a gross return of about 7.9 percent on fresh investment.

Union Carbide (India) Expanding

THE main point of interest in the latest report of Union Carbide (India) Ltd for the year ended 25th December, 1962, is the Company's expansion programme. During 1962, capital expenditure was Rs. 33.89 lakhs, compared with Rs. 1.14 crores in 1961. A large portion of the expenditure was incurred at the Trombay plant. Additional facilities have been installed at the Metals and Ores Co. The Trombay factory has diversified the production of polyethylene film. The commercial production of polyethylene pipe has been planned for early 1963. These facilities will help develop the use of polyethylene in industry, irrigation and agriculture. The Company has decided to expand the chemical and plastics facilities in Trombay. The construction of the Olefins plant has been undertaken. The Company has been licensed to install a plant for producing projector carbons for the cinema industry. It will also manufacture midget carbon electrodes. The expansion scheme may cost Rs. 8 crores. The Company has been negotiating two long-term loans to raise funds.

The profit has risen from Rs. 83.21 lakhs to Rs. 1.86 crores, after transferring Rs. 56.39 lakhs (against Rs. 34.94 lakhs) to depreciation and Rs. 7.80 lakhs (against Rs. 65.50 lakhs) to development rebate reserve. Taxation absorbs Rs. 1.29 crores (against Rs. 60 lakhs). The general reserve Rs. 60 lakhs. The taxable ordinary dividend has been cut from 18 percent to 12.5 percent, which is more than five times cover-

ed and offers a yield of 3 percent at the present price of Rs. 42.37 a share. The carry-forward is Rs. 4.44 lakhs, against Rs. 42.36 lakhs brought in.

Sales rose from Rs. 9.50 crores to Rs. 12.26 crores. There has been an all-round improvement in production. Although the two battery plants situated in Calcutta and Madras have worked satisfactorily, their output has been restrained by the shortage of imported raw materials. The activities of the Eveready flashlight factory in Lucknow have been diversified. Those of the zinc rolling mill of the Metals and Ores Co. have also been diversified. The production of organic chemicals and polyethylene at the Trombay factory has been satisfactory. The demand for dry batteries, flashlights and flashlight bulbs has been strong. The Company has taken steps to promote the export of its products.

Hindustan Aluminium Expansion

THE Hindustan Aluminium Corporation Ltd has completed its programme of setting up an integrated plant with an annual capacity of 20,000 tons of aluminium ingots a year. The necessary facilities for producing the required quantity of alumina have also been completed. The smelting and the alumina facilities have been brought into operation and are at present working to their full capacity. The output of ingots since the beginning of production from May 1962, amounted to 8,333 tons, of which the major portion was of electrical grade. Delivery against sales totalled 5,607 tons. For initial production, the alumina was partly purchased from Indian Aluminium Company and partly imported from the U.S.A. The Company's own alumina plant has started production from October 1962. It produced 3,375 tons of alumina up to the end of 1962.

The Company has already been permitted by the Government of India to expand its capacity from 20,000 tons to 50,000 tons a year, and to set up its own thermal power station for the additional power supply. The expansion scheme is in hand. The directors point out that the Government has approved in principle the issue of new ordinary shares, which are likely to be offered at the appropriate time in order to meet the costs of expansion. Since the plant has been completed, a sum of Rs. 97.20 lakhs expended during the construction period, has been capitalised and allotted to the various heads. The profit and loss account for 1962 shows a loss of Rs. 1.99 crores, which includes a provision of Rs. 1.56 crores for depreciation. Hence the actual working loss for 1962 has been only Rs. 42.72 lakhs, which was mostly incurred during the first few months before the production started. The plant, it is believed, has now been working on a profitable basis and full production has been achieved. It has not been possible to provide for development rebate because of the debit balance in the profit and loss account. But since this rebate can be carried forward for income tax purposes, it will be provided in due course when the Company makes profits. The accumulated development rebate has been estimated at Rs. 2.14 crores. The dividend has been passed.

Kumardhubi Engineering Fares Well

IN their report for the year ended November 1962, the directors of the Kumardhubi Engineering Works Ltd say that the results have been satisfactory. The demand for steel cast-

ings has increased. The foundry output has been 27 percent higher than in 1960-61, but the structural shop production has been 14 percent smaller following the shortage of steel sections, including matching steel. There has also been some idle capacity in the structural shop. As a result of a vigorous sales drive the order book of the Company has been very satisfactory.

The taxable ordinary dividend has been increased from 35p to 45p a share of Rs. 3 each. The profit has risen from Rs. 7.80 lakhs to Rs. 22 lakhs, after transferring Rs. 5.98 lakhs (against Rs. 6.20 lakhs) to depreciation and writing off bad debts for Rs. 47,362. The ordinary dividend is more than four-and-a-half times covered and offers a yield of 5.6 percent at the present price of Rs. 8 a share. Taxation is allocated Rs. 11.50 lakhs (against Rs. 3.65 lakhs) and super profits tax Rs. 1.65 lakhs. Statutory development rebate reserve absorbs Rs. 77,100 (against Rs. 38,300) and general reserve Rs. 3.25 lakhs. The usual preference dividends have been paid, leaving a carry-forward of Rs. 3,088, against Rs. 13,579 brought in.

Jay Shree Tea Modernises

IN their report for the year ended December 1962, the directors of Jay Shree Tea and Industries Ltd point out that the Company has been modernising the equipment of all tea gardens. About 200 acres were brought under new tea cultivation in 1962. The Company has obtained a loan of Rs. 14.97 lakhs from the Tea Board for financing the new plantation. The plywood factory in Assam has done well. The factory for making decorative plywood has not yet started full production. The superphosphate and sulphuric acid plants have produced good results, but the offtake of these chemicals has not been up to expectations. Their supply, it is said, has been excessive. But the directors hope for an improvement in demand. They consider the outlook satisfactory in view of the diversification of activities.

As for the issue of new shares, the directors have already issued preference shares for public subscription. Since the Government has put a premium of Rs. 3.50 a share on the issue of rights ordinary shares of Rs. 10 each, the directors have postponed the issue for the time being, since they consider the premium too high. So they have made representation to the Controller of Capital Issues for modifying the premium. They will consider issuing these rights shares after knowing the Government's decision.

Merging Hansqua with Killcott Tea

IN their report for the year ended December 1962, the directors of the Hansqua Tea Co. Ltd (a Terai garden) say that the scheme for amalgamating the Company with the Killcott Tea Co. Ltd (a Doora garden) has been sanctioned by the Calcutta High Court. So all properties, rights and liabilities of Hansqua, except for a sum of Rs. 87,500 for the payment of dividends, have now been transferred to the Killcott Tea Co. Ltd. Hansqua Tea Company will be dissolved from 30th June, 1963.

The profit of Hansqua Tea has been Rs. 3.08 lakhs, against Rs. 1.95 lakhs in 1961, after providing Rs. 62,771 (against Rs. 58,361) for depreciation. The taxable ordinary dividend has been increased from 15 percent to 17.5 percent, absorbing Rs. 87,500. The

yield is 11.4 percent at the present price of Rs. 20 a share of Rs. 10 each. Revenue reserve is allocated Rs. 1.10 lakhs (against Rs. 5.75 lakhs), development rebate reserve Rs. 2,000 (against Rs. 4,000) and investment reserve Rs. 5,000. The carry-forward is Rs. 18,241, against Rs. 14,876 brought in. The total crop was 317,061 kilograms, against 288,960 kilograms, and the average sale price improved from Rs. 4.29 to Rs. 4.74 a kilogram. The 1963 crop has been estimated at 275,000 kilograms at a cost of Rs. 11.51 lakhs. Kilograms at a cost of Rs. 11.51 lakhs. The start of the new season has not been satisfactory, since there has practically been no rain between last October and March this year. There has, however, been some useful rain in April.

Loobah Passes Dividend Again

THE profit of the Loobah Co. Ltd (a tea estate in Sylhet) has declined from Rs. 49,083 in 1961 to Rs. 23,090 for the year ended December 1962, after providing Rs. 18,349 (against Rs. 19,348) for depreciation. Taxation in India absorbs Rs. 20,000 (against Rs. 25,000). Taxation in Pakistan is allocated Rs. 7,000 (the same). Bringing in Rs. 28,053, a credit balance of Rs. 1.14 lakhs has been carried forward. The dividend has again been passed. The crop declined from 166,156 kilograms to 151,283 kilograms. The average sale price improved from Rs. 3.81 to Rs. 4.26 a kilogram. The 1963 crop estimates is 103,293 kilograms at a cost of Rs. 6.19 lakhs.

Bengal Flour Mills Maintains

THE Bengal Flour Mills Co. Ltd has maintained a taxable ordinary dividend of 25 percent, including an interim of 10 percent, for the year ended December 1962. This is more than twice covered and offers a yield of 7.3 percent at the present price of Rs. 34.25 a share of Rs. 10 each. There was a record output following an adequate supply of wheat, although the working was interrupted by the power shortage. Lower ceiling prices for flour, atta and semolina have been fixed under a Government ordinance. The extraction control continues to prevail in West Bengal.

The profit has risen from Rs. 7.30 lakhs in 1961 to Rs. 10.88 lakhs in 1962, after providing Rs. 1.06 lakhs (against Rs. 1.21 lakhs) for depreciation. The directors say that in spite of the bigger profit, it has not been possible to raise the dividend because of the increased taxation and the estimated liability of the super profits tax. Taxation absorbs Rs. 6.63 lakhs (against Rs. 3.27 lakhs), development rebate reserve Rs. 2,337 (against Rs. 22,157) and general reserve Rs. 2.91 lakhs (against Rs. 1 lakh).

Prospects for Asian Refractories

IN their report for the year ended November 1962, the directors of Asian Refractories Ltd point out that the prospects are encouraging. The demand for refractory products has risen in response to the expansion of the steel and allied industries. The Company has purchased land in Hazaribagh, Bihar. The pilot plant is being set up for producing firebricks and insulation bricks. The factory will meet the Company's entire requirements of firebricks. The equipment from Poland is soon expected to arrive, and production may

start early next year. The Company has arranged for an adequate supply of electricity from the Bihar State Electricity Board. A loan of Rs. 35 lakhs from the Industrial Finance Corporation, is soon expected to be received. The directors say that in view of the rise in prices, the original project costs may have to be revised upwards. There has been a loss of Rs. 3,749, after transferring Rs. 1.57 lakhs to the project expenses account. This loss has been carried forward, and the dividend has been passed.

Assam Saw Mills Pays Again

THE Assam Saw Mills and Timber Co. Ltd has returned to the dividend list after an interval of nine years. It has declared a taxable ordinary dividend of 3 percent for the year ended September 1962. Production has been interrupted by the shortage of glue, but sales rose from Rs. 38.82 lakhs to Rs. 45.66 lakhs. The profit has nevertheless declined from Rs. 2.57 lakhs in 1960-61 to Rs. 1.70 lakhs in 1961-62, after providing Rs. 1.32 lakhs (against Rs. 1.27 lakhs) for depreciation and Rs. 44,731 (against Rs. 1,480) for development rebate reserve. The dividend is more than thrice covered and offers a yield of 3.6 percent at the present price of Rs. 2.50 a share of Rs. 3 each. The carry-forward is Rs. 94,397, against Rs. 10,925 brought in. The directors think that the results during the current year may improve provided production does not suffer due to the shortage of glue. Sales have so far been satisfactory, and steps have been taken to install new machinery in order to raise output.

Sterling General Insurance Results

THE Sterling General Insurance Co. Ltd has earned a profit of Rs. 4.05 lakhs for the year ended December 1962. A taxable ordinary dividend of 6 percent has been declared, absorbing Rs. 89,507. Taxation is allocated Rs. 1.54 lakhs, general reserve Rs. 75,000, depreciation for investments Rs. 66,200 and the gratuity fund Rs. 17,500. The carry-forward is Rs. 1,687. The gross premium of the fire department rose from Rs. 34.04 lakhs in 1961 to Rs. 36.66 lakhs and that of the marine department from Rs. 16.83 lakhs to Rs. 20.67 lakhs. The gross premium of the miscellaneous department declined from Rs. 50.44 lakhs to Rs. 50.36 lakhs. The subsidiary Company, the Central Mercantile Assurance Co. Ltd, has incurred a loss of Rs. 17,853, against a profit of Rs. 75,866.

Shalimar Wires to Enter Market Soon

SHALIMAR Wires and Industries Ltd, Calcutta, proposes to manufacture Fourdrinier wire cloth which is required for the paper making industry, in collaboration with a Norwegian firm. At present, the entire requirements of the paper industry in the country are imported. The Company has already acquired land, buildings, and a power house in Uttarpara near Calcutta. Order for the plant and machinery were placed with the suppliers in West Germany and the major part of the machinery has already arrived in Calcutta. It is planned that production on a limited scale will start from September 1963, and full scale production is expected to begin in early 1964. The licensed capacity of the

plant for the time being is 3,96,000 square feet of Fourdrinier wire cloth a year on a single shift basis.

The authorised capital of the Company is Rs. 1 crore, made up of 800,000 equity shares of Rs. 10 each and 20,000 9.3 percent preference shares of Rs. 100 each. The issued, subscribed and paid-up capital of the Company is Rs. 8 lakhs. It is now issuing 220,000 equity shares of Rs. 10 each of the face value of Rs. 22 lakhs. Out of the said issue, the directors and their friends have already subscribed for and have been allotted at par 71,000 equity shares of Rs. 10 each on which Rs. 5 each have been paid. The collaborators have also taken 1,500 equity shares of Rs. 10 each which have been fully paid. The Company proposes to offer to the public by the end of this month 147,500 equity shares of Rs. 10 each.

Industrial Containers Earns More

THE Industrial Containers Ltd has produced satisfactory results during the year ended December 1962 due to good deliveries of steel sheet and bigger orders. The directors have, however, pointed out that in spite of a larger profit, it has not been possible to raise the dividend since a substantial portion of it has been absorbed by heavier taxation, including the super profits tax. The profit has risen from Rs. 6.15 lakhs in 1961 to Rs. 9.92 lakhs in 1962, after transferring Rs. 85,677 (against Rs. 90,257) to depreciation. A taxable ordinary dividend of 10 percent has been maintained. This is more than seven times covered and offers a yield of 4.5 percent at the present price of Rs. 2.2 percent a share of Rs. 10 each. Taxation absorbs Rs. 7.03 lakhs (against Rs. 2.67 lakhs), development rebate reserve Rs. 1,420 (against Rs. 20,011) and general reserve Rs. 2.13 lakhs (against Rs. 1 lakh). Sales rose from Rs. 63.24 lakhs to Rs. 74.85 lakhs.

Steel Containers Repeats

THE Steel Containers Ltd has maintained a taxable ordinary dividend of 20 percent for the year ended December 1962. The directors say in their statement that it has not been possible to increase the dividend since the bigger profit has largely been absorbed by heavier taxation, including the super profits tax. The profit has increased from Rs. 12.25 lakhs in 1961 to Rs. 20.72 lakhs in 1962, after providing Rs. 36,434 (against Rs. 35,643) for depreciation. The dividend is more than seven times covered and offers a yield of 5.9 percent at the present price of Rs. 34 a share of Rs. 10 each. Taxation is allocated Rs. 14.88 lakhs (against Rs. 5.48 lakhs), development rebate reserve Rs. 575 (against Rs. 5,465), general reserve Rs. 1.81 lakhs (against Rs. 1.50 lakhs) and replacement of plant and machinery reserve Rs. 2 lakhs (the same). Sales rose from Rs. 85.97 lakhs to Rs. 1.14 crores. There has been a substantial increase in orders and deliveries of steel sheets have been satisfactory.

Elphinstone Mills Cuts Dividend

THE directors of the Elphinstone Spinning and Weaving Mills Co. Ltd have reduced the dividend for 1962 from 22 percent to 18 percent (from Rs. 11 to Rs. 9 a share, Rs. 50 paid), less tax. For the payment of the reduced dividend, a sum of Rs. 6.50 lakhs has had to be withdrawn from general reserve. According to

the preliminary figures, released along with the dividend announcement, the Company's gross profit is down by nearly 27.8 percent from Rs. 48.78 lakhs to Rs. 35.24 lakhs. The dividend has had to be pruned mainly because of the heavy liability of bonus to employees which amounts to Rs. 19.76 lakhs, against Rs. 6 lakhs in the previous year; the figure for 1962, however, includes Rs. 12.76 lakhs for the three years 1959 to 1961. Other appropriations include depreciation Rs. 9.82 lakhs (against Rs. 8.08 lakhs), development rebate reserve Rs. 3.07 lakhs (against Rs. 2.26 lakhs), taxation Rs. 60,000 (against Rs. 16 lakhs), development reserve Rs. 1.02 lakhs (against Rs. 75,000), and doubtful debts Rs. 12,500 (against Rs. 70,793). With Rs. 6.50 lakhs transferred from general reserve and including Rs. 1.37 lakhs brought forward from the previous year, the surplus amounts to Rs. 7.21 lakhs. The proposed ordinary dividend absorbs Rs. 5.40 lakhs (against Rs. 6.60 lakhs). The preference dividend accounts for another Rs. 1.75 lakhs (the same), leaving a small sum of Rs. 5,844 to be carried forward. The Rs. 50-paid share of the Company is quoted nominally around Rs. 100, offering a gross return of about 9.9 percent on fresh investment.

Alcock, Ashdown Earns More, Pays Less

THE working results of Alcock, Ashdown and Co. Ltd for 1962 show considerable improvement over the previous year's performance, although the dividend has been reduced from 22.5 percent to 19 percent, less tax. The dividend for 1962 is, however, on the increased capital, the 9,068 new equity shares allotted during the year being entitled to a dividend of 9½ percent. The directors state that subject to confirmation by the income tax authorities, the tax-free portion of the proposed dividend is placed 4.3 percent. The net dividend, therefore, works out to 14.59 percent, against 16.92 percent in the preceding year. The total amount to be distributed by way of dividends amounts to Rs. 9.01 lakhs, compared with Rs. 9.65 lakhs in 1961. Realisations from sales and work done in 1962 are up by about 15.8 percent from Rs. 1.55 crores to Rs. 1.73 crores, and the gross profit has risen by nearly 26 percent from Rs. 23.17 lakhs to Rs. 29.13 lakhs.

After providing Rs. 1.66 lakhs (against Rs. 1.38 lakhs) for depreciation and Rs. 9.67 lakhs (against Rs. 7.18 lakhs) for taxation, the net profit amounts to Rs. 15.64 lakhs, against Rs. 12.71 lakhs in the preceding year. With Rs. 24,806 brought in and including Rs. 3 lakhs being excess provision in the previous year, the disposable surplus amounts to Rs. 18.89 lakhs. The directors have set aside a sum of Rs. 48,412 (against Rs. 44,484) for development rebate reserve and Rs. 4.80 lakhs (against nil) for general reserve. No provision has been made for machinery rehabilitation and replacement reserve which received Rs. 1.38 lakhs in the previous year. The payment of bonus in past years accounts for Rs. 2.49 lakhs. The proposed dividend absorbs Rs. 9.01 lakhs, against Rs. 9.65 lakhs. After making certain adjustments, there remains a balance of Rs. 26,123 to be carried forward.

The directors state in their report that all the shops except the boat-building yard, were fully employed in the first shift and partially in the second shift. There have been welcome signs of improvement in the ship repair work, which was, at one time, the main stay of the defence works. The newly erected tower shop was fully engaged in executing orders for various State Electricity Boards. The structural shop in

Bhavnagar went into production early this year and execution of orders for structural work and transmission line towers has begun. The activity in the boat-building yard was restricted only to the first half of 1962, because the work of construction of tugs on order could not be started for want of licences for importing machinery. However, a fresh order for barges from the Gujarat Government was obtained later in the year and boat building yard is again fully booked, and is expected to remain so for about two years.

The Company has received industrial licences from the Central Government for manufacturing electricity overhead travelling cranes and marine diesel engines. The question of finalising the terms of collaboration with the foreign manufacturers has now reached the final stage. In order partially to meet the requirements of financing the erection and equipment of shops in Bhavnagar, a medium-term loan of Rs. 20 lakhs against mortgage of fixed assets of the Company has been arranged with the State Bank of India and instalments totalling Rs. 15 lakhs have been received. The Rs. 100-paid share of Alcock, Ashdown is currently quoted around Rs. 300, offering a gross return of about 6.8 percent on fresh investment.

Hindustan Polymers : A New Venture

HINDUSTAN Polymers Ltd is a new Company which has been promoted by Shree Ram Mills Ltd of Bombay to undertake the manufacture of alcohol, styrene monomer, polystyrene and its copolymers. Distillers Company Ltd and its subsidiary BX Plastics Ltd of the U.K. will supply the technical know-how for the manufacture of polystyrene and its copolymers, and will also participate in the equity capital of the Company to the extent of Rs. 20 lakhs. Universal Oil Products Company Incorporated of the U.S.A. will supply the technical know-how for the manufacture of styrene monomer. Power-Gas Corporation Ltd of the U.K. will supply the plant and equipment on a turn-key basis. The factory, it is proposed, will be located in Visakhapatnam.

The Company has been licensed to manufacture 1.5 million gallons a year of alcohol from molasses, 10,000 tons of styrene monomer from alcohol and benzene to be purchased from the steel plants and 7,500 tons of polystyrene and its copolymers. The project, it is estimated, will cost about Rs. 6 crores and the foreign exchange component is estimated around Rs. 2.36 crores. The Company, it is said, will be negotiating with the Commonwealth Development Finance Company of London, the Mercantile Bank Ltd, the I.C.I.C.I. and the I.F.C. for the supply of requisite foreign exchange. The Company will have an authorised capital of Rs. 6 crores, of which Rs. 3 crores is likely to be issued in the beginning. Equity shares of the value of Rs. 1.28 crores are likely to be offered for public subscription some time during the last quarter of the year. The board of directors includes Mr. Kasturbhai Lalbhai (chairman), Mr. Bhogilal Leherchand, Mr. R. G. Saraiya, Mr. Jehangir Patel, Mr. Pratap Bhogilal, Mr. N. K. Petigara and Mr. Ramnik K. Parikh.

Share Offer by Borosil Glass

BOROSIL Glass Works Ltd, which is setting up a completely mechanised factory in Marol (near

Bombay) for the manufacture of scientific and laboratory glassware, is offering 382,500 shares of Rs. 10 each for public subscription at par. The list is expected to open on 27th May. (Fuller details of the announcement appear on later pages of this week's issue of *Capital*.) Construction work at the factory site has already started and machinery is expected to be installed before the end of August. The plant is likely to go into production by the end of this year, and it will achieve its full capacity by about the middle of 1964. When the plant reaches full production, it will turn out 7,200 tons of glassware a year which is about one-third of the total requirements of the country. About 90 percent of the raw material required for the project is indigenously available. The Company hopes to be able to export about 10 percent of its production to countries in West Asia, east Asia and even the U.S.A.

The Company has secured the technical and financial collaboration of the reputed U.S. firm of Corning Glass Works. The American firm will hold 49 percent of the equity capital of Borosil Glass. Apart from providing the technical know-how, Corning Glass will supply machinery and equipment worth Rs. 58.50 lakhs. This amount will be paid to them in the form of shares. Borosil Glass is taking over the Industrial and Engineering Apparatus Company Private Ltd which is already producing at its factory in Andheri (Bombay) a wide range of general laboratory and hospital glass apparatus and micro chemical apparatus. The Andheri plant produces about 1,500 tons a year of borosilicate glass. Borosil Glass Works has an authorised capital of Rs. 2 crores and the issued capital is Rs. 1.50 crores. Of this, 49 percent will be taken up by Corning Glass, Rs. 38.25 lakhs will be offered for public subscription, and the rest will be absorbed by the directors and their friends.

Share Issue by Napco Bevel Gear

THE subscription list for the Rs. 38.81-lakh public issue of Napco Bevel Gear of India Ltd—a big Indo-U.S. venture—will open on 24th May and will close on 31st May or earlier, but not before 27th May. The Company proposes to set up a factory in Faridabad (Punjab) to manufacture, fabricate and assemble automotive and other gears, transmissions, axles, universal joints and other related items. The Company has been licensed to manufacture 3,600 tons a year of bevel gears, universal joints, axles, shafts, speed reduction gears and spur gears. This industry, it is said, will be the first of its kind in India. The well-known U.S. firm of Napco Industries Inc., Minneapolis, is collaborating in the venture.

The Indian Company is purchasing the entire Detroit Bevel Gear Division in Detroit belonging to Napco Industries. All the machinery, equipment, tools, jigs, dies and fixtures to be taken over by the Company from Napco Industries will be reconditioned by the U.S. firm prior to shipment and will carry the same warranty guarantee from Napco Industries that is given by the original equipment manufacturers on brand new machinery. The entire plant will cost \$2.8 million, out of which \$500,000 will be paid in the form of shares in the Company credited as fully paid-up. The balance of \$2.3 million will be paid in cash in U.S. dollars. The A.I.D. has granted a loan of \$2.3 million outside the regular Indian aid pro-

gramme. The loan will carry an interest of 5½ percent a year and is repayable in seven equal annual instalments after a two-year grace period. The total cost of the project is estimated at Rs. 2.61 crores, of which Rs. 1.30 crores will be spent on imported plant and machinery.

The financial requirements, it is proposed, will be met by the issue of equity shares worth Rs. 1.27 crores, a loan of Rs. 1.10 crores from the A.I.D. and proceeds of P.L. 480 loan amounting to Rs. 25 lakhs. The authorised capital of the Company is Rs. 5 crores, made up of Rs. 1.27 crores in equity shares of Rs. 10 each and Rs. 3.74 crores in unclassified shares. Equity shares of the value of Rs. 16 lakhs have already been issued, and taken up by the promoters and their associates. The present issue consists of 1,107 million equity shares, of which 243,920 shares are being subscribed by the promoters, directors and their associates. The foreign collaborators are being allotted 237,500 shares in satisfaction of a part of the price of the plant and equipment to be supplied by them under the agreement. Another 237,500 shares are being allotted to Napco Industries in consideration of supply of plans, engineering data, know-how, etcetera. The balance of 388,080 equity shares are now being offered for public subscription. The entire public issue has been underwritten by the American Express Company Incorporated, New Delhi.

There exists a ready market for the items proposed to be manufactured by the Company; at present, most of these items are being imported. And the demand for the Company's products is bound to increase with the industrialisation of the country. Moreover, under the present arrangements, Napco Industries has agreed to purchase and import from India the products of the Company to a minimum guaranteed amount of \$100,000 a month non-accumulative for a period of three years with four options of additional three-year periods each to Napco Industries. This guarantee is subject to a condition imposed by the A.I.D. limiting the export by the Company to 20 percent of its total production until the satisfaction of the A.I.D. loan. The Company's board of directors includes Mr. Max E. Rappaport (president Napco Industries), Mr. Maurice P. McCarthy (Executive vice-president, Napco Industries), Mr. Peshori Lal Kapoor, Mr. Faqir Chand Mehra, Mr. M. M. Kampelman and Mr. B. C. Dasgupta.

Debt Issue by Tata Hydro and Power

TWO of the three power Companies belonging to the Tata group, namely, Tata Power Co. Ltd. and Tata Hydro-Electric Power Supply Co. Ltd., are entering the market on 24th May to raise a total debt issue of Rs. 1.85 crores. The debentures issued in units of Rs. 1,000 carry an interest of 7 percent a year and are repayable in 1975. Both the debt issues have been fully underwritten. The subscription list will open on 24th May and close on 31st May or earlier but not before 27th May. Tata Power Company is raising Rs. 85 lakhs through the debt issue for financing its programme of modernisation, improvement and rehabilitation to meet the continuous increase in the demand for power in the Company's area of supply.

The programme includes the construction of a new tunnel for the Bhira power-house and additions,

improvements and replacements to the transmission and distribution network owned jointly by the Company with its two associate enterprises—Tata Hydro and Andhra Valley. The Company will meet a portion of the capital expenditure from its internal resources. The total capital expenditure during the next two years is estimated at around Rs. 2.75 crores, excluding the expenditure on the Trombay project. The Tata Hydro-Electric Power Supply Company is raising Rs. 1 crore through debentures for financing its programme of modernisation, improvement and rehabilitation which includes cement grouting and the strengthening of the Shirawta and Walwhan dams and additions, improvements and replacements to the transmission and distribution network owned jointly by the Company and its associates—Andhra Valley and Tata Power. A portion of the capital expenditure will be met from internal resources.

Share Offer by Air Control and Chemical Engineering

THE subscription list for the Rs. 49-lakh public issue of Air Control and Chemical Engineering Co. Ltd.—a new enterprise in the Maganlal Parbhudas group of industries—will open on 30th May and will close on 10th June or earlier but not before 5th June. The Company proposes to undertake the manufacture of a wide range of ventilation, air conditioning and refrigeration equipment in collaboration with reputed foreign firms. Ventilation and air-conditioning equipment will include all types of fans and blowers rated for all duties, namely, light, medium and heavy industrial exhausters, cyclone separators, heavy type dust filters, evaporative type cooling equipment such as spray and capillary type air washers, articulated units, and conditioning units. The Company will also manufacture compressors for ammonia and freon which are needed in cold storage, tunnel freezers, package type plate freezers, dairy equipment, ice-cream manufacture, marine and research refrigeration, ice plants, refrigerating railway wagons, trucks and trailers. In addition, the Company will manufacture such components as heat transfer coils, unit coolers, heavy duty product coolers, and condensers. Sheldons Engineering Ltd. of Canada will provide technical assistance and know-how in the setting up and operation of the Company's unit for manufacturing air-handling, air-conditioning and ventilating equipment, their components and accessories. The foreign firm will participate in the Company's equity capital to the tune of Rs. 5 lakhs and it will be paid technical service fee-cum-royalty at the rate of 2½ percent on the cost of articles manufactured and sold, subject to a minimum of \$10,000 for the first five years.

Air and Refrigeration Corporation of New York will assist in the setting up and operation of the unit for manufacturing air cleaning, air conditioning and dust removal plant and equipment for use in industrial application, their components and accessories. The U.S. firm will take up shares of the value of Rs. 50,000 and it will be reimbursed the actual cost for the supply of drawings, training of personnel but not exceeding \$10,000. In addition, it will be paid a technical service fee-cum-royalty at 2 percent on the cost of production of the articles manufactured and sold. The Danish firm of Aktieselskabet Thomas Ths. Sabroe will assist in the setting up and operation of the Company's unit for manufacturing compressors, heat

transfer equipment and refrigeration equipment. It will be paid technical service fee-cum-royalty of 2½ percent of the cost of production of the contracted material manufactured and sold by the Company. As for all the three collaborations, the c.i.f. value of imported components is to be excluded in computing the cost of production. The Company is also negotiating to secure the collaboration of Air Coils Manufacturing Company of Canada and Canada-Wide Air Conditioning and Refrigeration Services of Canada. The Company's factory will be located in Devdi, near Bareilly, which is about ten miles away from Ahmedabad. The entire project is estimated to cost Rs. 1.5 crores, of which Rs. 80 lakhs will be spent on machinery. The cost of imported equipment is placed at Rs. 36 lakhs for which the Company has already been sanctioned a loan by the Industrial Finance Corporation of India under the A.I.D. programme. It has also obtained a loan of Rs. 24 lakhs from the I.F.C. for purchasing indigenous machinery. A sum of Rs. 1 crore is being raised by way of equity capital. The working capital requirements estimated around Rs. 36 lakhs, will be met by loans from the Company's bankers.

The authorised capital of the Company is Rs. 1.50 crores, comprising Rs. 1 crore in equity shares of Rs. 100 each and Rs. 50 lakhs in unclassified shares of Rs. 100 each. Equity shares worth Rs. 10 lakhs have already been issued and taken up by the promoters and their friends. The Company now proposes to issue 90,000 equity shares. Sheldons Engineering is subscribing for 5,000 shares and 500 shares are being taken up by Air and Refrigeration Corporation. The directors and their associates have agreed to subscribe for 35,500 shares. The remaining balance of 49,000 shares are now being offered for public subscription.

Binny Debenture Issue

THE subscription list for the Rs. 30-lakh 7 percent 1973-78 debenture issue by Binny and Co. Ltd. will open on 29th May and will remain open until 31st May. The entire debenture issue is underwritten. (Fuller details appear on a later page of this week's issue of Capital). Out of this Rs. 30-lakh issue, the firm allotment agreement covers Rs. 15 lakhs. Hence debentures of the value of Rs. 15 lakhs are now offered for public subscription. Interest is payable half yearly on 1st January and 1st July, at 7 percent, subject to deduction of tax.

Applications must be for multiples of Rs. 1,000. The object of this issue is to reduce the existing level of short-term bank indebtedness and replace part of such indebtedness with medium-term secured loan capital in the form of this debenture stock. In particular, the proceeds of the issue will be used for repaying the fixed loan of Rs. 24 lakhs from banks and for reducing bank overdraft. This would release short-term borrowing capacity for the general use and benefit of the Binny group of companies.

Seshasayee Wire Ropes Share Offer

SESHASAYEE Wire Ropes Ltd., which proposes to set up a factory in Edathala in Ernakulam district of Kerala State for manufacturing wire ropes, wire rope accessories and fit-

tings, is offering 278,000 equity shares of Rs. 10 each for public subscription. The Company has secured the collaboration of two well-known Japanese firms which are also participating in the equity capital to the tune of Rs. 3.35 lakhs each. Ataka and Co. Ltd. of Osaka will purchase and supply machinery and equipment from Japan for setting up the factory and Kokoku Iron and Steel Wire Manufacturing Co. Ltd. of Tokyo will design and engineer the factory, draw up specifications for equipment and work in liaison with Ataka and Company for supervising the erection of the equipment in India, commissioning the factory and bringing the plant to the rated production capacity.

The Company has an authorised capital of Rs. 1 crore, made up of Rs. 15 lakhs in 9 percent redeemable cumulative preference shares of Rs. 10 each and Rs. 85 lakhs in equity shares of Rs. 10 each. Out of this, only equity shares worth Rs. 50 lakhs are being issued for the present. The promoters and their friends and associates are taking up shares worth Rs. 15.50 lakhs. Shares of the value of Rs. 6.70 lakhs have been reserved for allotment to the Japanese collaborators. The balance of 278,000 equity shares are now being offered for public subscription. The entire issue offered to the public has been underwritten. The subscription list will open on 27th May and will close on 31st May or earlier but not before 29th May.

New Capital Issues

FIVE companies, of which two are new, have been authorised to issue capital totalling Rs. 9.65 crores. Of these, one company will issue rights shares, three equities and one equity plus cumulative preference shares. The consent for five companies is valid for 12 months. The following are the details:

Hindustan Aluminium Corporation Ltd. is raising further capital of Rs. 4 crores divided into 4 million equity shares of Rs. 10 each to its existing shareholders in the proportion of 33 new shares to 50 shares held, for cash at par.

Hindustan Polymers Ltd., a new Company proposed to be incorporated in Maharashtra, will issue capital of Rs. 3 crores, divided into 300,000 equity shares of Rs. 100 each of which 20,000 shares will be issued to foreign collaborators for consideration other than cash and another 20,000 to the C.D.F.C., London, for cash at par. The balance of 260,000 shares will be issued in India for cash at par of which 127,400 shares will be offered for public subscription.

A. K. Cements Ltd., a Company proposed to be incorporated in Andhra Pradesh, is to issue capital of Rs. 1.50 crores, divided into 123,000 equity shares of Rs. 100 each and 25,000 cumulative preference shares of Rs. 100 each redeemable after nine years at the option of the Company and carrying a dividend of 9.3 percent (free of company's tax but subject to deduction of taxes at source at prescribed rates) to be issued for cash at par.

The Industrial Development Corporation of Orissa Ltd., Bhubaneswar, will issue further capital of Rs. 1 crore divided into equity shares of Rs. 100 each to be subscribed entirely by the Government of Orissa.

Otis Elevator Company (India) Ltd., Bombay, is to issue Rs. 15 lakhs in equity shares of Rs. 100 each for cash at par of which shares of the value of Rs. 9.83 lakhs will be subscribed by Otis Elevator Company Ltd. of the U.S.A.

The Stock Markets

DULL CONDITIONS IN LYONS RANGE

Wednesday Evening.

DULL conditions have prevailed in the Calcutta stock market during the past week. Support has declined to almost a trickle, so share prices have generally declined substantially on any selling indication. Attention has largely been concentrated on clearing shares which have closed below the best levels touched earlier. Operators have been cautious and have preferred to keep their commitments light anticipating the resumption of forward trading. Although forward trading is likely to be allowed under severe restrictions, it is thought that the move may lead to fresh pressure. Since the technical position has improved and the load of shares has been reduced considerably, no great break in prices is foreseen. Except for scattered support to selected jute shares, buyers have kept out.

Lyons Range has been disturbed by the turn of political events. The failure of Indo-Pakistani talks over Kashmir seems to have rendered foreign aid prospects uncertain. Reports about the concentration of Chinese troops along the Ladakh and N.E.F.A. borders have caused concern. Press reports suggest that the prospect of foreign aid should not be considered as optimistically as was done before. The Aid-India Club is expected to meet early in June to decide the amount of assistance. Since some of the donor countries like Britain are inclined to include the defence aid in the total amount to be given to India, it is feared that foreign assistance during 1963-64 may fall short of the requirements. The possibility of the plan being pruned in view of the shortfalls in the targets has also called for caution.

Indian Iron have been sluggish and have fluctuated narrowly. Reports about decontrol of the price and distribution of steel have had little effect. Engineering shares have lost on balance. Scattered support has been extended to Hooghly Docking because of the payment of satisfactory dividends and the prospect of a rights issue in the proportion of two new shares for every five held at a premium of Rs. 25 a share. The prices of miscellaneous shares have drifted downward in the absence of support. The latest reports about the squeeze of corporate profits by heavier taxation have weakened sentiment. Indian Copper have lost on a cut in the dividend from 27 percent to 18 percent. Although its report will not be published in view of the emergency, it looks as if the super profits tax has been responsible for the smaller dividend. Calcutta Electric have been neglected, although the generator which broke down has been reasonably repaired. Paper shares have been subdued and so have been sugar shares. The sugar factories situated in Bihar and U.P. may be adversely affected since the ex-factory prices of the commodity fixed for them may not cover their production costs.

Coal shares have been neglected. Cotton mill shares have been dealt in cautiously because the manufacture of coarse and medium cloth has become almost unprofitable. Scattered business has been done in bank shares. Tea shares have generally been subdued despite the declaration of some good dividends for 1962. Investors have been disappointed because the first export auction for the new north Indian crop held in Cal-

cutta last Monday was not as satisfactory as was previously thought of. Although the supply-demand position of tea is considered good, it remains to be seen whether the average price during the 1963-64 season turns out to be better than in 1962-63.

The declaration of some good dividends has helped to attract support for selected jute shares. But the investors have generally been inclined to take a cautious view of the future outlook. They have been wondering whether the increased jute goods production will be absorbed during the coming months at remunerative prices.

Government securities have been steady. There has been good support for short-dated loans. Subscriptions to the two new conversion loans recently floated by the Central Government amount to about Rs. 138.79 crores. The new loans—4 percent 1969 and 4½ percent 1988—were open for subscriptions from 9th May to 18th May. Conversion facilities were offered for two maturing loans—3½ percent 1963 and 3 percent 1963-65. Of the total amount tendered, subscriptions to the 4 percent loan 1969 have been Rs. 85.69 crores and for the 4½ percent loan 1986 Rs. 53.10 crores.

Bombay

SENTIMENT WORSENS IN DALAL STREET

PRICES SOFTEN ON BULL LIQUIDATION

Wednesday Evening.

THE Bombay stock market has been sluggish during the past week. Although the new account started on Monday in a steadier mood because of the smaller carryforward charges, sentiment has deteriorated later. Share prices have generally turned softer on tired long liquidation, combined with the absence of support. Operators have been disinclined to extend their commitments in anticipation of the resumption of forward trading. The corporate news has, meanwhile, been unfavourable. The latest reports of cotton mills have indicated mixed trends. Mills producing medium and coarse cloth, in general, have found it difficult to earn profits in 1962. The trend is not likely to improve during the current year. Dalal Street has also been worried by Press reports about the concentration of Chinese troops along India's northern borders. The prospect of foreign aid has also become uncertain.

Tata Steel ordinary have declined to Rs. 132.75 in idle trading. Investors have not been able to ascertain whether decontrol of steel—if it were to take place—would be helpful for the Company or not. Tata Locomotive, Larsen and Toubro, Premier Construction and Alcock Ashdown have lost in the engineering section. In motor-vehicle shares, Hindustan Motors have reacted on profit-taking. Premier Automobiles have been neglected.

Except for influential buying in Standard and Kohinoor, cotton mill shares have generally drifted downwards. Kohinoor have met with sup-

port because of the encouraging statement of its chairman. He has indicated that the Company's results during the current year are likely to be better than in 1962. Century have recovered somewhat towards the close on reports that the tyre chord plant of the Company has started production. Khatau have been barely steady, while Morarjee have lost. Bombay Dyeing, Simplex, India United ordinary and Svadeshi have been quoted lower.

Turnover has declined appreciably in miscellaneous shares. Interest in cash shares, in particular, has been subdued. In the cement section, Associated Cement have been sold at Rs. 140.50 and Digvijay at Rs. 164. Sugar shares have been slightly steadier, and Belapur have been taken up to Rs. 185.50. Steamship company shares have been sold freely at cut prices. Mining shares have shown mixed trends. Shivrampur Syndicate have been neglected, but B.B. Petrol have attracted support from knowledgeable quarters. Among chemical shares, Tata Chemical have been done at Rs. 14.88 and Indian Dyestuff at Rs. 416.25. Synthetics and Chemicals have declined, and so have Permanent Magnets. Among rayon shares, National Rayon have recovered slightly towards the close after a sharp fall earlier. The improvement has been due to the news that the lockout declared by the Company has been lifted. But normal working is not likely to be restored for some

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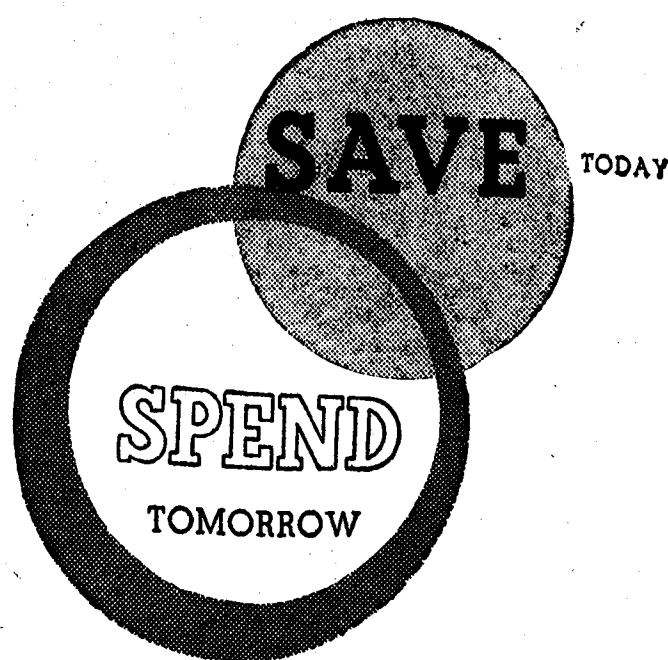
Mr. P. N. TALUKDAR, M.A. (Cantab)

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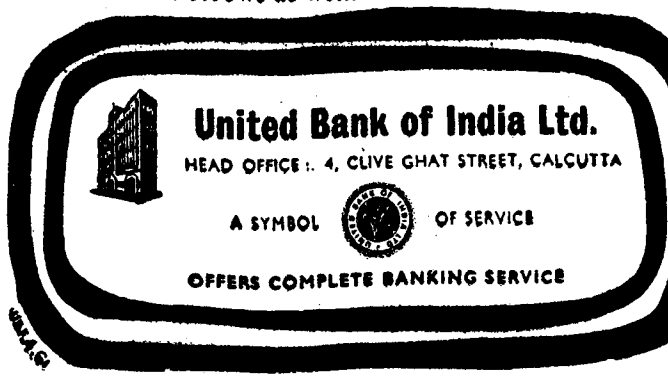
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CALCUTTA



A thrifty person saves today and saves his tomorrows while a spendthrift spends today and spends away his tomorrows as well.



time more. Voltas have been quiet at Rs. 261.

Bank shares have been idle. Business has passed in Bank of Baroda at Rs. 86.30 and in Dena Bank at Rs. 55. In the insurance section, New India Assurance have been steady. Among electric company shares, Tata Power has been bought at Rs. 1,030, but Ahmedabad have been offered down to Rs. 91.30.

Madras

INVESTORS REMAIN CAUTIOUS INTEREST CONFINED TO PLANTING SHARES

Tuesday Evening.

THE Madras stock market has been dull during the past week. Although share prices have declined somewhat, turnover has been negligible. Operators have been inclined to await the decision of the Government about the resumption of forward trading. Investors have generally turned hesitant because of the heavy impact of the super profits tax, which is indicated in the latest company reports. There has been virtu-

ally no interest in clearing shares, since outside support has almost come to a standstill. Whatever interest has been shown, has largely been confined to selected planting shares.

In Government securities, scattered support has been extended to selected State Government loans. Among banks, Indian Overseas and Pandyan have been transacted. Interest has been subdued in electric company shares. Prices of sugar shares have declined on balance. E.I.D. have been sold down to Rs. 37.25 and Deccan have been available at Rs. 9.60.

In the planting section, Blue Mountain have been transacted at Rs. 2.30 and Consolidated Coffee at Rs. 17.12. Periakaramalai have been bought at Rs. 2.90 and Lucky Valley at Rs. 11. Tropical have declared a taxable ordinary dividend of 8 percent and Nenneny a taxable ordinary dividend of 15 percent. Good tea shares have met with little pressure because of satisfactory auction prices. Sellers have been reserved in coffee shares on the view that the export outlook is fairly encouraging. Rubber shares have been neglected.

Turnover has declined to a trickle in cotton mill shares. Coimbatore Pioneer have paid a taxable ordinary dividend of 15 percent and Balarama Varma a taxable ordinary dividend of 7.5 percent. Kadri have declared a taxable ordinary dividend of 6 per-

cent. Interest has been taken in Bangalore Woollen at Rs. 250 and in Buckingham at Rs. 265. South India Viscose have reacted to Rs. 142.50 and Travancore Rayon to Rs. 25.25. Profit-taking has reduced Madura to Rs. 32.50.

There have been few transactions in the miscellaneous section. Madras Rubber have been steady at Rs. 17 on prospects of a rights issue in the proportion of one new share for every two held, at par. In the cement section, Dalmia have been transacted at Rs. 13.05 and India at Rs. 5.52. Aluminium Industries have weakened to Rs. 17 and Mettur Chemicals to Rs. 12.15. Ashok Leyland have been sold down to Rs. 7.46, while Seshasayee Paper have been taken up to Rs. 7.80. Textool have been quoted at Rs. 154 and Spencer at Rs. 21.50.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARER SECURITIES

Birla Jute—Rs. 29/25—28/25—28/37—28/75—(35/25).

CAPITAL, 23rd May, 1963.

Burrakur Coal—Rs. 16/81—16/81—16/75—16/81.
Dunlop Rubber—Rs. 33/00—33/25—32/44—32/44—(45/00).
Guest, Keen, Williams—Rs. 34/03—34/03—33/50—33/75—(42/56).
Hindustan Motor—Rs. 16/97—17/03—16/69—16/84—(20/62).
Howrah Jute—Rs. 20/25—20/25—19/50—19/50—(22/87).
Indian Aluminium—Rs. 33/75—34/75—33/37—34/44—(42/81).
Do. (New)—Rs. 16/25—16/25—16/25—16/25.
Indian Copper—Rs. 4/06—4/06—3/94—3/96—(5/08).
Indian Iron & Steel—Rs. 22/30—22/48—22/12—22/48—(26/44).
Indian Cable—Rs. 31/50—31/50—31/00—31/00—(36/56).
Jaipur Udyog—Rs. 10/75—11/12—10/69—11/12—(14/06).
J. K. Cotton—Rs. 13/69—13/69—13/31—13/62—(20/31).
Kesoram Industries—Rs. 22/87—23/50—21/94—22/25—(32/19).
Orient Paper—Rs. 33/50—34/10—33/50—33/85—(44/45).
Orissa Cement—Rs. 13/81—13/87—13/69—13/87—(19/81).
Rohtas Industries—Rs. 10/87—11/41—10/87—11/12—(16/44).
Shree Gopal Paper—Rs. 24/31—24/31—23/87—23/87—(28/06).
Textile Machinery—Rs. 23/75—23/95—23/20—23/85—(25/40).

GOVERNMENT SECURITIES

3 % Govt. Paper—Rs. 61/50—61/50—61/50—61/50.
3 % Loan (1960)—Rs. 93/50—93/85—93/30—93/30.
3 % „ (1966-68)—Rs. 96/30—96/33—96/30—96/33.
3 1/2 % „ (1968)—Rs. 98/83—98/83—98/83—98/83.
3 1/2 % „ (1969)—Rs. 96/85—96/90—96/85—96/85.
4 % „ (1972)—Rs. 99/30—99/30—99/30—99/30.
4 % West Bengal (1969)—Rs. 97/35—97/35—97/35—97/35.
4 % Andhra (1969)—Rs. 96/15—96/15—96/15—96/15.
4 % Behar (1969)—Rs. 95/00—95/00—95/00—95/00.
4 1/2 % Orissa (1974)—Rs. 96/60—96/60—96/60—96/60.
4 1/2 % Madras (1974)—Rs. 96/75—96/78—96/75—96/78.
4 1/2 % Loan (1972)—Rs. 100/15—100/15—100/05—100/05.
4 1/2 % Madras (1972)—Rs. 95/50—95/50—95/50—95/50.
U.P. Zemindary Rehabilitation Grant Bond (8 Collected)—Rs. 33/65—33/70—33/65—33/70.

RAILWAY

Dehri Rohtas—Rs. 13/75—13/75—13/75—13/75.

BANKS

Allahabad—Rs. 267/00—267/00—267/00—267/00—(396/00).
Punjab National—Rs. 19/12—19/25—19/00—19/00—(21/12).
United Bank of India (Rs. 10/- paid)—Rs. 7/31—7/31—7/19—7/31—(7/56).
United Commercial—Rs. 72/00—72/50—72/00—72/50—(91/00).

COTTONS

Aditya—Rs. 9/50—9/62—9/50—9/62.
Bowreah—Rs. 23/25—23/25—23/25—23/25—(41/00).
Cawnpore—Rs. 6/31—6/31—6/31—6/31—(8/69).
Elgin—Rs. 18/75—19/00—18/69—18/69—(21/60).
Jay Shree—Rs. 14/37—14/37—14/00—14/06—(16/62).
Jiyajerao (Pref.)—Rs. 92/00—92/50—92/00—92/50—(90/00).
New Victoria—Rs. 1/50—1/66—1/47—1/66—(1/87).
Do. (Pref.)—Rs. 2/62—2/72—2/56—2/72—(3/87).
Swadeshi (Pref.)—Rs. 70/50—71/00—70/50—71/00—(71/00).
Swadeshi (P.O.)—Rs. 7/00—7/03—7/00—7/03—(8/56).

COALS

Bharat—Rs. 3/37—3/81—3/37—3/81—(4/19).
Do. (Pref.)—Rs. 50/00—50/50—50/00—50/00.
Central India—Rs. 9/62—9/90—9/62—9/90—(13/25).
Equitable—Rs. 26/50—26/50—26/50—26/50—(28/50).
Standard—Rs. 13/12—13/12—13/12—13/12—(13/12).
Western Bengal—Rs. 8/87—8/87—8/87—8/87—(11/09).

JUTES

Agarpara—Rs. 10/56—10/81—10/37—10/81—(11/56).

CAPITAL, 23rd May, 1963.

Auckland (4 1/2 % Pref.)—Rs. 57/00—57/00—57/00—57/00.
Do. (5 1/2 % Pref.)—Rs. 67/00—67/00—67/00—67/00.
Alliances—Rs. 102/00—104/00—102/00—102/00—(128/00).
Do. (Pref.)—Rs. 69/25—70/25—69/25—70/25.
Anglo-India—Rs. 223/00—224/00—223/00—224/00—(252/00).
Barnagore—Rs. 192/00—193/00—190/00—190/00—(182/00).
Budge Budge—Rs. 155/00—155/00—155/00—155/00—(158/00).
Bally—Rs. 265/00—265/00—265/00—265/00—(309/00).
Caledonian—Rs. 200/00—202/00—200/00—202/00—(206/00).
Champdany—Rs. 23/12—24/12—23/12—24/00.
Cheviot—Rs. 24/56—24/56—24/37—24/37—(25/75).
Clive—Rs. 11/25—11/25—8/00—8/00—(9/00).
Delta—Rs. 155/00—155/00—155/00—155/00—(191/00).
Fort Gloster—Rs. 376/00—376/00—376/00—376/00—(469/00).
Ganges—Rs. 13/37—13/44—13/25—13/37—(15/12).
Hukumchand (Pref.)—Rs. 94/50—95/50—94/50—95/00.
Kamarhati—Rs. 192/00—207/00—190/00—203/00—(191/00).
Do. (Pref.)—Rs. 70/00 F.U.D.—73/00—70/00 F.U.D.—73/00.
Kelvin—Rs. 185/00—185/00—185/00—185/00—(207/00).
Do. (Pref.)—Rs. 93/00—93/00—93/00—93/00—(91/50).
Kankarrah—Rs. 143/00—143/00—143/00—143/00—(150/00).
Kinnison—Rs. 150/00—150/00—150/00—150/00—(150/00).
Do. (Pref.)—Rs. 92/50—92/50—92/50—92/50—(92/50).
New Central—Rs. 12/00—12/62—11/87—12/62—(16/25).
Northbrook (Pref.)—Rs. 72/25—72/25—72/25—72/25.
Presidency—Rs. 5/12—5/19—5/12—5/19—(6/00).
Reliance—Rs. 11/50—11/62—11/44—11/56—(7/69).
Do. (Pref.)—Rs. 112/00—115/50—112/00—115/50—(113/00).
Waverley—Rs. 7/62—8/12—7/62—8/06—(6/37).

MININGS

Assam Sillimanite—Rs. 8/25—8/25—8/25—8/25.
Chrestien Mica—Rs. 10/12—10/19—10/12—10/19—(12/37).
Metal Corp.—Rs. 7/94—8/00—7/87—7/87—(13/75).

ELECTRICS

Calcutta—Rs. 14/19—14/25—14/12—14/25—(15/06).
Do. (Pref.)—Rs. 8/03—8/06—8/00—8/06.

CHEMICAL

Alkali & Chemical—Rs. 33/50—33/50—33/19—33/19—(49/87).

CEMENTS

Bengal Potteries—Rs. 5/00—5/06—5/00—5/06—(7/00).
Dalmia (Bharat)—Rs. 13/25—13/25—13/12—13/12—(13/44).
Sone Valley—Rs. 4/19—4/69—4/19—4/69—(5/31).

ENGINEERINGS

Bhartia Electric Steel—Rs. 14/12—14/50—14/12—14/50—(12/62).
Binani Metal—Rs. 9/94—11/00—9/94—11/00—(12/81).
Britannia Eng.—Rs. 9/75—9/75—9/62—9/69—(12/87).
Burn & Co. (7 % Pref.)—Rs. 116/00—116/00—116/00—116/00—(116/00).
Dalmia Iron—Rs. 10/62—10/69—10/62—10/62—(12/12).
Hindustan Wire—Rs. 9/94—9/94—9/94—9/94—(11/94).
Jessop & Co.—Rs. 22/25—22/37—22/25—22/37—(24/44).
Jay Eng.—Rs. 21/75—21/87—21/75—21/75—(30/06).
Marshall's—Rs. 2/75—2/81—2/75—2/81—(3/94).
Machinery Manfg.—Rs. 18/87—18/87—18/75—18/75.
Raymond—Rs. 3/94—3/94—3/94—3/94—(6/81).
Textile Machinery (6 1/2 % Pref.)—Rs. 100/00—100/00—100/00—100/00—(11/09).

FLOUR MILL

United—Rs. 30/00—30/00—27/81—27/81—(38/00).

INSURANCES

New Asiatic—Rs. 8/44—8/44—8/44—8/44—(7/62).

Ruby General—Rs. 9/44—9/44—9/19—9/37—(9/75).

MISCELLANEOUS

Airways (India)—Rs. 3/84—4/19—3/84—4/00—(5/19).
Assam Hardboard—Rs. 5/00—5/12—5/00—5/12.
Asiatic Oxygen—Rs. 9/69 S.T.—9/69—9/37—9/37.
Associated Battery—Rs. 23/87—23/87—23/44—23/44—(32/00).
Aluminium Corp.—Rs. 13/25—13/25—12/87—12/87—(19/75).
Associated Hotels (Pref.)—Rs. 54/00—54/00—54/00—54/00—(50/50).
Angelo Brothers—Rs. 21/62—21/62—21/37—21/44—(23/44).
Asian Refractories—Rs. 7/06—7/06—7/06—7/06.
American Refrigerator—Rs. 6/62—7/37—6/62—7/37—(10/06).
B. I. Corp.—Rs. 8/69—8/81—8/56—8/81—(10/31).
Balmor Lawrie—Rs. 241/00—241/00—241/00—241/00—(276/00).
Calcutta Tramways—Rs. 11/06—11/06—11/00—11/00—(12/12).
Clive Row Investment—Rs. 8/37—8/40—8/37—8/40—(8/59).
Dr. Paul Lohmann—Rs. 10/37—11/50—10/37—11/50—(22/62).
Do. (Renunciation)—Rs. 0/75 S.T.—1/37—0/75—1/25.
East Anglia—Rs. 9/56—9/56—9/37—9/37—(10/37).
Goodyear India—Rs. 34/87—35/25—34/87—35/25—(48/00).
Hindustan Aluminium—Rs. 13/12—13/12—12/44—12/75—(18/37).
Hindustan Wire Products—Rs. 16/87—16/87—16/87—16/87—(12/94).
Hindustan Development—Rs. 4/12—4/19—4/12—4/19—(6/97).
Indian Tack & Nail—Rs. 12/75—12/75—12/75—12/75—(19/25).
Ivan Jones—Rs. 1/15—1/15—1/15—1/15—(1/19).
Imperial Tobacco—Rs. 10/44—10/62—10/44—10/62—(11/31).
Isaac Holdens—Rs. 14/50—14/50—14/50—14/50—(17/00).
J. K. Synthetics—Rs. 10/75—10/81—10/75—10/81—(15/94).
Jardine Henderson—Rs. 85/50—87/00—85/50—87/00—(80/00).
Kusum Products—Rs. 28/00—28/00—28/00—28/00.
Metal Distributors—Rs. 5/00—5/00—4/81—5/00.
Macfarlane & Co. (Pref.)—Rs. 2/37—2/37—2/31—2/31—(2/53).
Martin Burn—Rs. 26/50—26/50—26/25—26/37—(29/06).
National Rubber Mfg.—Rs. 12/25—12/25—12/25—12/25—(13/87).
National Tobacco—Rs. 12/12—12/60—11/75—11/75—(16/06).
Phillips India—Rs. 25/87—25/87—25/87—25/87—(38/37).
Phillips Carbon—Rs. 17/75—17/75—17/75—17/75—(25/87).
Rallis India—Rs. 117/50—117/50—117/00—117/00—(147/00).
Rohtas Industries ("B" Pref.)—Rs. 56/50—57/00—56/50—57/00—(55/00).
Shaw Wallace—Rs. 14/75—14/75—14/75—14/75—(24/37).
Do. (Pref.)—Rs. 57/00—58/00—57/00—57/00—(57/00).
Sirsluk—Rs. 6/75—9/19—8/75—9/19—(11/12).
Universa Electric—Rs. 8/69—8/94—8/56—8/94—(6/31).
Union Carbide—Rs. 38/50—38/62—38/50—38/50—(52/50).
Universal Cables—Rs. 9/50—9/75—9/50—9/69—(13/25).
Usha Martin Black—Rs. 14/06—14/12—13/75—13/75—(18/31).
Walford Transport—Rs. 3/50—3/72—3/50—3/72—(3/87).
Do. (P.O.)—Rs. 2/41—2/41—2/34—2/37—(2/69).

PAPERS

Ashoke—Rs. 3/72—3/75—3/72—3/75.
Ballarpur (Pref.)—Rs. 78/00—94/50—77/00—94/50.
Bengal—Rs. 29/00—29/37—29/00—29/37—(36/19).
Orient (1st Pref.)—Rs. 91/00—91/00—91/00—91/00—(86/00).
Straw Products—Rs. 9/25—9/44—9/00—9/00—(11/37).
Do. (Pref.)—Rs. 87/00—87/00—87/00—87/00—(88/00).
Sirpur—Rs. 11/87—11/94—11/81—11/81—(4/87).
Star (7 1/2 % Pref.)—Rs. 71/00—71/00—71/00—71/00—(71/00).
Titaghat—Rs. 16/75—16/75—16/62—16/75—(43/25).

SHIPPINGS

India Steamship—Rs. 6/37—6/68—6/37—6/62—(7/62).
Do. (Pref.)—Rs. 60/00—60/00—60/00—60/00.

Port Shipping—Rs. 12/75—12/75—12/62—12/62—(12/31).

SUGARS

Balrampur—Rs. 2/00—2/00—1/94—2/00—(2/50).
Belsund—Rs. 8/00—8/00—7/81—7/81—(10/31).
Raza Buland—Rs. 9/31—9/31—9/31—9/31—(9/75).
Ryam—Rs. 5/10—5/20—5/10—5/20—(8/06).
Shree Krishna Gyanodaya—Rs. 6/81—7/00—6/81—7/00—(9/50).
Tulsi—Rs. 4/50—4/50—4/50—4/50—(5/00).

REAL PROPERTY

Humayan Properties (Pref.)—Rs. 6/81—6/81—6/81—6/81.

TEAS

Bishnauth—Rs. 17/50—17/50—17/50—17/50.
Brooke Bond—Rs. 11/62—11/69—11/62—11/69.
Baitakhal—Rs. 8/00—8/06—8/00—8/06.
Baghmari—Rs. 18/56—18/56—18/56—18/56.
Dufflaghur—Rs. 26/69 S.T.—27/12—26/69—27/00.
Dhunerji—Rs. 13/62—13/87—13/62—13/87.
East India—Rs. 14/25—14/25—14/25—14/25.
Gohpur—Rs. 16/00—16/50—16/00—16/50.
Joonkoolie—Rs. 17/50—17/69—17/50—17/69.
Murphulani—Rs. 26/37—26/50—26/37—26/50.
Naga Hills Tea Co. Ltd.—Rs. 24/63—23/30 p.m.
Patrakola—Rs. 133/00 S.T.—134/00 S.T.—133/00—134/00 S.T.—(137/50).
Pussimung—Rs. 7/00—7/12—7/00—7/12—(7/25).
Rungamtee—Rs. 53/50—53/50—53/50—53/50.
Rydak—Rs. 25/37—25/44—25/37—25/44.
Soom—Rs. 31/62—34/00—31/62—34/00.
Sungma—Rs. 13/12—13/44—13/12—13/31.

DEBENTURE

6 1/2 % Bengal Paper Convertible Notes—Rs. 260/00—260/00—260/00—260/00.

London

ALL-ROUND RISE IN SHARE PRICES

GILT-EDGED ADVANCE

London, 22nd May.

RISE hopes of an economic recovery and a further string of good company news brought buyers into the market and an all-round advance was recorded in the stock market prior to the week-end. Business was on a very good scale, and markets had one of the most active weeks of the year. Unsettled conditions developed after the week-end, however, on a renewal of election fears. The advertising campaigns by both the Conservative and Labour Parties gave rise to renewed talk that the general election may be held in the autumn rather than in the spring. Prices, consequently, slipped back, but even so widespread and often appreciable gains were recorded compared with the previous levels. Gilt-edged were in demand and although off the top, gains extended to nearly a point. Dollar stocks lost ground following a sharp fall in the dollar premium, which followed news that the Bank of England had permitted an investment trust to borrow dollars in New York and would consider similar applications from other trusts. Industrials went ahead on a broad front and although easing after the week-end, extensive gains were recorded. Property shares fluctuated narrowly, while banking and insurance shares moved erratically. Gold shares were in selective demand and coppers also advanced. These however, were subdued. Oils fluctuated and lost ground after the week-end on talk of a petrol price war developing in the U.K. Rubbers were out of the picture, but teas often responded to good dividend statements.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	C.S.I. Hours
United Commercial Bank Ltd.	24-5-63	4 p.m.
Escorts Ltd.	27-5-63	10-15 a.m.
Bharat Nidhi Ltd.	27-5-63	3-30 p.m.
Guest, Keen, Williams, Ltd.	31-5-63	11-20 a.m.
Kumardhubi Engineering Works Ltd.	31-5-63	3-40 p.m.
Bengal Flour Mills Co. Ltd.	7-6-63	12-30 p.m.
Steel Containers Ltd.	7-6-63	3 p.m.
Industrial Containers Ltd.	7-6-63	1-15 p.m.
Champdany Jute Co. Ltd.	11-6-63	11 noon
Hope's Metal Windings (India) Ltd.	13-6-63	3-30 p.m.
New Samanbagh Tea Co. Ltd.	13-6-63	3-40 p.m.
Tea Planters Benevolent Institution	14-6-63	10-30 a.m.
Bengal Potteries Ltd.	14-6-63	4 p.m.
Hattikihra Tea Co. Ltd.	18-6-63	11-30 a.m.
New India Investment Corp. Ltd.	18-6-63	3 p.m.
Jay Shree Tea & Industries Ltd.	18-6-63	3-30 p.m.
State Bank of India Triton Insurance Co. Ltd.	19-6-63	4 p.m.
Dhunerji Tea Co. Ltd.	21-6-63	3 p.m.
Naga Hills Tea Co. Ltd.	24-6-63	2-30 p.m.
British India (India) Ltd.	26-6-63	11 a.m.
Soorah Jute Mills Co. Ltd.	26-6-63	2-30 p.m.
Philips India Ltd.	28-6-63	11 a.m.
Kumardhubi Fireclay & Silica Works Ltd.	28-6-63	11 a.m.

DIVIDENDS DECLARED OR PROPOSED
ED—Hoolingore Tea Co. Ltd.—20 p.c. (Gross); Champdany Jute Co. Ltd.—35 p.c. (f), subject to tax; Steel Contractors Ltd.—20 p.c., subject to tax; British India Corporation Ltd.—9 p.c. (o), subject to tax; Jeewanal (1929) Ltd.—5 p.c. (f), subject to tax; Standard Mills Co

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		17-5-63	10-5-63	18-5-62
Liabilities—				
Notes in Banking Dept. ...	...	20,35.00	18,06.54	16,33.77
Notes in Circulation ...	...	23,21,95.55	23,44,08.63	21,46,65.90
Total Notes Issued ...	...	23,42,30.55	23,62,15.17	21,62,99.67
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.04
Foreign Securities ...	...	1,05,08.43	1,05,08.43	1,01,50.07
Total of A ...	...	2,22,84.53	2,22,84.53	2,19,26.11
B. Rupee Coin	...	1,13,02.50	1,12,87.12	1,14,36.78
Rupee Securities ...	...	20,06,43.42	20,26,43.52	18,29,36.78
Total ...	...	23,42,30.55	23,62,15.17	21,62,99.67

BANKING DEPARTMENT		Week Ended		
(In 000's of Rupees)		17-5-63	10-5-63	18-5-62
Liabilities—				
Capital Paid-up ...	...	5,00.00	5,00.00	5,00.00
Reserve Fund ...	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund ...	...	61,00.00	61,00.00	50,00.00
National Agricultural Credit (Stabilisation) Fund ...	...	7,00.00	7,00.00	6,00.00
Deposits—				
(a) 1. Central Govt.	...	54,11.32	50,82.33	52,74.61
2. State Govts.	...	12,19.38	7,06.96	12,34.95
(b) Banks—	...			
(i) Scheduled Banks	...	83,51.90	79,53.09	87,30.18
(ii) State Co-operative Banks	...	2,23.08	2,43.37	...
(iii) Other Banks	...	7.27	6.38	...
(c) Others	...	1,69,04.87	1,70,27.10	1,49,90.14
Bills Payable ...	...	29,83.61	25,00.06	39,54.97
Other Liabilities ...	...	79,79.76	71,41.21	74,49.76
Total ...	...	5,83,81.17	5,59,60.70	5,57,34.61
Assets—				
Notes	...	20,35.00	18,06.54	16,33.77
Rupee Coin	...	...	3.12	1.52
Small Coin	...	2.69	2.44	2.84
National Agricultural Credit (Long Term Operations) Fund				
(a) Loans and Advances to—	...			
(i) State Govts.	...	27,17.02	27,17.02	...
(ii) State Co-operative Banks	...	9,11.57	9,17.98	...
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	2,84.88	2,84.88	...
National Agricultural Credit (Stabilisation) Fund				
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. treasury Bills	...	56,59.39	55,27.26	70,21.56
Balances Held abroad	...	14,04.78	7,48.54	6,23.31
Loans and Advances to Govt.	...	49,21.02	70,10.52	1,17,38.05
Loans and Advances to—	...			
(i) Scheduled Banks	...	24,92.20	45,97.25	1,29,13.96
(ii) State Co-operative Banks	...	1,11,18.08	1,11,74.00	...
(iii) Others	...	3,28.02	1,92.27	...
Investments	...	2,26,84.66	1,72,36.67	1,80,97.46
Other Assets	...	38,21.56	37,42.21	37,01.74
Total ...	...	5,83,81.17	5,59,60.70	5,57,34.61

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		10-5-63	3-5-63	11-5-62
(i) Demand Liabilities—				
(a) Demand Deposits	...	49,95.26	50,35.58	50,15.72
(b) From Banks	...	8,81,13.46	8,93,89.86	7,76,91.20
(c) Others	...	25,04.98	25,27.33	27,42.75
(d) Total	...	62,46.73	62,53.25	58,72.36
(ii) Time Liabilities—				
(a) Time Deposits	...	27,22.07	28,42.59	16,95.78
(b) From Banks	...	12,00,99.56	11,91,79.61	11,88,42.14
(c) Others	...	18,21.33	16,84.55	12,48.53
(d) Total	...	10,48.06	10,32.45	10,08.22
(iii) Borrowing from State Bank—				
(a) Demand Liabilities	...	8,16.26	6,75.93	5,06.19
(b) Time Liabilities	...	10,06.00	11,63.44	15,19.00
(c) Total	...	45,82.75	40,20.15	21,96.00
(iv) Cash	...	55,67.52	54,28.23	52,58.64
(v) Balances with the Reserve Bank	...	79,91.57	77,20.67	82,91.81
(vi) Balances with other Banks in current account	...	19,48.16	20,06.91	17,22.36
(vii) Money at call and short notice	...	43,99.85	42,54.80	50,83.94
(viii) Investments in Central and State Govt. Securities	...	6,08,85.42	6,18,29.45	5,74,76.94
(ix) Loans, Cash credits and overdrafts	...	13,30,62.36	13,24,14.07	12,12,94.18
(x) Due from Banks	...	8,78.95	8,86.93	5,55.40
(xi) Inland Bills purchased and discounted	...	2,03,35.69	2,12,59.36	1,76,33.75
(xii) Foreign Bills purchased and discounted	...	55,19.03	56,30.07	46,88.61
(xiii) Total of X, XI and XII	...	15,97,96.63	16,01,90.43	14,41,71.94

Money

THE CALCUTTA MONEY MARKET

FAIR DECREASE IN ADVANCES

Wednesday, 22nd May.

THE general level of advances has shown a fair decrease in the Calcutta money market during the past week. This has resulted from the slight decline in the credit given to the sugar mills, to the iron, steel and engineering industries, and to the foodgrains and seeds trade. The advances to jute mills have gone up modestly. Credit for cotton and woollen mills remains almost unchanged. In the interbank market, conditions have become steadier after initial weakness, and the call rate has risen to 5 percent from 4½ percent.

In the exchange market, activity has increased slightly, and there is an improvement in the supply of gunny bills. Tea bills are still in short supply. The demand for remittance has been moderately active. Sterling is weak in relation to most currencies except the Canadian dollar, the Italian lira and the Norwegian kroner.

SILVER WAS QUIET IN CALCUTTA during the past week. Turnover was small. The price fell from the previous week's level of Rs. 274.50 to Rs. 270.50, quoted today for ready delivery. There was no business in forward. The London and New York prices were 110½d and 128.4 cents. No trading took place in gold.

DURING THE WEEK ENDED 17TH MAY, Government of India Treasury bills for Rs. 68,20,25,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-day Government of India Treasury bills were opened on 21st May. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.410 percent and above were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.355 percent a year. Tenders for Rs. 2 crores of 1-days Government of India Treasury bills will be received at all centres up to the close of business on 27th May.

IT IS STATED THAT 91-day INTERMEDIATE Treasury bills will be sold from 22nd May to 25th May at Rs. 99.426 percent, subject to the conditions previously announced that sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 15th May to 18th May amounted to Rs. 1.65 lakhs only.

DECLINES OF RS. 22.13 CRORES TO Rs. 2,321.96 crores in active notes and of Rs. 19.84 crores to Rs. 2,342.31 crores in the total note issue were notable features of the Reserve Bank return for the week ended 17th May, 1963. The currency contraction was covered by reducing rupee securities of the paper currency reserve by Rs. 20 crores to Rs. 2,006.44 crores. This was done partly by transferring securities to the Banking Department in which investments rose by Rs. 54.47 crores to Rs. 226.84 crores. Deposits of the Government of India increased by Rs. 3.28 crores to Rs. 54.11 crores, and those of State Governments by Rs. 5.12 crores to Rs. 12.19 crores. Balances of sche-

duled banks rose by Rs. 3.99 crores to Rs. 83.52 crores. Their loans from the Reserve Bank fell from Rs. 45.97 crores to Rs. 24.92 crores, of which advances against usance bills were Rs. 17.49 crores (Rs. 30.73 crores). Ways and means advances stood at Rs. 49.21 crores, against Rs. 70.11 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 10th May, 1963, shows a drop of Rs. 3.43 crores to Rs. 554.59 crores in total deposits. Investments in Government securities are down by Rs. 2.35 crores to Rs. 221.37 crores, while other authorised investments remain unchanged at Rs. 7.84 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have risen by Rs. 37 lakhs to Rs. 307.92 crores. Cash and balances are, in consequence, shown at Rs. 22.80 crores or Rs. 1.49 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 10th May, 1963, shows Demand and Time liabilities at Rs. 1,018.60 crores (Rs. 25.05 crores on account of borrowings from banks) and Rs. 1,256.91 crores (Rs. 18.21 crores), compared with Rs. 1,032.06 crores (Rs. 25.27 crores) and Rs. 1,247.39 crores (Rs. 16.85 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 1.40 crores and Rs. 2.71 crores, respectively. There is a drop of Rs. 11.44 crores to Rs. 606.85 crores in investments. Advances and bills discounted at Rs. 1,597.96 crores show a drop of Rs. 3.94 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 6 percent and 70.2 percent, against 5.8 percent and 70.3 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 24-5-63.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
24-5-63	27-8-63	2,00.00	Rs. 2.355%
17-5-63	20-8-63	2,00.00	Rs. 2.360%
10-5-63	13-8-63	2,00.00	Rs. 2.354%
3-5-63	6-8-63	2,00.00	Rs. 2.350%
26-4-63	29-7-63	2,00.00	Rs. 2.349%
19-4-63	22-7-63	2,00.00	Rs. 2.354%
11-4-63	14-7-63	2,00.00	Rs. 2.360%
5-4-63	8-7-63	2,00.00	Rs. 2.370%
29-3-63	2-7-63	2,00.00	Rs. 2.370%
22-3-63	25-6-63	2,00.00	Rs. 2.370%
15-3-63	18-6-63	2,00.00	Rs. 2.370%
8-3-63	11-6-63	2,00.00	Rs. 2.365%
1-3-63	4-6-63	2,00.00	Rs. 2.365%
22-2-63	25-5-63	2,00.00	Rs. 2.365%

(Monthly Maturities 000's omitted)		
May 1963		2,00.00
June 1963		8,00.00
July 1963		10,00.00
August 1963		8,00.00
Total		28,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
17-5-63	.....	1,10.13
10-5-63	.....	1,10.99
3-5-63	95.30	1,10.99

ANNOUNCEMENT REGARDING THE ISSUE OF

Rs. 30,00,000 7% DEBENTURE STOCK 1973/78
IN UNITS OF Rs. 1,000/- AT PAR

By

BINNY & COMPANY (MADRAS) LIMITED

REGISTERED OFFICE: 7, ARMENIAN STREET, MADRAS-1.

SHARE CAPITAL

AUTHORISED	ISSUED, SUBSCRIBED & FULLY PAID UP
Rs. 100,00,000	Rs. 100,00,000
	1,00,000 Equity Shares of Rs. 100 each.

PRESENT ISSUE TO THE PUBLIC

This issue which is now proposed to be made to the Public is at par in units of Rs. 1,000/- of 7% Debenture Stock 1973/78 and is for a total amount of Rs. 30,00,000

DATES OF THE OPENING & CLOSING OF THE SUBSCRIPTION LIST

Opening date	...	29th May 1963
Closing date	...	31st May 1963

APPLICATION FORMS AND COPIES OF THE PROSPECTUS CAN BE OBTAINED FROM THE REGISTERED OFFICE OF THE COMPANY OR FROM BROKERS TO THE ISSUE OR FROM ANY OF THE BRANCHES IN INDIA, LISTED BELOW, OF THE CHARTERED BANK AND THE STATE BANK OF INDIA.

UNDERWRITERS

Paterson & Co., 22, Errabalu Chetty Street, Madras-1	Rs. 20,00,000
The Industrial Credit & Investment Corporation of India Ltd., 163, Backbay Reclamation, Bombay-1	10,00,000
	Rs. 30,00,000

BANKERS

The Chartered Bank	
Amritsar, Bombay, Calcutta (Netaji Subhas Road), Cochin, Delhi, Kanpur, Madras, New Delhi.	
The State Bank of India	
Ahmedabad, Allahabad, Amritsar, Bangalore, Bombay (Local Head Office), Calcutta (Local Head Office), Cochin, Coimbatore, Hyderabad, Indore, Kanpur, Lucknow, Madras (Local Head Office), Madurai, New Delhi (Local Head Office), Trivandrum.	

BROKERS

MADRAS	:	Paterson & Company, 22, Errabalu Chetty Street, Madras-1.
MADRAS	:	Chitra & Company, 322-323, Linghi Chetty Street, Madras-1.
BOMBAY	:	Lewis & Jones, Bank of Baroda Building, Apollo Street, Fort, Bombay-1.
BOMBAY	:	Bativala & Karani, Union Bank Building, Dalal Street, Fort, Bombay-1.
BOMBAY	:	Harkisondass Lakhmidass, Stock Exchange Building, Apollo Street, Fort, Bombay-1.
BOMBAY	:	Merwanjee Bomanjee Dalal, Allahabad Bank Building, Apollo Street, Fort, Bombay-1.
CALCUTTA	:	Place, Siddons & Gough (Private) Ltd, 6, Lyons Range, Calcutta-1.
NEW DELHI	:	Harbans Singh Mehta & Company, 33, Regal Building, Parliament Street, New Delhi-1.
NEW DELHI	:	Raj Paul Chadha & Company, Deluxe Cinema Building, Asaf Ali Road, New Delhi.

MANAGING DIRECTORS/MANAGING AGENTS/SECRETARIES & TREASURERS/MANAGERS

The Company has no Managing Agents, Secretaries & Treasurers or Managers and does not act in any of these capacities for any other company or business. The Company has one Managing Director, Mr. P. R. D. Carmichael. Members of the Company's Board of Directors (with the exception of Mr. H. M. Tallack, Dr. Rajah Sir Muthiah Chettiar of Chettinad, Mr. R. B. Kernick and Mr. M. K. Vellodi) are Directors or Managing Directors of one or more of the Company's subsidiary companies.

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22, SIKAND ROAD, CALCUTTA-1

This announcement is not a Prospectus and persons interested are requested to apply for a copy of the Prospectus for full details, copies whereof are available from the Bankers, Managing Brokers and Brokers.

The Subscription list will open at the commencement of Banking hours on the 27th day of May, 1963, and will close at the discretion of the Directors, but not earlier than the close of Banking hours on the 29th day of May, 1963.

BOROSIL GLASS WORKS LTD.

(Incorporated under the Companies Act, I of 1956 on the 14th day of December, 1962, as a public Company, limited by Shares)

REGISTERED OFFICE

CHOTANI ESTATES, PROCTOR ROAD, GRANT ROAD, BOMBAY No. 7.

SHARE CAPITAL

1. AUTHORISED

20,00,000 Equity Shares of Rs. 10 each Rs. 2,00,00,000

2. ISSUED

15,00,000 Equity Shares of Rs. 10 each Rs. 1,50,00,000

OUT OF THE ABOVE

(a) 90 Equity Shares of Rs. 10 each (fully paid) have been allotted for cash to the Subscribers to the Memorandum and Articles of Association of the Company .. Rs. 900

(b) 1,50,000 Equity Shares of Rs. 10 each have been issued (credited as fully paid up) shares to Corning Glass Works, Corning, U.S.A. the technical collaborators of the Company for the supply of technical know-how, continuing technical assistance, etc. in terms of an Agreement dated the 7th day of May, 1963, made between Corning Glass Works and the Company and hereinafter referred to as "the Technical Collaboration Agreement" .. Rs. 15,00,000

(c) Corning Glass Works have agreed to subscribe for and will be allotted 5,85,000 equity shares of Rs. 10/- each (to be credited as fully paid-up) in consideration of supply of machinery and equipment to be imported and which are listed in the Technical Collaboration Agreement .. Rs. 58,50,000

(d) 1,43,600 Equity Shares of Rs. 10 each (to be credited as fully paid-up) have been agreed to be allotted to the existing shareholders of the Industrial & Engineering Apparatus Co. Pvt. Ltd. in part consideration of the acquisition of the assets and undertaking of Industrial & Engineering Apparatus Co. Pvt. Ltd. (herein-after for brevity's sake referred to as IEA) in terms of the Scheme of Amalgamation between IEA and the Company .. Rs. 14,36,000

(e) 8,900 Equity Shares of Rs. 10 each (to be credited as fully paid-up) have been reserved for allotment to the existing shareholders of IEA representing the maximum possible number of shares to be allotted for the balance of consideration of Rs. 89,000 for the acquisition of the assets and undertakings of IEA in terms of conditions imposed by the Controller of Capital Issues .. Rs. 89,000

(f) 2,29,910 Equity Shares of Rs. 10 each (fully paid-up) have been allotted and agreed to be allotted for cash to Directors and Friends and Associates of the Directors and promoters .. Rs. 22,99,100

NOW OFFERED AT PAR FOR PUBLIC SUBSCRIPTION
3,82,500 Equity Shares of Rs. 10 each .. Rs. 38,25,000

Rs. 1,50,09,000

TERMS OF PAYMENT

Payable as follows

- (a) Rs. 2.50 per share on application.
(b) Rs. 7.50 per share on allotment.

APPLICATION FOR SHARES

Application forms along with the copies of the Prospectus can be had from the Bankers, Managing Brokers and Brokers.

DIRECTORS

Name & Address	Nationality	Description & Occupation
(1) Mr. Robert D. Murphy, President, Corning Glass International, 717, Fifth Avenue, NEW YORK 22 N.Y., U.S.A., (Chairman), Alternate Director to Mr. Robert D. Murphy;	American	Business, Director, 1. Corning Glass Works, 2. Morgan Guaranty Trust Co. of New York, 3. Morgan Guaranty International Banking Corp.
Mr. Gordon W. Franks, C/o M/s. Ingersoll-Rand (India) Pvt. Ltd., 17-B, Horniman Circle, BOMBAY-1.	American	4. Morgan Guaranty International Finance Corp. 5. The Gillette Co. 6. The Japan Fund Inc.
(2) Mr. Narayan Dandekar, I.C.S. (Retd.), Express Building, Churchgate, BOMBAY-1.	Indian	Chartered Accountant, Director, 1. Uttar Pradesh Pulp and Paper Mills Ltd. 2. Punjab National Bank Ltd. 3. Oriental Power Cables Ltd. 4. Baroda Rayon Corporation Ltd. 5. Orissa Textile Mills Ltd. 6. Indian Oxygen Ltd. and others
(3) Mr. Philip Hayward Brown, "Bakhtavar", 163-B, Lower Colaba Road, Opp. P.O. Colaba, BOMBAY-5.	American	Business, Director, 1. Chairman & Managing Director, Corn Products Co. (India) Pvt. Ltd. 2. Co-Managing Director, Rafhan Maize Products Co., Ltd., Lyallpur-Pakistan. 3. Member, Executive Council, Indian Society of Advertisers Ltd. 4. Member, Council of Management, the Audit Bureau of Circulations Ltd.
(4) Dr. P. N. Valaya,	Indian	Medical Practitioner, Chairman-Director, Industrial & Engineering App. Co. (Pvt.) Ltd.
(5) Mr. Robert C. Bennet, First National City Bank, Dadabhy Naoji Road, BOMBAY-1.	American	Executive, First National City Bank, Bombay.

(6) Mr. R. A. Shah, Indian
Crawford Bayley & Co.,
State Bank Buildings,
Bank Street,
BOMBAY-1.

Solicitor and Partner of
Messrs. Crawford Bayley
& Co. and Director of:

- Alta Laboratories Limited.
- Fiber Glass Pilkington Ltd.
- Mulchandani Electrical & Radio Industries Limited.
- Rockwell (India) Limited (Alternate).
- Schrader-Scovill Duncan Ltd., (Alternate).
- Suhrid Geigy Limited and others

- Partner, Lewis & Jones.
- Director, Roha Pulp & Paper Co. Ltd.
- Raje Industrial & Engineering Co. Pvt. Ltd.

(7) Mr. V. B. Desai, Indian
Lewis & Jones,
Bank of Baroda Building,
Apollo Street,
BOMBAY-1.

(8) Dr. S. R. Lele, Indian
12-B, Pitambar Lane,
Mahim, BOMBAY-16.

MANAGING AND TECHNICAL DIRECTOR:

Dr. S. R. Lele, M.Sc., Ph.D. (Lond.), Glass Technologist, has been appointed as the first Managing Director. (This appointment is subject to the approval of the Government.)

TECHNICAL & FINANCIAL COLLABORATORS

M/s. Corning Glass Works,
Corning, New York, U.S.A.

BANKERS

United Commercial Bank Ltd.
Canara Industrial & Banking Syndicate Ltd.

Bank of Baroda Ltd.
The United Western Bank Ltd.,
National & Grindlays Bank Ltd.,
First National City Bank,

American Express Co. Inc.,

REGISTRARS & TRANSFER AGENTS

Industrial Investment Trust Ltd.,
61, Apollo Street, Fort, Bombay-1.

AUDITORS

A. F. Ferguson & Co.,
Chartered Accountants,
Allahabad Bank Buildings,
Apollo Street, Fort, Bombay-1.

SOLICITORS

Messrs. Crawford Bayley & Co.,
State Bank Buildings,
Bank Street, Fort, Bombay-1.

MANAGING BROKERS

- M/s. Lewis & Jones,
Bank of Baroda Building,
Apollo Street, Fort, Bombay-1.
- M/s. Place, Siddons & Gough Pvt. Ltd.,
6, Lyons Range, Calcutta-1.

BOROSIL GLASS WORKS LTD.—Cont'd.

BOMBAY

- M/s. A. B. Pandit & Co.,
32, Apollo Street, Bombay-1.
- M/s. P. R. Subramanyam,
70-A, Stock Exchange,
Apollo Street, Bombay-1.
- M/s. R. R. Nabar & Co.,
31, Dalal Street, Fort, Bombay-1.
- M/s. Marwanji Bomanji Dalal,
Allahabad Bank Building,
Apollo Street, Bombay-1.
- M/s. Badliwala & Karani,
Union Bank Building,
Dalal Street, Bombay-1.
- M/s. Dhirajlal Maganlal,
Purshottamdas,
Stock Exchange Building,
Apollo Street, Bombay-1.
- M/s. J. K. Motishaw & Co.,
32, Apollo Street, Fort, Bombay-1.
- M/s. L. G. Bhe,
78, Stock Exchange New Building,
Apollo Street, Fort, Bombay-1.
- M/s. Navachand T. Shah & Co.,
15, Union Bank Building,
Dalal Street, Bombay-1.

CALCUTTA

- M/s. Chunilal T. Mehta,
8, Lyons Range, Calcutta-1.

INDUSTRIAL AND ENGINEERING	1958		1959		1960		1961		1962	
	1958	1959	1958	1959	1960	1961	1960	1961	1960	1961
Paid-up Capital	98,000	98,000	1,10,500	2,95,000	2,95,000	2,95,000	2,95,000	2,95,000	2,95,000	2,95,000
Sales (Net)	15,50,919	19,70,637	22,85,284	29,20,639	34,30,985	34,30,985	34,30,985	34,30,985	34,30,985	34,30,985
Profit before Depreciation,	2,76,873	3,67,962	4,93,553	7,50,847	9,24,984	9,24,984	9,24,984	9,24,984	9,24,984	9,24,984

provision for Taxation, Dividends and Transfers to Reserves.

PROFITABILITY

- M/s. G. M. Pyne,
14, India Exchange Place, Calcutta-1.

MADRAS

- M/s. Dalal & Co.,
National Insurance Building,
Madras-1.
- M/s. Chitra & Co.,
322-323, Linghi Chetty Street,
Madras-1.
- M/s. Patterson & Co.,
22, Errabalu Chetty Street, Madras-1.

DELHI

- M/s. Rajaram Bhasin & Co.,
Asiana, Netaji Subhas Marg, Delhi-6.
- M/s. P. S. Khambete & Co.,
M-45, Connaught Circus, New Delhi-1.
- M/s. Rajpaul Chadha & Co.,
Delight Cinema Building,
Asaf Ali Road, Delhi-1.
- M/s. Harbansingh Mehta & Co.,
33, Regal Building, Parliament Street,
Delhi-1.

AHMEDABAD

- M/s. Narendra Lalbhai Sheth,
Maneck Chowk, Ahmedabad-1.

BANGALORE

- M/s. Nanjappaiah Jahagirdar,
181, Cavellory Road, Bangalore-1.

EXISTING AND PROPOSED ACTIVITIES

The Principal object of the Company is to manufacture Scientific and Laboratory Glassware of the Borosilicate type. Industrial and Engineering and Apparatus Co Private Limited (which is proposed to be merged with the Company) presently manufactures products, such as, scientific and laboratory glassware, neutral vials, Amber and White—petroleum lamp chimneys, transfusion bottles, blood and saline bottles, graduated ware, lampware, etc., and has an annual turnover of over Rs. 33,00,000/-. These products are marketed by I.E.A. under the trade mark "BOROSIL" which is widely known in India. It is proposed to merge I.E.A. with the Company and for that purpose a scheme of amalgamation has been prepared, which is subject to the approval of the court. The Company has entered into a financial and technical collaboration agreement with Corning Glass Works, Corning, U.S.A. who are known the world over as the leading manufacturers of laboratory glassware, industrial glasses, television tubes, optical and ophthalmic glass, glass pipes radiation shielding windows, industrial radiant heaters Corning will supply to the Company Technical Know-how and plant and machinery required for the project. The Company will undertake manufacture of the range of scientific and laboratory glassware of the borosilicate type presently being manufactured by I.E.A. but the production by the Company will be by fully mechanised automatic machines. In addition, the Company will undertake manufacture of the range of scientific and laboratory glassware manufactured by Corning. Corning has agreed to grant to the Company licence to use its patents in India, and the right to use the trade mark "CORNING" as a Registered User. The maximum capacity of the Company's plant will be 7,200 tons per annum. It is expected that the Company's plant will reach its maximum capacity of 7,200 tons per annum by the end of 1964. The Planning Commission has estimated the requirement of scientific and laboratory glassware at 21,500 tons per annum during the Third Plan period. The existing plant of I.E.A. is situated at Andheri, while the new plant to be set up will be situated at Marol which is within about a mile of the existing plant.

One special advantage that will accrue to the Company under the Scheme of Amalgamation with the IEA, will be that the Company will be beneficiary of the profits that will arise from the business of the IEA as from 1.1.1963. The sales and profit earning capacity of the present plant of the IEA may be had from the following figures:—

INDUSTRIAL AND ENGINEERING	1958		1959		1960		1961		1962	
	1958	1959	1958	1959	1960	1961	1960	1961	1960	1961
Paid-up Capital	98,000	98,000	1,10,500	2,95,000	2,95,000	2,95,000	2,95,000	2,95,000	2,95,000	2,95,000
Sales (Net)	15,50,919	19,70,637	22,85,284	29,20,639	34,30,985	34,30,985	34,30,985	34,30,985	34,30,985	34,30,985
Profit before Depreciation,	2,76,873	3,67,962	4,93,553	7,50,847	9,24,984	9,24,984	9,24,984	9,24,984	9,24,984	9,24,984

provision for Taxation, Dividends and Transfers to Reserves.

PROFITABILITY

The Directors of the Company are of the opinion that in the absence of any unforeseen circumstances, the Company should be in a position to pay reasonable dividend on the issued Equity Shares of the Company. APPLICATION FOR SHARES MUST BE IN THE PRESCRIBED FORM AND MUST BE FOR A MINIMUM OF FIFTY SHARES OR MULTIPLE THEREOF.

The application must be forwarded with the full amount payable on application before the date of closing of Subscription list to any of the following Banks:—

- United Western Bank Ltd.,
(a) Laxmi Building, Sir P. M. Road, Bombay-1.
(b) Budhawar Peth, Poona City, Poona.
National & Grindlays Bank Ltd.,
Mint Road, Fort, Bombay-1.
First National City Bank,
(a) 293, D. N. Road, Fort, Bombay-1.
(b) 15/16, Kandi Chetty Street,
Off N. S. C. Bose Road, Madras-1.
(c) 9, Brabourne Road, Calcutta-1.

- American Express Co. Inc.,
(a) 364, Dr. D. N. Road, Fort, Bombay-1.
(b) 21, Old Court House Street, Calcutta.
(c) Hamilton House, Block A, Connaught Place, New Delhi-1.

- United Commercial Bank Ltd.,
(a) Uco. Bank Building, D. N. Road, Fort, Bombay-1.
(b) Bhadra, Ahmedabad.
(c) Connaught Place, New Delhi-1.
(d) M. T. Cloth Market, Indore.
(e) Kanpur.
(f) Linghi Chetty Street, Madras.
(g) Mysore.
(h) Sita Buldy, Nagpur.
(i) India Exchange Place, Calcutta.

- Canara Industrial & Banking Syndicate Ltd.,
(a) Syndicate Building, Sir P. M. Road, Bombay-1.
(b) 53, Gandhi Nagar, Bangalore-9.
(c) New Statute Square, Mysore-1.

- Bank of Baroda Ltd.,
(a) Apollo Street, Fort, Bombay-1.
(b) India Exchange Place, Calcutta.
(c) 3, Errabalu Chetty Street, Madras-1.
(d) 29, Jawahar Marg, Sayajiganj, Indore.
(e) Gandhi Road, Ahmedabad.
(f) Shahrah-E-Osmani Road, Hyderabad.
(g) Kempegowda Road, Bangalore-9.

- An application has been made to the Bombay Stock Exchange to grant official quotation for shares of the Company and permission to deal in them on the Company complying with the usual and necessary formalities after the close of the subscription list.



**CARBORUNDUM
UNIVERSAL
ABRASIVES**

a
change
in

marketing
arrangements

Carborundum Universal have pleasure to announce the opening of a Branch at Calcutta, from 1st June 1963, for direct marketing of their well-known range of Coated and Bonded Abrasives.

All inquiries (both Trade and Consumer) may please be addressed to:

Carborundum Universal Ltd.,
Armenian College Building (Second floor),
56-D, Free School Street, Calcutta-16

Territories Covered:

For Grinding Wheels and other Bonded Abrasives: West Bengal, Bihar, Assam, Orissa, Uttar Pradesh and Eastern half of Madhya Pradesh.

For Coated Abrasives: West Bengal, Bihar, Assam, Orissa, and part of Madhya Pradesh.

Carborundum Universal are grateful to M/s. William Jacks & Co., Ltd., Calcutta for their valuable services all these years in the distribution of their abrasive products.



CARBORUNDUM UNIVERSAL LTD
Head Office: 52/53, Jehangir Street, Madras-1
Telephone: 29141 (8 lines)
Works: Tiruvottivur.

PROSPECTS OF E.C.M. TARIFF CONCESSIONS FOR INDIA

By Malcolm Subhan

IT is too soon to say whether the crisis which has paralysed the Common Market for the last three months is finally over. An agreement reached at midnight may prove largely illusory by morning. The fact remains, however, that the E.E.C. Ministers who met here last week succeeded in finding solutions to two of the three major problems confronting the Community—the Kennedy round and agriculture. Their inability to agree on how to keep in touch with the British—the French are firmly opposed to any consultations with them on a Community basis—merely suggests that the ghost of Mr. Edward Heath has yet to be exorcised from Brussels.

The encouraging thing in this from the Indian point of view is that the Community should now be able to devote more time to her problems than hitherto. The answer which Mr. Jean Rey, the member of the Commission responsible for external relations, gave this correspondent, clearly underlined the difficulties which India is facing. When asked at the opening of the Ministerial session whether the Ministers would discuss the Indian *aide-memoire*, Mr. Rey replied, "Yes, if we have the time." Without under-estimating in any way the political and economic problems which the *aide-memoire* poses for the Six, this correspondent feels that one of the principal reasons for the Six's apparent lack of concern for India is to be found in their preoccupation with the more immediate problem of finding a way out of the impasse in which the Community has been finding itself since February.

The agreements reached by the Council of Ministers last week suggests that a beginning has been made. Although the problems remain as numerous as ever, there is visible relief here that the dispute between the French and the Germans should have been settled with a minimum of polemics. Now that the atmosphere of crisis has lifted somewhat, the Six may be expected to take up the numerous matters which have been kept

pending. The Indian *aide-memoire* will be studied more closely by the Commission and the permanent representatives of the Six soon, and would be taken up by the Ministers when they reassemble in Brussels at the end of the month. Progress may, however, be slow, not because of any unwillingness on their part to grant concessions to India, but for procedural reasons. The Six are undecided, for instance, whether to grant India tariff concessions at this stage or to wait for the Kennedy round. Some would prefer to see what the other industrial countries are prepared to do for the developing countries before elaborating a Community policy.

Developing Countries

The main reason for this hesitancy appears to be that the Six have given little thought so far to the concessions which they are prepared to offer the developing countries during the Kennedy round. It is significant that only the last of the seven points contained in the Council's mandate to the Commission in view of the Ministerial session of G.A.T.T. deals with the problems of the developing countries. It simply states that as regards the other problems which may be raised in Geneva, including that of the developing countries, the Commission is to follow the recommendations made by the 111 Committee. (This Committee has been set up under Article 111 of the Treaty of Rome—hence its name—to conduct negotiations on tariff matters, which are a Community responsibility.)

None of the recommendations is particularly novel; the question of preferential tariffs for the developing countries is not raised at all. Taken as a whole, they suggest that the Six would like to discuss this matter further with the U.S.A. Indeed, the first of the recommendations of the 111 Committee is that the Community must not act alone in this matter, but co-ordinate its efforts with those of other industrialised countries within the framework of G.A.T.T. However, the Committee shows a certain readiness to modify its earlier position as regards reciprocity by the developing countries. It is now suggested that the demand for reciprocity should be abandoned, although there are some who still argue that developing countries could be asked to review their import policies and to eliminate restrictions which are not entirely justified by considerations of foreign exchange.

As for tropical products, the 111 Committee feels that the various suspensions and reductions of the common external tariff which the Six have agreed to, whether in the framework of the new Convention of association or, as in the case of tea and tropical woods, on condition that the British make similar concessions, should be consolidated in G.A.T.T. The Committee is of the opinion, however, that tariffs are not of primary importance in the case of tropical products; it is more important in its view to stabilise the prices of these products than to reduce the tariff on them to zero as the Americans have proposed. The Community is, therefore, prepared to participate with the other members of G.A.T.T. in finding a system of price stabilisation, and to extend technical and financial aid to producers to help them market their products.

On the whole, the Six seem reluctant to submit more detailed proposals

without knowing what concessions the other industrial countries are prepared to offer. In one sense, the question is back at the point which prevailed during the British negotiations: during the Kennedy round, the needs of developing countries such as India will be examined as an incidental element in the negotiations between the Common Market and the United States. Although these negotiations have been placed under the auspices of G.A.T.T., so that whatever reductions are made by the two main participants will be extended to all the signatories under the most-favoured-nation clause, it is evident that the main objective of the Kennedy round is the freeing of trade between the Common Market on the one hand, and the U.S.A. and Britain, on the other. Consequently, the degree to which the industrialised countries are willing to help the developing countries increase their export earnings will depend in considerable measure on the extent to which they are able to achieve their primary objective.

The Kennedy Round

This does not mean, of course, that the needs of the developing countries will be largely ignored. The Council of Ministers of the Six has expressed the hope that all the members of G.A.T.T. would participate in the Kennedy round. In this connection, the Ministerial session opening in Geneva on 16th May may give the developing countries a reasonably clear idea of just how far the industrial countries are prepared to accept their demands for a fresh approach to tariff matters.

It is well to bear in mind, however, the possibility of the negotiations between the Six and the United States foundering during the procedural stage on either one of two obstacles. The first concerns the method to be used in making tariff reductions, the second relates to agriculture. Both were discussed at length by the Council of Ministers, and although agreement was reached on the mandate to be given the Commission, the fact is that a deadlock between the Six and the U.S.A. may arise sooner or later on either one of them.

The question of the mechanism by which tariffs would be reduced was first raised by the French. It has to do with the fact that while much of the common external tariff falls within a range of 10 percent to 20 percent, only 1 percent of the total being over 30 percent. American tariffs range from zero to 80 percent and over, nearly one-fifth of them being in the latter category. The Six, therefore, argue that a 50 percent linear cut as proposed by the Americans would leave the Community holding the shorter end of the stick: after all, there is a world of difference between reducing an 80 percent tariff to 40 percent and a 20 percent tariff to 10 percent.

New Tariff Formula

The Six have, therefore, proposed what has been termed the 0-5-10 formula. Under this formula, devised by the French and the Germans, the negotiators take as their objective a tariff on raw materials of zero, of 5 percent on semi-processed goods, and of 10 percent on manufactured goods. The difference between the ideal or hypothetical tariff and the

CAPITAL, 23rd May, 1963.

existing tariff is then reduced by 50 percent. Thus a tariff on manufactured goods of 80 percent would be reduced to 45 percent, a tariff of 20 percent on the identical product to 15 percent. But this is not all. The Six are equally concerned with the wide disparities which American tariffs display, and they, therefore, insist that during the negotiations, tariffs should not only be reduced but also harmonised—that is to say, that the peaks in the American tariffs should be levelled off.

Although the Six have expressed their readiness to examine whatever methods of tariff reduction are submitted in Geneva, and have suggested that a committee be set up to study them, it is clear that they reject the American proposal out of hand. The latter, however, have their hands tied in the matter by the Trade Expansion Act, under which the Kennedy round is being organised. The Americans have little choice, therefore, but to maintain that it should be possible to negotiate separately those items on which the American tariff is particularly high—to which the Six have retorted that the exceptions would be so numerous as to make nonsense of the notion of linear cuts.

This is not the only obstacle to the Kennedy round. The question of whether or not the negotiations should cover agricultural products as well is another. In principle, it was settled last week, when the Council of Ministers of the Six agreed to include them in the negotiations. This agreement depends, however, on whether or not the Six are able fully to implement the common agricultural policy before the end of the year. The French have, in fact, strongly opposed the American demand to include agricultural products. In this, they have found themselves at loggerheads with the Germans.

Common Agricultural Policy

The French, who look upon their country as the bread basket of the Community, want to implement the common agricultural policy adopted by the Six in January 1962 as quickly as possible. The Germans, who are primarily interested in industrial exports, prefer, like the British, to subsidise their farmers heavily and to import a substantial part of their requirements of food from countries such as the United States and Argentina. They are reluctant, therefore, to adopt a policy which will almost certainly result in a fall in farm incomes and which virtually compels them to reduce their agricultural imports from third countries. Although the Germans have given in on this point, when they agreed that the remaining agricultural regulations should be adopted—and not simply drafted—before the end of the year, it remains to be seen whether the regulations will in fact be ready in time.

The chances are that the negotiations between the U.S.A. and the Common Market on agricultural products will be particularly long and bitter, and the Kennedy round may well collapse on this question, much as the British negotiations did three months ago. Clearly, these negotiations may not achieve the success which was forecast for them when the Trade Expansion Act was adopted. It is reported that President Kennedy, astute politician that he is, would like to dissociate his name from the negotiations. While India is expected to decide whether or not to participate only after the Ministerial session of G.A.T.T., the terms of the *aide-memoire* suggest that she would prefer to negotiate a trade agreement with the Six now rather than venture on shifting sands.

CAPITAL, 23rd May, 1963.

New Delhi

MEETING FOODGRAINS SHORTAGE THROUGH IMPORTS

(FROM OUR NEW DELHI CORRESPONDENT)

INSTEAD of relying on too many agencies to raise food production, the Government, after years of hesitation, has now resorted to the well-tried method of price support. It has already announced its price support policy for wheat and rice. The price support policy for *jowar* was announced last week—Rs. 9 a maund for white *jowar* and Rs. 8.50 a maund for yellow *jowar*. But because of the critical food situation in the country, the Central Minister for Food and Agriculture, Mr. S. K. Patil, has been authorised to import the balance of 16 million tons of wheat and 1 million tons of rice under the P.L. 480 agreement after its expiry in June 1964. He will, however, sound the U.S. Government concerning the possibility of further wheat imports should it become necessary to build a buffer stock of 4 million tons. Mr. Patil said that he proposed to build a buffer stock of 2 million tons of rice through imports and internal procurement. There is a proposal to import 40,000 tons of rice from the United Arab Republic. The Minister hoped to import a larger quantity of rice from the U.S.A. provided the suggestion to increase the rice acreage in that country was accepted. As a long-term measure, Mr. Patil proposed to set up 100 experimental farms in India for the *apane* method of paddy cultivation. "If this could be done in two years, we will solve the rice problem or all times", he added.

Mr. Patil, who was addressing a press conference prior to his departure for the U.S.A., gave no hope to hold the price line. He said that only those who purchased their supplies from shops other than fair price shops, paid higher prices. He claimed that there were adequate foodgrain stocks in the country to keep prices down. Mr. Patil also announced a marginal rise of 6p a maund in the price of sugarcane. He explained that his announcement could not affect the current sowings which, he said, had been completed. He claimed that it would encourage farmers to take proper care of the crop. "If further incentive were found necessary, after harvesting, to prevent the diversion of cane to *gur* manufacture, they would be considered," he added.

Earlier during the past week, Mr. Patil, while addressing the annual general meeting of the Indian Sugar Mills Association, referred to the various problems of the industry, particularly to exports. He said:

"I have referred earlier to the industry's new-found firm footing in exports. Our efforts towards this end originated in the difficulties of surpluses with which the industry was confronted two years ago. Gradually through persistence and persuasion and the co-operation of your Association and the State Trading Corporation, it has been possible for us to secure for the industry a regular foothold in the international sugar market. It is no longer a problem of exports as a means of disposal of unwanted surpluses; on the other hand, it is the necessity of exporting sugar as a regular foreign exchange earner which has been recognised."

"We have taken a very significant step this year in this field in that with the co-operation and enterprise of some of your members, we have been able to manufacture raw sugar

to the tune of 250,000 tons and shall be in a position to export it to Japan, the U.S.A., and a number of other countries. This and the fact that even refined sugar has become a regular feature of the export trade would appear to call for a revision of our ideas regarding the basis on which the industry was participating in these exports hitherto. My Ministry has this problem actively under consideration and I am sure that with your co-operation and assistance, it could work out a scheme of things which would place sugar on par with other export commodities, particularly in view of the prevailing price trends."

Mr. Patil, it would appear, warns that cultivators should benefit, to the maximum extent possible, from the prices of agricultural products. As far as sugar is concerned, his emphasis was on exports. He also promised to take such steps as were necessary to prevent the diversion of sugarcane to the manufacture of *gur*. If he had his way, India would continue to import foodgrains, as hitherto, from the United States. There is one snag in this thinking. The cultivator is also a consumer; his standard of living has been steadily going up and he may demand not only price support for his products but also a reasonable price for his necessities, including sugar. But the Government is apparently doing little to hold the price line of essential commodities.

BOKARO PROJECT

Forming Government Company

The Central Ministry of Steel and Heavy Industries has been busy discussing the U.S. steel mission's report on the Bokaro steel project. The mission has made a detailed examination of the supply of raw materials for the proposed plant. Meanwhile, an important decision, taken some months ago, was formally announced: the Government has decided to set up a separate company for the Bokaro plant, which will not be managed by Hindustan Steel. The decision, it is pointed out, is in accordance with the U.S. steel mission's recommendation.

Another decision taken is to set up a construction company for both new plants and for the maintenance of the existing plants. It is proposed to use the existing equipment and purchase a good deal of new equipment for this company. Initially, the company will be a subsidiary of Hindustan Steel, but, in due course, it will have its independent identity.

The Government is also expecting project reports for a blast furnace to be located in Bhilai and for small pig iron plants to be located in the three public sector steel mills. A definite decision to augment the pig iron supplies in India is expected by October next.

INDO-BRITISH TRADE

Improvement Recorded

Indo-British trade during the first three months ended March 1963, showed a definite improvement over last year. Britain's imports from India amounted to £39.5 million, against £37.3 million for the first

three months of 1962. The commodities which showed improvement were tea, textiles and crude animal and vegetable materials. The U.K.'s exports to India during the period rose from £30,961,000 to £34,396,000—the principal beneficiaries being machinery and transport equipment. Machine tools, textile machinery generators, motor converters were the main items of machinery whose exports to India showed an increase.

YUGOSLAVIA

Zagreb Trade Fair

The Government of India has decided to organise India's participation in the Zagreb International Autumn Fair, 1963, to be held in Zagreb, Yugoslavia, from 7th to 22nd September, 1963. The fair, which attracts a large number of buyers and visitors from Yugoslavia and other parts of the world, is an important annual event of its kind.

TELECOMMUNICATION SERVICES

Using I.D.A. Credit

In September 1962, the International Development Association extended a development credit equivalent to \$42 million to India for importing equipment during the next two years to expand and improve the telecommunication services. Equipment to be purchased through the I.D.A. credit will be procured on the basis of international competitive bidding. The I.D.A. credit is for a period of 50 years. Repayment of the principal will begin on 1st March, 1973. Thereafter, 1 percent of the principal will be repayable annually for ten years and 3 percent repayable annually for the final 30 years. The credit is free of interest, but a service charge of three-fourths of 1 percent a year on the amount withdrawn and outstanding will be made to meet the I.D.A.'s administrative costs.

The loan is being used, among other things, for importing equipment for telephone exchanges in Bombay, Kanpur, Madras and Delhi. The Government is also setting up a factory for manufacturing switch equipment for telephones with foreign collaboration. A number of foreign companies have tendered, included in which are Nippon Electric of Japan, L.M. Erickson of Sweden, Northern Electric of Canada, Automatic Telephone Equipment Company of the United Kingdom and International Telephone and Telegraph Corporation of the U.S.A. The Japanese tender is reported to be the lowest. A final decision is expected shortly.

G.A.T.T.

Ministerial Meeting

The ministerial meeting of the General Agreement on Tariffs and Trade (G.A.T.T.), which opened in Geneva last week, has three main subjects on its agenda: (1) Measures for the expansion of trade of the developing countries; (2) arrangements for the reduction or elimination of tariffs and other barriers to trade; and (3) measures for access to mar-

kets for agricultural and other primary products.

The main problem is to improve the outlets mainly for tropical products and raw materials. The G.A.T.T. secretariat has already made detailed studies of the obstacles to trade in tropical products. In November 1961, the G.A.T.T. Ministers adopted a joint declaration on the promotion of trade of the less-developed countries.

The measures suggested for this purpose were the removal of quantitative restrictions, tariffs and internal taxes on all products of interest to the less-developed countries. The latter have also asked for urgent consideration of other measures to help them diversify their economies and increase their export earnings. Some countries have already gone some way to meet this requirement, but it is generally felt that progress has been inadequate.

Of the other two subjects discussed, the reduction or elimination of tariffs and other barriers to trade will mainly affect trade in manufactured goods. It is hoped in Geneva that tariffs will be reduced by 50 percent. The U.S. Administration is empowered to negotiate this under the U.S. Trade Expansion Act which was passed in October last year.

But the situation has been complicated by the European Common Market's proposal that instead of a 50 percent reduction, the aim should be to reduce tariffs by 50 percent of the difference between their present levels and the agreed levels. This will have the effect of levelling out the disparities in different countries' tariff rates and, in particular, in lopping off the peaks of some high U.S. tariffs. At its latest meeting, the E.E.C. Council of Ministers agreed to propose that both approaches should be considered by a G.A.T.T. working party.

The progress in the actual "Kennedy round" of tariff negotiations will be easier to achieve than in the last "Dillon round" if the present Geneva meeting approves, as expected, the adoption of the technique of negotiating uniform reductions in countries' tariffs in place of the more laborious method of negotiating each tariff item separately which G.A.T.T. has followed hitherto. This was suggested by the G.A.T.T. Ministers in November 1961.

In pressing for the new round of trade negotiations, the U.S. Government has emphasised that reductions in industrial tariffs must be accompanied by improved outlets for temperate farm produce. In this, the United States will be strongly supported by the Commonwealth as well as other exporters of these products, who consider that G.A.T.T. has so far not given them a fair balance of advantages for the obligation it lays on them. This is because the most serious obstacles to international trade in farm produce are non-tariff barriers. The way in which trade in temperate farm produce will be covered within the framework of the "Kennedy round" remains to be determined. The main target for the agricultural exporters' attention will undoubtedly be the agricultural policy of the European Common Market.

U.K.

Private Investment in India

Britain's private investment in India since her independence has more than doubled itself. It constitutes just under 75 percent of all foreign private investment. In 1948, British capital invested in India totalled Rs. 206 crores. In 1960, out of the total foreign private investment of Rs. 612 crores, British capital amounted to Rs. 446 crores. This represents an average increase of Rs. 20 crores a year. Some of the best known names

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in British industry are now investing in India, and the number of such new enterprises and joint ventures continue to increase.

Imperial Chemical Industries Ltd have many interests in India and among the notable enterprises developed in the first commercial explosives plant built in Gomia, Bihar, as a joint enterprise of I.C.I. and the Government of India. India's first polythene plant was opened in Rishra, West Bengal, in May 1960. The project cost Rs. 4 crores and has an annual capacity of 3,500 tons. It was built by an I.C.I. subsidiary, the Alkali and Chemical Corporation of India Ltd. It is based on alcohol obtained from molasses and will save India Rs. 1.5 crores a year in foreign exchange on imports. The Corporation is also to build a rubber chemical plant in Rishra.

Instances of Indo-British co-operation in road transport include the motor-car manufacturing agreement between Hindustan Motors Ltd and the British Motor Corporation, and the agreement between Standard Motor Products of India Ltd, Madras, and the Standard Motor Company of Coventry, England. In addition, Ashok Leyland Ltd of Madras is associated with Leyland Motors Ltd of Lancashire, for producing lorry and bus chassis. By early 1962, all the castings for Ashok Leyland Ltd will be produced by Ennore Foundries Private Ltd, another Company in

which Leyland Motors Ltd has a large interest and investment.

To meet the demands of the expanding Indian motor-car industry, Joseph Lucas Ltd, of Birmingham, has, in collaboration with T. V. Sundaram Iyengar and Sons (T.V.S.) of south India, formed a new Company which is manufacturing all types of motor-car electrical equipment. Lucas has a 64-percent share in the new Company; and investment, by way of plant and machinery, of just over £1 million. It has also formed a new Company, Brake India Ltd, again in collaboration with T. V. Sundaram Iyengar and Sons, to manufacture motor-car brake systems.

Manufacture of Bicycles

Many of the bicycles in use in India carry familiar British names. The "Hercules" bicycle is produced in the Madras factory of T. I. Cycles of India Ltd, which is associated with the Tube Investments Ltd, and the Hercules Cycles and Motor Cycle Co. Ltd, both of Birmingham. Since 1952, the "Raleigh" has been manufactured at the Asansol factory of Sen-Raleigh Industries Ltd, in association with the Raleigh Cycle Co. Ltd of Nottingham. Tube Products of India Ltd, in association with Tube Products Ltd, Oldbury, produces steel tubes for the cycle industry at its Avadi plant. The Enfield Cycle Co. Ltd, Redditch, through its associates, Enfield India Ltd, is producing motor-cycles at a

plant in Madras at the rate of 5,000 machines a year. Dunlops are another well-known British Company actively engaged in manufacturing rubber tyres and tubes in Ambattur and vehicle wheels and rims in Avadi, both near Madras.

In the electrical field, machinery of various types is being manufactured by A.E.I. Manufacturing Co. Private Ltd of Calcutta, an Indian subsidiary of Associated Electrical Industries. The English Electric Co. Ltd is engaged in such ventures as the manufacture of low voltage switch and fuse distribution equipment and complex control panels in Madras.

W. T. Henley's Telegraph Works Co. Ltd, in co-operation with Henley's Cables (India) Ltd, has put up 60 percent of the Rs. 1.1-crore capital required for an electric wire and cable factory in Poona. The Automatic Telephone and Electric Company (India) Private Ltd, with its factory in Bangalore, was the first major concern of its kind to be set up by the Government of India with foreign collaboration after independence and is generally regarded as one of the most successful examples of Indo-British collaboration.

There is a large project in Durgapur for the manufacture of heavy machinery for cement plant, coal mining equipment, boilers, pressure vessels, heat exchangers, and similar items. This plant, opened on 6th February,

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1962, by the late Dr. B. C. Roy, then Chief Minister of West Bengal, has been established by a new company, A.C.C. Vickers-Babcock Ltd, in which two leading British Companies, Vickers Armstrong and Babcock and Wilcox, are collaborating with Associated Cement Companies of India. The project is one of the biggest in the private sector. In terms of modern power station boilers, the yearly manufacturing capacity of A.C.C. is estimated at equivalent to 500,000 kilowatts and the combined cement machinery manufacturing capacity will be about four to five plants a year, each plant having a capacity of 500 to 600 tons a day.

Consolidated Pneumatic Tool Co. Ltd has invested Rs. 15 lakhs to manufacture pneumatic tools and air compressors in Mulund, Bombay.

A factory for manufacturing cold rolled steel strip has been set up in Bombay. The project has been sponsored by Graham Firth Steel Products (India) Private Ltd, a new Company formed by Indian interests in collaboration with Graham Firth Steel Products Ltd of Walsall, England. One-third of the capital outlay of the project will be subscribed by the British Company and the remainder by the Indian participants. The contribution of the British Company takes the form of complete plant, machinery, tools and other equipment and technical advice. The collaboration agreement does not involve any payment of royalty, and the new Company has the right to use the "Firstel" trade mark of the parent Company. The factory will have a final capacity of 25,000 tons of finished steel strip a year.

Producing Paper-making Machinery
Three Scottish firms formed a Rs. 10-lakh syndicate to establish and operate a factory to produce paper-making machinery in Calcutta. The firms are Bertrams Ltd, Ernest Scott and Company, and James Bertram and Sons Ltd.

A well-known British engineering firm, Head Wrightson and Co. Ltd, of Thornaby-on-Tees, County Durham, which has had close links with India for many years has formed a new subsidiary with administrative headquarters in Calcutta. The new Company under the name of Head Wrightson India Ltd, was inaugurated on 1st February, 1961, and acts as a contracting Company for the supply—as far as possible from Indian sources—of various types of plant according to the designs of the parent Company.

As a result of an agreement signed between Metropolitan-Cammell Carriage and Wagon Company of Birmingham and Southern Structural of Madras, the Indian firm is to produce welded rolling stock instead of riveted carriages. Under the agreement, which was signed in Birmingham, the British firm is to acquire a substantial shareholding in Southern Structural.

Heath, Hicks and Perken (Thermometers) Ltd, London, is collaborating with Pearls and Beads (India) Ltd, Aligarh, for the manufacture of thermometers and glass syringes. One factory will be located in Aligarh and a thermometrical unit, because of the temperature and moisture factors, is to be set up in Mussoorie.

The Cambridge Instruments Co. Ltd has joined with Hindustan Precision Instruments (P) Ltd for manufacturing industrial instruments and with Messrs Scientific Repairs and Trading Company for producing industrial dial thermometers.

The heavy engineering firm of John Thompson Ltd of Wolverhampton, Staffordshire, has entered into an agreement with the Indian Sugar and General Engineering Corporation for manufacturing some of its major products in India. Initially, the latter is concentrating on the production of

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machinery for the sugar industry, but all large pressure vessels can be made in its factory.

Messrs Fisons Ltd of Britain (the principals of Messrs Bengers Laboratories Ltd) has participated to the extent of 70 percent in a collaborative venture with Bengers Laboratories (India) Private Ltd, covering all aspects of the manufacture and packing of dextrin B.P. and iron dextrin (pharmaceuticals).

There is a technical collaboration agreement between Twyford Ltd (England) and Hindustan Twyford Ltd for the manufacture of sanitary-ware and household ceramics.

Isaac Holden and Sons Ltd of Bradford is collaborating with Dunlop Brothers. A wool-combing factory, with an annual capacity of 10 million lbs, has been set up near Calcutta.

Gannon Norton Metal and Diamond Dies Ltd, Bombay, a joint venture of Gannon Dunkerley and Co. Ltd, Bombay, and Wire Drawing Dies (Manchester) Ltd, has been formed to manufacture fire drawing dies of tungsten carbide and diamonds. Wire Drawing Dies is a subsidiary of the British firm, Sir James Farmer Norton and Co. Ltd. The plant is expected to manufacture dies to the value of about Rs. 7.20 lakhs a year, which would help in saving foreign exchange to the extent of some Rs. 5.30 lakhs a year.

Bookers, a leading British industrial group, has announced the incorporation of a company in India in partnership with the Sawhney Organisation. The company will set up a heavy engineering works to manufacture sugar machinery and industrial process turbines.

Boots Pure Drug Co. Ltd has undertaken the manufacture of insulin in collaboration with an Indian firm.

Among other well-known firms, who have recently had their schemes approved, are the following: Chubb and Sons' Lock and Safe Co. Ltd: fire resisting and strong doors; Wellman Smith Owen Engineering Corporation Ltd: industrial furnaces and heat treatment equipment; Humphrey and Glasgow Ltd: erection of resin and intermediates plants; British Jeffrey Diamond Ltd: short fall coal cutters; Sunday Times Publications Ltd: printing and publication of books; Hall Harding Ltd: printing machines; C.E.C. of India (Mfg) Ltd: house service meters; Aveling-Bradford Ltd: road rollers; Ferranti Ltd: transformers; Imperial Chemical Industries Ltd: non-ferrous alloy sheets and strips; Bush Electrical Engineering Co. Ltd: electric-motors, transformers and alternators; Joshua Heap and Co. Ltd: threading and screwing machines; Henry Meadows Ltd: meadows diesel engines; and J. H. Fennex and Co. (Overseas) Ltd: conveyor belting.

U.S.A.

Grants and Loans Offered

U.S. loans for the Indian railways, power projects and for financing the import of capital goods, components and industrial raw materials announced since 1st July, 1962, now total \$411.4 million (Rs. 196 crores). This compares with a total foreign exchange assistance of \$1,704 million (Rs. 811 crores) for the development of these key sectors of the Indian economy since the United States started its aid programme for this country in 1951.

The U.S.A. has given dollar grants and loans totalling \$362 million (Rs. 172 crores) for power development. Rupee loans and grants totalling Rs. 252 crores have also been extended. The grand total of U.S. assistance for power development

comes to Rs. 424 crores. This is nearly three times the investment in power facilities in India during the entire period prior to the commencement of the first plan. The total U.S. aid commitments for the modernisation and expansion of the Indian railways now stands at \$258 million (Rs. 123 crores).

The United States has provided a number of grants and credits to the Government of India for the purchase of machinery and raw materials abroad to foster the growth of Indian industries. These have included steel worth Rs. 69 crores. U.S. aid commitments for the financing of imports of capital equipment required by a wide variety of industries as well as non-ferrous metals, components and industrial raw materials total Rs. 447 crores.

Almost every major industry in India is benefiting from U.S. aid. Capital equipment has been provided, among others, to jute, cement, textile, paper, rayon, aluminium, motor-car, and mining industries. Components and raw materials supplied by the United States include zinc, aluminium, copper, synthetic tyre cord yarn, sulphur, carbon black, wood pulp, lubricants, synthetic rubber, motor-car components and spare parts, machine tools, rollers for steel plants, and caustic soda.

Most of this non-project aid has been given to the Government of

India which has issued import licences to industries in the public and private sectors. The United States has also given loans to the Industrial Finance Corporation, the Industrial Credit and Investment Corporation of India and the National Small Industries Corporation, which are playing an important rôle in stimulating industrialisation.

A number of leading Indian firms have secured dollar loans directly from the U.S. Government agencies such as the U.S. Export-Import Bank, the U.S. Agency for International Development and its predecessor, the U.S. Development Loan Fund. These include Premier Automobiles, Hindustan Motors, Tata Engineering and Locomotive Company, Delhi Cloth Mills, Hindustan Aluminium, Orient Paper Mills and National Rayon Corporation.

The United States has also been helping American firms operating in India and Indian firms associated with them by extending them rupee loans from the Cooley Fund. The Cooley amendment to U.S. Public Law 480 provides that a portion of the local currency proceeds from the sale of American agricultural commodities can be used for this purpose. To date, 22 firms have received loans totalling Rs. 19.2 crores from the Cooley Fund.

Goodyear Tyre and Rubber Co. of India has received a large loan from

the Cooley Fund for its rubber tyre factory in Ballabgarh, near Delhi. Two other rubber tyre factories, Madras Rubber Factory and Premier Tyres, both with plants in south India, have also received credits.

Synthetics and Chemicals, which is establishing India's largest synthetic rubber factory in Bareilly, Uttar Pradesh, is the recipient of the largest loan (Rs. 6.5 crores) so far extended from the Cooley Fund. Other firms who have received credits include Mysore Cements, Hindustan Aluminium, Seshasayee Paper and Board, Carrier Airconditioning and Refrigeration, and Ex-Cello-O (India).

E.C.M.

Tea, Timber to be Duty-free

Imports of package tea weighing more than 3 kilograms and of tropical timber into the European Economic Community and into Britain are to be duty-free. Dr. Ludwig Westrick, Deputy West German Minister of Economics, has told the West German Bundestag (Parliament) that this was the aim of negotiations in Geneva between the E.E.C. members and Britain. The West German Government expects the African States and Madagascar, associated with the E.E.C., to approve the arrangement.



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PROMOTING TRADE WITHIN COMMONWEALTH

(FROM OUR LONDON CORRESPONDENT)

As a curtain raiser to the Geneva meeting of the General Agreement on Tariffs and Trade, the Ministerial conference in London of the Commonwealth Economic Consultative Committee was undoubtedly worth while. It has served to acquaint the Trade Ministers of Commonwealth countries with the revised plans of the British Government, following on the rejection of its application for membership of the Common Market, and has also furnished an opportunity for Britain to outline her intentions towards Commonwealth trade within the overriding necessity of expanding world trade through the agency of the "Kennedy round" of tariff cuts at G.A.T.T.

Briefly, it would appear that the British Government is determined to give top priority to a three-point programme for expanding world trade. This seeks to achieve: (1) Solid support for the G.A.T.T. proposal by the United States for a 50 percent cut in all tariffs; (2) major reforms in developing markets in Europe and elsewhere for agricultural products, which would be of substantial benefit to Australia, New Zealand and Canada; and (3) expanding markets for tropical produce as well as manufactures of the developing countries, in order to strengthen the economies of Asian and African nations.

The final communiqué issued by the Commonwealth Trade Ministers, as was to be expected, failed to convey the many differences of opinion to which the discussions gave rise, but it does show that these were noted, although they may not have been resolved. Even so, it indicates that a large measure of common ground was found—an invaluable development as a prelude to the even more diversified discussions to be expected in Geneva. It is against this background that the communiqué needs to be studied. It said:

"The Council recognised the importance of increasing trade between Commonwealth countries and noted that a substantial volume of trade and valuable commercial links had developed under the Commonwealth preference system. These special relationships had made, and continued to make, a major contribution to the economic development of the Commonwealth and to world trade, and any modifications would need to be considered in the light of the compensating benefits which might be offered.

"The Council agreed on the need for a general expansion of world trade and on the importance of this for all Commonwealth countries. They accordingly welcomed the initiative that had led to the proposed 'Kennedy round' of trade negotiations and were agreed on the importance of finding in these negotiations solutions to the problems of temperate agricultural products and of the exports of developing countries (including processed and manufactured goods), no less than to the problems of reducing tariffs on industrial products generally. The ability of different Commonwealth countries to contribute to these negotiations would vary with their circumstances. In particular, the less-developed countries would not be able to afford reciprocal tariff concessions. All

Commonwealth Governments were, however, determined to play a constructive rôle in the discussions."

Primary Goods Exports

The Council (the statement added) noted the restrictions (other than those required by international commodity arrangements) on access for primary products and processed and manufactured products of particular interest to the less-developed countries imposed by many industrialised countries. These had proved a serious obstacle to the expansion of world trade and had reacted unfavourably on the interests of less developed countries and of exporters of primary products.

The Council emphasised the importance of measures to assist the trade of developing countries. In the light of the declaration adopted at the G.A.T.T. Ministers' meeting of November 1961, the Council attached great weight to securing at the forthcoming meeting in Geneva a general acceptance and rapid and substantial progress in carrying out the action programme proposed by the developing countries. References were made to the deterioration during the last decade in the prices of primary products and raw materials and to the adverse effect which this had had on the less-developed countries and the exporters of temperate agricultural products and raw materials.

The Council also considered questions concerning the United Nations conference on trade and development, whose preparatory committee would hold its second meeting in Geneva immediately after the G.A.T.T. ministerial session. The Council recognised the importance of full consideration being given to the widest range of trade and development problems, and particularly those of concern to the developing countries, and agreed to give full support to the work of the preparatory committee and to the conference itself.

Mr. Erroll, President of the Board of Trade, who was the chairman at the Ministerial meeting, said afterwards: "The commercial interest of the Commonwealth lies in the expansion of world trade as a whole and of Commonwealth trade within it." He added: "The Ministers all favoured a practical approach to the trade and economic difficulties of the world, especially those to be discussed at the G.A.T.T. meeting. In short, the Commonwealth believes in common sense." He believed there would be growing opportunities for the expansion of Britain's trade with the Commonwealth. The nature of Britain's exports to those countries might have to change. The "compensating benefits" referred to in the communiqué will be in freer access for the products of Commonwealth countries in the European Economic Community, the United States and other countries. Commonwealth countries, especially Britain, will open their markets wider to the outside world if other countries do the same on a mutually beneficial basis.

Effort by Business Men

So much for the official approach to Commonwealth trade. That alone cannot be enough to ensure success.

It is good to learn, therefore, that industrialists and business men throughout the Commonwealth are also taking a hand. Sir Gilbert Laithwaite made this clear to this correspondent the other day, when he spoke on the latest activities of the Federation of Commonwealth and British Chambers of Commerce. The Federation is founded on confidence in the potential of intra-Commonwealth trade. It believes that the realisation of that potential depends as much on business men as on Governments, and that vigorous trade promotion and frequent consultation are urgently needed. Chambers of Commerce exist in every Commonwealth country. They represent the business communities of their areas, including in practically all cases both manufacturers and merchants, exporters and importers. These Commonwealth Chambers have for some 70 years co-operated through the Federation, chiefly by means of triennial Congresses. The conditions of the modern world, however, made this periodic consultation too infrequent, and the structure of the Council of the Federation in London had become inadequate to reflect rapidly the views of Commonwealth business men in the circumstances of modern transport and communications.

The Federation has, therefore, carried through a radical reorganisation to bring its services into line with the needs of today. It has set up in the Commonwealth countries representative committees which can speak for their whole business communities. It will hold a major Congress every other year—two in overseas Commonwealth countries and one in London. It is organising bilateral trade talks between Commonwealth groups. The United Kingdom Chambers visited Canada this spring, continuing a series of meetings of this kind which have been held for some years; and talks with Australia, New Zealand and Nigeria will take place later in the year. A trade conference to discuss the post-Brussels Commonwealth position takes place in London at the end of this month. These are, briefly, the Federation's plans for ensuring effective and frequent consultation between Commonwealth business men, providing opportunity for the exchange of ideas, the ironing out of misunderstandings and the early appreciation of opportunity. They were made and largely put into operation before the break-down of the Brussels talks and are not a reaction from Britain's exclusion from the E.E.C. They reflect the confidence of the business world that there is a great future for Commonwealth trade, now as well as in the long term.

Trade Promotion

Meetings and consultation between Commonwealth business men have inherent merits, but to realise their full potential well-defined objectives are essential. In addition to specific problems of the moment which it may be desirable to discuss, the following are among the major questions with which the Federation is particularly concerned:

(1) *Trade promotion*: It believes that a vigorous and imaginative policy

in this field can pay big dividends, and that the Chamber of Commerce network is well equipped to initiate and encourage such a policy.

(2) *Investment*: The exchange of information on investment opportunities and needs at business man level is important, particularly for the developing countries.

(3) *Commercial education*: There is much work to be done by the provision of acceptable qualifications and the supply of know-how and technical training assistance.

(4) *Research*: As Commonwealth business problems arise in the course of discussions at Congresses and Conferences, the Federation will conduct the necessary research needed to further their solution.

The Federation has influential support from leading business men throughout the Commonwealth and will progressively provide the many aids to trade expansion which are outside the scope of Government action.

The Commonwealth Trade Conference to be held from 22nd to 24th May is indicative of the usefulness of the Federation's plans. The agenda for this meeting includes: (1) to record the present state of Commonwealth trade and consider directions in which trade within the Commonwealth can be developed;

(2) to consider practical means of trade expansion in the Commonwealth, including trade missions, sales promotion and publicity, trade fairs and exhibitions, technical training assistance by industry and commerce, and, aids to investment; and

(3) to consider the active part chambers of commerce can play in the promotion of Commonwealth trade.

BOOKS RECEIVED

Land Reforms in West Bengal. By S. K. Basu and S. K. Bhattacharya. (Published by Oxford Book and Stationery Co., 17 Park Street, Calcutta 16. Price Rs. 15, pages 119.)

National Income of India. (Published by C. L. Gheevala, Executive Officer, Indian Merchants' Chamber Economic Research and Training Foundation, 76 Veer Nariman Road, Bombay 1. Price Rs. 15, pages 271.)

The Economic Lessons of the Nineteen-thirties. By H. W. Arndt. (Published by Frank Cass and Co. Ltd., 10 Woburn Walk, London, W.C.2. Review copy received from Rupa and Co., 15 Bankim Chatterjee Street, Calcutta 12. Price 45s, pages 314.)

Admars, Annual Number 1963. (Published by V. Achuthan on behalf of the Admars Company, General Assurance Building, Dr. D. Naoroji Road, Bombay 1. Price Rs. 5, pages 204.)

Proceedings of the Fourth Regional Technical Conference on Water Resources Development in Asia and the Far East. (Published by the United Nations. Price 14s, pages 160.)

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RISE IN GUNNY PRODUCTION COSTS CAUSES CONCERN

HIGH cost of raw materials and equipment, increasing burden of wages and amenities for labour, power shortage, and an unequal competition from Pakistan in the overseas markets are some of the problems worrying the Indian jute industry. These problems have apparently retarded the industry's progress, although it has ploughed back and invested substantial sums for rationalisation, modernisation and diversification. Recently, the Government fixed an artificially high floor price for jute. Another burden—and a heavy one at that—will be placed on the industry by the enforcement of the Central Jute Wage Board award.

The industry, no doubt, readily accepted the increase in wages, provision of a compulsory bonus irrespective of profit or loss, and a rise in the dearness allowance with every increase in the cost of living index beyond 425. The paramount consideration before it was to avoid strife in the industry in order to work the mills to capacity. But unless the workers take a keener interest in discharging their duties more efficiently and stepping up production, it will be difficult for the industry to bear the extra burdens.

With the completion of the modernisation and diversification programmes and the easier availability of raw jute, the industry is now well set for working at an optimum level. It may be able to reduce the incidence of overheads if capacities are worked to the maximum without let or hindrance. Here comes the need to enlist the worker's co-operation. There is also a need for evolving some rational norms for linking wages to productivity in order to permit the burden of wages to be spread over a larger output. Both the authorities and representatives of workers, it is to be hoped, will extend their co-operation to the industry in evolving and implementing such norms.

It should also be appreciated that the demand for jute goods, which has been ruling at a high level for about a year and a half, has almost spent its force. Pakistan is now a more viable competitor than India in the international market. Some countries are now better equipped to produce jute goods to meet their own requirements with better and cheaper fibre supply assured from Pakistan. Some of India's best customers already hold large stocks. This apart, earnest efforts are being made by the major consuming countries for developing substitute packaging or bulk storage facilities. In the sphere of carpet-backing cloth, in which India holds considerable advantage up to now, experiments are being carried on some substitutes. Even a fractional increase in the cost of production may have a serious effect on the overseas demand. So there is a need for keeping production costs at the lowest level.

Terms of Agreement

Based on the cost of living index at 425, every jute mill worker will get a minimum wage of Rs. 81 a month—Rs. 40 as basic salary and Rs. 41 as dearness allowance. For every additional point of rise in the index, 20p more will be paid as dearness allowance. All mistries and sardars will get an ad hoc increment of Rs. 10 in their monthly emoluments. Irrespective of profit or loss in working, a compulsory bonus

equivalent to two weeks' wages in the case of daily rated workers and half a month's salary for monthly rated employees will be paid by the industry.

The mills in Guntur, Elluru and Vizianagram in Andhra Pradesh will be classified as "new and small" ones, and the workers engaged in them will get 20-percent less in the basic wages during the first year, 10 percent less during the second and 5 percent less in the third year, compared with the wages of operatives in Calcutta and north Bihar mills. From the fourth year, there will be no difference in the scale of wages between workers of the north and south Indian mills.

The gratuity scheme has been left as it is now in force in Calcutta mills. Under the present rules, workers get 15 days' basic wages for each completed year of service for the pre-provident fund period and nothing since the enforcement of the compulsory provident fund scheme. Piece

rates are being revised in the Andhra mills on the lines of those prevalent in West Bengal where they are about 10 percent higher.

I.J.M.A. Despatches Rise

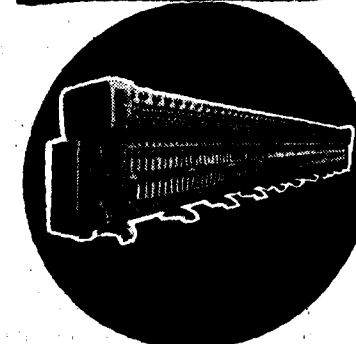
An all-round increase in the despatches of jute goods is revealed from the I.J.M.A. statistics on jute goods despatches in April 1963. The total offtake is shown higher by 10 percent from 95,200 tonnes in March 1963 to 104,800 tonnes in April. The internal consumption has improved by 13.4 percent from 25,300 tonnes to 28,700 tonnes and exports by 8.8 percent from 69,900 tonnes to 76,100 tonnes. Expressed as percentages of the total offtake for the respective months, hessian constituted 43 percent (45,100 tonnes) for April, against 41.3 percent (39,400 tonnes) for March, sacking 40.1 percent (42,100 tonnes), against 43.6 percent (41,600 tonnes) and miscellaneous goods 16.7 percent (17,600 tonnes), against 14.9 percent (14,200 tonnes).

Gradewise, exports of hessian have risen from 35,300 tonnes (50.4 percent) in March to 41,600 tonnes (54.6 percent) in April and other goods from 11,600 tonnes (16.5 percent) to 15,000 tonnes (19.6 percent). But sacking has registered a downward trend from 23,000 tonnes (32.8 percent) to 19,500 tonnes (25.4 percent). In internal consumption, the offtake of sacking has improved from 18,600 tonnes (73.5 percent) to 22,600 tonnes (78.7 percent), while that of hessian came down from 4,100 tonnes (16.2 percent) to 3,500 tonnes (12.1 percent). The intake of miscellaneous goods was unchanged at 2,600 tonnes, but the respective percentage was lower from 10.2 in March to 9 in April.

In April 1962, total despatches were 22,100 tonnes lower at 82,300 tonnes, of which 30,000 tonnes were hessian, 40,300 tonnes sacking and 12,000 tonnes miscellaneous goods. Exports amounted to 54,300 tonnes, including 25,300 tonnes of hessian, 19,800 tonnes of sacking and 9,200 tonnes of other goods. Internal consumption was 28,000 tonnes—4,700 tonnes of hessian, 20,500 tonnes of sacking and 2,800 tonnes of miscellaneous varieties.

Need for Salesmanship

Only high-pressure salesmanship can stimulate and maintain the demand for Indian jute goods in the overseas markets. Mr. Manubhai Shah, Central Minister for International trade, made this observation



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while addressing a recent session of the Board of Trade. Since then, a long-term policy is reported to have been evolved to place the export of jute manufactures on a firm foundation. Some units of the industry, on their own initiative, have done a lot in this direction. But in order to succeed in its drive, the industry has to devote more attention to developments in the packaging industry and the evolution of substitutes. Enormous sums of money are being spent in the U.S.A. for this purpose. Bulk handling and storage in pneumatically operated silos were developed fast when jute goods proved to be costlier between 1959 and 1961.

Since the beginning of the current year, the Government of India has started assisting the industry in a big way. A Rs. 4-crore marketing board has been set up, and about Rs. 2 crores has been offered for a self-financing scheme. Liberal licences have been issued for the import of essential machinery, and loans have been sanctioned for their procurement. But it has been complained that not all the assistance, especially that for modernisation, has been used. Some broad loom installation licences are being held by some mills for a long time.

Meanwhile, the tide seems to have taken a turn. Russia and the east European countries are showing a keen interest in Indian jute goods, so they are expected to enter the market in a big way. West Africa has already lifted about 100,000 bales of heavy goods. It is, therefore, imperative on the part of the Indian industry to carry out an intensive study of the scope and nature of demand in these markets.

India need not be alarmed at the efforts being made by some countries to develop their own jute goods industries. With its long tradition and modern technical know-how and a streamlined jute mills machinery manufacturing industry, the Indian industry is still decades ahead of its competitors in this sphere. The chainwork of research institutes at its command will no doubt help fight any situation that may face the industry.

Jute Loomage in Pakistan

In its bid to grab an increasing share of the world market for jute goods, the Pakistani Government is reported to have sanctioned an ex-

pansion of jute loomage from 8,000 to 11,000 by the end of the current year. On completion of this programme, the industry will be able to use 40 percent of the country's annual jute crop, especially those with shorter staple and of inferior grades. The use of this fibre will help the industry to earn a substantially higher volume of foreign exchange, besides making the best use of fibre having little demand at home. The expansion of capacity would not have caused any headache to the Indian industry had that country followed normal business practices to boost the sale of gunnies. But the unethical practice of allowing a heavy export subsidy, which it has resorted to, leads one to conclude that India may have to face more stiff competition in some of her traditional export markets.

In spite of the clamping of drastic restrictions on jute acreage in East Pakistan, the Government is not optimistic of the success of its latest policy. Speaking at Dundee last week, Mr. Wahiduzzaman, Central Minister for Commerce, said that if weather conditions continued to be favourable, the jute crop during the coming 1963-64 season would be about the same as in the previous season. Estimating the carryover from the present season around 1.1 million bales, he gave no hope of any reduction or abolition of the present heavy export duty of £8 8s a ton on raw jute. He said that even after the payment of this duty, Pakistan's quality jute was cheaper in the overseas markets. The Pakistani Government intended to maintain the minimum internal and export prices for raw jute at the existing levels during the next season, he added.

Use for Jute Caddis

In its bid to make the maximum use of raw materials and to prevent wastage, efforts are being made by the jute industry to evolve a use for jute caddis—short fibres dropped by ring frames at the time of spinning. Bulk of the caddis are reprocessed in the spinning of yarn for sacking wuffs. The balance with little spinning value is sold to manufacturers of boards, paddings, quilt, mattresses and motor-car seats. About Rs. 10 lakhs worth of caddis is exported.

It was felt that a much better use could have been made of this waste

product. So the Indian Jute Mills Association has undertaken an investigation on the amount of caddis available, the percentage being used by mills, the total quantity exported and the quantity of jute dust with no spinning value. Information on the mode of disposal of the dust and the average price fetched by spinnable caddis and jute dust is also being collected. Recently, a new use has been developed for caddis in the manufacture of non-woven fabrics, using latex or some cheap chemical as the bonding material. It is, however, still in the experimental stage.

Moreover, the manufacture of book binding cloth and rexin and non-porous cement bags may offer some scope for the use of unspinnable dust caddis. The largest single loss suffered by the industry in the internal market was caused by the cement industry resorting to the use of paper packaging. The substitution took place soon after the second World War in view of the high prices of sacking at that time. But the change-over was effected because of the porous body of the jute bag.

The jute industry will be able to win back its share of the cement container demand, provided it can evolve the means of sealing the pores of jute bags by spraying some composition with jute caddis and making the sacking wall impervious to any physical or chemical reaction due to atmospheric changes. Besides, a non-porous jute bag will also ensure a better packing for many powdery substances.

Complaint on Cornsacks

The Australian market for Indian cornsacks is reported to be threatened due to the presence of a bad smell in the sacks, it is learnt from informed circles. The I.J.M.A. is reported to have received a complaint from the Australian Jute Goods Association that flour packed in Indian sacks get spoilt due to a bad odour from the sacks. The I.J.M.A. has been requested to take suitable steps against this, for the Australian flour industry could ill-afford to spoil the market for its cereal products by using such bags.

The odour originates from the batching emulsion used for softening the fibre and making it more pliable.

The I.J.M.A. Research Institute says that it can be removed to a great extent when the oil content of the emulsion is maintained within specified limits. But scant attention is devoted to this aspect with the result that serious complaints have come from one of India's best customers.

The gunny trade is worried over the frequency of such complaints from that country in which Pakistan has already gained a foothold. Consumer dissatisfaction with the quality of Indian products will further weaken its position. It is time that the complaint was taken up for investigation and steps were taken for their removal.

Prospects for Standing Crop

Alternate sunshine and rain have helped the smooth growth of the standing jute plants in the growing areas all over Bihar, Assam, north and West Bengal, Agartala and Orissa, according to reports reaching jute circles in Calcutta during the past week. Inter-culture and raking operations have almost been completed, and the young plants are thriving well. The rivers are rising to their normal levels for this time of year. In the Kishanganj-Purnea zones of Bihar, good progress has been made in sowing on high lands and seeds have germinated well. To date, about 95 percent of the land has been sown. In the river-fringed areas and in low lands, the plants have already attained a height of 2 feet 6 inches. Some areas which had been overgrown with weeds and grass have been intercultured.

In Nowgong district of Assam, plants have attained a height of about 3 feet 6 inches due to timely rainfall. Well-spread April-May showers, combined with sunshine, have helped jute plants grow rapidly to a height of about 4 feet in Dhubri district. Weeding out operation has been completed in time. In the Dinhat-Cooch Behar zones, the growth of the plant has been normal. Sowing has been completed in the late-sown upland areas and seeds have germinated well.

Favourable weather conditions have also been reported from the Nadia, Murshidabad, Bongaon and Basirhat areas where the plants are thriving well. More than 90 percent of the available land has been sown with jute, and the height of the plant ranges from 1 foot 6 inches to 2 feet 6 inches. The river level is normal. In dry pockets, the supply of water has been ensured by artificial irrigation and in some places from deep tube wells. But reports from scattered areas in Hooghly and Burdwan districts say that rainfall was scanty in those regions up to mid-April. Moreover, an adequate supply of water was not available from the D.V.C. canals. So most plots of land remained fallow. The few plots which were sown with jute with considerable difficulty and at high expenses became overgrown with weeds and grass due to the intermittent heavy showers since the third week of April. Due to the shortage of daily labourers, a setback has been caused to interculture and raking operations in these areas.

THE JUTE MARKETS

Manufactured Goods: The manufactured goods market opened buoyant during the past week on a report that mills had intimated to buyers about possible delays in delivery schedules due to drastic load-shedding. It was followed by hectic covering by bears and shippers for ready and near positions, and prices soared to the week's highest levels. On Friday, talk of the loss of a big Australian Government tender for sacking in competition with Pakistan depressed sentiment. It was further weakened by the emergence of a

larger number of mills as keen sellers for all positions. On Saturday, there was a reversal of the trend following reports of good overseas enquiry in heavy standard goods and a deal of 72,000 B Twills sacking, easy and near positions, with west Africa. The restoration of the power at the successful recommissioning of the new 50-megawatt turbo alternator of the Calcutta Electric Supply Corporation at the Cossipore station from Saturday relieved worries of dealers. On Monday, they were glad to find that April was a good month showing a 10-percent rise in the internal and export offtake of jute goods at 105,000 tonnes—the second highest monthly figure during recent months. The highest figure of 112,000 tonnes was reached in December 1962. Later, rumours of a substantial Government of India tender for sacking stimulated sentiment. It was followed by reports of further overseas enquiries. Furthermore, the approach of the due date induced shorts and shippers to cover their open positions. This boosted sentiment and helped prices to retain their buoyancy. The futures market also closely followed the trend in the spot market and was subjected to similar ups and downs in wider fluctuations. Turnover was comfortable and the undertone steady at the close.

In the spot market, sacking showed on balance lower gains of 20nP to Rs. 113.80 for May, 30nP to Rs. 114 for June, 35nP to Rs. 114.35 for July-September, 25nP to Rs. 114 for October-December and a loss of 25nP to Rs. 113 for January-March 1964. Hessian showed a higher gain of Rs. 1.45 to Rs. 51.70 for May, to Rs. 50 for July-September, 85nP to Rs. 48.35 for October-December and 50nP to Rs. 47.50 for January-March 1964.

In the futures market, B Twills May scored a nominal gain of 10nP to Rs. 113.30 after fluctuating widely between Rs. 114.80 and Rs. 112, while hessian May showed a gain of 88nP, against Rs. 1.30 for the previous week, to Rs. 50.44, after moving between Rs. 51.04 and Rs. 49. For August positions, B Twills recorded a gain of 30nP to Rs. 114 and hessian of Rs. 1.28 to Rs. 49.40 in small transactions. At the close, the differential between May ready and futures rose from 69nP in the preceding week to Rs. 1.26 in hessian and was unchanged at 50nP in B Twills. The respective figures for August were 60nP for the former and 35nP for the latter.

Wednesday's quotations were as follows:

	May	June	July	Oct.	Jan.
40in 7joz.	38.10	37.75	36.65	36.15	35.50
40in. 8oz.	40.60	—	—	—	—
40in. 10oz.	51.80	51.05	50.05	48.50	47.50
B Twills	113.65	113.90	114.15	113.85	113.50
Cornsacks	115.25	116.25	116.50	116.00	115.50
Heavy Cees					
(Plain)	113.00	113.50	113.85	113.85	113.50
A Twills	135.50	136.00	136.50	137.50	137.00
Liverpools	128.00	127.50	127.50	127.50	127.50

Raw Jute: The raw jute market in Calcutta was subdued during the past week. With enough stocks in their own warehouses and with the Jute Buffer Stock Association, mills showed little interest in lifting further lots of fibre from the market, except limited quantities of special grade jute for day-to-day blending purposes. But with the approach of the new crop season, sellers were keen on clearing their stocks, mainly of lower grade fibres, even at a discount. So the turnover shrank to a trickle and routine business passed around the prevailing prices, basis Rs. 29 a maund for Assam Bottoms, ready f.o.r., Calcutta. The market was awaiting formal permission to commence trading in the new crop. Some lucky deals were unofficially transacted for August delivery around Rs. 33 a maund for Assam Middle, Rs. 29.50 for Assam Bottoms and Rs. 32.50 for Daissee, all f.o.b., Calcutta.

The futures market was also sluggish and nominal transactions were reported around the prescribed floor level of Rs. 30 a maund for Upper Assam White Bottoms, June delivery, with no fluctuations. With the gradual depletion of stocks with the farmers and wholesalers, daily arrivals into upcountry markets declined to around 10,000 maunds. But the stuff on offer was of a sub-standard quality in which mill agencies were least interested. The prices were ruling around Rs. 27.75 a maund for Assam Bottoms, ex-stockists' godowns. Turnover was negligible and the undertone hesitant at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)		T.S.D.	
	Current Prices	Minimum Prices	Rs. A Qtl.	Rs. A Md.
Assam-Agartala	76.38	28.50	80.38	30.00
Jute	76.38	28.50	79.04	20.50
Northern Jute	76.38	28.50	79.04	20.50
Western Desal	72.34	27.00	73.68	27.50
Selected Daissee	89.75	33.50	85.74	32.00
Assam-Agartala				
Tossa	85.73	32.00	83.05	31.00
Mesta:				
Assam-Northern	68.32	25.50	72.34	27.00
Local Daissee	68.32	25.50	72.34	27.00
Bihar Dist.	61.62	23.00	66.98	25.00
Pakistani N. C.	88.00	a bale.	May-june	

THE U.K. JUTE MARKETS

FIBRE FIRMER

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market tended to be firmer in Pakistan last week, and many shippers raised the prices of both old and new crop jute. This did not bring out much more buying interest from spinners in Dundee as they were already holding large stocks of raw material. The spot market in Dundee was also firmer, and although a substantial quantity of jute was still available ex-warehouse, holders of these parcels were refusing to accept less than their quoted rates.

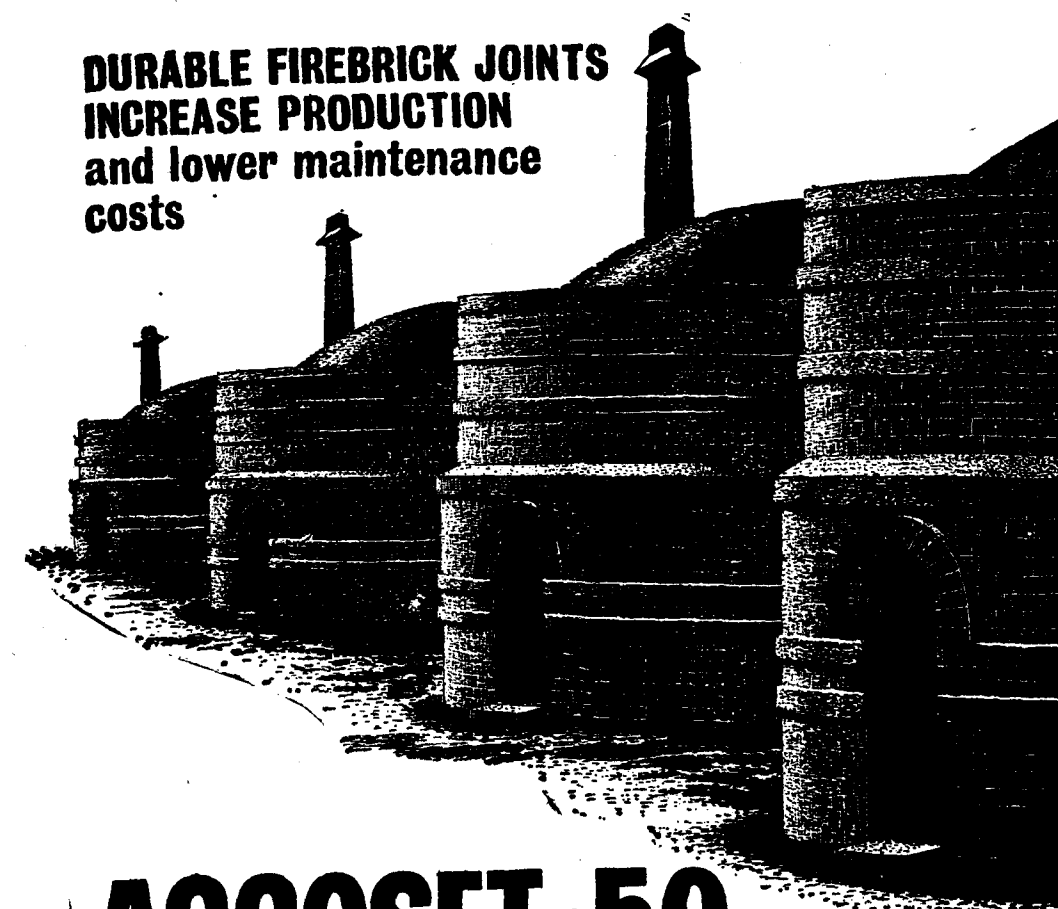
The outlook for the future is that prices will remain around the present levels. The Pakistani Minister of Commerce, who is on a visit to the U.K., said in London last week that the prices of jute could remain stable this year. He said that in the past, the price had been based on an economic and reasonable return to the grower in Pakistan, and that position would be maintained. Despite the above statement, there were still sellers of both old and new crop jute willing to accept less than minimum export prices for many grades of the fibre. However, the number of par-

cells available at discounted rates became considerably less during the past week.

Old crop offers were lowest at £111 for Mill Lightnings, at £93 10s for Mill Hearts and at £78 10s for Grade Hearts, c.i.f. U.K., for May-June shipment. Grade Tossa-2/3 was available at £122 10s and Grade Tossa-4 at £106 10s. Outport Tossa-2/3 was named at £96 and Outport Tossa-4 at £86 May-June. Cuttings were steady at £54 for S.N.C. and at £46 10s for N.C. Offers of new crop were being quite freely made with the lowest prices at £94 5s for Mill Hearts and at £80 for Grade Hearts August-September. Grade Tossa-4 was at £107 and Outport Tossa-2/3 at £97 October-November shipment.

The Calcutta goods market became very much dearer at the beginning of the week due to a break-down in the supply of electric power which reduced output. However, prices were below the highest point and quotations were at 78s for 40in. 10oz. and at 57s 6d for 7joz. a 100 yards f.o.b. Calcutta for May shipment, at 76s 6d and 57s 3d June and at 76s 3d and 56s 6d July-September. B Twills were at 174s 9d, 175s 3d and 175s 6d, for the respective shipment periods. A fair amount of business took place here before the rise in prices.

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Commodity Markets

SETTLING BONUS DISPUTE
IN KERALA ESTATES

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE I.N.T.U.C.-led plantation workers of Kerala deferred their decision to observe a one-day token strike on 20th May. Mr. B. K. Nair, their president, said in a statement that the decision to postpone the strike was taken in the light of the meeting of the State Plantation Labour Committee proposed to be held in Trivandrum on 31st May in the presence of the Kerala Chief Minister, Mr. R. Sankar. The meeting will make a further attempt to solve the bonus question. The union gave the strike call to register a protest against the alleged refusal of the managements to give the arrears of bonus for 1960, 1961 and 1962.

Meanwhile, the Association of Planters of Kerala has issued a statement clarifying the employers' position. It says that the industry has paid bonus at the rates which appeared to it to be "reasonable", so the expression used by workers in their strike notice, namely, "arrears of bonus" is gravely misleading. Workers on several estates have accepted those payments without even a protest. The Association's contention is that no arrears are really due to the workers.

Some trade union officials have suggested that the bonus the employers paid were too low and inadequate. This allegation was discussed in the tripartite Plantation Labour Committee in the recent past. The sponsors of the strike notice are aware of this. They have stated that the industry's represen-

tatives on the Committee refused to pay any additional bonus. The Association says that this is a "blatant lie", for the question as to whether and to what extent the bonus already paid should be enhanced is precisely the question with which the Committee is currently concerned. It is true that an agreed settlement has not been possible, but a further meeting of the Committee will be held shortly to pursue the matter.

Top-ranking representatives of all the major trade union organisations are members of the Committee. The Association says that it is regrettable the trade unions should undertake direct action at the present juncture when the Committee is actively considering the question. "This action discredits not only the labour representatives on the Committee, but the whole system of settlement of disputes by peaceful and ordinary negotiations", the Association says.

World Coffee Crop Down

An 8.5-percent decline in the world coffee crop for 1962-63 indicated in the latest estimate of the U.S. Department of Agriculture. In terms of actual quantity, the current season's crop will amount to about 65.2 million bags with an exportable surplus of 51.7 million bags. Production will be smaller in North and South America, but will be larger in Africa and Asia. It is said that the 1962-63 crop will exceed world re-

quirements by about 4 million bags. World trade should be at an all-time high as imports in some of the European countries continue to increase. Stocks at the end of the year will be at a record level unless some of those in hand are destroyed. It is said that Brazil, the largest world producer of coffee, burned or otherwise destroyed 6 million bags of low-grade coffee during 1961-62. That country's exports for the 1962-63 marketing year were 12.4 million bags. World trade in coffee in 1962 was a record at 47 million bags. This represents an increase of about 6 percent over the 1961 record. The largest gain was in U.S. imports, and increased imports into Europe also continued. Stocks in consuming countries were higher at the end of 1962 than at the beginning. Consumption did not, therefore, show as much rise as trade did.

The Indian Coffee Board has recommended good farm management as a means to improve coffee production. Efficient management of the soil and shade, proper application of fertilisers and plant protection materials are some of the means by which excellent results could be obtained. While referring to the new malady which has become a serious threat to the coffee planting industry, the Coffee Board's official organ, the *Indian Coffee*, says in a recent editorial that reports from abroad describe similar experiences. There also it has been shown that inhospitable soil conditions such as poor drainage, acidity in the soil, exposure to too much sun and so on, favour the development of fungi and help them to invade plant tissues, producing various types of die-back. The journal claims that research workers in other coffee producing countries agree that the kinds of die-back mentioned under the new malady in India are caused by the adoption of wrong cultural practices leading to soil deterioration, lack of proper amount of shade, over-cropping and under-nourishment.

Regulating Cardamom Exports

The Central Government has assumed regulatory control over cardamom exports in all forms "in order to stabilise the industry". Under an announcement by the Joint Chief Controller of Imports and Exports, certain specified grades of cardamom will be licensed freely, provided the consignments tendered for exports conform to the floor and ceiling export prices fixed by the Government. This new directive of the Government has put the cardamom trade in a stalemate. Trade circles complain that the minimum prices fixed by the Government are on the high side, so business is impossible at these rates.

Hindrances to Increasing
Tea Output

(BY A SPECIAL CORRESPONDENT)

THE Annual Bulletin of Statistics issued by the International Tea Committee should be available shortly. It will then be possible to examine reliable figures of production and consumption, because the softness in the commodity market suggests that the F.A.O. forecast is coming true. India's target to be reached by 1965 remains fixed at 900 million lbs of made tea, and as noted recently in these columns, one of the oldest established tea agents admits that he has some selected areas in Assam which is producing 30 to 35 maunds an acre. (Quite a fair number of plots have yielded over 20 maunds an acre for some years past.) But there are still some limiting factors to the yield of tea from north India. For example, apart from cul-

tivation, diseases and pests, yield depends on jat—or in these modern scientific times "clones"—supply of nutrients, amount and perhaps even more important is the distribution of rainfall. Other important matters are temperature, humidity and sunshine. Yield is the result of all these factors working on vegetation. Some state that fertilisers without sufficient water will not increase the yield. This is a serious matter for north India as only one monsoon hits Assam and other bearing areas, whereas south India, Ceylon, Indonesia enjoy longer rain spells.

In the Doorgas, it has been calculated that nearly half the year is dry. Assam and other parts average about five dry months. In dry months, the rainfall fails to replenish the moisture lost by evaporation. A shortage of water in the soil limits growth. Therefore, irrigation in dry periods could result in greater production. Experiments are now being carried out.

News from U.S. tea centres continues to be generally optimistic. New York prices for different grades compare as follows:

India fine leaf	78 cents a lb
India fine broken	68 cents a lb
India fine F.N.G.S.	65 cents a lb
Ceylon fine leaf	90 cents a lb
Ceylon fine broken	67 cents a lb
Ceylon fine F.N.G.S.	65 cents a lb

Colombo advices indicate some perturbation about costs, prices and exports. Trade circles there think that the immediate cause of lower prices for Ceylon's production can be traced to India's reduction in cost of export teas. According to reports, high quality teas selling over Rs. 1.65 a lb have to pay an *ad valorem* duty of 50 percent of the excess price, as well as export duty of 35 cents a lb, whereas Indian exports are not subject to export duty. This is thought to have helped the sale of all grades of Indian teas.

Due to trade agreements the Government of Ceylon expects to maintain its shipments at a satisfactory level, but the trade feels that greater competition from India will cause a fall in prices. Auction sales have shown a downward tendency for some time past except for quality teas. This reasoning supports the call from Mr. Betts of the Indian Tea Association, London, for the regulation of output. Any move in that direction will have to be agreed to by African interests, but practically all their estates are new and expanding and they are also at a financial advantage as to costs of production and taxation. If India and Ceylon cut production by 5 to 10 percent it would give the African producers a grand fillip.

According to news from Brussels, this matter is still under discussion. The Common Market duty on bulk tea is reported as 18 percent and for packaged teas 32 percent. That, of course, is a serious handicap to the exports of Indian blended teas and some suppliers are now in Europe investigating methods to increase trade. Concessions from importers are expected. The U.K. still allows free imports from Commonwealth sources. India's exports last year were given as 15 million kilograms higher than in season 1960-61, but actual foreign exchange earnings moved up from Rs. 122.4 crores to Rs. 129.0 crores only.

At the London tea auctions on 13th May teas from north India were well represented with 22,680 chests, out of a total offering of 31,674 chests. Good grades came to a firm market but the rest were irregular and generally easier. On 15th May, the downward tendency was accentuated.

COMPANY AND PUBLIC NOTICES

HERCULES INSURANCE
COMPANY LIMITED(Incorporated in India)
REGISTERED OFFICE: 16, HARE STREET, CALCUTTA.

NOTICE is hereby given that the TWENTY-EIGHTH ANNUAL GENERAL MEETING of the Hercules Insurance Company Limited will be held at the Registered Office, 16, Hare Street, Calcutta on Friday, the 21st June, 1963 at 3 P.M. for the purpose of:

1. Considering the Accounts, Balance Sheet and the Reports of the Board of Directors and Auditors for the year ended 31st December, 1962.
2. Declaring a Dividend.
3. Appointing Directors in the place of those retiring.
4. Appointing Auditors and fixing their remuneration.

AS SPECIAL BUSINESS

5. To appoint a Director in the place of Mr. L. V. Apte who holds office as a Director of the Company only up to the date of this general meeting. The Company has received notice under Sec. 257 of the Companies Act, 1956, from a shareholder of his intention of moving the following resolution:

"Resolved that Mr. L. V. Apte be and is hereby appointed a Director of the Company".

6. To appoint a Director in the place of Mr. W. Harpham who holds office as a Director of the Company only up to the date of this general meeting. The Company has received notice under Sec. 257 of the Companies Act, 1956, from a shareholder of his intention of moving the following resolution:

"Resolved that Mr. W. Harpham be and is hereby appointed a Director of the Company".

7. To appoint a Director in the place of Mr. A. D. Mango who holds office as a Director of the Company only up to the date of this general meeting. The Company has received notice under Sec. 257 of the Companies Act, 1956, from a shareholder of his intention of moving the following resolution:

"Resolved that Mr. A. D. Mango be and is hereby appointed a Director of the Company".

8. To consider and if thought fit to pass with or without modifications the following resolution which will be proposed as an Ordinary Resolution:

"That subject to the approval of the Central Government this meeting approves that Mr. E. K. Srinivasan, Managing Director of the Company, be admitted to the benefits of the Company's Executive Staff Superannuation Scheme introduced with effect from 1st January, 1963 and that the agreement dated 9th May, 1962 containing the terms and conditions of the appointment of the Managing Director be amended in accordance

with the Supplemental Agreement dated 7th May, 1963 made between the Company of the One Part and Mr. E. K. Srinivasan of the Other Part (a copy of which was produced at the meeting and signed by the Chairman hereof for purpose of identification) or on such other terms as may be agreed between the Central Government and Mr. E. K. Srinivasan and the Board of Directors of the Company".

9. To consider and if thought fit to pass with or without modifications the following resolution which will be proposed as an Ordinary Resolution:

"Resolved that the Board of Directors in consultation with Messrs. Lovelock & Lewes, the auditors of the Company shall appoint to audit the accounts of the Branches of the Company at Karachi, Nairobi, Penang and Singapore such person or persons as are qualified for appointment as auditors under Sec. 226 of the Companies Act or are accountants duly qualified to act as auditors of the accounts of the Branch Office in accordance with the laws of the Country in which the Branch is situated on such terms and conditions together with such remunerations as may be fixed by the Board of Directors".

The Share Transfer Books will be closed from the 14th June, 1963 to the 21st June, 1963, inclusive.

By Order of the Board,
E. K. SRINIVASAN,
Managing Director.

362, N. S. C. Bose Road,
Madras, 16th May, 1963.

- NOTE: 1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.
2. The dividend when declared will be paid only to those shareholders whose names appear on the Company's Register on the 21st June, 1963.

Explanatory statement as required by Sec. 173 of the Companies Act, 1956, has been forwarded to the members of the Company.

TRITON INSURANCE COMPANY
LTD.

NOTICE TO MEMBERS

THE BOARD of Directors of the Triton Insurance Company Limited hereby give notice that the ANNUAL GENERAL MEETING of MEMBERS will be held at the Company's Registered Office, 4, Clive Row, Cal-

cutta, on Friday the 21st day of June, 1963, at 3 o'clock in the afternoon to receive and consider the Audited Accounts for the year ended 31st December, 1962, the Balance Sheet as at that date, the Report of the Board of Directors and the Auditors thereon, to declare a Dividend, to appoint Directors and to appoint Auditors and to fix their remuneration. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy in his stead and such proxy need not be a Member of the Company.

The Share Transfer Books of the Company will be closed from 8th June to 21st June, 1963 both days inclusive, and the dividend, if declared, will be paid on and after 5th July, 1963, to those Members whose names are on the Register of Members on 21st June, 1963.

By Order of the Board,
D. FORDWOOD,
Secretary.

4, Clive Row,
Calcutta, 15th May, 1963.

PHILIPS INDIA LIMITED
NOTICE OF ANNUAL GENERAL
MEETING

THE thirty-third Annual General Meeting of the Members of Philips India Limited will be held on Friday, June 28, 1963 at 11 a.m. at the premises of the Bengal Chamber of Commerce & Industry, Room No. 3, 6 Netaji Subhas Road, Calcutta 1, to transact the following business:

1. To receive the Directors' and Auditors' Reports and pass the Accounts for the year ended December 31, 1962.
2. To declare a Dividend.
3. To appoint Directors in place of those retiring.
4. To appoint Auditors and fix their remuneration.
5. To transact any other ordinary business of an Annual General Meeting.

The Register of Members of the Company will be closed from June 7, 1963 to June 28, 1963, both days inclusive. The Dividend, if approved, will be payable on or after July 15, 1963 to those shareholders whose names are on the Register of Members on June 28, 1963, or to their mandatees.

By Order of the Board,
W. A. C. H. BOSSCHAART,
Chairman and Managing Director.
May 7, 1963.

7, Justice Chandra Madhab Road,
Calcutta 20.

- Notes: 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself; such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the Meeting.
2. Shareholders are requested to notify the Company immediately of any change of address.

NEW INDIA INVESTMENT
CORPORATION LTD.

NOTICE is hereby given that the twenty-sixth Ordinary General Meeting of the share-holders of New India Investment Corporation Ltd. will be held at the Registered office of the Company at 9, Brabourne Road, Calcutta, at 3 P.M. on Tuesday the 18th June, 1963, to transact the following business:-

1. To receive and adopt the Directors' Report and Audited Profit and Loss accounts and Balance sheet for the year ended 31-12-62.
2. To declare dividends as recommended by the Directors.
3. To elect Directors in place of those retiring.
4. To appoint Auditors and fix their remuneration.
5. As special business to consider and if thought fit to pass with or without modification the following resolution:-

(i) As an ordinary Resolution.
"Resolved that Rai Bahadur Moongtu Lall Tapuria, a Director of the Company, retiring by rotation, who has attained the age of 76 years and is hereby re-appointed a Director of the Company and that the age limit prescribed under Section 280 of the Companies Act, 1956, shall not apply to him".

(ii) As a special Resolution.
"Resolved that Mr. K. P. Goenka, a Director of the Company retiring by rotation, who is an associate of the Secretaries and Treasurers be and is hereby re-elected a Director of the Company".

The share transfer register of the Company will be closed from 10th to 18th June, 1963, both days inclusive.

By Order of the Board,

RAMDUTT RAMKISSENDASS,

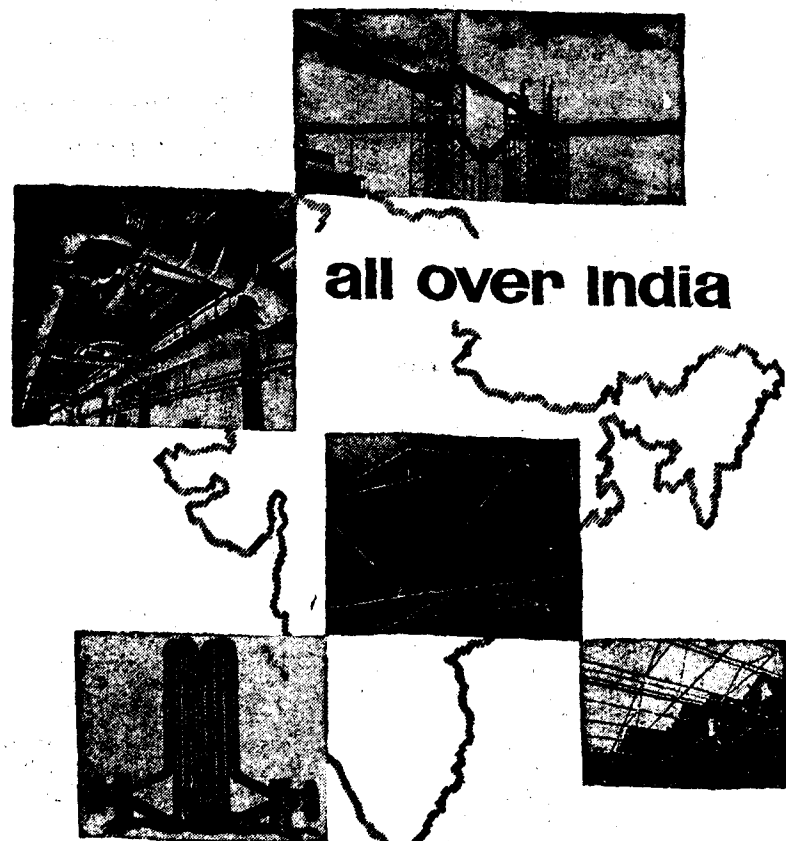
Secretaries & Treasurers.

Calcutta,
14th May, 1963.

Note: (a) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

(b) The dividends if declared will be paid on or after 2nd July, 1963 to those shareholders whose names appear on the Company's books on 18th June, 1963 or to their mandatees. No application for dividend warrants will be necessary.

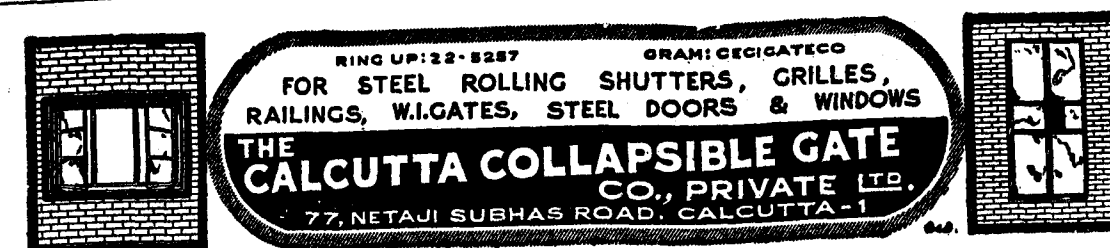
(The explanatory statement u/s. 173 in respect of special business will be sent separately to individual shareholders.)



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S&L STEWART AND LLOYDS OF INDIA, PRIVATE LIMITED
Regd. Office: 41, CHOWRINGHEE ROAD, CALCUTTA-18.
Branch Office: Himalaya House, 5th Floor, Paltan Road, Bombay.



THE NEW SAMANBAGH TEA COMPANY, LIMITED

NOTICE is hereby given that the Sixtieth Annual General Meeting of the Members will be held at the Registered Office of the Company, No. 4, Bankshall Street, Calcutta, on Thursday, the 13th June, 1963, at 3-40 P.M. for the following purposes:—

1. To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1962.
2. To declare Dividend.
3. To elect a Director in place of one retiring.
4. To appoint Auditors and to fix their remuneration.

As Special Business

5. To consider and if thought fit to pass, with or without

modification, the following resolution:

(As an Ordinary Resolution).

- "That Messrs. Rahman, Rahman, Huq & Co., Chartered Accountants of Chittagong be and they are hereby appointed to audit the accounts of the Company's garden in Pakistan for the year ending the 31st December 1963 at a remuneration to be agreed between them and the Board of Directors of the Company".
6. To consider and if thought fit to pass with or without modification, the following resolution of which Special Notice has been received from a Member under Section 261(2) of the Companies Act 1956, which will

be proposed as a Special Resolution.

"RESOLVED that Mr. C. I. M. Arnold be and he is hereby appointed a Director of the Company whose period of Office shall be liable to determination by retirement of Directors by rotation". Special Notice as required by Section 261(2) of the Companies Act, 1956 has been received by the Company from a member of his intention to propose as Special Resolution the Resolution for the appointment of Mr. C. I. M. Arnold as a Director. It is stated in the Special Notice that the sanction by Special Resolution is required for the appointment of Mr. Arnold as a Director since he is a

MANAGING AGENTS

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BENARES ELECTRIC LIGHT & POWER CO., LTD.

BURN & CO., LTD.

THE HOOGHLY DOCKING &

ENGINEERING CO., LTD.

THE HOWRAH-AMTA LIGHT RY. CO., LTD.

THE INDIAN IRON & STEEL CO., LTD.

THE INDIAN STANDARD WAGON CO., LTD.

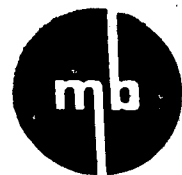
JUBBULPORE ELECTRIC SUPPLY CO., LTD.

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BRANCHES

DELHI, Pearey Lal Building, 40-42 Janpath, New Delhi 1
Telephone: 43547, Grams: "MARTINBURN"

BOMBAY, Esplanade House, Waudby Road, Bombay 1
Telephone: 264102, Grams: "MARTINBURN"

KANPUR, Westcott Building, The Mall, Kanpur
Telephone: 2867, Grams: "MARTINBURN"

PATNA, 19, Museum Road, Patna 1

Telephone: 3074, Grams: "MARTINBURN"

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THE CHAPARMUKH-SILGHAT RY. CO., LTD.

THE FUTWAH-ISLAMPUR LIGHT RAILWAY CO., LTD.

THE HOWRAH-SHEAKHALLA LIGHT RY. CO., LTD.

ROBERT HUDSON (INDIA) LTD.

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UPPER JUMNA VALLEY ELECTRICITY

SUPPLY CO., LTD.

THE VAUGHAN BURN CRANE CO., LTD.

MANAGERS AND AGENTS

THE FYZABAD ELECTRIC LICENCE, 1933.

THE JAUNPUR ELECTRIC LICENCE, 1934.

CAPITAL, 23rd May, 1963.

Director of Shaw Wallace & Co. Ltd., the Managing Agents of the Company and the Managing Agents are authorised by the Company's Articles of Association to appoint Directors to the Board of the Company.

The Transfer Register will be closed from the 6th June, 1963 to 13th June, 1963, both days inclusive.

- Note:** (1) A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.
- (2) In connection with the business to be transacted, an Explanatory Statement under Section 173 of the Companies Act, 1956, has been sent to the shareholders along with the notice.

By Order of the Board,
SHAW WALLACE & COMPANY LTD.,

Managing Agents.

Calcutta, 13th May, 1963.

THE DHUNSERI TEA COMPANY, LIMITED

NOTICE is hereby given that the Forty-seventh Annual General Meeting of THE DHUNSERI TEA COMPANY, LIMITED will be held on Monday the 24th June, 1963 at 2-30 P.M. at the Registered Office of the Company, No. 5, Mission Row, Calcutta-1, to transact the following business:—

1. To receive and adopt the Directors' Report and Audited Accounts for the year ended 31st December, 1962.
2. To declare Dividends.
3. To re-appoint a Director who retires by rotation.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Books of the Company will be closed from 17th June to 24th June, 1963, both days inclusive.

By Order of the Board,
S. L. DHANUKA,
Managing Director.

Calcutta, the 15th May, 1963.

N.B. 1. A member entitled to attend and vote may appoint a proxy who need not be a member.

- 2.** Dividends as recommended by the Directors, if approved at the Annual General Meeting, will be paid to those members whose names will appear on the Company's Register on the 24th June, 1963 or to their mandatees.

KUMARDHUBI FIRECLAY & SILICA WORKS LTD.

THE Directors of the above Company have decided to recommend the payment of dividends for the year ended 31st December, 1962, subject to deduction of tax as under:—

On Redeemable Cumulative Preference Shares—@ 4.58% p.a.
On Ordinary Shares—Rs. 1/80 N.P. per share

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office:

Chartered Bank Buildings,
Calcutta-1.

17th May, 1963.

CAPITAL, 23rd May, 1963.

THE CHAMPDANY JUTE COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting (being the Seventy-third Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, 2, Netaji Subhas Road, Calcutta, on 11th June, 1963, at 12 noon to transact the following business:—

1. To receive and consider the Audited Accounts for the year ended 31st March, 1963, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
2. To confirm the Interim Dividend paid on 26th September, 1962.
3. To declare a Final Dividend.
4. To appoint a Director in the place of Mr. R. N. Bangur, who retires by rotation.

AS SPECIAL BUSINESS:

5. To consider, and if thought fit, to pass the following Special Resolution for which special notice as required under Section 261 (2) of the Companies Act, 1956, has been received by the Company.

As a Special Resolution:

"That Mr. N. S. Coldwell, a retiring Director and an employee of James Finlay & Co. Limited, the Managing Agents, be and is hereby re-appointed to the Board."

6. To consider, and if thought fit, to pass the following Resolution as an Ordinary Resolution—

"That the Board of Directors of the Company be and is hereby empowered to borrow moneys for the purpose of the Company's business in excess of the aggregate of the paid-up Capital of the Company and its free reserves but not exceeding Rs. 90 lacs and excluding temporary loans from the Company's Bankers in the ordinary course of business."

7. To appoint Auditors for the current year and to fix their remuneration.

The Share Register of the Company will be closed from 1st to 11th June, 1963, both days inclusive.

Dividend Warrants will be issued and posted to Registered Shareholders only. Persons who have acquired shares are advised to effect registration of scrip in their names before 1st June, 1963.

By Order of the Board,
JAMES FINLAY & CO., LIMITED,
Managing Agents.

2, Netaji Subhas Road,
Calcutta, 16th May, 1963.

NOTES:

- (1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself, and the proxy need not be a member. The instrument appointing the proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
- (2) The dividend, if declared, will be paid on or after 11th June, 1963, to those shareholders so

entitled, whose names appear in the Company's books on 11th June, 1963 or to their mandatees.

- (3) **Explanatory Statement regarding Item (5) and Item (6).**

Item (5): Mr. N. S. Coldwell was appointed a Director of the Company by a Special Resolution of the Shareholders passed at the Annual General Meeting of the Company held on 16th June, 1961. He retires at the Annual General Meeting to be held on 11th June, 1963, and special notice dated 10th May, 1963, of the intention to propose the above resolution as a Special Resolution has been received by the Company. Special notice has been given in order to comply with the provisions of Sections 190 and 261 of the Companies Act, 1956, as Mr. N. S. Coldwell is an officer in the employ-

ment of the Managing Agents.

Item (6): Under Section 293 of the Companies Act, 1956, the Board of Directors has powers to borrow moneys (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) only to the extent of the aggregate of the paid-up capital of the Company and its free reserves. With the recent reduction of Capital by Rs. 29,58,200, the limit is found to be short of the requirements of the Company's business and an Ordinary Resolution is necessary to give the Board of Directors the authority to borrow moneys in excess of the limit placed by Section 293. The limit of Rs. 90 lacs has been proposed in accordance with the

Shareholders' resolution dated 18th November, 1925 as it is considered that the same requirement applies to-day.

Interest of Directors & Managing Agents

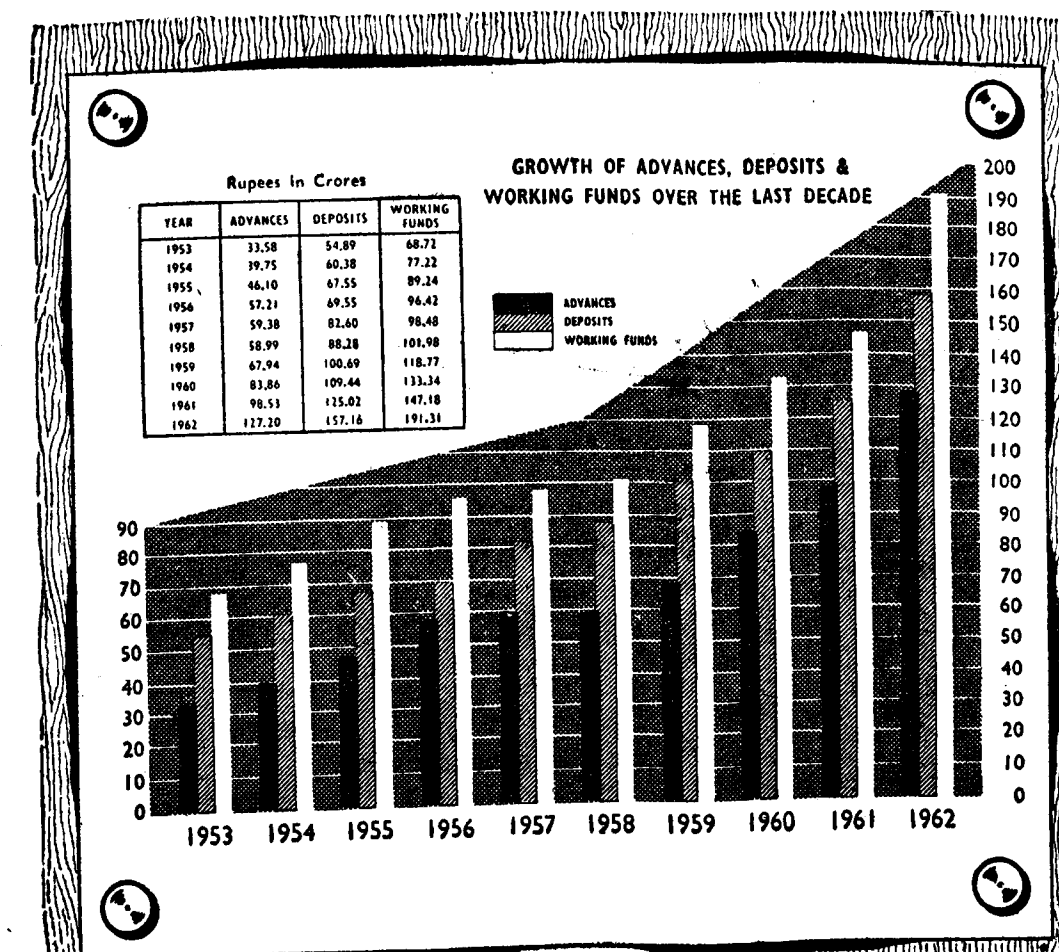
The Directors and Managing Agents of the Company are interested to the extent of their shareholdings as set out below:—

Mr. A. I. Murison	... 50 Shares
" N. S. Coldwell	... 55 "
" B. Gill	... 50 "
" R. N. Bangur	... 275 "
" D. N. Kapur	... 50 "

James Finlay & Co., Limited ... 1,36,575 shares.

TEA PLANTERS BENEVOLENT INSTITUTION

NOTICE is hereby given that the Annual General Meeting of the Tea Planters Benevolent Institution will be held at the Royal Exchange, 6, Netaji Subhas Road, Calcutta-1, on Friday 14th June, 1963 at 10-30 a.m.



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of half a century and more.

THE BANK OF INDIA LTD.

T. D. KANSARA, General Manager



THE HATTIKHIRA TEA COMPANY LIMITED

THE Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Tuesday, the 18th day of June, 1963, at 11-30 A.M., for the following purposes:—

- To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1962.
- To elect a Director in place of the retiring Director.
- To elect Auditors for the ensuing year, and to fix their remuneration.

The Share Transfer Book of the Company will be closed from 10th June, 1963, to 18th June, 1963, both days inclusive.

OCTAVIUS STEEL & CO. LTD.,

I. P. GOENKA,
Managing Director,
Managing Agents.

Calcutta, 23rd May, 1963.

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

HOPE'S METAL WINDOWS (INDIA) LTD.

NOTICE is hereby given to the members of the above-named Company that the Fifth Annual General Meeting will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Thursday, 13th June, 1963 at 3-30 p.m. to consider the Accounts of the Company for the year ended 31st December, 1962, to transact other ordinary business and the under-noted special business:

SPECIAL BUSINESS.

NOTICE is also hereby given of the following Resolutions:—
(To be proposed as Ordinary Resolution)

- "That 1,20,107 ordinary shares of Rs. 10 each (ranking for dividend in the manner mentioned in Resolution No. 2 set out below and in all other respects *pari passu* with the existing issued shares of the Company) be issued and offered for subscription for cash at par in the first instance to the members of the Company as at 14th June, 1963 in the proportion of one new share for each ordinary share in respect of which the members of the Company are respectively registered on that date with the right to renounce all or any part of the shares so offered and upon the footing that the full amount of each share taken up shall be paid to the Company on application and that applications for the said new shares be invited by notice specifying the number of shares for which members may apply, and limiting a time not being less than fifteen days from the date of the said notice within which applications accompanied by remittances in payment for the shares applied for must be received by the Company failing which the invitation will be deemed to have been declined, and that the Board

of Directors of the Company be and is hereby empowered to dispose of the shares, applications for which accompanied by remittances are not received within the time limit aforesaid, in such manner as it considers expedient in the interests of the Company and in particular to such other person in whose favour the right to apply for any new shares has been properly renounced, provided that the allotment of the said new shares shall be subject, in the case of members not resident in India, to the consent of the Reserve Bank of India being obtained thereto in accordance with the provisions of The Foreign Exchange Regulation Act, 1947."

- "That the said new shares shall be entitled to participate in the dividend, if any, which may be declared on the shares of the Company in respect of the year ending on the 31st day of December, 1964."

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 11th June, 1963 to 8th July, 1963, both days inclusive.

By Order of the Board,

BALMER LAWRIE & CO. LTD.,
D. MANSON,
Managing Director,
Secretaries.

21, Netaji Subhas Road,
Calcutta, 14th May, 1963.

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

An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, has been forwarded to the members of the Company.

KUMARDHUBI FIRECLAY & SILICA WORKS LTD.

NOTICE is hereby given to the members of the abovenamed Company that an Annual General Meeting of the Company will be held at the Registered Office, Chartered Bank Buildings, Calcutta, on Friday, the 28th June, 1963, at 11-00 A.M. for the following purposes:—

- To consider and approve the Audited Accounts of the Company for the year ended 31st December, 1962, and to receive the Directors' and Auditors' Reports thereon.
- To declare the Dividends recommended by the Directors.
- To appoint a Director in the place of a retiring Director.
- To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

- To consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:—

"THAT the provisions of the Articles of Association of the Company be altered in the manner following that is to say:—

- That in Article 92 (line 8) the words "and such

one of them as from time to time shall be named by the Managing Agents shall be Chairman of the Board" be and are hereby deleted.

- That Article 116 be and is hereby deleted and that the following new Article 116 be substituted therefor.

"116. The Directors may elect some one of themselves to be Chairman of the Board to preside over their meetings and determine the period for which he is to hold office. If no such Chairman is elected or if at any meeting the Chairman is not present at the time appointed for holding the same, the Directors present shall choose some one of their number to be Chairman of such meeting."

The Share Transfer Register of the Company will be closed from 14th June, 1963, to 28th June, 1963, both days inclusive.

By Order of the Board,

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

Registered Office
Chartered Bank Buildings,
Calcutta, 17th May, 1963.

Note:—

- A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
- The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, is being sent to all members.
- The Dividends, if declared, will be paid on or after 5th July, 1963 to those Shareholders so entitled whose names appear in the Company's books on the 28th June, 1963, or to their mandatories. No application for Dividend Warrants will be necessary.

BENGAL POTTERIES LIMITED

NOTICE

NOTICE is hereby given that the Fifty first Annual General Meeting of the Bengal Potteries Limited, will be held at the registered office of the Company at 45, Tangra Road, Calcutta, on Friday the 14th June, 1963, at 4 P.M. to transact the following items of business:—

- To receive and adopt the Directors' Report, the audited Balance Sheet and the Profit and Loss Account for the year ended 31st December, 1962.
- To declare a Dividend.
- To elect Directors in place of those retiring.
- To consider and if thought fit to pass the following Resolution as an Ordinary Resolution:—

"RESOLVED that the Members of the Company approve of the appointment and continuation as a Director of Bengal Potteries Ltd., of Dr. H. L. Dey who has attained the age of over 65 years, and

declare that the age limit of 65 years as specified in Section 280 of the Companies Act 1956 shall not apply to him".

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT 1956, REGARDING ORDINARY RESOLUTION UNDER SECTION 281.

Special notice has been received by the Company on 17th May, 1963 of this Resolution from three of its Members under the Provision of Section 281 of the Companies Act 1956.

Dr. H. L. Dey will retire by rotation at the next Annual General Meeting of the Company. He has attained the age of over 65 years. If appointed Dr. H. L. Dey will get remuneration from the Company as provided in its Articles of Association, and he is interested to that extent. Save as aforesaid no other Director or the Managing Agents have any concern or interest in the above resolution.

- To appoint Auditors for the current year and to fix their remuneration.

The Share Transfer Register of the Company will be closed from 7th June to 2nd July 1963, both days inclusive.

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

By Order of the Board of Directors,

BHARAT RAM BHAGAT & COMPANY,
Managing Agents.

45, Tangra Road, Calcutta.
Dated, 21st May, 1963.

The Company meetings and dividends table appears on page 749.

NAGA HILLS TEA COMPANY, LIMITED

NOTICE is hereby given that the Forty-Fifth Annual General Meeting of NAGA HILLS TEA COMPANY, LIMITED will be held at the Registered Office of the Company, No. 5, Mission Row, Calcutta-1, on Monday, the 24th June, 1963 at 3-30 P.M. to transact the following business:—

- To receive and adopt the Directors' Report and audited Accounts for the year ended 31st December, 1962.
- To declare a dividend.
- To elect Director in place of retiring Director.
- To appoint Auditors and to fix their remuneration.

The Register of Members and the Share Transfer Books of the Company will be closed from 17th June to 24th June, 1963 both days inclusive.

By Order of the Board,

DHANUKA INDUSTRIES LIMITED,
Secretaries & Treasurers.

Calcutta, the 13 May, 1963.

N.B.—1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

- Dividend, as recommended by the directors, if approved at the Annual General Meeting will be paid to those whose names are on the Company's register on the 24th June, 1963 or to their mandatories.

JAY SHREE TEA & INDUSTRIES LTD.

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Shareholders of the Company will be held on Tuesday, the 18th June, 1963 at 3-30 P.M. at 15, India Exchange Place, Calcutta-1, and its agenda has been/will be duly circulated to all the members of the Company along with relevant Explanatory Statement thereon.

By Order of the Board,

B. C. BIYANI,

Secretary Company Law.

Registered Office:

"India Exchange",
Calcutta-1.

Dated, the 29th April, 1963.

- N.B.:** 1. The Share Transfer Registers will remain closed from 4th June to 18th June, 1963, both days inclusive.
2. The dividends on Preference and Equity Shares as sanctioned at the Meeting, will be payable to the Registered Shareholders of the Company as on 18.6.63 and the relative dividend warrants will be posted on or after 1st July, 1963.

THE SOORAH JUTE MILLS COMPANY, LIMITED

NOTICE is hereby given that the Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company, at 15, India Exchange Place, Calcutta, on Wednesday, the 26th June, 1963 at 2-30 P.M. for the following purposes:—

- To receive and consider the Report of the Directors and to pass the audited accounts of the Company for the year ended 31st December, 1962.
- To declare Dividends on Preference and Ordinary Shares.
- To elect Directors in place of Mr. H. J. Silverston and Shri G. D. Kothari, who retire by rotation, but being eligible, offer themselves for re-election.
- To appoint Auditors and to fix their remuneration.
- As special business to consider and, if thought fit, to pass, with or without modification, the following Special Resolutions:—

(i) "Whereas Messrs. Birla AG incorporated in Switzerland, an associate of Messrs. Hindusthan Investment Corporation Ltd., Managing Agents of the Company, maintain an office in ZUG in Switzerland and WHEREAS the said Company is established to carry on business inter alia of acting as agents in Europe and other countries for purchase and sale of goods including stores, plant and machinery, etc. and propose to have dealings and business connections with parties all over Europe and other countries and operations on a large scale and whereas their expenses of maintaining their office establishment are likely to amount approximately to Swiss Francs 200,000 per annum in the initial stages and Whereas expenses which can be attributed to the work to be done for and on behalf of the Company would depend on the value of purchases effected through the said Company in relation to their total turnover in each year, NOW it is hereby RESOLVED that Messrs. Birla AG be and are hereby appointed to act as buying agents and selling agents of the Company for periods of 3 years and 5 years respectively with effect from 1st October, 1962 in Europe and other countries on the following terms as to commission:—

(a) for purchase of stores, etc. 5% of the invoice price;

(b) for purchase of plant and machinery—2½% of the invoice price; and

(c) for sale of goods manufactured/produced by the Company 2% of the invoice price.

Provided that if anything to be done in pursuance of the above arrangements requires the permission of the Central Government or the Reserve Bank of India, as the case may be, the same will be done in accordance with such permission."

- (ii) "RESOLVED that the Company do hereby approve of the arrangement with Messrs. Birla AG who are associates of Messrs. Hindusthan Investment Corporation Ltd., Managing Agents of the Company, for utilising their services for employment of technical personnel and/or consultants, making arrangements for securing Know-how, credit facilities, attending to enquiries and generally to act as representatives of this Company as and when required for negotiations in Europe and other countries and for such services they be paid all expenses incurred and/or apportionable in respect of work done by them in each particular case provided that if anything to be done in pursuance of the above arrangement requires the permission of the Central Government or the Reserve Bank of India, the same will be done in accordance with such permission."

(iii) "RESOLVED that the company do hereby approve of the contracts entered into or to be entered into from time to time with parties who are or may be associates of the Managing Agents of the company including the companies (a) East Indian Produce Co. Ltd., and (b) Premier Stores Supplying Co. Ltd. for the purchase, sale or supply of any property movable or immovable upon terms stated in the agreement copies/draft(s) whereof are placed before the meeting which provide inter alia that:

- property to be purchased, sold or supplied shall be as dealt in by or be available with the seller and

required by the buyer from time to time.

- rates or prices to be charged shall be as ruling with the seller or supplier at the date of requirement or as shall be currently in force or be otherwise reasonable.

(c) payment shall be as specified in acceptance, provided that the payment for any property supplied or sold by the company shall be made to the company within one month from the date of such supply or sale.

- the contract may be terminated at any time by either party giving to the other one month's notice in writing."

The Register of Members and Share Transfer Books of the Company will remain closed from 12th June, 1963 to the 26th June, 1963, both days inclusive.

By Order of the Board,

For HINDUSTHAN INVESTMENT CORPORATION LTD.,

R. K. CHHAOCHHARIA,
Managing Director,
Managing Agents.

Regd. Office:

15, India Exchange Place,
CALCUTTA-1.

Dated, the 9th May, 1963.

N.B. (i) The Directors have recommended the following dividends free of income-tax payable by the company but subject to deduction of tax under the I.T. Act, 1961—

On Preference Share @ 10% per annum and

On Ordinary Share @ Rs. 2.50nP.

If dividend on shares recommended by the Directors are approved at the meeting, THE DIVIDEND WILL BE PAYABLE ONLY TO THE REGISTERED SHAREHOLDER whose names are on the Company's Register on the 26th June, 1963 or to the order or to their banker. No application need be sent for dividends, as relative dividend warrants will be posted to such shareholders by the 15th July 1963.

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

(iii) An explanatory statement in respect of the above items of special business is being forwarded to the members of the Company.

SOUTHERN BANK LTD.

(SCHEDULED BANK)

Head Office
24, NETAJI SUBHAS ROAD, CALCUTTA.
Phone 22-5988, 22-5989.

BRANCHES: BARRABAZAR, SHYAMBAZAR,
BHOWANIPORE, BASIRHAT & KHULNA.

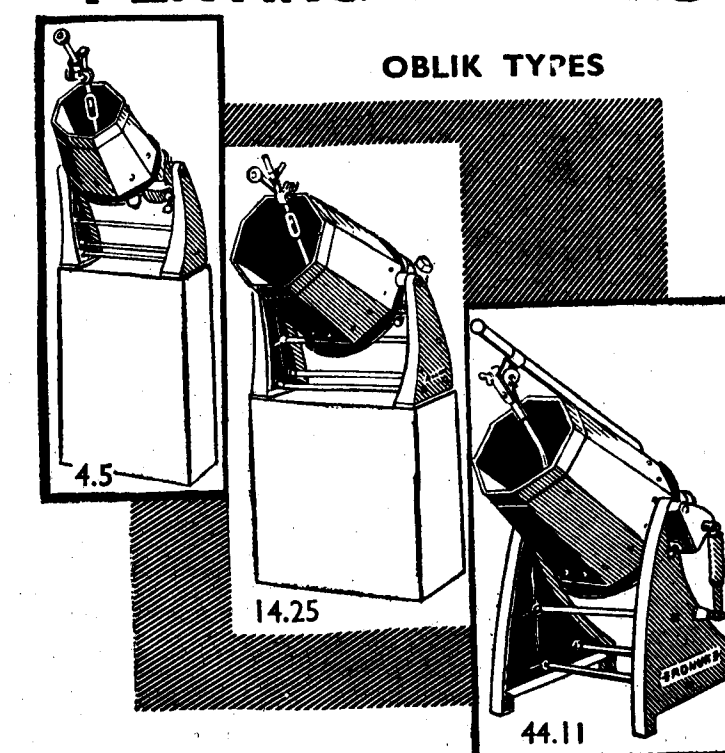
LOAN GRANTED ON APPROVED

SECURITIES

All Sorts of Banking Business Transacted
S. N. BANERJEE, M.A.,
General Manager.

RONUK PLATING BARRELS

OBLIK TYPES



RONUK INDUSTRIES LTD.

11A, WORLI SEA FACE
BOMBAY-18

Gram: RONUKIND

Telephone: 63550

RPC/249/62

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta Bombay, Madras, London Stock

Exchange Associations and other sources.

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Figures given after stroke (/) mean Naye Paise.

Wednesday, 22nd May, 1963.

GOVERNMENTS LOANS

PORT TRUST LOANS

IMPROVEMENT TRUST LOANS

Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations	Amount	Interest per cent	Year of issue	Repayable	Market quotations	Amount	Interest per cent	Year of issue	Repayable	Market quotations	Amount	Interest per cent	Year of issue	Repayable	Market quotations				
Ra.				Ra.	Ra.				Ra.	Ra.				Ra.	Ra.				Ra.				
GOVERNMENT OF INDIA																							
2,48,91,07,000	3	1946	1986 or later	63/30	90,24,300	4	1914	1974	98/25	36,50,000	4	1904	1964	96/00	50,00,000	4	1934	1964	99/28				
			{ At the option of the Government of India after a months notice }		76,90,100	4	1915	1975	98/25	35,00,000	4	1905	1965	96/00	35,00,000	3 1/2	1935	1965	98/00				
8,93,33,000	3	1896-97		61/50	88,02,300	3	1921	2nd 1981	82/00	15,00,000	4	1906	1967	96/00	30,00,000	3	1936	1966	92/50				
					1,50,00,000	6 1/2	1921	2nd 1981	144/00N	44,00,000	4	1907	1968	96/00									
1,16,17,46,000	3	1933	1963-65	99/90	2,892,600	5	1923	1953-83	281	75,00,000	4	1908	1968	96/00	20,00,000	3	1938	1963-68	92/00				
1,10,11,78,000	3	1943	1966-68	96/33	2,901,000	5	1924	1954-84	281	40,00,000	4	1909	1970	92/00	80,00,000	4	1952	1962	100/00				
					1,24,00,000	4 1/2	1957	1987	99/50	56,00,000	4	1910	1971	92/00	1,02,00,000	4 1/2	1956	1968	98/50				
30,33,10,000	3	1950	1964	98/90	50,00,000	4 1/2	1959	1989	99/00	75,00,000	4	1911	1972	92/00	75,00,000	4 1/2	1958	1968	101/00				
14,77,48,000	2 1/2	1946	1976	86/40	1,50,00,000	4 1/2	1961	1971	98/75														
1,15,05,83,000	3	1948	1970-75	99/60	90,00,000	4	1931	1991	93/00	STERLING LOANS										BOMBAY			
1,58,17,94,000	3 1/2	1954	1964	99/40	80,00,000	3 1/2	1935	1965	99/00	2,892,600	5	1923	1953-83	283	80,00,000	4	1903	1963	98/25				
1,53,67,92,000	3 1/2	1955	1965	99/40	50,00,000	3	1944	1974	83/50	2,901,000	5 1/2	1924	1954-84	283	50,00,000	4	1904	1964	98/25				
					50,00,000	3	1945	1-2-2005	72/00	2,835,100	6 1/2	1932	1962	296 1/2									
58,05,92,000	3 1/2	1958	1963	99/90	50,00,000	3	1945	1-2-2005	83/75	MADRAS										BOMBAY			
86,63,53,000	3	1956	1974	95/60	50,00,000	3	1945	1-2-2005	83/75						20,00,000	4	1906	1966	97/50				
56,99,30,000	3 1/2	1957	1967	99/00	50,00,000	3	1945	1-2-2005	83/75						15,00,000	4	1907	1967	97/50				
1,54,59,21,000	4	1957	1972	99/30	50,00,000	3	1946	2006	72/00	28,48,275	3 1/2	1947	1977	A	30,00,000	4	1908	1968	2,954N				
74,51,44,000	4	1958	1973	99/00	25,00,000	3	1938	1963-68	93/00														
1,97,40,92,000	3 1/2	1956	1967	98/10	50,00,000	3	1946	2006	72/00	9,88,000	3	1947	1977	A									
1,56,58,41,000	3 1/2	1958	1968	97/65	50,00,000	2 1/2	1947	1977	78/50	8,00,000	3	1949	1979	A									
					50,00,000	3	1948	1978	83/00						2,566,600	4	1909	1969	2,954N				
1,90,85,42,000	3 1/2	1959	1969	96/85											2,333,000	4	1910	1970	2,100/00				
81,06,39,000	4	1959	1979	98/20	50,00,000	3	1950	1980	81/00						25,00,000	4	1912	1972	95/00				
82,65,41,000	3 1/2	1960	1966	99/15	50,00,000	3	1950	1980	81/00														
98,50,17,000	4	1960	1980	98/10	50,00,000	3	1951	1981	80/50						13,00,000	4	1913	1973	95/00				
63,96,55,000	4	1961	1981	98/10	50,00,000	4	1952	1963	97/50	A=Held by the Govt. of India.										BOMBAY			
					50,00,000	4	1953	1963	97/50	100/00					50,00,000	4	1914	1974	95/00				
					90,00,000	4	1955	1985	97/25						25,00,000	4	1916	1976	95/00				
3,40,34,300	4	1952	1964	99/75	90,00,000	4	1955	1985	97/25						86,00,000	6	1920	1945-80	119/50				
5,10,79,800	4	1953	1963	99/75	77,00,000	4	1956	1986	97/25						25,00,000	4	1927	1961-70	98/75				
6,57,22,800	4 1/2	1957	1969	98/00	1,00,00,000	4	1958	1969	99/50						10,00,000	3 1/2	1936	1966	89/00				
6,58,20,700	4 1/2	1958	1970	98/00																			
4,35,25,000	4 1/2	1958	1971	98/00																			
MADHYA PRADESH																							
2,03,28,800	3	1948	1964	98/00																			
MADRAS																							
5,24,81,200	4	1952	1964	99/65																			
10,33,70,600	4	1953	1963	99/75																			
5,55,57,300	4 1/2	1958	1970	96/50																			
UTTAR PRADESH																							
1,55,31,200	3	1936	1961-66	93/25	66,88,000	3 1/2	1951	1966	98/50	20,00,000	4	1913-18	1974	95/00	15,00,000	3 1/2	1951	1961	107/00				
5,89,13,900	4	1952	1964	99/65	10,00,000	5 1/2	1932	1962	100/75N														
5,58,25,400	4	1953	1963	99/75	33,91,000	3 1/2	1935	1965	98/00	10,00,000	5	1920	1980	101/00	15,00,000	3 1/2	1952	1962	107/50				
7,65,58,900	4 1/2	1958	1970	96/50	72,50,000	4 1/2	1954	1979	100/00														
WEST BENGAL																							
2,00,00,000	4	1952	1964	99/75	80,00,000	3	1936	1966	93/00	2,00,34,000	3 1/2	1951	1966	89/00	2 1/2% U.P. Zemindary Abolition Compensation Bond (per Ra. 100)								
3,60,23,300	4	1953	1963	99/75	47,50,000	3	1938	1968	92/50														
7,58,72,200	4	1955	1967	97/50	21,10,000	3 1/2	1942	1972	92/00	8,25,00,000	3 1/2	1947	1977	82/00									
7,11,46,100	4	1956	1968	97/50	97,36,000	4	1952	1962	99/75														
5,10,49,700	4 1/2	1958	1970	98/50																			
7,69,69,400	4	1959	1971	97/50																			
7,00,00,000	4	1960	1969	97/35																			
73,07,21,000	4 1/2	1961	1972	98/00	2,22,72,000	4	1955	1985	97/25N	2,13,14,500	3 1/2	1949	1979	82/00									
MYSORE																							
2,95,85,200	4	1933	1953-63	100/50	73,36,000	4 1/2	1958	1968	100/50	4,00,00,000	3 1/2	1950	1965	95/00									
3,83,47,200	4	1933	1963	99/75																			

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months notice—

(a) Option to extend the redemption period for further 10 years.

(b) at any time after.

(c) on or after 1-1-61.

(d) Option to redeem at 2 1/2% Prem. after 14-5-64 and before 15-5-66.

Option to repay on 6 months notice—

(e) at any time after 30-6-61 at 101%.

(f) at 101% between 1-1-60 & 31-12-64.

(g) at 102 1/2% after 30-6-60 but before 30-6-64.

(h) at any time after 30-6-60 at 101%.

Option to repay on 3 months notice—

(i) at any time at 3% Premium.

(j) at 1% Prem. after 1-3-64 but before 1-3-67 and 1% Prem. on or after 1-3-67.

(k) at any time at par.

(l) at any time after 31-3-62 at the rate of 1% Premium.

(m) redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.

(n) at any time on two months notice—

(o) to be redeemed at a premium of 10% Ra. 70,000 to be redeemed annually by drawing on 3 months notice with option to redeem all after 6 years from date of issue on 6 months notice. Option not exercised repayment to be made after full term.

Option to repay.

(p) at par after September 1960.

(q) at par on or after 1-12-59.

(r) with option to redeem at 101% after 10 years or at 100 1/2% after 12 years.

(s) Ra. 1 lac Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100 1/2% between 1-6-57 to 1-6-60 and at 101% afterwards.

(t) with option to redeem at 101% after 10 years or at 100 1/2% after 12 years.

(u) with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100 1/2% at any time after 31-3-66.

(v) Ra. 80,000 are being redeemed annually repayment of Debentures commencing serially from No. 1 to No. 80 on 31-12-48.

(w) Redeemable at any time at 5 per cent premium (a) on 6 months notice by the Company or (b) in the event of the security becoming enforceable or at par if the Corporation of Calcutta or Howrah purchase the undertaking on 1st January 1945 or every seventh year thereafter.

(x) At par all or any of the Debts on 31st December 1960 or on any subsequent interest date.

(y) Redeemable (a) at 102% on 1st October 1974 or in the event of voluntary liquidation of the undertaking being purchased or in the event of the Security becoming enforceable or (b) at 108% at any time after 31st March 1953 on 6 months notice from the Co. (c) also redeemable out of a sinking fund (commencing in 1938) by drawing at 102% or purchase at or under 102%.

(z) Also redeemable out of a cumulative sinking fund or 11% per annum commencing in 1943 by purchase at any price less than par or by annual drawing at par.

BANKS

NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
1959	1960	1961	22-5-63	1959	1960	1961	22-5-63
			Ra.				Ra.
Allahabad Bank P.	18	18	18	100	287/00	275/00	386/00
Bank of Baroda	14	17	17	50	86/30	87/50	105/00
Bank of India	16	20	20-20*	50	110/00	110/00	115/00
Central Bank of India	17-1/5	20 2/5	20-20*	25	56/00	56/50	68/00
Chartered Bank	15	15	15	21	sh 61/6	sh 60/7 1/2	sh 56/-
Hindustan Commercial	Nil	Nil	Nil-Nil*	50	13/87	13/87	18/50
Hindustan Mercantile	Nil	Nil	Nil	50	15/62	15/62	16/00
Hong Kong & Shanghai	15	15	15-14*	100	£17	£17	£17 1/4
Indian Bank	15	15	15-14*	100	165/45	165/45	176/00
Indian Overseas Bank	12	14	14-14*	100	145/60	145/60	161/28
Industrial Finance Corp.	12	13	14-16* sh	15	sh 31/-	sh 30/10 1/2	sh 36/-
National & Grindlays Bank	20	20	20	10	19/00	19/06	21/12
Punjab National Bank	11 2/5	11 2/5	11 2/5	5	5/84	5/84	7/56
Union Bank of India	4.3	4.3	6-6*	10	7/31	7/31	7/44
United Bank of India	11	12	12	50	72/50	71/50	91/00
United Commercial Bank							

*1962

JUTE MILLS

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		22-5-63	15-5-63	A year ago		1959	1960	1961		22-5-63	15-5-63	A year ago
Basanti P.	..	..	..	10	11/56	11/56	7/81	Elgin P.	11 1/2	17 1/2	17 1/2	10	18/69	18/56	21/60
Banga Luxmi	..	..	..	40	28/00	28/00	28/00	J. & Cotton (Rayon) P.	12 1/2	..	..	10	13/62	13/62	21/06
Bengal Nagpur P.	Nil	..	..	10	3/00	3/00	3/81	Jay Shree	10	..	..	..	106/00	106/00	146/00
Bharat Commerce	..	15	..	10	22/50	22/50	28/69	Muir P.	..	..	..	10	13/62	14/81	16/62
Birla Cotton	10	20	20	10	26/75	26/75	27/00	New Victoria P.	Nil	..	..	10	9/00	9/00	10/06
Bowreah P.	10	20	..	10	23/25	23/50	41/00	Orissa Textiles P.	Nil	Nil	..	10	12/00	12/00	11/00
Cawnpore Textile	7-1/5	10	..	5	6/31	6/50	8/69	Rampur Cotton	..	..	..	1	2/00	2/00	2/00
Delhi Cloth & Genl. P.	12	13	13	25	42/44	42/44	61/50	Swadeshi (Kampur) P.	3.51	..	..	10PO	7/03	6/75	8/56
Dunbar	20	20	..	10	27/50	27/50	34/62								

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		21-5-63	14-5-63	A year ago		1959	1960	1961		21-5-63	14-5-63	A year ago
Ahmedabad Advance P.	7	16	..	100	170/00	170/00	208/00	Indian	..	..	..	250	761/25	761/25	..
Apollo	..	..	..	1	1/88	2/12	2/32	Indore Malwa United	..	..	..	100	186/00	187/00	176/00
Beharilal Ramcharan	Nil	Nil	..	100	76/00	76/00	75/00	Khatav Mankaji P.	7	32	..	100	437/50	440/00	491/25
Bombay Dyeing etc.	14	14	14	25	61/50	62/10	69/60	Koninor	9 1/2	15	18	100	317/50	320/00	309/00
Bradbury P.	10	10	25	50	150/00	150/00	200/00	Lakshmi Vishnu P.	Nil	5 1/2	6	100	98/00	98/00	147/00
Century	..	..	..	100	560/00	554/00	672/00	Morarijee Goculdas P.	21 1/2	21 1/2	24-24 1/2	100	435/00	435/00	417/00
Central India P.	Nil	Nil	Nil	100	114/00	114/00	159/00	Visvora Spg & Mfg. P.	10	14	14	50	46/00	46/00	63/50
Coorla	..	..	..	100	140/00	140/00	160/00	New City of Bombay	..	..	..	100	142/50	142/50	181/00
Dawn	20	30	30	50	142/00	142/00	161/00	Phoenix	..	..	..	100	270/00	255/00	309/00
Edward Textiles	9	9	..	200	325/00	325/00	372/50	Sassoon & Alliance	Nil	Nil	..	100	206/00	206/00	266/00
Elphinstone P.	14	18	22	50	100/00	100/00	133/00	Sassoon Spinning	25	17	20	10	48/75	48/75	63/50
Finlay	..	..	..	100	164/00	170/00	222/50	Shree Mawas P.	10	15	Nil	50	128/00	125/50	173/00
Gokak	..	..	..	250	810/00	810/00	..	Swadeshi P.	14	17	..	100	248/00	248/00	287/50
Hindustan	..	..	..	10	22/24	23/04	21/40	Swan	..	..	..	100	300/00	300/00	330/00
India United	..	..	..	1Dd	2/54	2/52	3/54	Western India	10	20	..	25	56/50	58/00	76/80

* 1962

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		21-5-63	14-5-63	A year ago		1959	1960	1961		21-5-63	14-5-63	A year ago
CEMENT ENGINEERING & METAL															
Associated Cement	11	12½	12-12*	100	143/00	141/25	161/50	British India General	..	..	..	10	11/52	11/52	11/92
ELECTRIC LTG. POWER															
Ahmedabad Electricity	6½	7	6	100	91/00	91/30	91/50	Jupiter General P.	..	..	..	15	9/00	9/00	11/76
Andhra Valley Power P.	5	5½	5-5*	1000	1,002/50	1,002/50	1,012/50	New India	..	..	..	15	59/50	59/50	71/30
Bombay Suburban Elec.	..	..	..	100	101/00	101/00	103/00	Vulcan	..	..	..	10	15/52	15/52	17/12
Tata Hydro Elec. Power P.	..	..	..	100	104/00	104/00	112/00	MISCELLANEOUS							
Tata Power P.	5	5½	5-5*	1000	1,030/00	1,030/00	1,110/00	Belapur Sugar	..	..	..	50	185/50	191/50	236/00
INSURANCE COMPANIES															
MISCELLANEOUS															
Belapur Sugar															
Bombay Burmah Trading															
Hindustan Lever															
Industrial Invest Trust															
Lemi (Chemists)															
National Rayon															
Scindia Steam Navign.															
Shivrajpur Synd															
Tata Chemicals P.															
Tata Oil P															
Volta															
Western India Match															

TEA COMPANIES

* 1962

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		22-5-63	15-5-63	A year ago		1959	1960	1961		22-5-63	15-5-63	A year ago
ASSAM GARDENS															
Anandabag	15	Nil	10	10	20/00	20/00	25/94	Brooke Bond P.	12½	15	10-7½	10	11/69	11/81	15/06
Amluckie P.	17½	30	32½	10	33/25	33/25	30/87	Deccan Valley	40	15	20	10	49/25	49/25	49/25
Baghmari	15	Nil	15	10	18/56	18/50	22/25	Dessa & Purbullia	Nil	Nil	10	100	140/00	140/00	146/00
Barduar Tea	Nil	Nil	..	..	5/50	5/50	9/50	Dhelaikhat	20	12½	..	10	19/62	19/62	22/12
Basmatia	30	35	25	10	27/25	27/25	27/25	Dhuner P.	23	20	15	10	13/87	15/00	15/37
Betel	30	30	45	10	17/25	17/25	19/00	Dibrugarh	30	40	20	10	31/00	31/00	33/25
Betjan	30	30	45	10	17/50	17/50	19/12	Dumakus P.	30	25	20	10	21/81	21/81	23/12
Bishnauth	30	13	13	10	13/70	13/70	13/70	Dufflaghur	10	Nil	25	10	27/00	27/00	29/50
Bokakhat	8	Nil	12	10	14/25	14/25	16/50	East India	20	25	20	10	14/25	14/00	20/06
Bormah Jan P.	12½	15	15	10	14/25	14/25	16/50	Gillapukri	20	25	20	10	25/44	25/44	25/44
Bor Pukhuri	Nil	Nil	Nil	10	11/75	11/75	10/87	Gohpur	10	Nil	..	10	16/50	15/75	15/50

* 1962

TEA COMPANIES - Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Pair-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		Rs.	Rs.	A year ago		1959	1960	1961		Rs.	Rs.	A year ago
Grob	14	6	6	5	9/00	9/00	10/31	Singell	Nil	Nil	Nil	100	36/75	36/75	37/25
Hoograjuli (Assam)	25	20	20	10	27/12	27/12	24/44	Singtom	5	2	..	10	3/50	3/50	4/62
Hoolungoree	20	10	7 1/2	100	195/00	195/00	172/00	Soom	30	50	40	10	34/00	30/75	50/25
Jutilbari	10	30	30	10	31/50	31/50	32/00	Sungma	10	15	15	10	13/31	13/00	14/62
Kingsley Golaghat P.	35	35	..	100	140/00	140/00	212/00	Teesta Valley	Nil	Nil	8 1/2	10	11/25	11/25	13/19
Kotamullai P.	Nil	Nil	Nil	5	10/31	10/31	10/37	Tukvar	..	..	..	10	7/12	7/12	7/06
Krishnabehari	10	15	8	10	10/50	10/50	10/12	DOOARS							
Kyang Tea	Nil	Nil	..	10	8/06	8/06	8/06	Banarhat P.	32 1/2	22 1/2	21	100	226/00	226/00	293/00
Ledo	7 1/2	10	7 1/2	10	17/25	17/25	17/75	Baradighi	25	30	25	10	23/25	23/25	26/19
Maud Tea & Seed	15	5	14	10	14/81	14/81	15/25	Bhatkawa	10	15	15	10	18/00	18/00	21/25
Methoni	10	5	14	10	17/31	17/31	21/25	Birpara P.	22 1/2	17 1/2	12 1/2	100	160/00	160/00	153/00
Moheema	10	Nil	..	10	11/50	11/50	11/50	Carron	15	20	5	100	145/00	145/00	145/00
Mothola	25	30	30	100	507/00	507/00	507/00	Choonabutti P.	30	32 1/2	20	100	210/00	210/00	262/00
Murphulani (Assam)	20	5	15	10	26/50	26/50	26/50	Ellenbarrie	5	5	5	100	184/00	184/00	176/00
	25	10.63	20.63	10	28/75	28/75	28/75	Engo	Nil	60	30	100	136/00	136/00	136/00
								Ethelbari	Nil	5	5	10	13/12	13/12	8/37
Naga Hills	5	10	10	10	22/25	22/25	21/50	Gairkhata	12 1/2	25	20	10	21/50	21/50	23/12
Namburnadi	Nil	12	..	10	14/56	14/56	14/00	Gopalpur	9.24	12	2	25	19/50	19/50	20/00
New Cinnatollah	Nil	Nil	Nil	100	302/00	302/00	120/00	Hantapara P.	12 1/2	15	5	100	110/00	110/00	124/00
Rajgarh	35	40	13 1/2	10	21/37	21/37	22/50	Hasimara P.	12 1/2	17	18 1/2	10	12/62	12/62	30/50
Sapoti	20	22 1/2	20	10	19/87	19/87	18/44	Huldibari	22 1/2	22 1/2	19 1/2	10	12/62	12/62	30/50
Sejuli	17 1/2	22 1/2	15	10	21/12	21/12	22/50	Jaybirpara	5	10	Nil	10	11/75	11/75	14/06
Telojan	25	25	25	10	27/75	27/75	27/25	Killcot	17 1/2	25	15	10	16/25	16/25	18/50
Tengpani	17 1/2	30	30	10	35/00	35/00	35/00	Manabarrie	5	10	6	10	59/50	59/50	56/37
Tezpori P.	20	20	12 1/2	10	15/37	15/37	16/56	Nagaisuree	17 1/2	25	15	100	140/00	140/00	169/50
Tongani	Nil	Nil	..	10	6/50	6/50	6/25	New Dooars P.	32 1/2	35	20	100	230/00	230/00	296/00
Tyroon	30	10	15	10	34/37	34/37	37/87	Oodlabari	10	12 1/2	7 1/2	100	14/25	14/25	14/00
								Phaskowa	Nil	Nil	Nil	100	129/00	129/00	127/00
CACHAR								Rajabhat	Nil	Nil	Nil	10	12/12	12/12	14/00
Arcuttipore	Nil	Nil	..	10	7/00	7/00	7/00	Ranicherra	Nil	Nil	Nil	10	16/75	16/75	19/00
Baitakhal	5	2 1/2	..	10	8/06	7/31	6/89	Rydaek	10	15	15	10	25/44	25/44	26/00
Central Cachar	5	5	7 1/2	100	73/00	73/00	74/75	Sarugaon	40	40	40	10	36/25	36/25	36/00
Eastern Cachar	Nil	Nil	..	10	4/12	4/12	2/37								
Kallinugger Khoreel	6	6	..	100	87/00	87/00	86/00	TERAI							
Kattikhira	5	Nil	8	10	9/12	9/12	12/44	Atal	10	5	..	10	8/75	8/75	8/15
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00	Belgachi	20	20	..	10	20/50	20/50	21/62
Loobah	Nil	Nil	Nil	10	4/37	4/37	4/25	Gungarung	20	15	12 1/2	100	117/00	117/00	158/00
North Western	30	30	20	100	160/00	160/00	205/00	Hasnauk	20	17 1/2	20	10	20/00	20/00	15/25
Pethama	Nil	Nil	Nil	10	7/50	7/50	7/50	New Chumta	15	15	12 1/2	10	24/62	24/62	33/50
Roopacherra	Nil	Nil	10	10	13/62	13/62	13/62	New Terai	15	22 1/2	..	10	36/00	36/00	36/00
Rungamattee	7 1/2	5	5	50	53/50	53/50	58/50	Pahargoomiah	25	20	..	10	31/12	31/12	31/25
Sonai River	Nil	Nil	..	10	9/12	9/12	9/12	Putinbarree	26	14	..	10	45/00	45/00	45/00
								Tirrihanah P.		40	..	10	49/00	49/00	49/00
DARJEELING															
Bloomfield	Nil	Nil	..	10	3/00	3/00	3/25								
Chamong	Nil	Nil	10	10	9/00	9/00	10/25	CHITTAGONG							
Darjeeling Tea & Chin.	Nil	30	..	100	197/00	197/00	164/00	Kodala	Nil	Nil	..	10	9/25	9/25	9/23
Dilaram	5	8	..	100	102/50	102/50	102/50	Kornafuti	Nil	Nil	..	10	13/36	13/06	12/50
Gietle	Nil	Nil	8 1/2	10	11/69	11/68	11/44	Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
Lingia P.	12 1/2	15	10	10	14/56	14/56	14/56								
Longview	14	12 1/2	..	10	11/00	11/00	11/00	SYLHET							
Margaret's Hope	10	15	15	10	11/62	11/62	12/75	Chundeecherra				10	26/00	26/00	23/00
Mim	20	22 1/2	20	100	191/50	191/50	191/50	Dauracherra	15	22 1/2	22 1/2	10	7/56	7/56	6/94
Nagri Farm	20	30	25	10	27/00	27/00	25/44	Kabiti	Nil	25	Nil	10	10/00	10/00	8/25
Okayti	32 1/2	25	25	100	595/00	595/00	600/00	New Samanbagh P.	Nil	Nil	Nil	10	18/37	18/37	20/81
Pashok	10	10	..	10	20/00	20/00	20/00	Patraola	40	32 1/2	..	100	134/00	133/00	137/50
Poobong	Nil	Nil	Nil	10	7/50	7/50	7/37	Rainagar	Nil	Nil	..	10	9/56	9/56	9/56
Pussimbong P.	Nil	Nil	Nil	10	7/12	8/87	7/75	Teliapara	17 1/2	22 1/2	32 1/2	100	99/00	99/00	99/00
Rungtee Rungliot	10	35	20	100	386/00	386/00	386/00								
Seeyok	15	15	..	10	8/50	8/50	8/50								

MISCELLANEOUS COMPANIES - Contd.

ENGINEERING & METAL										OIL COMPANIES																																												
NAMES					Dividends per cent					Paid-up per Share					Latest Market Quotations as available until					NAMES					Dividends per cent					Paid-up per Share					Latest Market Quotations as available until																			
					1959 1960 1961					Rs. Rs. Rs.					22-5-63 13-5-63 15-5-63										1959 1960 1961					Rs. Rs. Rs.					22-5-63 13-5-63 15-5-63																			
Arthur Butler (Muzaffarpore) P.					10	10	10	10	14/50	14/50	13/00	K Synthetics					10	10	10	10	10/81	10/75	10/75																															
Bharati Electric Steel					10	10	10	10	14/50	13/50	12/50	James Wragg P.					10	10	10	10	10/81	10/75	10/75																															
Braithwaite India					10	10	10	10	28/00	28/00	26/00	Jardine Henderson Ltd. P.					10	10	10	10	10/81	10/75	10/75																															
Bridge & Root					10	10	10	10	32/25	32/25	32/25	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Britannia Building & Iron P.					10	10	10	10	3/85	3/85	3/85	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Britannia Engineering P.					10	10	10	10	9/69	9/69	12/87	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
British India Electric Cons					10	10	10	10	33/12	33/12	42/62	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Burn P (Engineering)					10	10	10	10	438/00	438/00	722/00	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Calcutta Steel					10	10	10	10	13/25	13/25	12/00	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Dalmia Iron					10	10	10	10	10/62	10/50	12/12	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Quest, Keen, Williams					10	10	10	10	33/75	33/87	42/56	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Hooghly Docking					10	10	10	10	108/00	108/00	135/00	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Indian Iron & Steel P.					10	10	10	10	22/48	22/20	26/44	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Indian Malleable Castings					10	10	10	10	4/06	6/00	6/00	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Indian Standard Wagon P.					10	10	10	10	2/50	2/50	3/12	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Indian Steel & Wire Products					10	10	10	10	23/87	23/87	28/01	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Industrial Containers					10	10	10	10	22/00	22/00	15/19	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Jay Engineering					10	10	10	10	21/75	21/75	20/00	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
J K Steel P.					10	10	10	10	15/00	15/00	20/00	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Jesop & Co P.					10	10	10	10	22/37	22/37	24/44	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Kumardubi Engineering P.					10	10	10	10	8/00	8/00	8/37	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Marshall Sons (India)					10	10	10	10	2/81	2/87	3/94	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
National Iron and Steel					10	10	10	10	4/25	4/25	5/69	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Saran Engineering					10	10	10	10	8/00	8/00	10/12	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Steel Containers					10	10	10	10	19/75	19/75	22/00	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
Textile Machinery					10	10	10	10	23/85	23/75	25/40	Kesoram Industries P.					10	10	10	10	10/81	10/75	10/75																															
SUGAR & BREWERIES ETC.																																																						
Balarampur Sugar					10	10	10	10	2/00	2/00	2/50	Concord of India					10	10	10	10	10/81	10/75	10/75																															
Balsund Sugar					10	10	10	10	7/81	8/50	10/31	Hercules					10	10	10	10	10/81	10/75	10/75																															
Bharat Sugar P.					10	10	10	10	13/00	13/00	13/00	Ruby General					10	10	10	10	10/81	10/75	10/75																															
Carew (Sugar) P.					10	10	10	10	12/50	12/50	12/50	Standard General					10	10	10	10	10/81	10/75	10/75																															
Cawnpore Sugar P.					10	10	10	10	10/00	10/00	13/50	Friton					10	10	10	10	10/81	10/75	10/75																															
Champanah Sugar					10	10	10	10	15/87	15/87	18/00	Bengal					10	10	10	10	10/81	10/75	10/75																															
Chungma					10	10	10	10	8/25	8/25	10/00	Jethi P.					10	10	10	10	10/81	10/75	10/75																															
Dyer Meehan (Breweries)					10	10	10	10	28/00	28/00	32/50	Ganesh P.					10	10	10	10	10/81	10/75	10/75																															
New Javan Sugar and Gur					10	10	10	10	5/62	3/62	5/18	Hercules					10	10	10	10	10/81	10/75	10/75																															
Purandhar Sugar P.					10	10	10	10	11/50	11/50	11/50	Shree Gopal Paper P.					10	10	10	10	10/81	10/75	10/75																															
Ramnagar Cane & Sugar P.					10	10	10	10	26/12	26/12	30/00	Sriram P.					10	10	10	10	10/81	10/75	10/75																															
Raza Sultana					10	10	10	10	9/31	9/31	9/75	Star Paper P.					10	10	10	10	10/81	10/75	10/75																															
Ryan Sugar P.					10	10	10	10	5/20	5/75	8/00	Titaghar P.					10	10	10	10	10/81	10/75	10/75																															
Samaratpur Central Sugar					10	10	10	10	9/62	9/62	10/00	West Coast P.					10	10	10	10	10/81	10/75	10/75																															
Shree Krishna (Gyanday) Sugar P.					10	10	10	10	7/00	7/18	9/50																																											
Shree Shyam Sugar					10	10	10	10	7/12	7/12	7/12																																											
Sitalore Sugar					10	10	10	10	6/12	6/12	6/62																																											
United Provinces					10	10	10	10	10/62	10/62	14/72																																											
Upper Ganges Sugar P.					10	10	10	10	65/00	65/00	77/00																																											
MISCELLANEOUS																																																						
A Firpo (Restaurant)					10	10	10	10	5/90	5/90	5/90	Attock Oil					10	10	10	10	10/81	10/75	10/75																															
Aluminium Corporation P.					10	10	10	10	12/87	13/25	19/75	Burmah Oil P.					10	10	10	10	10/81	10/75	10/75																															
Anderson Wright Ltd P.					10	10	10	10	11/50	11/50	11/50	Indo Burmah Petroleum P.					10	10	10	10	10/81	10/75	10/75																															
Angelo Bros					10	10	10	10	21/44	22/12	23/44	Tide Water Oil					10	10	10	10	10/81	10/75	10/75																															
Assam Match					10	10	10	10	28/75	28/75	25/25																																											
Assam Saw Mills & Timber					10	10	10	10	2/50	2/50	2/50																																											
Associated Battery					10	10	10	10	23/44	25/00	32/00																																											
Associated Hotels of India P.					10	10	10	10	10/31	10/31	10/31																																											
Balmer Lawrie & Co.					10	10	10	10	24/00	24/00	27/00																																											
Baratee Coke					10	10	10	10	24/37	24/37	24/37																																											
Birds Investments P.					10	10	10	10	9/94	9/94	12/82																																											
Britannia Biscuit P.					10	10	10	10	41/62	41/62	45/37																																											
British India Corporation P.					10	10	10	10	8/81	8/62	10/31																																											
British Paints					10	10	10	10	20/50	20/50	26/00																																											
Calcutta Silk Manufacturing P.					10	10	10	10	7/15	7/15	7/15																																											
Clive Row Investment					10	10	10	10	8/40	8/35	8/50																																											
Duncan Brothers & Co Ltd P.					10	10	10	10	147/00	147/00	152/00																																											
Dunlop Rubber Co (India) P.					10	10	10	10	32/44	33/37	45/00																																											
Eastern Investments Ltd P.					10	10	10	10	129/00	129/00	153/00																																											
Electric Construction					10	10	10	10	13/00	13/00	16/12																																											
French Motor Car					10	10	10	10	35/12	35/12	34/80																																											
Ganges Rope					10	10	10	10	136/00	136/00	231/00																																											
General Investments Trust P.					10	10	10	10	43/00	43/00	43/00																																											
Gilchrist & Co Ltd P.					10	10	10	10	13/50	13/50	15/00																																											

Indo-Pakistani relations, which will continue to dampen sentiment. On the economic front, the super profits tax has affected different companies differently. Companies with a higher rate of profitability have suffered less, while those having a smaller capital-plus-reserve base in proportion to their turnover and profits have to take a heavy drubbing. Since foreign exchange, raw materials, power and transport are allocated on a priority basis, a careful examination of how a company is placed in relation to these factors will be helpful. In the case of several products such as iron and steel, cement, paper, coal and sugar, the Government controls the prices. Past experience shows that the prices fixed often do not adequately cover the production costs.

Operators are cautious for the time being because of the possibility of forward trading being resumed in clearing shares. Forward trading involves futures contracts which are settled by paying the difference between the buying and selling

prices or vice versa rather than by taking or giving delivery of shares. In principle, it is difficult to defend futures contracts in shares, although they seem to have some empirical justification in that the vigour of the stock market depends greatly on this kind of trading. Since it encourages excessive speculation, it should be permitted only under adequate safeguards. The Government of India, it is reliably learnt, has indicated to the stock exchanges the terms and conditions on which it would permit the resumption of forward trading. The conditions mainly relate to margin requirements and the by-laws governing the inclusion of shares in the cleared list. The new margins will be imposed on the total outstanding purchases and sales, and not on the net positions. In fact, margins on the total outstanding positions have been in force since the stock market crash of last November. The Government now wants to make them permanent. This apart, there will be bigger carry-over margins. These restrictions are obviously designed to curb speculation.

INDIA'S CASE FOR MORE AID

NEXT week's meeting of the Aid-India Club takes place under distinctly unpropitious circumstances. If the decision on Pakistan's aid needs is to be regarded as a precedent, India quite clearly is not going to get anything like the \$1,250 million she has asked for. The parallel consortium which handles Pakistan's requests has trimmed aid from \$625 million last year to \$425 million this year largely as a result of the reduced commitments made by France and Germany, the cut on this account being doubled by the U.S. insistence on the parity principle. This principle, as Professor I. M. D. Little points out in an article in the *Observer*, was not enforced in previous years. What France and Germany curtail their commitments is not clear, but in all likelihood this has something to do with their domestic economic outlook and the U.S. pressure on them to contribute more liberally to Atlantic defence. The same consideration will undoubtedly apply to India's request, and in any case there appears to be a tacit understanding that aid to India and Pakistan should be roughly in the proportion of two to one. If this formula is maintained, India can expect to get only about \$600 million. The West German delegate to the Washington meeting of the Club held in May dropped a clear hint about Bonn's intentions when he said that it would prefer to see India's rising requirements met more by private investment than by inter-governmental aid.

Apart from purely economic factors, India's case this year is bound to be affected by the request she has separately made for military aid. The *Times* in a recent first leader posed the question whether the West can afford to provide as much economic aid as in the past and also meet India's demand for substantial military assistance. Citing a figure of £600 million (Rs. 800 crores) as the sum that India is seeking by way of military aid, *The Times* thought that the share devolving on Britain would amount to more than anything she has provided by way of economic assistance. Even if defence needs are reduced—as seems to have been done in the talks which Mr. T. T. Krishnamachari has just concluded in Washington—the net effect will still be sizable and may mean, according to *The Times*, a “strong possibility” of Britain being obliged to cut economic aid. It is argued that it is beyond Britain's capacity in the present state of her balance of payments to provide military support as well as economic aid on the old scale.

Observers both here and in the U.K. have not failed to note that the current misgivings about the size of aid have something to do with the political assessment of the immediacy and seriousness of the Chinese threat, and also of the best way of dealing with the situation. British opinion as reflected by *The Times* favours keeping India's economic momentum going than to “indulge” in preparing for large-scale rearmament which, it is apprehended, will “aggravate” relations with Pakistan and may, therefore, be “simply wasted”. There is also a fairly wide consensus in the U.K. in favour of a larger share of the aid to be earmarked for “maintenance” imports. The ground for this emphasis on assisting India to meet her “mainte-

nance” needs was prepared by the Kipping report which made it clear that Britain's share in the total imports of this country cannot but be affected by the quantum of aid available to bridge the wide gap between export earnings and import requirements.

There is no doubt that the British attitude to both the total amount of aid and its break-up between “project” and “maintenance” requirements will be decisive at next week's meeting. Because of her long association with India, Britain's view will carry much weight with the European members of the consortium and may also tilt the balance where the United States is concerned. Great interest attaches, therefore, to what is being said in Britain about the problem of aid, not only by the section of opinion which *The Times*'s leader reflects, but also by others. Among these, the stand taken by Professor Little is exceptionally helpful, and it is to be hoped that the views he has expressed (echoing a line of argument adopted earlier by the *Economist*) will weigh with the Treasury in arriving at the final decision. Professor Little's principal point is that Indian industrial development has reached a critical stage where the future depends largely on her ability to secure foreign exchange to get her economy moving forward again. The idle capacity of her industries cannot be brought into use without balance of payments support to meet “maintenance” requirements. And the longer this capacity remains unutilised, the greater will be the import burden thrown upon India because the goods that might have been produced at home would need to be brought in from outside.

This reasoning is borne out by the break-up of India's aid request for this year. Out of the total of \$1,250 million, \$700 million is for projects and programmes all of which have a high import-saving potential. Roughly three-quarters of the \$700 million is requested for ten key industries, including iron and steel which alone claims a little over \$170 million. With steel imports running at an annual average of Rs. 80 crores to Rs. 90 crores, the need for enlarging domestic production should be obvious. In fact, as Mr. Chester Bowles, U.S. Ambassador-designate to India, has just pointed out

in the context of Bokaro, additional steel production will directly benefit all the private sector industries now languishing because of shortages of this important raw material. The next largest claim for assistance is on account of the fertiliser industry, in which capacity has not increased in spite of the efforts made in both the public and private sectors because of the foreign exchange restraint. All observers are agreed that the use of fertilisers must be rapidly increased to raise larger crops, as a failure on the farm front not only increases import liabilities, but also endangers political stability. With foodgrain imports costing as much as Rs. 117 crores in 1962-63—over 10 percent of the total import bill—the logic of expanding fertiliser output is self-evident. The third largest claim for aid is on behalf of machine-building industries. Here again, the import-saving potential constitutes the main reason why India is so anxious to forge ahead with local manufacture of capital goods. It will be a mistake, however, for anyone to imagine that India's advance in this field will threaten the commercial interest of those now supplying such equipment. India's progress, if sustained, would expand her demand for capital goods faster than home production. Ideally, a situation should emerge in which imports continue at around present levels and at the same time import capacity is improved through exports of less sophisticated engineering items to third countries to meet some part of the latter's growing needs. It is towards such widening of trade opportunities for both the developed and developing nations that both groups of nations must work in their enlightened self-interest.

The immediate issue, however, in deciding the quantum of contributions is the likely effect upon the donors' balance of payments. But, as Sir Robert Hall has pointed out in a letter to *The Times*, aid to underdeveloped countries such as India cannot lead to any real payments difficulties. The assistance they are giving benefits the donors in the form of enlarged export opportunities for the latter, and the link between the two is becoming increasingly more direct as a rising proportion of aid is tied down to purchases in a specified currency. This tying down has obvious disadvantages, not least its distorting effect upon the pattern of world trade. Sir Robert has urged the developed nations to agree among themselves upon some machinery to prevent aid from one source ending up as a reserve in the hands of another country. Once this fear is removed, it should indeed be possible to put underutilised capacity in the West to work to produce the goods and services which developing nations desperately need.

In India's specific case, the argument for extending more generous help is unanswerable, judged in terms of the West's own interests. Here is a country which has obviously done the utmost to help itself and is demonstrably capable of sustained growth, provided it gets a measure of support from outside in this present critical phase. On the political plane, India provides, as Professor Little says, the only example of central but democratic and responsible planning. The outcome of the Indian experiment may well be decisive in determining the path that other Afro-Asian nations follow. To contemplate a stoppage of the process of growth which has brought India a long way in the last ten years because the means cannot be found of seeing her through would be, as Sir Norman Kipping has appropriately said, a “heartbreak”.

CAPITAL EXPORTS FROM U.K.

THE U.S.A. and the U.K. are now accelerating their economic growth-rate, but they have not solved their external payments problems. In each case, the balance of payments position, in spite of recent improvement, has been a cause of some apprehension; for experience shows that expansion at home increases imports and that expansion abroad is needed to increase exports. But the world market in general may not be buoyant this year. The problem of the two countries is different in so far as the U.S. deficit is actual rather than prospective and the U.K. deficit is prospective rather than actual. (However, the U.S.A. has immense reserves, whereas those of the U.K. are inadequate for contingencies.) But some observers

believe that in both cases it will be necessary to impose additional restrictions on exports of capital to offset deterioration in the current account.

The Board of Trade has recently published some informative statistics of the U.K.'s capital exports. The capital account is, naturally, somewhat involved, since it includes the Government's lending and the Government's repayments, private industry's investment from funds in the U.K. and its investment from funds earned and retained abroad. According to the Board of Trade, private investment in recent years has accounted for more than half of the capital deficit that should be offset by current surplus. An important factor in this con-

rent surplus is income derived from past investments abroad; so it should not be lost sight of that by restricting capital exports, a nation restricts its future income from abroad.

The estimate of investment by British industry—excluding oil and insurance companies—in subsidiaries, associates, and branches, abroad is £224 million for 1962, nearly the same as for 1961. The comparable estimate of foreign investment in the U.K. is £139 million—much less than the figure for 1961, because in that year the American Ford Motor Company bought the British-owned Ford shares. But it is nearly the same as the figure for 1960. Thus the industrial account shows that British companies invested abroad considerably more than companies domiciled abroad invested in Britain last year. But at the same time, the estimated earnings from Britain's direct investment abroad were considerably more than the estimated earnings of foreign-owned companies in Britain—£272 million which is an increase of 8 percent over the earnings for 1961, compared with £136 million which is a rise of only 6 percent over those for 1961.

The picture is seen more clearly in round figures for the last five years, during which the outflow of direct investment has averaged some £200 million a year and the inflow £150 million; earnings from direct investment have contributed about £240 million a year gross and £115 million a year net to Britain's current account. However, over the same period the whole current account, as presented by the Treasury, has shown an average surplus of little more than £25 million a year. The Treasury has indicated that the true surpluses may have been much larger than the figures revealed (official records of exchange transactions are not complete). But it is unlikely that they would fully cover the prospective deficits on capital account, and, moreover, the surpluses will probably be reduced in the period of expansion in domestic trade.

The arrangements for supporting the major currencies are not intended to counterbalance deficits in long-term capital accounts, and it may be argued that capital exports should be more closely controlled if for long periods current surpluses cannot cover the deficits. But the argument may be more relevant to American than to British capital exports; for in the American case, short-term foreign credits arranged to support the dollar are being converted into medium-term bonds held by foreign central banks, and a large volume of American foreign investment is, in effect, financed by these means. The arrangement is probably advantageous to the United States, for the investments are likely to yield considerably more than the cost of interest on the bonds; but it was to support the dollar against short-term pressures, not to help long-term American investment, that the central banks agreed to co-operate.

Any restrictions on foreign investment would, if applied, it may be supposed, selectively. It is, of course, to the subsidising of investment in Europe that the central banks may object; and American investment inclines towards the profitable European market. British investment in Europe also increased substantially in 1961—the latest year for which the survey in the *Board of Trade Journal* had full figures—and, excluded from the Common Market, British firms are further investigating the opportunities for making or assembling their products there. But the latest analysis shows that the overseas sterling countries absorb about 80 percent of Britain's direct investment abroad.

Movement of British capital to the rest of the sterling area is virtually uncontrolled; but the British authorities do not provide foreign currency for companies' direct investment in non-sterling countries, nor allow investment of their retained profits in those countries, unless the investment will yield quick benefit to the nation's current account. (Development can, however, be financed by borrowing abroad or by selling foreign assets.) It is not certain that the authorities could leave capital exports to the sterling countries free if they decided that, as an alternative to restricting growth at home, capital exports in general must be restricted. It is certain, however, that additional restrictions on capital exports would arouse strong

criticism in Britain. Critics would assert that the Government's military spending abroad had not been reduced to the practicable minimum and that

productive capital investment should not be restricted until all other means of economising—even temporary restriction of imports—had been used.

Current News and Comment

Revision of Cloth Prices Urged

While the Government of India has still to pronounce its verdict on the Tariff Commission's report on fair prices of cloth, the Indian Cotton Mills Federation has decided to make a representation to the Government seeking an early increase in cloth prices to cover the progressive rise in the cost of production since 1961. That numerous tax burdens and other levies, higher freight and increasing raw material and labour costs have seriously affected the industry's profitability is obvious from the disappointing results of almost all the textile mills in 1962. The outlook for the current year is considered to be even worse. Many mills are said to be actually incurring losses. Sharing the Government's anxiety to hold the price line, the industry had pegged cloth prices at the level which obtained on 1st January, 1961. “But a stage has been reached”, said Mr. Bharat Ram in his address at the annual general meeting of the Federation last week, “when it is no longer possible to postpone a revision of prices to cover the progressive increase in the cost of production that has occurred since 1961.” The prospect of the common man having to pay higher prices for cloth, which is a basic necessity, is certainly disturbing. But the industry's plea for a rise in prices seems unassailable unless it can be established that the January 1961 prices offered more than reasonable profits. The need for strengthening the financial position of the industry which requires considerable resources for rehabilitation and modernisation cannot be overemphasised. If prices are to be held at current levels, the Government must take effective steps to enable the industry to reduce its production costs, so that its profitability is not seriously affected.

But cotton prices have been moving up year after year because of the gap between the industry's growing requirements and the virtually static domestic production of cotton. This gap has had to be bridged by large imports involving substantial foreign exchange expenditure. In his speech, Mr. Bharat Ram has deprecated the Government's continued reliance on price incentives to the exclusion of other positive measures for increasing cotton production. That the dismal record of cotton production in India is largely due to the fact that only 13 percent of the area under the crop is irrigated is not an entirely valid point of view, according to Mr. Bharat Ram. His view will be widely endorsed because there are other countries where conditions are not dissimilar and yet the yield an acre is very much higher than in this country. The need for ensuring abundant cotton supplies at reasonable prices to the industry can hardly be overemphasised. Opinion is no doubt divided on the advisability of spending large amounts of foreign exchange on cotton imports when cloth made from the cotton is consumed largely within the country. But with domestic cotton output being what it is, it is difficult to see how the country can do without substantial imports if cloth production is not to be allowed to suffer. As it is, cloth output is lagging behind the plan targets.

The outgoing chairman of the Federation has also criticised the suggestion for substituting viscose staple fibre for imported cotton. There is certainly a good case for diversifying textile production by making a judicious use of artificial fibres, but that is not the same thing as a wholesale substitution of cotton by staple fibre, Mr. Bharat Ram says. The viscose staple fibre is stated to have a low wet strength, and it has also poor resistance to caustic soda treatment and has high elongation and poor abrasion resistance. The sub-committee of the Federation which recently examined the question of staple fibre in all its aspects is of the view that the ordinary viscose staple fibre of the type manufactured in India is not suitable either as a substitute or as a supple-

ment to cotton. The committee has decided to request the Government that there should be no expansion in the production capacity for ordinary viscose staple fibre. It is, however, in favour of investigating the suitability of polynosic fibre which is being increasingly used in developed countries. The Development Council for the Art Silk Industry had recently recommended that the target for all types of viscose staple fibre should be 100,000 tons a year, since it will help minimise the growing pressure on cotton supplies as a result of the rise in the per capita consumption of cloth.

Mr. Bharat Ram's observations on textile exports are important, especially because they hold out the promise of a better performance in the future. The obligatory export scheme, he says, has begun to gather momentum and, if other things are equal, there is no reason why exports this year should not be more than those of last year—a disappointing 508 million yards valued at Rs. 4 crores. Last year's performance is far short of the third plan target of 850 million yards. Referring to the low average price realised from the sale of cloth during October-December 1962, Mr. Bharat Ram said that this was at least partly due to the international trend in prices; the decline in prices during that period was not peculiar to this country alone. When an ambitious scheme like that of the Government is introduced for the first time, it is bound to have an unsettling effect for some time. Now that the novelty of the scheme has worn out, and all have become accustomed to it, export realisations are stabilising at the level dictated by the international forces of demand and supply. It is heartening to note that the export prices of Indian piecegoods have moved up this year. Mr. Bharat Ram has earnestly urged the friendly countries to show favoured treatment to India. The view will be widely shared that unless discriminatory treatment is given in favour of developing countries, they will never be able to earn through the export of their products even a reasonable portion of their foreign exchange requirements. While there is a good deal to be said for international co-operation, there is no doubt that the industry will need to exert to the utmost in making its products widely acceptable in foreign markets on account of both price and quality. This calls for serious attention both by the Government and the industry to the problems of rationalisation and modernisation of mills, of the finances necessary for implementing such programmes and of increasing productivity in the field and the factory.

Corporate Finances Surveyed

The impact of heavier taxation on the working of the corporate sector has been revealed in a study of the finances of 405 medium and large public limited companies in the April issue of the *Reserve Bank of India Bulletin*. These companies have a paid-up capital of more than Rs. 5 lakhs each and have closed their accounts during January-March 1962. In terms of paid-up capital, they account for about 35 percent of the total coverage which excludes banking, insurance and

India's Resources

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investment companies, companies limited by guarantee, non-profit associations and branches of foreign companies. A majority of these companies have been taken from the sample of 1,001 companies studied earlier in the *Bulletin*.

Profits, before tax, improved slightly from Rs. 75.6 crores in 1960 to Rs. 79 crores in 1961, but the provision for tax liability increased substantially from Rs. 25.6 crores to Rs. 32.2 crores. Profits, after tax, fell sharply by 6.4 percent in 1961. Since dividends were more or less maintained at the same level as in 1960, the retained profits declined sharply by 17.6 percent. The gross fixed assets of the selected companies rose by 8.7 percent in 1961, against 7.6 percent in 1960. Internal sources accounted for the bulk of the total funds, their share being 68.5 percent in 1961, against 67.5 percent in the previous year. Sales rose by Rs. 54.5 crores to Rs. 530.5 crores.

Although the profitability, as measured by the ratio of gross profits to sales, was more or less the same at 10.5 percent, the ratio of gross profits to the total capital employed declined from 9.6 percent in 1960 to 9.4 percent in 1961. The ratio of profits, after tax, to net worth fell from 10.9 percent to 9.6 percent. The total assets formation in the selected companies amounted to Rs. 103.5 crores. The internal sources of finance continued to play a dominant rôle. About 58 percent of the internal funds was provided by depreciation provision alone. Among the external sources of finance, borrowings contributed Rs. 15.2 crores and new issues Rs. 8.5 crores. Bank borrowings accounted for about 80 percent of total borrowings. The cause for worry is that the assets formation in the corporate sector has suffered a serious setback following the levy of the super profits tax since it has retarded the capacity of companies to plough back funds.

Rehabilitating Goldsmiths

One of the worst effects of the Gold Control Order has been the unemployment of thousands of goldsmiths in the country. Recently the All-India Swarnakar Sangh submitted a memorandum to the Prime Minister in New Delhi which demanded that the highest priority should be given to providing alternative employment to unemployed goldsmiths, and that they should be treated as highly skilled workers. Some State Governments have already announced programmes for rehabilitating them.

The U.P. Government, for example, has instructed its labour department to give priority to unemployed goldsmiths while granting admissions to the industrial training institutes, polytechnics, and apprentice training schemes in the Government's Precision Instruments Factory in Lucknow. The unemployed goldsmiths and their physically fit dependents would be considered for training in motor-vehicle driving in the U.P. Roadways Organisation. Loans would be given to them for starting small-scale industries. The main difficulty in all the training schemes is that there is already a heavy rush for admission, and with the best of intentions the organisations concerned may not be able to provide employment to any appreciable number of goldsmiths. As for small-scale industries, there is already some difficulty in selling their output; besides, the goldsmiths may not find it easy to run small industries in competition with the already established units. It also remains to be seen if they can acquire the skills necessary for lorry driving and adapt themselves to the new profession. The difficulty of identifying goldsmiths has, however, been satisfactorily solved by the U.P. Government. The district magistrates have been asked to issue certificates to those who were in the profession, either solely or mainly either as self-employed persons or as paid employees, for a period of at least six months prior to the promulgation of the Gold Control rules. Such certificates would prove helpful provided alternative employment opportunities are available.

It has been suggested that the best method of helping the goldsmiths would be to rehabilitate them in their own trade. Ornaments of 14-carat gold are becoming popular, and easily workable ornaments of this specification are being put on the market. The All-India Swarnakar Sangh's memo-

randum has demanded that Government-certified gold of 14-carat purity should be made available to goldsmiths from Government agencies and that they should be trained in making beautiful ornaments.

Response to New Loans

The subscriptions for the two new loans—the 4 percent loan 1969 and the 4½ percent loan 1986—have now been completed. The list opened on 8th May and closed on 18th May. They were conversion loans and subscriptions were tendered in the form of the two maturing loans—the 3½ percent loan 1963 and the 3 percent loan 1963-65. Total subscriptions have amounted to Rs. 138.79 crores, of which Rs. 85.69 crores have been received for the 4 percent loan 1969 and Rs. 53.10 crores for the 4½ percent loan 1986. The bigger subscription for the shorter-dated loans is understandable because institutional investors have preferred it in view of the likelihood of interest rates hardening. The longer-dated loan, it is learnt, has mainly been subscribed by the Reserve Bank and the Life Insurance Corporation.

Since securities amounting to Rs. 138.79 crores only have been converted into the new loans, the Government will have to pay Rs. 33.44 crores in cash, being the balance on account of the two maturing loans. The total liability for the 3½ percent loan 1963 is Rs. 58.06 crores, and for the 3 percent loan 1963-65 Rs. 116.17 crores. So the ratio of repayment in cash for the maturing securities is slightly higher than in 1962. This seems to have been largely due to the tighter money conditions prevailing this year. Although the traditional busy season has come to a close, there has been no worthwhile decline in the demand for funds. The call rate has been moving between 4½ percent and 5 percent, and bank advances have risen to a high level. A substantial portion of the advances has been taken by industries. The market has now started discussing the prospect for the second stage of the official borrowing programme. The Central Government is expected to borrow about Rs. 393 crores this year. This includes the Rs. 100 crores to be raised on behalf of the State Governments. The new loans, which will be offered for cash subscription, are likely to be floated next month when money conditions may become easier.

Sugar Soars in London

The sharp rise in the international price of sugar which once touched £101 a ton in London—an increase of over £55 a ton since the beginning of 1963—has aroused a good deal of interest in India, but it is only of academic value. Under earlier commitments, India has to export the commodity at substantial loss because of her high production costs. The present rise in London could have helped to mitigate the losses if she had a substantial surplus. But unfortunately the country is not in a position to take advantage of the situation because of the heavy shortfall in output during the current season. Production in 1962-63 is not expected to be more than 2.2 million tons, a decline of about 500,000 tons compared with 1961-62. Including the carry-over from the 1961-62 season, it is just possible to meet the internal demand and the export commitments which have already been made. It needs to be pointed out that domestic consumption has also now risen to more than 2.5 million tons a year.

There are reports that Mr. S. K. Patil, Central Minister for Food and Agriculture, while in London on this way to New York, tried to impress on the U.K. Government the desirability of taking India as a member of the Commonwealth Sugar Agreement. Although under the Agreement the U.K. buys sugar from the Commonwealth producers at a price of only £46 a ton, India might stand to benefit in the long run if she were admitted as a member because the present international price is considered purely temporary. A price of £46 a ton is considered fairly attractive under normal circumstances. The Agreement will be renewed in 1966 when the question of admitting India as a member will come up. The British Government has the discretion to buy a quantity

of 200,000 tons a year from Commonwealth producers outside the Agreement. India has been trying to get a share of the discretionary purchases.

India has already been exporting raw sugar to Canada and Japan. The latter has contracted to buy 100,000 tons of raw sugar from India this year. A delegation from that country now touring India, it is reported, has been impressed by the quality of the Indian commodity. The U.K. is also interested in buying only raw sugar. But despite the export prospects, there is no sense in exporting it when the supplies for the domestic market are short.

Slow Progress of Heavy Electricals

The heavy electricals factory in Bhopal, which was formally inaugurated by Mr. Nehru on 6th November, 1960, is now producing a steady stream of equipment for the various State electricity boards, power projects, public sector undertakings, the railways and industries in the private sector. Transformers of sizes varying from 10,600 kVA to 71,000 kVA have been supplied to many important power projects, including Neyveli, the Damodar Valley Corporation, the Calcutta Electric Supply Corporation and the Talcher thermal scheme in Orissa. Negotiations are also in progress for securing an order for 175,000 kVA capacity transformers from the Damodar Valley Corporation. The heavy electricals factory has supplied capacitors to Hindustan Machine Tools in Bangalore and the armament factory in Ambar-nath, besides a number of private industries. Circuit breakers too have been sold to various parties. The factory has completed the first order of five sets of 1,500 volts of D.C. traction motors, each consisting of four motors, for the Indian railways.

However, with all this production, the factory, is still lagging behind the targets set by the project consultants. Associated Electrical Industries of the U.K. They had estimated the factory's output between July 1960 and March 1963 at slightly under Rs. 4 crores, against which the actuals are only about Rs. 2 crores of finished goods and Rs. 2.6 crores worth of work in progress in different stages of completion. The reason for the shortfall, it is explained, is that production started a year after the scheduled date because of the delay in receiving the imported machine tools and raw materials caused by foreign exchange difficulties. For the current financial year, the consultants' target is a little over Rs. 4 crores. The factory hopes to do better than the target by producing goods worth Rs. 5.5 crores because of the valuable experience gained so far.

FISCAL PHILATELY

THE Indian Government issues (other than those for postal and telegraph purposes) are unusually interesting. Many are very beautiful, but in the absence of a reliable work of reference relating to them, they have hitherto failed to secure less than general attention from the collecting world to which they are justly entitled. Some of the well-known members of the Philatelic Society of India are busily engaged upon the pleasant pioneer of work of endeavouring to add to the knowledge of the Fiscal Society, or in other ways improve its tentative lists, and with this in view are subjecting the advance sheets of the Indian Catalogue to careful scrutiny. Indian fiscals fall under many clauses, some of them that most readily occur being "Receipt," "Foreign Bill," "Petition," "Special," "Postal Service," "Indian Postal Notes," "Customs," "Court Fees," "High Court," "Small Cause Court," and "Forest." These extend back to the early sixties, and many of them have experienced varied and interesting changes at the hands of official surcharges. There have been times when postage and telegraph stamps have been converted to fiscal uses, but all along, they have, as a class, been absolutely free from the attention of the forger, and have never been made for collectors. The Fiscal Society's catalogue should aid very materially in popularising Indian Fiscal Philately.

FROM

CAPITAL
4th June, 1963

A Ditcher's Diary

MINOO MASANI BEING UNCOMPROMISINGLY ON THE side of free enterprise as distinct from official meddling which passes for socialism, his unmistakable victory in the Rajkot parliamentary by-election will surely delight industrialists and business men in general. With reason too, although among the happy, many must be substantial donors to Congress funds. Mr. Masani is also a good speaker and particularly dextrous and painstaking with economic facts; the Lok Sabha has not a surfeit of members so equipped. Coming after the Congress reverses in Amroha and Farrukhabad, the Rajkot by-election is a further blow to the Congress. Yet it may be hasty to treat the three non-Congress victories as indicative of a steady and countrywide political trend. Whenever I see the Congress colossus teased here and there I am reminded of a fragment left by the Greek poet Archilochus, translated thus by Sir Isaiah Berlin: "The fox knows many things, but the hedgehog knows one big thing". Sir Isaiah adds, "Scholars have differed about the correct interpretation of these dark words, which may mean no more than that the fox, for all his cunning, is defeated by the hedgehog's one defence". It is necessary, therefore, to make sure that the Right, such as it is, does not rejoice too soon. The Congress Party, for all its recent setbacks, has few tricks to learn from any Indian political party on how to win elections while, possibly, losing support. I have read most of what the political pundits have written about why the Congress has been defeated without, of course, being much wiser. The Indian electorate does not wear its heart on its sleeve. While the Congress High Command goes ahead with its own enquiry into the reverses, a Bombay friend writes to me to say that, in his opinion, Mrs. Indira Gandhi's over-active participation in the campaign may have been a powerful vote-losing factor. I seem to remember that at Amroha too Mrs. Gandhi said one or two things which the audience did not greatly appreciate. There is a line in a Tagore lyric to the effect that when you try too hard to catch a floating flower it escapes you because by your very effort you have pushed it away.

THE 32 AFRICAN HEADS OF STATE WHO RECENTLY MET and then dispersed in Addis Ababa, Ethiopia's oddly impressive capital, cannot be said to have achieved nothing at all, although there must be cynics galore who will point to the various charters of unity adopted earlier which came to nothing. If the conference cut Dr. Nkrumah down to size more than somewhat, even that may be no bad thing;

and it is entirely appropriate that this should be done by Africans rather than by outsiders. It is easy enough to cite the many divisions among the African States; there are moderates like the Emperor of Ethiopia and there are extremists like Oginga Odinga of Kenya; there are the black Frenchmen like Ivory Coast's Houphouët-Boigny and there are men like Nkrumah who are proud of little besides their blackness; some believe in socialism of a sort and others have not even begun to think what they will do with power when they get it. The importance of Addis Ababa lies in the boldness of its ambition. Who can even think of a United States of Europe, when even the Six cannot enlarge itself to Seven? Mr. Nehru may once have dreamt of an integrated Asia; but he will be the first man today to hesitate to suggest even a common market with India, Burma, Ceylon, Nepal and Pakistan as members. Yet the 32 States of Africa that adopted the charter of unity comprise an area much larger than the other two I have mentioned. If Dr. Nkrumah's shrill claque now tells me that I have just praised the Osagyefo's own plan, rejected by the conference, I will have to point out that it is not the plan the other African States suspect but they dread the unconcealed personal ambitions of Dr. Nkrumah. On the other hand, I understand his impatience with some African leaders' continuing attachment to their erstwhile masters, the French a little more than the British.

INDIAN BUSINESS MEN AND THE HORSE RACING fraternity will be interested to learn what may happen to Sir Victor Sassoon's interests in both spheres, now that his widow has had some time to think things over and decide what to do. Lady Sassoon, it is reported from London, is giving up her proprietary interest and her directorship in the E. D. Sassoon Banking Co., Nassau. This is one of the main family businesses which was moved from the Far East to the Bahamas several years ago because of unsettled trading conditions. Ownership of the bank will, however, continue entirely in the hands of the Sassoon family. Lady Sassoon, who lives in Nassau, now plans to devote herself to racing activities in England and to the management of her Nassau interests. Sir Victor, who died in 1961 at the age of 79, left her shares in companies connected with horse-racing and breeding, as also the balance of his property after expenses and legacies. At the time of his death, he was the second biggest racehorse owner and breeder in Britain and had won the Derby no less than four times. He had four stud farms in the country, two in Yorkshire and two in

Newmarket. All are owned by the Eve Stud Company, a British concern whose shares are held by a company in Nassau. Shortly after her husband's death Lady Sassoon made it clear that she intended to retain these interests. Sir Victor also had another stud farm of 550 acres in County Meath, Eire, held by an Irish unlimited company whose shares are with another Nassau concern. It was by this method of holding the shares through companies abroad that the stud farms were saved from what would normally have been a heavy estate duty charge. The English rate of duty would almost certainly have been 80 percent and the Irish duty 40 percent. Assets valued for probate of Sir Victor's estate in the Bahamas were announced at £235,649 in November 1961. A substantial trust fund in New York announced later gave Lady Sassoon securities and £214,000 in trust.

EXCEPT PERHAPS DURING THE PAST TWO YEARS, there have been very few occasions on which I have found myself in complete agreement with Dr. Per Jacobsson, the late head of the International Monetary Fund. His ideas always seemed to me to be altogether too austere, especially in the peculiar economic circumstances of the under-developed countries. It must be admitted, though, that they were singularly effective in curing some outstanding problems; certain European economies undoubtedly owe their present stability to the stern manner in which Dr. Per Jacobsson imposed his conditions for I.M.F. assistance. But in Latin America they were a complete failure, and it will take some time to clear up the damage they caused there. Recently, however, his views changed quite radically from deflationary to reflationary, at least on the international plane, and that was when I found myself in greater tune with him. Also to his credit was the fact that he did contrive to develop the I.M.F. from being a comparatively ineffectual international organisation within the short span of his tenure in office. Now I see it is rumoured his successor will be M. Pierre-Paul Schweitzer, a former French civil servant and a deputy Governor of the Banque de France. Personally, I should not have thought the choice of a Frenchman at the present time was a wise one. There is no doubting M. Schweitzer's brilliance, nor, I imagine, his impartiality. But the difficulty which anybody in his position is bound to experience will be to divorce himself from the general feeling prevailing in his own country, especially when he himself has had a prominent hand in shaping it. France, at present, is distinctly to be numbered in the ranks of the economically self-righteous. So much of her current prosperity is due to a stern decision to forgo the luxuries of weak Government, internal inflation and an over-valued currency, that it would scarcely be normal for her to eschew the warm consolation of a little



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self-satisfaction. But that is not the soundest basis on which to formulate a policy for running any international monetary organisation in the middle 1960's. The main virtue required of any successor to Dr. Per Jacobsson, or so it seems to me, will be a sense of inadequacy, a feeling that the I.M.F., in its present form, cannot meet the calls likely to be made upon it in what we all hope will be an era of unprecedented world trade expansion. From this it follows that he should have a policy for far-reaching and liberal international monetary reconstruction. I cannot imagine any Frenchman of this particular generation having that.

SOME TIME AGO I REMEMBER REMARKING IN THIS diary that earth satellites should not be allowed to remain in orbit once their useful life had ended, as they might become a danger to future space navigation. I was joking, of course; one can scarcely foresee the day when space will become so crowded with orbiting objects that there will be danger of collisions occurring. But now an increasing number of eminent scientists are beginning to say the same thing, for reasons which are all too obvious when one considers them carefully, and which are certainly not funny. The fact is that our new frontier is already suffering, as so many others have done in the past, from man's reluctance to regulate his activities in the general public good. It is becoming cluttered with various objects which will soon be so numerous as to halt effective scientific investigation altogether. So far there are about 50 or so satellites and rocket pieces circling the earth. When these are added to the number of copper needles the Americans have recently put into orbit, that makes at least 400,000,050 objects with which scientific observation now has to contend. Soon the total will be even larger. And items of matter are not the only danger; atom bomb explosions in space must also be reckoned among the difficulties facing the astronomer or cosmic scientist. Before I am accused of taking the side of the Russians against the Americans on this issue, let me hasten to add that I regard both as being equally to blame. What the world needs is an agreement on space, one which will save it from becoming either an ideological battlefield or a scientific rubbish heap; and at present only these two countries are capable of entering into one. No doubt, this is simply crying for the moon; things are probably going to get considerably worse than they are now before East and West meet on this issue. There would be no harm in making a start, however. Agreement now might be a good deal easier to obtain than it would be when other nations make their contribution to the growing cosmic clutter.

THANKS TO A FRIEND RECENTLY BACK FROM LEAVE in Britain, I have just glanced through three issues of *Private Eye*, that periodical which I was told had shaken the Establishment good and proper and brought a revolution in British humour together with the B.B.C.'s *That Was The Week That Was*. I haven't listened in to the B.B.C.'s effort yet, so no comment. *Private Eye* I am unable to admire, except the idea behind it that it does politicians and other busy-bodies no harm to be laughed at occasionally. I am sorry for British humour if *Private Eye* is the best it has to show. The photo cartoons are hardly brilliant; originally an American idea, anyway. The paper recently paid dearly for its treatment of Randolph Churchill; reading the three issues before me, I could think of several others who might sue it successfully and profitably. The art work isn't always bad; there are some tolerable Troggs. Most of the ideas are pure fourth-form and in poor taste. I find a long piece called "The Ceremony of the Balls"; this is the kind of thing juvenile delinquents enjoy writing on the lavatory wall. The whole thing is singularly unfunny; and I think I know why. There is no serious purpose behind the effort; and the superficially clever young men who are producing the magazine have not got the native, natural humour of music-hall comedians of old. Some of the attempted jokes are political; and these young men are politically illiterate. No wonder much of the humour is personal, at a rather low level.

THE DITCHER

Guide for Investors

JARDINE HENDERSON JUTE GROUP DOES WELL

THE Jardine Henderson group of jute mills have produced excellent results for the year ended December 1962. The Kamarhaty Company and the Kanknarrah Company have earned substantial profits because of good demand for jute goods, combined with adequate supply of fibre at reasonable prices. The mills have been working at their maximum level of production since 15th January, 1962. Full production has still been continuing, although jute goods prices have fallen somewhat in 1963. Sacking has, nevertheless, been causing concern to Indian mills since they have been losing markets to Pakistan. The Pakistani mills enjoy the advantage of cheaper fibre and export subsidies. So Kamarhaty and Kanknarrah mills have switched as many looms as possible from sacking to hessian. The directors say that the decline in sacking looms and the need to improve the quality and the price of Indian jute goods have led to a decline in the demand for inferior raw jute. But it is disappointing that for 1963-64, the Government does not seem to have taken any step to discourage the production of poor fibre. It has not also reduced the minimum prices for low grade jute. The demand for superior fibre will continue to be good, and the mills will be willing to pay much more than the minimum price for such fibre.

Kamarhaty has declared a taxable ordinary dividend of 20 percent, including an interim of 5 percent. It is covered more than six times and works out to a yield of 9.8 percent at the present price of Rs. 204 a share of Rs. 100 each. There was no dividend for 1961. The profit has amounted to Rs. 54.55 lakhs, after providing Rs. 6.88 lakhs for depreciation. There was a loss of Rs. 13.75 lakhs in 1961. Sums of Rs. 1 lakh, Rs. 35,706 and Rs. 2 lakhs have been transferred from the debenture sinking fund, debenture redemption reserve and general reserve, respectively. Taxation absorbs Rs. 23.50 lakhs. Development rebate reserve is allocated Rs. 96,816, the debenture sinking fund Rs. 2 lakhs, and development reserve Rs. 3 lakhs, and general reserve Rs. 1.36 lakhs. Bringing in a debit balance of Rs. 17.21 lakhs, a credit balance of Rs. 14.157 has been carried forward. New machinery has been installed which has helped to increase the efficiency of the mills. A second drawing frame has been ordered and is likely to be installed during the next couple of months. Sales were Rs. 4.16 crores, against Rs. 4.32 crores.

Kanknarrah has made a profit of Rs. 60.84 lakhs, after providing Rs. 5.41 lakhs for depreciation. The loss was Rs. 13.36 lakhs in 1961. A taxable ordinary dividend of 15 percent, including an interim of 5 percent, has been declared. It is covered more than seven times and offers a yield of 10.5 percent at the present price of Rs. 143 a share of Rs. 100 each. There was no dividend for 1961. Taxation absorbs Rs. 10.69 lakhs, development rebate reserve Rs. 4,706, general reserve Rs. 2 lakhs and the debenture sinking fund Rs. 2 lakhs. Bringing in a debit balance of Rs. 30.80 lakhs, a credit balance of Rs. 11.179 has been carried forward. Steps have been taken to improve the efficiency of the "B" mill by modernising lighting in

the preparing and spinning departments.

Champdany Jute Makes Profit

THE outlook for the Champdany Jute Co. Ltd during the current year is considered satisfactory. The directors have, however, said that the margin of trading profit will be only moderate unless there is a marked increase in the world offtake of jute goods. The new crop is expected to be substantial. The mills have accumulated large raw jute stocks and the industry has been working at the maximum level of production. For the year ended March 1963, the Company has made substantial profits because of abundant raw jute supply at reasonable prices. The backlog of orders has aided the demand for gunnies. The mills have been able to recover earlier heavy losses and build the necessary rehabilitation reserve.

The Company has earned a profit of Rs. 36.63 lakhs, against a loss of Rs. 24.02 lakhs in 1961-62, after transferring Rs. 9.84 lakhs (against Rs. 8.98 lakhs) for depreciation. A sum of Rs. 1.88 lakhs has been provided for depreciation relating to previous years. Contingency reserve is allocated Rs. 1.75 lakhs, general reserve Rs. 12 lakhs and taxation provision Rs. 11 lakhs. The carry-forward is Rs. 22,643. The taxable ordinary dividend has been raised from 5 percent to 40 percent, including an interim of 5 percent. It is covered more than two-and-a-half times and works out to a yield of 16.7 percent at the present price of Rs. 24 a share of Rs. 10 each. Gunny sales rose from Rs. 2.68 crores to Rs. 3.39 crores and jute goods stocks from Rs. 50.28 lakhs to Rs. 82.55 lakhs.

The good effects of closing down the Champdany mill and of concentrating upon the Wellington mill are being felt. There has been a substantial reduction in manufacturing costs. The first stage of expanding the broad-loom plant has been completed. In the second stage of expansion, it is proposed to bring the installed capacity up to 46 broad-loom. A total of 39 looms are already operating. The department has been contributing substantially to the Company's profit. The Champdany mill has been sold. The share capital of the Company has been halved to Rs. 30 lakhs by paying a refund to the shareholders at the rate of Rs. 50 a share of Rs. 100 each. The balance share value of Rs. 50 has been sub-divided into five shares of Rs. 10 each.

British Paints (India) Earns More

THE report of British Paints (India) Ltd for the year ended December 1962 refers to the adverse effects of the super profits tax on the Company. The profit and loss account has provided for Rs. 4.70 lakhs to cover the estimated liability of this tax. But this provision was made before the concessions in the levy were announced. As a result of the concessions, the tax liability has been substantially reduced. The chairman of the Company has decided to state at the Company's annual general meeting

on 26th June, 1963, that "in view of this, a substantial amount will become available for disposal this year, and it is the intention of the directors to take account of this state of affairs at the time when, later on in the year, the question of an interim dividend comes up for consideration by the board".

Sales rose from Rs. 2.11 crores in 1961 to Rs. 2.36 crores in 1962. The profit has risen sharply from Rs. 13.05 lakhs to Rs. 24.65 lakhs, after transferring Rs. 2.75 lakhs (against Rs. 2.88 lakhs) to depreciation and writing off Rs. 23,779 (against Rs. 6,928) towards bad debts. The taxable ordinary dividend has been cut from 12.5 percent to 10 percent, including an interim of 6 1/2 percent. It is covered more than four-and-a-half times and offers a yield of 4.8 percent at the present price of Rs. 20.69 a share of Rs. 10 each. Taxation is allocated Rs. 14.38 lakhs (against Rs. 6.40 lakhs). A sum of Rs. 20,000 has been transferred to development rebate reserve. The carry-forward is Rs. 27,656, against Rs. 19,940 brought in.

The directors say that there has been a considerable improvement in the productive efficiency following various economies made. Substantial profits have been earned from the synthetic resin factory. So it has been decided to expand its output. The factory is being modernised, in order to improve the yield and reduce its production costs. The project for producing bituminous coatings with foreign collaboration has fallen through due to numerous difficulties in implementing the scheme.

Results of Kettlewell Bullen Group of Mills

THE Kettlewell Bullen group of cotton mills have published their results for the year ended December 1962. Trading conditions have been moderately good, but the production cost has risen due to various factors. The emergency risk insurance scheme, the increase in the import duty on cotton and rise in the price of domestic cotton, dyes and chemicals, have inflated the production costs. The profits have fallen since the prices of yarn and cloth have not risen in proportion.

The Dunbar Mills Ltd sold goods worth Rs. 3.22 crores, against Rs. 3.01 crores in 1961. The profit has declined from Rs. 40.11 lakhs to Rs. 32.84 lakhs, after providing Rs. 8.40 lakhs (against Rs. 8.86 lakhs) for depreciation. The taxable ordinary dividend has been cut from 20 percent to 15 percent, which is covered more than five times. It offers a yield of 5.5 percent at the present price of Rs. 27.50 a share of Rs. 10 each. Taxation is allocated Rs. 20 lakhs (against Rs. 20.75 lakhs), development rebate reserve Rs. 2.29 lakhs (against Rs. 1.11 lakhs), general reserve Rs. 3.92 lakhs (against Rs. 4.50 lakhs) and the debenture sinking fund Rs. 2.50 lakhs. The carry-forward is Rs. 1.03 lakhs, against Rs. 2.30 lakhs brought in. Machinery worth Rs. 15.84 lakhs has been installed in implementing the replacement, modernisation and diversification schemes and further orders for Rs. 10 lakhs have been outstanding.

There has been a decline from Rs. 30.42 lakhs to Rs. 21.74 lakhs in the

profit of the Bowreah Cotton Mills Co. Ltd, after increasing depreciation from Rs. 12.31 lakhs to Rs. 14.55 lakhs. A taxable ordinary dividend of 15 percent has been declared on the share capital which has been raised from Rs. 24 lakhs to Rs. 33.60 lakhs by issuing rights ordinary shares at par. The dividend is more than five times covered and offers a yield of 6.5 percent at the present price of Rs. 23.25 a share of Rs. 10 each. The dividend was 20 percent for 1961. Development rebate reserve absorbs Rs. 3.97 lakhs (against Rs. 3.75 lakhs), general reserve Rs. 5 lakhs (against Rs. 13.50 lakhs) and taxation Rs. 7 lakhs. The carry-forward is Rs. 1.94 lakhs, against Rs. 2.16 lakhs brought in. Sales were Rs. 2.68 crores (against Rs. 2.70 crores). Machinery worth Rs. 18 lakhs has been installed in implementing the replacement, modernisation and diversification schemes and further orders for Rs. 32.20 lakhs have been outstanding. Full provision for depreciation relating to previous years could not be sufficiently made due to inadequate profits in earlier years.

Clevedon Tea Does Well

CLEVEDON Tea Company Ltd has produced better results for 1962 than for 1961, mainly because of a strong internal market following the shortfall in production in East Pakistan. A taxable ordinary dividend of 30 percent has been repeated, but this dividend along with the dividends declared in previous years will be paid when funds can be brought to India from Pakistan. The profit has risen from Rs. 3.58 lakhs to Rs. 8.03 lakhs, after providing Rs. 44,785 (against Rs. 34,537) for depreciation. The dividend absorbs Rs. 1.20 lakhs and taxation Rs. 8.35 lakhs. The carry-forward is Rs. 22,095, against Rs. 50,183 brought in.

The crop amounted to 224,804 kilograms, against 250,818 kilograms and the average sale price rose from Rs. 4.80 to Rs. 7.49 a kilogram. A crop of 260,000 kilograms has been estimated for 1963 at a cost of Rs. 9.47 lakhs. The directors point out that the start of the next season has been unsatisfactory due to the severe drought in East Pakistan, but substantial rainfall has, however, occurred since March 1963. The crop harvested so far has been slightly ahead of the one in the same period of 1962.

Poobong Tea Pays Again

THE Poobong Tea Co. Ltd (a Darjeeling garden) has returned to the dividend list. It has declared a taxable ordinary dividend of 5 percent to absorb Rs. 15,000 for the year ended December 1962. The yield is 6.6 percent at the present price of Rs. 7.56 a share of Rs. 10 each. The profit has been Rs. 1 lakh, against Rs. 35,841 in 1961, after increasing depreciation from Rs. 8,744 to Rs. 10,308. Revenue reserve is allocated Rs. 75,000 (against Rs. 50,000). The carry-forward is Rs. 30,513, against Rs. 16,007 brought in. The crop declined from 127,797 kilograms to 122,495 kilograms, but the average sale price rose from Rs. 5.77 to Rs. 6.65 a kilogram. The 1963 crop estimate is for 120,000 kilograms at a cost of Rs. 7.12 lakhs.

New Samanbagh Tea Earns More

THE New Samanbagh Tea Co. Ltd (a Sylhet garden) has made a bigger profit of Rs. 11.93 lakhs during the year ended December 1962, against Rs. 3.45 lakhs in 1961, after

providing Rs. 1.48 lakhs (against Rs. 1.05 lakhs) for depreciation. A taxable preference dividend of 10.4 percent has been maintained, absorbing Rs. 10,400. Taxation is allocated Rs. 9.84 lakhs (against Rs. 7.24 lakhs) and development rebate reserve Rs. 2,200 (against Rs. 2,300). The carry-forward is Rs. 2.07 lakhs, against Rs. 10,027 brought in. A remittance of Rs. 3.77 lakhs has been received from Pakistan against head office expenses, and representations have been made to the Pakistani authorities for further remittances. The crop improved from 14,284 maunds to 14,351 maunds as did the average sale price from Rs. 1.99 a lb to Rs. 3.34 a lb. The 1963 crop estimate is for 13,500 maunds at a cost of Rs. 21.03 lakhs.

Hoolungoree Tea Pays More

THE Hoolungoree Tea Co. Ltd (an Assam garden) has increased the taxable ordinary dividend from 7.5 percent for 1961 to 20 percent for the year ended December 1962, absorbing Rs. 1.74 lakhs. The yield is 10.3 percent at the present price of Rs. 195 a share of Rs. 100 each. The profit has improved from Rs. 87,730 to Rs. 4.52 lakhs, after providing Rs. 1.65 lakhs (against Rs. 1.35 lakhs) for depreciation. General reserve is allocated Rs. 55,000 and development rebate reserve Rs. 9,500 (against Rs. 19,500). The crop was 5,155 quintals, showing a rise of 325 quintals. The average sale price rose from Rs. 5.71 a kilogram to Rs. 6.62 a kilogram. The 1963 crop estimate has been made for 3,000 quintals. It has been stated that the Company's Konikor-Dallim division has been sold and that a sum of Rs. 7.79 lakhs has been received. The estate has been handed over to the buyers.

Hattikhira Tea Passes Dividend

THE Hattikhira Tea Co. Ltd (a Cachar garden) has incurred a loss of Rs. 3.12 lakhs during the year ended December 1962, after providing Rs. 25,000 (against Rs. 64,377) for depreciation. The dividend has again been passed. After transferring Rs. 2.95 lakhs in relation to liabilities no longer required and making other adjustments, there is a net loss of Rs. 4,023. Bringing in Rs. 49,518, a credit balance of Rs. 45,495 has been carried forward. The crop was 580,232 kilograms, against 723,716 kilograms in 1961. The average sale price rose from Rs. 3.84 a kilogram to Rs. 3.97 a kilogram. A crop of 725,747 kilograms at a cost of Rs. 26.52 lakhs has been estimated for 1963.

Hooghly Docking Makes Profit

IN their report for the year ended December 1962, the directors of the Hooghly Docking and Engineering Co. Ltd take a fairly optimistic view of the outlook. They think that the trading results will continue to be satisfactory because the earlier unremunerative orders have now been completed. The Company's order-book is full till the end of 1964. The net value of completed work billed during 1962 was Rs. 77.24 lakhs, against Rs. 1.34 crores in 1961. The drop in the figure is due to the fact that no major new construction work was completed during the year. The Company's workshop, however, remained fully occupied, the work-in-progress at the end of the year having increased to Rs. 1.30 crores from Rs. 0.85 lakhs at the beginning. The profit amounted to Rs. 8.07 lakhs,

against a loss of Rs. 16.35 lakhs in 1961. It is proposed to issue 10,000 ordinary shares of Rs. 50 each at a premium of Rs. 25 a share to the existing shareholders in the proportion of two new shares for every five held. This will be done for raising funds to buy new equipment for the workshop.

The net profit has been Rs. 3.80 lakhs, after providing Rs. 94,167 (against Rs. 92,674) for depreciation. A taxable ordinary dividend of 12.5 percent has been declared, which is more than twice covered and offers a yield of 5.8 percent at the present price of Rs. 108 a share of Rs. 50 each. Sums of Rs. 10.94 lakhs and Rs. 9.31 lakhs have been transferred from development rebate reserve and general reserve, respectively. Statutory development rebate reserve is allocated Rs. 5,000 (against Rs. 6,000) and general reserve Rs. 2.99 lakhs. In view of the loss suffered in the previous year, there will be no liability for income tax or super profits tax on the profits for 1962. The carry-forward is Rs. 5,801.

Isaac Holdens (India) Skips Again

ISAAC Holden (India) Ltd has produced satisfactory results for the year ended December 1962. Processing charges have increased by nearly two-and-a-half times from Rs. 22.04 lakhs to Rs. 75.27 lakhs. A trading profit of Rs. 19.70 lakhs has been earned, compared with a loss of Rs. 8.29 lakhs in 1961, after increasing depreciation from Rs. 5.16 lakhs to Rs. 8.63 lakhs. The dividend has nevertheless been passed again, because of the need to adjust the previous loss of Rs. 14.69 lakhs. The Company has also conserved resources in order to meet the capital expenditure in future. The plant has started working to its full capacity. So has the first French combing unit of ten combs. The combing of Indian wool for defence purposes, it is said, has substantially increased. As a result of concentrating on defence production, the foreign orders for finer wools had largely to be cancelled. The sorting department has, therefore, been under-utilised. The directors think that the department may not contribute to the Company's profit under the present circumstances. Its full working will be resumed as soon as the combing of Merino wool starts. The activity of the Company has also been retarded by the shortage of dyestuffs.

There is a possibility of expanding production after some time. The Company has been granted an industrial licence to expand the capacity to 13 million lbs of wool tops a year. An allocation of Rs. 67 lakhs has been negotiated from the French credit for buying equipment to produce a further 5 million lbs. For the time being, it has been decided to install more machinery for producing only a further 1.5 million lbs for attaining the full licensed capacity. The French credit has been negotiated on favourable terms, and the necessary equipment will be installed early in 1964.

Shree Gopal Paper Maintains

THE directors of Shree Gopal Paper Mills Ltd say in their report for the year ended December 1962 that the difficulties facing the pulp mill and the soda recovery section have now been overcome. Satisfactory results have been obtained and an output of 35,126 tons has been achieved. Moves have been made to increase the output which has shown a rising trend during the first four months of

the current year. There has also been an improvement in the quality of production. The production cost has, meanwhile, risen considerably while the selling prices of paper and boards have been statutorily fixed. The latest Central Budget has inflated the production cost further. So the directors think that the price of paper should be increased to compensate the producers for the rise in production cost. Sales of stationery continue to be good. An expansion of the printing unit of the stationery wing is being considered. Sales of *vanaspati* rose from 1,868 tons to 3,738 tons.

The profit has risen from Rs. 58.84 lakhs in 1961 to Rs. 1.16 crores in 1962, after transferring Rs. 58.10 lakhs (against Rs. 62 lakhs) for depreciation and writing off Rs. 35,351 towards bad debts. A taxable ordinary dividend of 17-6/7 percent has been maintained which is more than five times covered. It offers a yield of 7.3 percent at the present price of Rs. 24.31 a share of Rs. 10 each. Taxation is allocated Rs. 60 lakhs (against Rs. 22.50 lakhs), development rebate reserve Rs. 2.90 lakhs (against Rs. 6.75 lakhs) and capital reserve Rs. 6.177. The carry-forward is Rs. 73,294, against Rs. 1.58 lakhs brought in.

Hope's Metal Windows Rights Offer

IN their report for the year ended December 1962, the directors of Hope's Metal Windows (India) Ltd say that production has started but some time must elapse before an economic level of output is reached. They, however, expect that the profit-earning stage will not be reached before 1964. A hot-dip galvanising plant has been supplied to the Company by Henry Hope and Sons Ltd of the U.K. The installation of the plant has been completed and production may start soon. Shares in Hope's Metal will be allotted to Henry Hope and Sons in exchange of payment for the machinery supplied. It is proposed to make a further issue of shares in order to finance the capital expenditure and private working capital. The Company will issue 120,107 rights ordinary shares of Rs. 10 each at par to the existing shareholders in the proportion of one new share for every share held. There has been a loss of Rs. 2.70 lakhs in 1962, after providing Rs. 65,978 for depreciation. The dividend has been passed, and a debit balance of Rs. 3.37 lakhs has been carried forward.

British India Corporation Pays More

THE British India Corporation Ltd has increased the taxable ordinary dividend from 7 percent to 9 percent for the year ended December 1962. It is covered more than four times and works out to a yield of 5.1 percent at the present price of Rs. 8.81 a share of Rs. 5 each. The two woolen branches of the Company have shown satisfactory results. Licences for importing equipment worth Rs. 20 lakhs have been obtained for modernising the two branches. The directors are trying to obtain more import licences for further modernisation. The results of the Cooper Allen branch have been disappointing, but steps have been taken to improve its working. The boot factory remained closed for several years, but has again started operating.

The profit has risen from Rs. 1.05 crores for 1961 to Rs. 1.33 crores for 1962, after providing Rs. 8.62 lakhs (against Rs. 8.50 lakhs) for depreciation and Rs. 87,527 (against Rs. 1.29 lakhs) for development rebate reserve. A sum of Rs. 2.93 lakhs has been written off from stores and

spare parts. General reserve is allocated Rs. 20 lakhs and taxation, including the super profits tax, Rs. 75 lakhs (against Rs. 48 lakhs). The carry-forward is Rs. 2.53 lakhs, against Rs. 3.92 lakhs brought in.

Share Offer by Shalimar Wires and Industries

THE Shalimar Wires and Industries Ltd is offering 220,000 ordinary shares of Rs. 10 each for public subscription at par. The paid-up ordinary share capital is at present Rs. 8 lakhs divided into shares of Rs. 10 each. The list opens on 10th June, 1963. (Details are printed on a later page in this issue of Capital).

The Company will manufacture Fourdrinier wire cloth in technical collaboration with Messrs Norsk Gjæerde-og Metalludfabrik A/S of Oslo, Norway. The factory will be situated in Uttarpara, West Bengal. The capacity for the time being will be 396,000 square feet a single shift. An application has been made to the Calcutta Stock Exchange for an official quotation of the Company's shares. The entire public issue has been underwritten.

Hindustan Lever Earns More, Pays Less

THE directors of Hindustan Lever Ltd state in their report for the year 1962 that while the rights issue has been postponed, they are taking steps to proceed with some of the expansion plans which are already in hand with the aid of a loan of about Rs. 20 lakhs in pound sterling from Unilever Ltd to cover the immediate foreign exchange needs. The construction of the factory buildings and quarters for the Etah milk project is well under way. Orders for most of the plant have already been placed. The Company has secured a loan of about Rs. 25 lakhs in foreign currencies from the I.C.I.C.I. for this project. The ghee development unit at Etah continues to provide ghee for market test. The dehydrated pea operation at Ghaziabad has been extended this year and a beginning has been made at Etah.

Experimental quantities of dehydrated vegetables have been produced and a small canning unit has been set up at Ghaziabad for experimental purpose. The Ghaziabad factory expansion has been completed. The Company has agreed to purchase the plant and equipment of a *vanaspati* factory in Howrah. This will be particularly helpful in relieving the pressure created by growing exports and the need for substituting imported hard oils. The total cost of capital projects approved during 1962 was Rs. 60.47 lakhs.

The Company's turnover in value increased by 7.9 percent from Rs. 49.92 crores to Rs. 53.85 crores during 1962. Sales of soaps, detergents and toilet preparations rose from Rs. 23.74 crores to Rs. 24.85 crores, *vanaspati*, margarine and other foods from Rs. 23.08 crores to Rs. 24.70 crores and glycerine and other products, animal feeding stuffs and oils from Rs. 3.11 crores to Rs. 4.31 crores. While soap sales were up by 4 percent in value, they were down by 2 percent in quantity. Some lines suffered a small setback, but on the whole, the profits compared favourably with the previous year. The non-soapy detergent "surf" continued to show satisfactory progress. The reorganisation of the toilet preparations division has been carried out smoothly and the Company hopes to be able to increase its sales further in 1964.

The Company did well in both sales and profit of *vanaspati* because

of the stable oil market. Cattle-feed sales have been extended to some upcountry districts around Bombay. There has been a substantial increase in the exports of the Company's products from Rs. 74 lakhs in 1961 to Rs. 2.01 crores in 1962. In recent months, imports of some of the raw materials used by the Company have been drastically reduced. The Company is making every effort to use indigenous raw materials, but it is considered necessary to import certain raw materials to maintain quality and production. In spite of a record gross profit of Rs. 4.77 crores (against Rs. 4.18 crores), the dividend for 1962 has been reduced from Rs. 2.60 to Rs. 1.20 a share because of the heavy tax liability. The dividend for 1962 is on a larger capital as increased by the 12-for-25 bonus issue.

Tata Group Textile Mills Disappoint

THE preliminary reports on the working of the three textile mills belonging to the Tata Group, namely, Svadeshi Mills, Tata Mills and Ahmedabad Advance, show that like the majority of the other mills in the country, these too have fared badly during 1962. In spite of an improvement in the sales, all the three mills have suffered a substantial fall in their profits with the result that the dividends have had to be reduced. The Svadeshi Mills has had to draw on the reserves to provide for the payment of the reduced dividend; the Tata Mills had to do without any allocation to the general reserve which had received a huge amount in the preceding year and the Ahmedabad Advance has had to effect a substantial cut in the allocation to the general reserve. The preliminary figures do not show the amounts set aside for depreciation and managing agents' commission. The omission is hard to understand, especially when all the other important figures, including the turnover, have been mentioned. In the absence of these two figures, it is not possible to arrive at the gross profit which alone provides a dependable clue to the profit margin.

Svadeshi Mills: Despite an increase of 5.2 percent in the total turnover from Rs. 4.81 crores to Rs. 5.06 crores, the profit of the Svadeshi Mills Company Ltd for 1962, after providing for depreciation and managing agents' commission, shows a decline of 32.5 percent from Rs. 56.07 lakhs to Rs. 37.84 lakhs. The dividend has been reduced from Rs. 19 to Rs. 17 a share, and the directors have had less tax, and the dividend for 1962 to withdraw a sum of Rs. 2 lakhs from the general reserve to provide for the payment of the proposed dividend. After providing Rs. 18 lakhs (against Rs. 24 lakhs) for taxation and Rs. 2.75 lakhs (against Rs. 6.50 lakhs) for development rebate reserve, the net profit amounts to Rs. 17.08 lakhs, compared with Rs. 25.57 lakhs in the preceding year. With Rs. 24,559 brought forward, the disposable surplus amounts to Rs. 17.33 lakhs. The directors have set aside a sum of Rs. 75,000 for gratuity reserve and transferred Rs. 16.50 lakhs to dividend reserve. The preference dividend takes Rs. 1,07,100 (the same) and the ordinary dividend absorbs Rs. 17 lakhs (against Rs. 19 lakhs). The dividends are to be paid out of the dividend reserve. After making various appropriations, there remains a surplus of Rs. 8,176 to be carried forward.

Tata Mills: The total turnover of the Tata Mills Ltd is up by 3.3 percent from Rs. 4.74 crores to Rs. 4.90 crores, but the profit after providing for depreciation and managing agents' commission, is down by as

much as 57.5 percent from Rs. 58.47 lakhs to Rs. 24.81 lakhs. The dividend has been reduced from 22 percent to 20 percent, that is, from Rs. 5.50 to Rs. 5 a share, less tax. The provision for development rebate reserve is slightly lower at Rs. 4 lakhs, against Rs. 4.50 lakhs, and taxation accounts for Rs. 7 lakhs against Rs. 16 lakhs, leaving a net profit of Rs. 13.81 lakhs, against Rs. 20.50 lakhs in 1961. With Rs. 30,469 brought forward, the disposable surplus amounts to Rs. 14.11 lakhs. No allocation has been made to the general reserve which received Rs. 23.50 lakhs in the preceding year, but a sum of Rs. 60,000 (against nil) has been set aside for gratuity reserve. The directors have transferred a sum of Rs. 13.50 lakhs (against Rs. 14.43 lakhs) to the dividend reserve. The proposed dividend which is being paid out of the dividend reserve absorbs Rs. 13,11,575 (against Rs. 14,42,735), leaving a sum of Rs. 1,422 to be carried forward.

Ahmedabad Advance: The total turnover of the Ahmedabad Advance Mills Ltd shows a small increase of 2.4 percent from Rs. 2.91 crores to Rs. 2.98 crores, but the profit, after providing for managing agents' commission and depreciation, is down by about 50 percent from Rs. 28.86 lakhs to Rs. 14.38 lakhs. No provision has been made for taxation as in the previous year, and allocation to the development rebate has been reduced from Rs. 2 lakhs to Rs. 1 lakh. The provision for general reserve has been reduced from Rs. 21.50 lakhs to Rs. 7.50 lakhs and a sum of Rs. 10,000 (against nil) has been set aside for gratuity reserve. The directors have transferred a sum of Rs. 5.75 (against Rs. 5.51 lakhs) to the dividend reserve, out of which they propose to pay Rs. 4.67 lakhs (against Rs. 4.80 lakhs) to the equity shareholders and Rs. 71,400 (the same) to preference shareholders. The dividend has been reduced from Rs. 12 to Rs. 11 a share, with a proportionate dividend on the new equity shares issued during the year as rights. After making various appropriations, there remains a balance of Rs. 14,370 to be carried forward, against Rs. 10,945 brought in.

Podar Mills Maintains

IN spite of a sharp fall of 45.7 percent in the gross profit from Rs. 30.80 lakhs to Rs. 16.72 lakhs, the directors of Podar Mills Ltd have maintained the dividend for the year 1962 at 12 percent, less tax and what is more, the dividend for 1962 is on a larger capital as raised by the issue of bonus shares of the value of Rs. 10 lakhs during the year. The provision for depreciation has been reduced from Rs. 6.73 lakhs to Rs. 6.40 lakhs, but the development rebate reserve receives Rs. 1.25 lakhs, against Rs. 1 lakh. The provision for taxation has been drastically reduced from Rs. 13.50 lakhs to just Rs. 1 lakh. The proposed dividends—ordinary and preference—absorb Rs. 7.17 lakhs, against Rs. 5.97 lakhs, leaving a surplus of Rs. 1.24 lakhs to be carried forward, against Rs. 1.36 lakhs brought in.

The sharp decline in the profit is attributed to unfavourable trading conditions and increased costs of production without any corresponding increase in the selling prices of manufactured goods. The Company, it is said, has made further progress towards modernisation and rehabilitation. It has received a licence from the Government of India for setting up a separate spinning unit with a complement of 12,000 spindles in Jaipur. Steps are being taken to

put up the unit. The Company has also received an industrial licence for the establishment of a new undertaking for the manufacture of motor-vehicle tyres and tubes, with an annual capacity of 300,000 units each in Kotah (Rajasthan). Negotiations are in progress for technical and financial collaboration from abroad. The Rs. 10-paid share is quoted around Rs. 12.24, offering a gross return of about 10 percent.

Ceat Tyres Profit Down

CEAT Tyres of India Ltd reports disappointing results for 1962. In spite of an increase of about 20 percent in the sales from Rs. 3.61 crores to Rs. 4.34 crores, the gross profit is down by nearly 38 percent from Rs. 49.36 lakhs to Rs. 30.44 lakhs. The fall in profit is attributed to the expenditure incurred in establishing the sales organisation all over India for the sale of the licensed capacity of 1,000 tons a month and to the increase in the cost of raw materials which has gone up from Rs. 1.72 crores to Rs. 2.09 crores. Other expenses are up from Rs. 51.36 lakhs to Rs. 79.57 lakhs. The excise duty paid by the Company was considerably higher at Rs. 1.29 crores, against Rs. 1.04 crores.

From the year's gross profit of Rs. 30.44 lakhs, the directors have set aside Rs. 19.95 lakhs (against Rs. 13.86 lakhs) for depreciation and Rs. 6.66 lakhs (against Rs. 22.37 lakhs) for development rebate reserve. While last year, the Company had to wipe off the loss of Rs. 8.04 lakhs brought in from the previous year and write off miscellaneous expenditure amounting to Rs. 2.92 lakhs, there is no such contingency this year. The directors have, therefore, been able to create a general reserve with an allocation of Rs. 5 lakhs. As for the prospects for the current year, the directors state that the enhancement of Customs tariff during the current year and the usage of more costly indigenous products and/or substitutes will lead to a further increase in the cost of production.

The proposed expansion of the licensed capacity is also not expected to be attained earlier than the end of 1963 due to the delay in the receipt of licences. The I.C.I.C.I. has agreed to give a rupee loan of Rs. 50 lakhs for the Company's expansion scheme. A new account has been opened with the Bank of Baroda with the facility of a clean cash credit of Rs. 25 lakhs. The Company's borrowings as at the end of 1962 stood at Rs. 1.42 crores. The additions to the fixed assets during the year amount to Rs. 48.84 lakhs and capital works in progress at the end of the year amounted to Rs. 49.91 lakhs. In view of the national emergency, Ceat Italy has waived the purchase commission clause of the technical agreement for purchasing capital equipment and raw materials.

Jyoti Cuts Dividend

ALTHOUGH the dividend has been reduced from Rs. 12 to Rs. 9 a share, less tax, the working results of Jyoti Ltd for 1962 are fairly encouraging, with both sales and gross profit recording a rise. Sales have risen by about 18.6 percent from Rs. 1.72 crores to Rs. 2.04 crores, and the gross profit has increased by about 12 percent from Rs. 17.98 lakhs to Rs. 20.17 lakhs. Appropriations include depreciation Rs. 5.52 lakhs (against Rs. 4.01 lakhs), development

rebate Rs. 2.34 lakhs (against Rs. 1.84 lakhs), taxation Rs. 6 lakhs (against Rs. 4.95 lakhs), gratuity reserve Rs. 50,000 (the same) and reserve for doubtful debts Rs. 10,000 (the same). The proposed dividend absorbs Rs. 4.50 lakhs, against Rs. 5.68 lakhs, leaving a sum of Rs. 20,000 to be carried forward, against Rs. 11,000 brought in.

The directors state that the Company started during the year production of plastic components which are required in the manufacture of switchgear and switchboards. The Company has obtained licence for the manufacture of extra H. T. circuit-breakers, and it is expecting another licence for manufacturing alternators up to 3,000 kW. During the last few years, the Company has extended the range of its manufacturing activities with various collaborations. The directors now feel the need for consolidating the present range of manufacture, which is very varied comprising such items as low tension and high tension switchgears and switchboards, different types of electrical rotating machines such as various kinds and sizes of electric motors and hydro-electric generators, instrument transformers, hydro-electric turbines and governors, numerous types and sizes of pumps for clear water and special sand handling and chemical pumps. The trend of manufacture is towards larger equipment, and at present, the Company is one of the few manufacturers engaged in producing large pumps and large electric motors.

Investa Machine Tools Does Better

THE working results of Investa Machine Tools and Engineering Company Ltd for 1962 show a considerable improvement over the previous year's performance. Sales are up by about 30 percent from Rs. 45.09 lakhs to Rs. 58.92 lakhs, and the gross profit has shot up by nearly 112 percent from Rs. 4.65 lakhs to Rs. 9.84 lakhs. But the equity shareholders who have gone without a dividend ever since the Company was set up in 1942, will probably have to wait for some more years before their investment begins to bear fruit. Investa Machine Tools has yet to clear arrears of preference dividend for many years.

The working results for 1962 have enabled the directors to declare preference dividend for two years, 1947 and 1948. After providing Rs. 4.58 lakhs (against Rs. 1.84 lakhs) for depreciation, Rs. 3.39 lakhs (against Rs. 2.08 lakhs) for development rebate reserve and deducting other charges, the net profit amounts to Rs. 1.62 lakhs, against Rs. 54,000. With Rs. 70,354 brought in from the previous year and adding 19,782 being excess provision for taxation in previous years, the disposable surplus amounts to Rs. 2.52 lakhs. After providing for the payment of the proposed preference dividend for two years—1947 and 1948—which absorbs Rs. 1.17 lakhs and setting aside Rs. 1.33 lakhs for general reserve, there remains a small surplus of Rs. 1,664 to be carried forward, against Rs. 70,354 brought in. The Rs. 100-paid share of Investa Machine Tool is quoted nominally at par.

Prospects for Permanent Magnets

THE chairman of Permanent Magnets Ltd, Mr. Madanmohan R. Ruia, informed the shareholders at the Company's second annual meeting that following the representation

made by the management, the Government has banned the import of permanent magnets and necessary steps have been taken to restrict further imports of the product. Under the circumstances, the order position will improve considerably within a couple of months. Mr. Ruia said that the Government had issued licences through mistake for importing permanent magnets to many actual users, and this had adversely affected to some extent the orders for the Company's products.

The Company has begun commercial production since January. All the machinery required to complete the project has been ordered and is likely to be installed by the end of the current year. It will then be able to produce at the rate of 180 tons of permanent magnets a year. The Company has received the import licence for the necessary raw materials required for the current year. The chairman disclosed that the directors were contemplating a scheme to revise the schedule of production to meet the increased demand, and plans for further expansion of the production programme will be placed before the shareholders at the proper time. The Company's market research has shown that there is a very good demand for magnets made from powder metallurgy which are popularly known as ferrite or ceramic magnets. A scheme for producing this kind of magnets is under consideration. As far as land and other facilities for future expansion are concerned, the Company has made all necessary provisions and should this scheme materialise, it will be placed before the shareholders for their approval.

Ganesh Flour Pays Less

THE Ganesh Flour Mills Co. Ltd reports disappointing results for the year ended September 1962. Although sales have been more or less maintained at Rs. 13.46 crores, against Rs. 13.59 crores in the preceding year, the gross profit is down by about 57 percent from Rs. 29.42 lakhs to Rs. 12.49 lakhs. The ordinary dividend has been reduced from Rs. 1.60 to Re. 1 a share, less tax, and the dividend on the first cumulative preference shares has been pruned from 12.8 percent to 9.1 percent, less tax. From the year's profit, the directors have provided Rs. 3.70 lakhs (against Rs. 2.97 lakhs) for depreciation, Rs. 1.70 lakhs (against Rs. 25,000) for development rebate reserve and Rs. 4 lakhs (against Rs. 17 lakhs) for taxation. The proposed dividends absorb Rs. 5.41 lakhs (against Rs. 7.30 lakhs), leaving a sum of Rs. 30,359 to be carried forward, against Rs. 2.62 lakhs brought in.

The directors attribute the Company's disappointing performance during 1961-62 to the extremely difficult trading conditions in Pakistan and the all-round increase in expenses. While the production of *vanaspathi* at the Delhi and Kanpur factories showed an improvement from 30,887 tonnes to 32,583 tonnes, the production at the Lyaipur factory was lower at 5,200 tonnes, compared with 5,494 tonnes. The production at the Lyaipur flour mill was also appreciably down from 63,548 tonnes to 49,501 tonnes. The fan factory which started production in July 1962 has progressed steadily, and production during the current year has markedly improved. The construction and erection work relating to the solvent extraction plant has now been taken in hand, and every effort is being made to complete it as early as possible. The directors propose to make calls on the partly-paid shares of Rs. 12.50-paid share of

Ganesh Flour is quoted around Rs. 15.75.

Coimbatore Pioneer Mills Cuts Dividend

DUE to a marked decline in the profit of the Coimbatore Pioneer Mills Ltd for the year ended December 1962, because of higher raw material and labour costs, the directors have recommended a lower dividend of 15 percent, compared with 25 percent for the previous year. The net profit for the year amounts to Rs. 16,42,150, after providing Rs. 6,48,447 for depreciation, against Rs. 20,12,014 (Rs. 5,63,132 for depreciation), in the previous year. Adding to the net profit for 1962, a sum of Rs. 17,916 brought forward, and also a sum of Rs. 9,663 being excess provision in equity dividend for 1961, the total surplus available for appropriation amounts to Rs. 16,69,729. Out of this, taxation receives Rs. 8,76,000 (against Rs. 9,50,000), and provision for super profits tax amounts to Rs. 3,04,000. The dividend on preference shares at 8.45 percent, subject to tax, amounts to Rs. 8,450. The proposed dividend of 15 percent on the equity shares will absorb Rs. 4,45,665. A sum of Rs. 35,000 is transferred to general reserves (against Rs. 3,25,000). The balance of Rs. 614 is carried forward.

The directors' report says that some auxiliary machinery and materials were purchased for modernising units. All the machinery have been installed and commissioned. As for the ball and roller bearing unit, they state that negotiations are still in progress for securing technical collaboration. Referring to the expansion programme to install 10,000 spindles for spinning staple fibre yarn, the directors say that the Company has received 9 ring frames of 440 spindles each, out of the balance of ten ring frames, and they are under erection. It is said that with the receipt of one frame for 440 spindles, the implementation of the licence will be completed. Orders have been placed for the purchase of some other auxiliary machinery and conversion materials for modernising the existing old frames. These items of machinery are expected to be delivered during the current year. The value of the machinery ordered is about Rs. 18,69,400. The value of cotton contracted to be purchased from merchants amounts to Rs. 23,68,310.

Adoni Spinning Pays the Same

ADONI Spinning and Weaving Co. Ltd has earned a net profit of Rs. 2,77,520 for the year ended December 1962, after providing Rs. 7,10,693 for depreciation and deducting other charges. This compares with the previous year's net profit of Rs. 8,08,391, after providing Rs. 8,04,232 for depreciation. With Rs. 1,71,575 brought forward from the previous year, the total available for appropriation comes to Rs. 4,49,095. Out of this, the dividend of 7.8 percent on 6 percent tax-free cumulative preference shares, amounts to Rs. 1,55,981. The directors have recommended a dividend of 8 percent on equity shares (the same) and this will absorb Rs. 2,39,988. The balance of Rs. 53,126 is carried forward. Sales have registered a rise from Rs. 1.42 crores in 1961 to Rs. 1.50 crores in 1962.

Debentures of the face value of Rs. 10 lakhs issued in favour of the State Bank of India were redeemed during the year, as against the scheduled redemption of Rs. 5 lakhs. The debentures outstanding as on 31st December, 1962, amounted to Rs. 10 lakhs. The provision for tax-

ation includes Rs. 40,000 towards the liability for super profit tax. The directors' report says that Indian cotton position during the year was very difficult, and the prices ruled considerably higher than in the previous year. Hence the Company's cotton bill was higher by more than Rs. 6.25 lakhs. But this was offset by the increase in the realisation from yarn. The chairman has pointed out that the supply of Indian cotton during the 1962-63 season is expected to be about 1 million bales more than that in the previous season. But the prices of Indian cotton have been ruling very firm, more or less throughout the season, very near the ceiling prices which were revised upwards by Rs. 125 a candy. Although the control on varietywise distribution of cotton imposed last year has been lifted, Indian cotton continues to be purchased by the mills on the basis of quotas.

Outlook for Ouchterlony Valley

THE chairman of the Ouchterlony Valley Estates Ltd, Mr. J. N. A. Hobbs stated at the recent annual general meeting that the Company's income in recent years has been derived from the tea crop and that the crop of 655,342 kilograms for 1962 was a record. The estimated crop for the current year is 700,000 kilograms and the chairman was optimistic that a crop in excess of 700,000 kilograms would be maintained in the future. He was appreciative of the assistance given by the Government to the industry in improving exports. India's exports in 1962 were higher by 20 million lbs than in 1961, although her total production in 1962 at 738 million lbs was 22 million lbs less than in the previous year.

As for the super profits tax, the chairman observed that it would not immediately affect his Company as a substantial loss had been suffered during the past year. But the Company would have to bear this additional tax when conditions improved. It would, however, be affected immediately by the 20 percent surcharge on the excise duty levied on coffee and tea and by the levies on commodities like petrol and diesel oil and other materials essential for the Company's working. Mr. Hobbs stressed the importance of maintaining a thriving home market to provide stability to the industry; he pleaded for active steps to stimulate the consumption of lower quality teas in India so as to provide a cushion against any setback in the overseas market.

Mr. Hobbs expressed his dissatisfaction with the present system of marketing coffee adopted by the Coffee Board as it did not benefit the producers of quality coffees directly. Referring to the decline in the quality of Indian coffee in recent years, he said that it was unlikely that there would be maximum production of quality coffee as long as followed. He regretted the discontinuance of the system of open auction for export sales, and doubted whether the reversion of the tender system would result in more buyers participating in auctions in future. The Company's 1962-63 coffee crop of 211,742 tonnes was the smallest for many years. The revised crop estimated for the year 1963-64 is put at 355 tonnes.

Travancore Cements Pays Slightly More

TRAVANCORE Cements Ltd shows substantially higher profits for

the year ended December 1962, compared with the previous year. This improved result is mainly due to the higher retention price allowed to the Company by the Central Government for grey cement with effect from November 1961, the increase in the volume of sales of its white cement and the efficient performance of the factory. The net profit for 1962 amounts to Rs. 9,67,529, after providing Rs. 5,62,454 for depreciation and Rs. 1,06,893 for managing agents' remuneration, compared with the previous year's net profit of Rs. 4,99,058 arrived at after providing Rs. 6,21,515 for depreciation and Rs. 55,451 for managing agents' remuneration.

With the amount of Rs. 15,547 brought forward from the previous year, the total comes to Rs. 9,83,076. Out of this, a sum of Rs. 50,372 is transferred to reserve for rehabilitation (against Rs. 9,440). The provision for taxation amounts to Rs. 5,60,000 after taking into consideration the transfer of Rs. 1,37,800, from deferred taxation reserve, against a tax provision of Rs. 2,25,000 in the previous year. The directors have recommended a slightly higher dividend of 7 percent (against 6 percent) and this dividend will absorb Rs. 3,50,000. The loan of Rs. 45 lakhs taken from the State Government in 1947-48 to meet capital expenditure has been fully repaid. In 1957, the Company took another loan of Rs. 15 lakhs from the State Government for the white cement scheme repayable in five equal instalments beginning from 1963.

New Capital Issues

FIVE companies have been authorised to issue capital totalling Rs. 1.72 crores. Two are new companies and two are Central Government undertakings. Four companies will issue equity shares and one equity plus cumulative redeemable preference shares. The consent in all cases is valid for 12 months. The following are the details:

Bahri Automobiles Corporation Private Ltd, Bombay, a new company, will issue capital of Rs. 75 lakhs in equity shares of Rs. 100 each for cash at par. The proceeds will be used for manufacture of bevel gears, universal joints, excels shafts, speed reduction gears, spur gears for motor-vehicles, tractors, earth moving machinery and cranes.

Andhra Cotton Mills Ltd, Proddatur (Andhra Pradesh), is to issue capital of Rs. 25 lakhs, divided into 25,000 equity shares of Rs. 100 each to be issued for cash at par of which shares worth Rs. 18.50 lakhs will be offered for public subscription. The money will be used in the establishment of a cotton spinning mill with a capacity of 12,000 spindles.

National Seeds Corporation Ltd, a Central Government undertaking, is issuing capital of Rs. 20 lakhs divided into 2,000 equity shares of Rs. 1,000 each for cash at par. The Company was registered last March to promote production of improved seeds in the country by giving financial assistance.

National Buildings Construction Corporation Ltd, Delhi, another Central Government undertaking, will raise further capital of Rs. 12 lakhs divided into 1,200 equity shares of Rs. 1,000 each for cash at par.

New India Spinning and Weaving Mills Ltd, a new Company, will issue capital of Rs. 40 lakhs divided into 320,000 equity shares of Rs. 10 each and 8,000 9.3% cumulative redeemable preference shares of Rs. 100 each, for cash at par. The money will be used to set up a cotton spinning mill.

The Stock Markets

CALCUTTA AWAITS RESUMPTION OF FORWARD TRADING

Wednesday Evening.

THE Calcutta stock market has been busy examining the terms and conditions under which the Government will permit forward trading in shares, which has been stopped from last November. The restrictions relate mainly to the margin requirements and the inclusion of shares in the clearing list. Although the margins stipulated by the Government are considered rather high, they are expected to be accepted by the various stock exchanges since they are aimed at curbing speculation. Since forward trading is bound to promote speculation, strict vigilance will be necessary to maintain the health of the market. Opinion is divided on the likely effects of the resumption of forward trading. Freer trading will no doubt help to establish more realistic prices. Hence, it is argued, greater resistance to a further decline may develop. The other line of argument is that forward trading will encourage short selling, which may depress prices.

The market trend has been sluggish during the past week. Operators are cautious since the political situation has become less favourable. Reports about concentration of the Chinese army along the Indian borders have disturbed sentiment. The clearing on Wednesday was uneventful. Carry-forward charges were slightly higher than in the previous settlement. So there has been no inclination to extend commitments.

The corporate news has, meanwhile, been mixed. While some companies have declared good dividends, the disposable profits of many have been squeezed by heavier taxation, including the super profits tax. Indian Standard Wagon have been prominent because the Company has declared for 1962-63 a taxable ordinary dividend of 20 percent, including a bonus of 5 percent, on the share capital doubled by the issue of bonus shares. The dividend was 28.5 percent, subject to tax, for 1961-62. The decision of the Government to decontrol *vanaspathi* prices and leave the industry free to regulate them on a voluntary basis, has been welcomed. It is wondered whether the prices of other commodities such as steel, cement, paper and coal will be similarly decontrolled.

The initial support for steel shares was due to rumours of decontrol of steel. Past experience shows that whenever the Government has fixed prices, they have been inadequate to cover production costs. Unless a more realistic price policy is pursued, the development of industries will be retarded. Indian Iron have fluctuated narrowly and turnover has shrunk. Except for Indian Standard Wagon and Burn which have been supported, engineering shares have generally shed their gains. Guest, Keen, Williams, Texmaco and Braithwaite have been transacted. Although the latter Company has produced excellent results for 1962, the taxable ordinary dividend declared is only 14 percent on the increased share capital, compared with a taxable dividend of 25 percent for 1961. A substantial portion of the bigger profit has been mopped up by taxation, including the super profits tax.

Prices of selected jute shares have been maintained on the declaration of satisfactory dividends. Buyers

have, nevertheless, turned cautious towards the close because of the lack of foreign enquiries for jute goods. The trend of gunny prices has been downward while the minimum price for raw jute has been fixed by the Government for 1963-64 at the same level as in 1962-63. Hence the profitability of jute companies, it is feared, may be affected. Champdany have been steady on paying a higher dividend. Interest has been taken in Kamarhatti, Kankarrah and Birla.

Turnover has declined in miscellaneous shares, which have moved within a narrow groove. Indian Copper have recovered smartly because of short-covering. Among new shares, Isaac Holdens have lost on passing the dividend. Paper shares have generally been neglected. Cotton mill shares have been dealt in cautiously because the present prices of cloth and yarn have become unremunerative. Dunbar have been sold on announcement of a lower dividend. Bank shares have met with stray buying. Sugar shares have been difficult to transact in the absence of support.

Coal shares have been subdued. Stray business has been done in Burakur, Central India and Bengal. Only a few tea shares have been transacted and the prices have shown little variation. The discouraging trend at the first export auction held in Calcutta has made investors chary.

Government securities have been quietly steady. Support has largely been confined to short-dated loans. The 3 percent Conversion loan 1986 has been quoted at Rs. 63.05. Scattered business has been done in selected State Government loans. The market has been awaiting the announcement of the second instalment of the official borrowing programme.

Bombay

SIZABLE DECLINE IN TURNOVER CORPORATE NEWS AFFECTS SENTIMENT

Wednesday Evening.

THERE has been a substantial decline in turnover in the Bombay stock market during the past week. Operators are inclined to await the resumption of forward trading. The stock exchange authorities are believed to have accepted the terms and conditions under which the Government will permit futures contracts. The restrictions relate mainly to margin requirements. The Government has asked for bigger margins, and the stock exchanges have pleaded for a cut if possible. In any case, forward trading is likely to begin soon. Although the technical position has been healthy, operators have been hesitant to extend commitments since freedom to indulge in short-selling might aggravate pressure.

Dalal Street has been restrained because the corporate news has generally been unfavourable. The Tata Group of cotton mills have cut the dividends because of the impact of rising production costs and heavier taxation. The earlier sup-

port for steel shares has proved short-lived since operators have not been able to know whether decontrol of steel would contribute to the better working of companies under the present circumstances. Operators have been disturbed by reports of the concentration of Chinese troops along the Ladakh and N.E.F.A. borders. The prospects of foreign aid are also uncertain. This apart, investible funds have been largely diverted to the new issues.

Tata Steel have closed at Rs. 135.75 and Indian Iron at Rs. 22.44. Among engineering shares, Tata Locomotive have gained slightly at Rs. 287.50 on replacement buying, but Larsen and Toubro have been quiet at Rs. 23.24. Mukand Iron have been steady on influential support. Among motor-vehicle shares, Hindustan Motors have been sluggish, but little interest has been taken in Premier Automobiles. Except for Standard, which has gained on buying from knowledgeable quarters, cotton mill shares have generally been subdued. Bombay Dyeing have been quoted at Rs. 61.50, Kohinoor at Rs. 315 and Svadeshi at Rs. 248. Century have been somewhat steady on the news that the tyre cord plant has started operating. India United ordinary have been sold freely down to Rs. 23. Sugar shares have met with selective buying in the miscellaneous sec-

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the wilderness—and wilder-
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tion. Belapur have been taken at Rs. 185.50 and Walchandnagar Industries at Rs. 145. In the cement section, Associated Cement have been done at Rs. 143.50 and Digvijay at Rs. 164. Mining shares have been quiet, and B. B. Petrol have been sold at Rs. 3.24. Steamship company shares have been quiet, and Scindia Steam have fallen to Rs. 10.16. Bombay Burmah have been sluggish at Rs. 66. Chemical shares have been quietly steady, and Tata Chemical have fetched Rs. 15.32. Indian Dyestuff have been transacted at Rs. 415. Among rayon shares, National Rayon have recovered to Rs. 357 on favourable corporate news. Voltas have been quiet at Rs. 257, as have been Tata Oil at Rs. 58.50. Turnover has been negligible in cash scrip. Synthetics and Chemicals have been subdued at Rs. 144. Ceat Tyre have declined to Rs. 8.75 on producing disappointing results.

Bank and insurance shares have been neglected. Prices of electric company shares have declined on balance. Scattered interest has been taken in Ahmedabad Electric at Rs. 91 and in Tata power at Rs. 1,040.

Bombay

INVESTORS BECOME CHARY BUSINESS IN CLEARING SHARES NEGLIGIBLE

Tuesday Evening.

THE Madras stock market has been dull during the past week. Turnover has declined almost to a trickle. Business has been negligible in clearing shares because of the lack of outside support. Investors have been chary in view of the heavy impact of the super profits tax on corporate profits. There has been a general inclination to cut commitments to the minimum because of the likelihood of forward trading being resumed soon. It is thought that short-selling would push down prices if forward trading were to start.

Government securities have been quietly steady and selected State Government loans have been bought. Except for stray buying in Pandyan, bank shares have generally been neglected. Despite a sharp rise in the international price of sugar, sugar shares have lacked interest. Support for planting shares has declined considerably and prices have generally been lower on balance. Cotton mill shares have been offered freely without attracting support and turnover has been negligible in miscellaneous shares.

Among electric company shares, West Coast have been taken at

Rs. 18.37 on reports that the Government of Kerala may pay a compensation of more than Rs. 50 lakhs to the Company for acquiring the Calicut electricity undertaking. The Company has decided to pay a dividend of Rs. 5 an ordinary share out of the compensation. Among sugar shares, Deccan have been transacted at Rs. 9.40 and E.I.D. at Rs. 37.25. In the planting section, Blue Mountain have come to hand at Rs. 2.22 and Consolidated Coffee at Rs. 17. Periakaramalai have been dealt in at Rs. 282 and Twyford at Rs. 8.75. Anandam have declared a taxable ordinary dividend of 15 percent and Thamarappally a taxable ordinary dividend of 16 percent. Travancore Rubber and Tea have announced a taxable ordinary dividend of 10 percent and Rajagiri an interim taxable ordinary dividend of 10 percent. Devashola have declared a final ordinary taxable dividend of 5 percent. Highland have declared a taxable ordinary dividend of 15 percent.

In the cotton mill section, South India Viscose have been subdued at Rs. 139 and Travancore Rayon at Rs. 24.20. Madura have declined to Rs. 32.50. Radhakrishna have declared a taxable ordinary dividend of 10 percent and Cambodia a taxable ordinary dividend of 9 percent.

Among miscellaneous shares, Aluminium Industries have been transacted at Rs. 17 and Ashok Leyland at Rs. 7.46. Dalmia Cement have come to hand at Rs. 13.10 and India Cement at Rs. 5.60. Mettur Chemical have been dealt in at Rs. 12.15. Business has passed in Seshasayee Paper at Rs. 7.75 and in Parry's Confectionery at Rs. 3.24. Travancore Cement have been done at Rs. 8.20 on declaring a taxable ordinary dividend of 7 percent. Bangalore Printing have declared a taxable ordinary dividend of 5 percent and United Electricals a taxable ordinary dividend of 7 percent. A. V. Thomas (Alleppey) have paid a taxable ordinary dividend of 13 percent and Travancore Rubber a taxable ordinary dividend of 12 percent.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs. 28/62—29/25—28/62—28/87—(35/62).
Burrakur Coal—Rs. 16/56—16/56—16/56—16/56.
Dunlop Rubber—Rs. 32/87—33/50—32/50—33/37—(44/25).

Guest, Keen, Williams—Rs. 33/75—33/81—33/62—33/69—(41/69).
Hindustan Motors—Rs. 16/69—17/65—16/62—16/62—(20/00).
Howrah Jute—Rs. 20/00—20/00—19/94—19/94—(22/62).
Indian Aluminium—Rs. 34/44—34/75—33/87—33/87—(41/75).
Do. (New)—Rs. 15/56—16/00—15/56—16/00.
Indian Copper—Rs. 4/03—4/30—4/02—4/26—(5/11).
Indian Iron & Steel—Rs. 22/46—22/74—22/28—22/30—(25/96).
J. K. Cotton—Rs. 13/28—13/69—13/06—13/06—(20/69).
Jaipur Udyog—Rs. 11/09—11/16—11/00—11/00—(14/06).
Kesoram Industries—Rs. 22/12—22/50—21/81—22/00—(32/19).
Orient Paper—Rs. 33/95—34/25—33/60—33/60—(44/00).
Orissa Cement—Rs. 14/00—14/00—14/00—14/00—(19/94).
Rohtas Industries—Rs. 11/12—11/81—11/12—11/37—(16/44).
Shree Gopal—Rs. 23/50—23/50—23/37—23/37—(27/75).
Textile Machinery—Rs. 23/75—24/05—23/65—23/75—(25/50).

GOVERNMENT SECURITIES

3 % Loan (1986)—Rs. 63/10—63/13—63/00—63/07.
3 % " (1966-68)—Rs. 96/35—96/35—96/35—96/35.
3 % " (1970-75)—Rs. 86/65—86/65—86/65—86/65.
3 1/2 % " (1965)—Rs. 99/50—99/50—99/45—99/45 S.T.
3 1/2 % " (1969)—Rs. 97/00—97/00—97/00—97/00.
3 1/2 % " (1968)—Rs. 98/88—98/90—98/88—98/90.
3 1/2 % " (1964)—Rs. 99/55—99/58—99/55—99/58.
3 1/2 % " (1974)—Rs. 95/60—95/60—95/60—95/60.
4 % " (1969)—Rs. 99/55—99/55—99/55—99/55.
4 % " (1972)—Rs. 99/20—99/20—99/20—99/20.
4 % " (1980)—Rs. 98/10—98/10—98/10—98/10.
4 % " (1981)—Rs. 98/20—98/20—98/20—98/20.
4 % U.P. (1963)—Rs. 99/75—99/75—99/75—99/75.
4 1/2 % Madras (1974)—Rs. 96/75—96/75—96/72—96/72.
4 1/2 % U.P. (1972)—Rs. 95/35—95/35—95/35—95/35.
4 1/2 % Orissa (1974)—Rs. 96/60—96/70—96/60—96/70.
4 1/2 % U.P. (1974)—Rs. 96/85—96/85—96/80—96/80.
U.P. Zemindari Rehabilitation Grant Bonds (8 collected)—Rs. 33/55—33/65—33/55—33/65.
Do. (9 collected)—Rs. 31/65—31/65—31/65—31/65.
4 1/2 % Loan (1972)—Rs. 100/05—100/05—100/03—100/03.

RAILWAYS

Bankura-Damodar—Rs. 27/00—27/25—27/00—27/25.
Dhri Rohtas—Rs. 13/75—13/75—13/75—13/75—(19/19).
Howrah-Amta—Rs. 40/50—40/50—40/50—40/50.
Shahdara (Delhi) Saharanpur—Rs. 45/00—46/00—40/50—40/50.

BANKS

Hindustan Commercial—Rs. 13/94—13/94—13/94—13/94—(18/00).
Punjab National—Rs. 18/87—19/06—18/87—19/06—(20/81).

United Bank of India (Rs. 10 paid)—Rs. 7/19—7/31—7/16—7/16—(7/56).
United Commercial—Rs. 68/00—68/00—68/00—68/00.

COTTONS

Aditya—Rs. 9/62—9/62—9/62—9/62.
Basanti—Rs. 11/56—11/56—11/50—11/50—(7/87).
Bowrah—Rs. 23/12—23/37—23/12—23/37—(32/50).
Elgin—Rs. 18/00—18/12—17/94—18/12.
Jay Shree—Rs. 14/25—14/37—14/19—14/37—(15/37).
Modi Spinning—Rs. 12/25—12/25—12/25—12/25.
New Victoria—Rs. 1/59—1/81—1/59—1/75—(1/75).
Do. (Pref.)—Rs. 2/94—3/25—2/94—3/19—(3/56).

COALS

Amalgamated—Rs. 23/56—23/75—23/56—23/69—(24/00).
Bharat—Rs. 3/94—4/12—3/94—4/12—(4/06).
Central India—Rs. 9/87—10/12—9/87—10/12—(12/81).
Ondal (Pref.)—Rs. 85/00—85/00—85/00—85/00.
Sendra—Rs. 5/69—5/75—5/69—5/75—(7/69).
Western Bengal—Rs. 9/12—9/19—9/00—9/06—(11/06).

JUTES

Agarpara—Rs. 10/62—10/87—10/56—10/75—(11/62).
Anglo-India—Rs. 224/00—224/00—224/00—224/00—(252/00).
Do. (Pref.)—Rs. 97/00—97/00—97/00—97/00—(94/00).
Barnagore—Rs. 192/00—192/00—192/00—192/00—(188/00).
Champdany—Rs. 24/50—24/75—24/25—24/50.
Caledonian—Rs. 200/00—200/00—199/00—199/00—(214/00).
Do. (Pref.)—Rs. 93/00—93/00—93/00—93/00—(195/00).
Gourepore (Pref.)—Rs. 88/25—88/50—88/25—88/50—(85/00).
Ganges—Rs. 13/62—14/06—13/62—13/81—(14/37).
India—Rs. 18/00—18/00—18/00—18/00—(17/75).
Khardah—Rs. 17/62—19/25—17/62—19/25—(17/31).
Kamarhatti—Rs. 204/00—205/00—204/00—205/00—(198/00).
Kankannarrah—Rs. 143/00—144/00—143/00—144/00.
Kinnison—Rs. 146/00—152/00—146/00—146/00—(160/00).
Kelvin—Rs. 185/00—185/00—185/00—185/00—(185/00).
Magna—Rs. 13/25—13/25—13/25—13/25—(13/00).
Nellimaria—Rs. 11/37—11/44—11/12—11/31—(12/00).
New Central—Rs. 12/94—13/50—12/81—12/81—(16/50).
Nudea—Rs. 57/50—58/00—57/50—57/50—(72/50).
National—Rs. 23/75—23/75—23/75—23/75—(22/50).
Reliance—Rs. 11/50—11/53—11/50—11/50—(8/25).
Do. (Pref.)—Rs. 116/00—116/50—116/00—116/50—(83/00).
Union—Rs. 158/00—158/00—158/00—158/00—(185/00).

MININGS

Assam Sillimanite—Rs. 7/75—7/75—7/75—7/75—(13/12).
Chrestien Mica—Rs. 10/06—10/12—10/06—10/12—(12/44).

Metal Corp.—Rs. 7/94—7/94—7/94—7/94—(13/12).
Orissa Minerals—Rs. 27/50—27/50—27/50—27/50—(42/60).

CEMENTS

Ashoka—Rs. 7/19—7/19—7/19—7/19.
Dalmia (Bharat)—Rs. 13/00—13/12—12/94—13/06—(13/19).
Do. (Pref.)—Rs. 8/50—8/50—8/50—8/50—(5/25).
Sone Valley—Rs. 4/56—4/87—4/50—4/62—(5/25).

CHEMICALS

Phosphate—Rs. 220/00—220/00—220/00—220/00.
Smith Stanistreet—Rs. 12/25—12/25—12/25—12/25—(16/25).

ELECTRICS

Calcutta—Rs. 14/25—14/31—14/25—14/25—(15/25).
Jubbulpore—Rs. 10/87—11/00—10/81—11/00—(11/00).
Patna—Rs. 10/62—10/62—10/62—10/62—(11/62).
Upper Jamuna—Rs. 16/00—16/00—16/00—16/00.

ENGINEERING

Arthur Butler—Rs. 14/87—14/94—14/87—14/94.
Binani Metal—Rs. 10/69—10/75—10/44—10/50—(12/62).
Burn & Co.—Rs. 470/00—470/00—463/00—463/00.
Do. (7% Pref.)—Rs. 116/00—116/00—116/00—116/00.
Bharat Ball Bearing—Rs. 13/00—13/00—12/81—12/87—(14/94).
Braithwaite & Co.—Rs. 29/37—29/50—29/37—29/50.
Britannia Eng.—Rs. 9/87—9/87—9/87—9/87—(9/87).
Calcutta Steel—Rs. 13/06—13/06—13/06—13/06—(13/06).
Chase Bright Steel—Rs. 6/35—6/35—6/35—6/35—(6/35).
Dalmia Iron—Rs. 10/62—10/62—10/62—10/62—(12/00).
Hope's Metal Windows—Rs. 12/00—12/00—12/00—12/00.
Indian Iron & Steel (Pref.)—Rs. 84/00—84/00—84/00—84/00—(84/50).
Indian Standard Wagon—Rs. 28/12—33/12—28/12—33/12.
Industrial Containers—Rs. 21/37—21/37—21/37—21/37.
J. K. Steel—Rs. 14/87—15/00—14/00—14/06—(18/00).
Jessop & Co.—Rs. 21/81—22/00—21/81—22/00—(24/06).
Kumardhubi—Rs. 7/94—7/94—7/81—7/81—(8/31).
Marshall's—Rs. 2/87—2/91—2/80—2/84—(3/87).
Machinery Manfg.—Rs. 18/81—18/81—18/75—18/75—(18/75).
Raymond—Rs. 3/69—3/69—3/69—3/69—(3/69).
Steel Containers—Rs. 29/50—29/50—29/50—29/50—(29/50).
Textile Machinery (6 1/2% Pref.)—Rs. 103/50—103/50—103/00—103/00—(103/00).
Wellman Incandescent—Rs. 6/75—6/81—6/69—6/69.

INSURANCES

New Asiatic—Rs. 8/56—8/56—8/37—8/40—(7/19).
Ruby General Insurance—Rs. 9/31—9/31—9/31—9/31.

MISCELLANEOUS

Aluminium Corp.—Rs. 12/44—13/00—12/44—12/87—(19/12).
Airways (India)—Rs. 4/00—4/25—4/00—4/19—(5/31).
Asiatic Oxygen—Rs. 9/31—9/50—9/12—9/44.
Associated Battery—Rs. 23/37—23/37—23/31—23/31—(31/25).
Asian Refractories—Rs. 7/12—7/31—7/06—7/19.
Angelo Brothers—Rs. 21/31—21/31—21/12—21/12.
Bhartia Sons—Rs. 2/50—2/50—2/50—2/50—(9/69).
British Paints—Rs. 18/37—18/75—18/37—18/75—(25/12).
Clive Row Investment—Rs. 8/40—8/50—8/40—8/50—(8/45).
Calcutta Tramways—Rs. 11/00—11/00—10/81—10/81.
Dr. Paul Lohmann—Rs. 11/58—11/56—10/87—10/87—(21/50).
Do. (Runamiation)—Rs. 0/90—0/95—0/65—0/69.
Dunlop Rubber (2nd Pref.)—Rs. 72/00—72/00—72/00—72/00.

East Anglia Plastics—Rs. 9/37—9/37—9/25—9/25.
General Tyres—Rs. 8/80—8/85—8/80—8/85—(6/60).
Hindustan Aluminium—Rs. 12/44—12/69—12/12—12/12—(17/81).
Hindustan Development—Rs. 4/10—4/19—4/10—4/12—(6/85).
Imperial Tobacco—Rs. 10/44—10/62—10/37—10/44—(11/12).
Indian Wood Products—Rs. 28/87—29/12—28/75—29/12—(32/37).
Indian Tag & Nail—Rs. 12/06—12/06—12/06—12/06.
Isaac Holdens—Rs. 14/31—14/37—14/19—14/19.
Jardine Henderson—Rs. 85/50—85/50—85/50—86/50—(88/00).
J. K. Synthetics—Rs. 10/75—10/81—10/56—10/56—(15/25).
Kusum Products—Rs. 30/00—30/00—30/00—30/00—(30/00).
Metal Distributors—Rs. 4/87—4/87—4/87—4/87.
Metal Box (Pref.)—Rs. 77/50—77/50—77/50—77/50.
Martin Burn—Rs. 26/25—26/25—25/62—25/62—(28/81).
National Insulated Cable—Rs. 24/12—24/37—23/87—24/25—(46/25).
National Rubber Mfg.—Rs. 12/12—12/12—12/12—12/12—(14/75).
National Tobacco—Rs. 11/69—11/69—11/69—11/69—(11/69).
Phillips India—Rs. 26/37—26/37—26/12—26/12—(35/75).
Rallis India—Rs. 116/00—117/00—116/00—117/00—(145/00).
Shaw Wallace—Rs. 14/75—14/87—14/75—14/81—(24/06).
Do. (Pref.)—Rs. 57/00—57/00—57/00—57/00—(57/00).
Sirsilk—Rs. 9/09—9/19—9/00—9/06—(10/84).
Universal Elec.—Rs. 9/25—10/00—9/25—10/00—(6/00).
Universal Cables—Rs. 9/94—9/94—9/81—9/81—(12/75).
Usha Martin Black—Rs. 13/94—14/00—13/87—14/00—(18/00).
Walford Transport—Rs. 3/69—3/69—3/69—3/69—(3/87).
Do. (P.O.)—Rs. 2/37—2/37—2/37—2/37—(2/69).

OIL

Indo-Burma Petroleum—Rs. 21/75—21/75—21/69—21/69—(28/69).

PAPERS

Ashoke—Rs. 3/56—3/69—3/56—3/69.
Orient (1st Pref.)—Rs. 91/00—91/00—91/00—91/00—(91/00).
Sirpur—Rs. 11/75—11/94—11/75—11/87—(14/19).
Seshasayee—Rs. 7/69—7/69—7/69—7/69—(8/25).
Straw Products—Rs. 9/12—9/12—9/12—9/12—(10/37).
Star (7% 3rd Pref.)—Rs. 75/00—75/00—75/00—75/00—(75/00).
Titagur—Rs. 16/69—16/69—16/06—16/25—(42/81).

SHIPPINGS

Calcutta Steam Nav.—Rs. 9/37—9/50—9/37—9/50—(9/44).
India Steamship—Rs. 6/50—6/62—6/44—6/56—(7/37).
Indian General Navgn.—Rs. 51/00—51/00—51/00—51/00—(65/00).

SUGARS

Balrampur—Rs. 2/12—2/12—2/12—2/12—(2/50).
Darbhanga—Rs. 7/94—7/94—7/94—7/94—(10/00).
Ramnugger Cane—Rs. 26/25—26/37—26/25—26/37—(29/87).
Shree Krishna Gyanoday—Rs. 7/00—7/12—7/00—7/12—(9/25).

TEAS

Baghmari—Rs. 18/56—18/56—18/56—18/56—(18/56).
Brooke Bond—Rs. 11/81—12/00—11/81—11/81—(15/06).
Baitakhal—Rs. 8/06—8/06—8/06—8/06—(8/06).
Central Cachar—Rs. 72/00—72/00—72/00—72/00—(72/00).
Gohpur—Rs. 16/50—16/56—16/44—16/56—(31/56).
Hasimara—Rs. 12/62—12/62—12/31—12/31—(10/12).
Hanuman—Rs. 10/06—10/06—10/06—10/06—(10/12).
Okayti—Rs. 600/00—600/00—600/00—600/00—(600/00).
Poobong—Rs. 7/44—7/56—7/37—7/56—(7/56).
Pussimting—Rs. 7/06—7/12—7/00—7/12—(7/12).
Rungamatee—Rs. 53/00—53/00—53/00—53/00—(53/00).
Sungma—Rs. 13/62—13/75—13/62—13/75—(13/75).
Soom—Rs. 35/00—35/00—35/00—35/00—(35/00).

London

BUSINESS IN SHARES FALLS

FIRM UNDERTONE IN GILT-EDGED

London, 29th May.

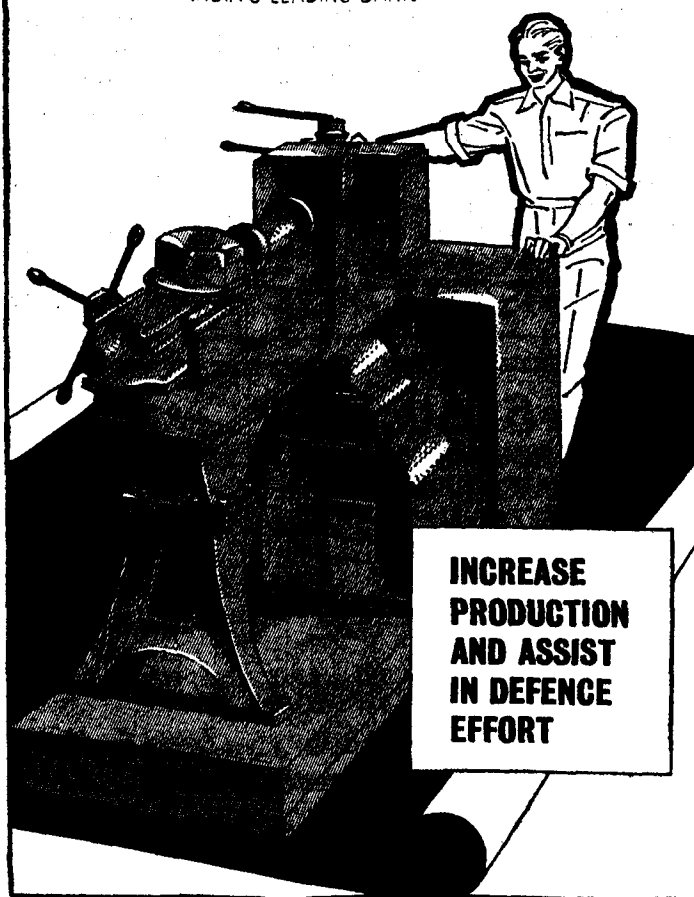
THE stock market gave a disappointing performance during the past week. There was a marked contraction in the volume of business, and generally prices drifted lower to record widespread, but usually small falls compared with the previous week's levels. Persistent talk of the possibility of an autumn general election was the chief unsettling influence. Further good company and economic news and the Chancellor's optimism on the outlook failed to offset the uncertainty caused by election fears. However, the gilt-edged market maintained a firm undertone, particularly in the long-dated stocks which inclined higher.

Banking shares were dull and insurances reacted after earlier firmness. Property shares attracted little attention. Industrials generally drifted lower. Most of the leaders recorded small falls, but there were several firm features mostly for specific reasons. Sugar shares moved up on the rise in the price of sugar, but later reacted with the commodity. Finance shares in the gold share market were supported at one time, but generally golds were very quiet. Coppers turned easier after earlier firmness. Tins attracted little attention. Oils inclined easier. Rubbers and teas were selectively supported from time to time. Dollar stocks fluctuated narrowly. The dollar premium recovered a small part of the previous week's heavy fall.

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RESERVE BANK

Money

THE CALCUTTA MONEY MARKET

MODERATE DECLINE IN ADVANCES

Wednesday, 29th May.

THERE has been a moderate decrease in the general level of advances in the Calcutta money market during the past week. This has been brought about by the slight decrease in the credit given to the jute and sugar mills. The accommodation extended to the iron, steel and engineering industries has gone up moderately. Advances to the cotton mills and to the foodgrains and seeds trade are almost unchanged. In the interbank market, conditions have hardened after an easy spell, and the call rate is quoted at 4½ percent.

The exchange market has been fairly active, with the supply of tea bills showing an improvement. Gunny bills continue at a moderate level. The demand for remittance is keen. Sterling is stronger in relation to all the major currencies with the exception of the Norwegian and Danish kroner.

SILVER WAS QUIET IN CALCUTTA during the past week. The price fell from the previous week's level of Rs. 270.50 to Rs. 260.25, quoted today for ready delivery and there was no business in forward. The London and New York prices were 110½d and 128½ cents. Gold was not transacted.

DURING THE WEEK ENDED 24TH MAY, Government of India Treasury bills for Rs. 18,56,50,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 28th May. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.410 percent and above were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.350 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres excepting Madras up to the close of business on 1st June and at Madras up to the close of business on 3rd June.

IT IS STATED THAT 91-DAY INTER-MEDIATE Treasury bills will be sold from 29th May to 1st June at Rs. 99.431 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 22nd May to 25th May amounted to Rs. 80 lakhs only.

THERE WERE DECLINES OF RS. 26.21 crores to Rs. 2,295.75 crores in active notes and of Rs. 24.11 crores to Rs. 2,318.20 crores in the total note issue in the return of the Reserve Bank of India for the week ended 24th May, 1963. The currency contraction was adjusted by increasing foreign securities by Rs. 5 crores to Rs. 1,10.08 crores, and by reducing rupee securities by Rs. 30 crores to Rs. 1,976.44 crores in the paper currency reserve. These adjustments were made by transferring relevant securities from and to the Banking Department. Hence balances held abroad in the latter department fell by Rs. 4.66 crores to Rs. 9.39 crores, while investments rose by Rs. 29.95 crores to Rs. 256.79 crores. Deposits of the Government of India rose by Rs. 3.07 crores to Rs. 57.18 crores, while those

of State Governments fell by Rs. 2.13 crores to Rs. 10.06 crores. Balances of scheduled banks fell by Rs. 90 lakhs to Rs. 82.60 crores. Their loans from the Reserve Bank fell from Rs. 24.92 crores to Rs. 8.76 crores, of which advances against usance bills were Rs. 6.28 crores (Rs. 17.49 crores). Ways and means advances stood at Rs. 50.70 crores, against Rs. 49.21 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 17th May, 1963, shows a rise of Rs. 1.74 crores to Rs. 556.33 crores in total deposits. Investments in Government securities and other authorised investments are up by Rs. 10.76 crores and Rs. 1.50 crores to Rs. 232.13 crores and Rs. 9.34 crores, respectively. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have declined by Rs. 9.73 crores to Rs. 298.19 crores. Cash and balances are, in consequence, shown at Rs. 24.48 crores or Rs. 1.68 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 17th May, 1963, shows Demand and Time liabilities at Rs. 1,024.62 crores (Rs. 32.38 crores on account of borrowings from banks) and Rs. 1,272.09 crores (Rs. 19.78 crores), compared with Rs. 1,018.60 crores (Rs. 25.05 crores) and Rs. 1,256.91 crores (Rs. 18.21 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have declined by Rs. 1.35 crores and Rs. 93 lakhs to Rs. 54.33 crores and Rs. 78.99 crores, respectively. There is a rise of Rs. 10.57 crores to Rs. 617.42 crores in investments. Advances and bills discounted at Rs. 1,579.26 crores show a drop of Rs. 18.70 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.8 percent and 68.8 percent, against 6 percent and 70.2 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 31-5-63.

Issue Date	Maturity Date	Amount (Rs. Lakhs)	Average Acceptance Rate
31-5-63	3-9-63	2,00.00	Rs. 2.350%
24-5-63	27-8-63	2,00.00	Rs. 2.355%
17-5-63	20-8-63	2,00.00	Rs. 2.360%
10-5-63	13-8-63	2,00.00	Rs. 2.354%
3-5-63	6-8-63	2,00.00	Rs. 2.350%
26-4-63	29-7-63	2,00.00	Rs. 2.349%
19-4-63	22-7-63	2,00.00	Rs. 2.354%
11-4-63	14-7-63	2,00.00	Rs. 2.360%
5-4-63	8-7-63	2,00.00	Rs. 2.370%
29-3-63	2-7-63	2,00.00	Rs. 2.370%
22-3-63	25-6-63	2,00.00	Rs. 2.370%
15-3-63	18-6-63	2,00.00	Rs. 2.370%
8-3-63	11-6-63	2,00.00	Rs. 2.365%
1-3-63	4-6-63	2,00.00	Rs. 2.365%

(Monthly Maturities '000's omitted)

June 1963	8,00.00
July 1963	10,00.00
August 1963	8,00.00
September 1963	2,00.00
Total	28,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
17-5-63		Rs. (Lakhs) 110.13
10-5-63		110.99

THE UNITED COMMERCIAL BANK LIMITED

CHAIRMAN, MR. G. D. BIRLA'S STATEMENT

Statement of Mr. G. D. Birla, Chairman, circulated to the members at the Twentieth Annual General Meeting held on Friday, the 24th May, 1963.

Gentlemen,

The Directors' Report and the accounts of the Bank for the year ended 31st December, 1962 have been in your hands for some time and it is a matter for satisfaction that the progress of the Bank has been maintained in a somewhat difficult year for banking. There has been some delay in the presentation of the accounts, but this has been due to the understandable desire of the Board to finalise the Balance-Sheet only after the Super Profits Tax proposals adumbrated by the Finance Minister in his Budget speech had taken final form so that any liability to the new tax to which the Bank might become subject could be squarely faced and taken into account.

You would have noticed from the report of the Directors that Mr. G. L. Bangur and Mr. M. L. Shah who retire by rotation this year are not seeking re-appointment as Directors by reason of their having attained the age of 68 years. Mr. Shah joined the Board in December 1946 and Mr. Bangur in January 1948. The Bank has benefited greatly by their long association and I wish to acknowledge on your behalf the valuable services rendered by them. Mr. Shrenik Kasturibhai was invited to join the Board as an additional Director during the year and you will be asked to confirm his appointment. I am confident that his participation as a Director will continue to be of great value to the Bank.

The Emergency

The Finance Minister's inclusion of such an innovation as the Super Profits Tax in an unprecedented Budget was, of course, directly in consequence of the dastardly Chinese aggression upon Indian soil. Faced with this challenge to the nation's integrity, the people have responded magnificently and, what is far more important, unitedly. Spontaneous contributions have been forthcoming both in the form of money and in greater productive effort. Banks for their part have had an even more responsible role in the functioning of the economy. On the one hand, in the front-line areas there has been the need to finance stocks and distribution of essential consumer supplies. On the other hand defence production has also necessitated suitable accommodation from the banking system. It is satisfactory to record that banks rose to the occasion and were not found wanting when essential financing endeavours were called for. Indeed, they took more care than ever before in the screening of requests for advances, for in the conditions created by the emergency they had to make doubly sure that their facilities were not abused for the speculative withholding of stocks.

Deposits

Resuming the review of the Bank's affairs, I am happy to state that during the year the Deposits of the Bank crossed the Rs. 100 crore mark and stood at Rs. 105.74 crores at the close of the year. This figure compares with Rs. 98.90 crores a year previously and thus showed a rise of Rs. 6.84 crores or 6.9 percent.

Cash and Securities

Cash on hand and with banks and money at call and short notice were

Rs. 11.24 crores and represented 10.6 per cent of Deposits. As the proportion of the Bank's holding of Government securities to its Deposits was already higher than the ratio for the banking system as a whole the addition to the securities portfolio is only of the order of Rs. 1 crore, the rest of the accretion to our Deposits being utilised for meeting the rising demand for credit from our industrial and commercial borrowers. Nevertheless, our quick assets consisting of cash on hand and with banks, money at call and short notice and unencumbered Government securities totalled Rs. 46.84 crores forming 44.3 per cent of Deposits, the corresponding percentages for the two previous years being 43.31 and 43.80.

Profit and Loss Account

The net profit of the Bank has shown a slight rise from Rs. 72.61 lakhs to Rs. 73.33 lakhs but in judging this figure it should be borne in mind that apart from the normal increase in working expenses the Bank had to bear an additional burden resulting from the implementation of the Desai Award, make provision for depreciation in the value of holdings of Government securities and pay the Deposit Insurance premium, all of which in the aggregate substantially eroded the increase in gross earnings during the year. We did not seek to offset these charges by reducing our Advances; we preferred throughout the year to adhere to our conventional standards of a high degree of liquidity. As stated in the Directors' Report the Board have transferred out of the profit Rs. 28 lakhs to the Reserve Fund and Rs. 4 lakhs to the Gratuity Trust Fund. After allocating Rs. 16.50 lakhs for bonus to the staff the Directors have recommended the maintenance of the dividend of 12 per cent, less tax on the old shares and the payment of a pro rata dividend on the new shares. The Directors have contributed Rs. 2 lakhs to the National Defence Fund from the 1962 accounts and a further sum of Rs. 2 lakhs early in January 1963, thus making our total contribution stand at Rs. 4 lakhs.

Capital Deposits Ratio

In my statement last year I had informed you that the Board had decided to increase the capital of the Bank by the issue of 200,000 ordinary shares at a premium of Rs. 25 per share and that an application had been made to the Controller of Capital Issues for sanction of the proposals. This sanction was obtained on 14th April, 1962, but a condition of the approval was that the issue should be made only after 31st August, 1962. When the issue was actually made conditions in the capital market had changed, and the Chinese aggression aggravated the situation therein. Notwithstanding these adverse factors applications were received for 160,000 shares which were allotted in full. The share premium of Rs. 40 lakhs realised, together with the year's allocation of Rs. 28 lakhs to the Reserve Fund, has brought the total of published Reserves of the Bank to the impressive figure of Rs. 3.03 crores. The amount called up on the new shares on capital account is Rs. 80 lakhs, the bulk of which has since been paid in, with the result that the capital base of Rs. 5.83 crores, comprising Rs. 2.80 crores in paid-up Capital and Rs. 3.03 crores in Reserves, gives an equity-deposits ratio of 5.5 per cent against the target of 6 per cent. I think it will be generally conceded that our Bank for its part has

spared no effort, whether by way of the quantum of transfer to the Reserve Fund or in the form of raising fresh capital through right issues, in striving to increase the ratio of equity plus Reserves to Deposits. Indeed, had the capital market been slightly better even the target of 6 per cent would have been hit.

Operating Costs

The Desai Award has imposed a heavy strain upon the banking system inasmuch as the number of categories of banks and the classes of areas have been reduced from four to three (though with some measure of relief), the salary structure has been radically revised and new burdens like leave-fare concessions and accumulation of medical benefits, for all workmen, have been introduced.

Although banks in their need to add to the Reserves, both inner and published, can ill afford such increases in operating costs, with a view to ensuring cordial relations and in the hope of this, in turn, effecting an improvement in labour productivity, the Award has been accepted in its entirety and implemented. Also, with the coming into being of the Deposit Insurance Corporation, the premium payable in this regard constitutes a new and not inconsiderable item of expenditure in the Profit & Loss account. The increase in costs on account of the premium is, however, of small consequence when set against the background of increased confidence in banks which was one of the factors which made it possible for bank Deposits to rise more than sufficiently to cover the expansion in Advances during 1962.

The Deposit Insurance scheme now covers six million accounts, with balances not exceeding Rs. 1,500 each, which form 77.6% of the total number of accounts in banks. The Reserve Bank is to be congratulated on the speedy

implementation of this scheme; for, the restoration of public confidence in banking is now complete.

In passing, I may mention that mechanisation has often been suggested as a solution to counteract the ever-increasing establishment charges. If the present day ultra-modern electronic accounting machines are to be used profitably, they need a vast volume of business transactions for processing and no branch of any bank in India has such a volume of business. The import policy of the Government of India at present is such that it does not permit import of even ordinary adding or calculating machines, not to speak of sophisticated accounting machines. The suggestion of mechanisation in banks in a big way is, therefore, at present impracticable and uneconomical.

Inter-Bank Agreement on Interest Rates

In the meantime, an important development during the year, which may go some little way to compensate for the increased expenditures to which I have just referred, was the adoption of the inter-bank agreement on interest rates on Advances. It was unfortunate that almost immediately after the agreement came into force an automatic upward revision of the prescribed minimum took effect by reason of the raising of bank rate, but the fact remains that we have now made a beginning towards evolving an orderly structure of interest rates for the banking system. For, despite minor and infrequent complication in its working, the Inter-bank Agreement on deposit rates has been operating satisfactorily. The small and medium banks have been seen to benefit in a fairly big way from the differential they were permitted to offer. The subsidiaries of the State Bank of India who are signatories to the Inter-bank Agreement have had a double advantage. They were naturally in a position to quote the enhanced rates on Deposits allowable for the "small" and "medium" categories of banks. Apart from the differential in interest rates, the fact is that the subsidiaries have enjoyed the other differential stemming from their status as subsidiaries of the State Bank. In the same way, I regret to say that, recently, the State Bank of India increased its deposit rates to bring them on par with those in the Inter-bank Agreement. Does the State Bank of India really need to offer the lure of interest rates on a par with the com-

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M. L. Jalan, **B. S. Mazumdar,**
Chairman. Manager, Head Office.

Applications must be made in the form accompanying the Prospectus which can be had from the Underwriters Bankers and Brokers to this Issue or from the Company's Registered Office.

BRAITHWAITE & CO. (INDIA) LIMITED

CHAIRMAN, MR. J. V. JARDINE PATERSON'S STATEMENT

Statement by Mr. J. V. Jardine Paterson to the Thirty-third Annual General Meeting of Members, to be held on 20th June, 1963.

Profits, Taxation and Dividend

The profit for the year, after providing Rs. 9,96,276 for depreciation and transferring Rs. 4,60,976 to Development Reserve, amounted to Rs. 1,06,44,579. This is indeed a satisfactory increase over preceding years and again reflects the benefit to be obtained from the policy which the Company has pursued of ploughing back money for the continual modernization and expansion of production facilities. It is unfortunate that this excellent result has been offset to a large extent by the Super Profits Tax introduced in 1963, and it will be noted that in addition to Taxation of Rs. 58,42,526 the Company will be liable for Super Profits Tax of Rs. 16,75,000.

As explained in the Chairman's Statement last year, it is necessary to build up again the Company's reserves to provide for the amortisation of the foreign exchange loans which are being finalised and for the rupee requirements

of the expansion plan. It is in these circumstances, therefore, and taking into account the former provision no longer required and the changed accounting procedure with regard to the provision for gratuities, that the Directors have recommended the transfer to General Reserve of Rs. 28,80,210 leaving available for payment of dividends the sum of Rs. 14,90,000. The amount available for payment of the Ordinary dividend is approximately the same as last year and the first interim dividend on the Redeemable Preference shares amounting to Rs. 90,000 has already been paid. It is the Directors' intention that in accordance with normal practice the Preference dividend should be payable half-yearly at the end of June and December.

Production and Development

CLIVE WORKS: In spite of the shortages referred to in the Directors' Report, total output was 27,479 tons, which was some 16% above the best previously achieved in 1957. It will be remembered that the available capacity in the Structural Shop was not fully booked in 1961 and it is to be regretted that in spite of an increase in output of nearly 50% in 1962, there was still idle capacity. This situation has, however, been general throughout the industry and has been the subject of many reports in the Press and elsewhere. With the further demands that are being made as a result of the National Emergency and the determination that the industrial development of the country should not be slowed down, it is now more than ever essential that Government should establish an efficient organisation to lay down priorities for orders that are placed and that all the necessary raw materials should be made available as soon as these priorities have been decided.

Notable contracts that have been booked during the year for the Structural Shop either directly or as a constituent of the Braithwaite, Burn and Jessop Construction Company Limited are:—

1,800 tons for extensions to the Indian Tube Company's plant at Jamshedpur.

2,000 tons for the double track main line girders for the Yamuna Bridge, New Delhi.

7,000 tons for the Alloy Steel plant at Durgapur.

Wagon building capacity is fully booked for a further eighteen months.

ANGUS WORKS: Reference is made in the Directors' Report to the delay experienced in receiving from Government the import licences required for the machine tools and equipment necessary

for the Company's expansion. It will be remembered that the Chairman referred last year to the application which had been made for these licences and expressed the hope that they would be forthcoming shortly after our foreign exchange requirements had been provided for. Owing to procedural delays, the final sanction of the Reserve Bank of India was not received until March this year since when there has continued to be an unfortunate delay in issuing of the required licences.

Progress in the Works has been greatly restricted by the limitations of the foundry caused by the shortage of pig iron and coke. There was a virtual shutdown in that department for three months on this account and throughout the year the quality of coke received has resulted in considerable increases in costs. Some improvement is hoped for, following allocations under priority for orders linked to defence requirements. The housing development and expansion of essential services that has been undertaken is handicapped by the shortage of cement and steel and this position is unlikely to improve.

Despite difficulties, however, satisfactory progress is being made and it is hoped that turnover will show an increase of at least 50% during the current year.

Exports

The Company's exports continue to be limited to Pressed Steel Tanks and we are grateful to our Technical Consultants, Braithwaite & Co. Engineers Limited, who have continued to co-operate closely with us in the development of the South-East Asian markets. I would again suggest that there is scope for the expansion of exports of other engineering products if the raw materials required by the industry are made available. This obviously can only be achieved through imports but it could be expected to result in a net gain in foreign exchange if not in a profit for the exporting company.

Labour

Relations with labour have continued to be good and the workers have been able to earn high rates of pay through production bonus. The quantum of annual bonus to be paid was settled under a bipartite agreement and the Company has made every effort to ensure implementation of the Code of Discipline. It is to be hoped that no disputes will disrupt these cordial relations which must be recognised as being the basis for the continued prosperity of the Company and all its employees.

Management and Directors

I would like again to pay tribute to our Managing Director, Mr. J. E. Bingham, who has worked tirelessly throughout the year to further the interests of the Company. The results of his work are to be seen in the increasing prosperity of the Company and to him and his senior executives, Messrs. Sawtell, Tayal and Morley must go the gratitude of all shareholders for what has been achieved. Our thanks are also due to the other executives and members of the staff of the Company, who have all played their part in producing the satisfactory results which are now before you.

Finally, I have to record the retirement from India of Sir John Brown, who for the last five years has been Chairman of the Company. We are most grateful to him for his invaluable

CAPITAL, 30th May, 1963.

THE STERLING GENERAL INSURANCE COMPANY LIMITED

EXCELLENT RESULTS — REMARKABLE PROGRESS

INCREASE IN PREMIUM, PROFIT AND RESERVES

Extract from the Chairman's Speech and Directors' Report placed before the Annual General Meeting of the Company held in New Delhi on May 25, 1963.

1962 has been a good year for the Company. In fact the best year for some time. The business has shown an all-round progress, and the steps taken during the last few years to improve the organization and internal controls, including drastic reduction in motor premium, have enabled the Company to further consolidate its position and show very satisfactory results.

Increase in Premium—Reduction in Claims

Gross premium has increased from Rs. 101.31 lacs in 1961 to Rs. 107.69 lacs in 1962 while Net premium increased from Rs. 30.54 lacs to Rs. 31.83 lacs. Simultaneously, there has been a sharp decline in claims from Rs. 24.23 lacs in 1961 to Rs. 18.48 lacs in 1962.

Reduction in Management Expenses

Despite the increase in premium, commission and management expenses have also been reduced, and amounted to Rs. 10.13 lacs during the year, as against Rs. 11.72 lacs in 1961.

Increase in Reserves

Underwriting Reserves including additional reserves have increased from Rs. 15.86 lacs in 1961 to Rs. 17.22 lacs in 1962; and a General Reserve has been started with a transfer of Rs. 75,000 from the Profit & Loss Account. The percentage of capital and reserves to net premium has increased successively from 71.3% in 1958 to 102.4% in 1961, and to 104.9% in 1962.

Increase in Profit and Dividend

After providing for all expenses, claims and reserves, the profit subject to tax amounted to Rs. 4,04,662 (Rs. 1,34,486 in 1961) and after providing for tax and making appropriations for General Reserve, Gratuity fund, etc. the Company has declared a dividend of 10% subject to tax on Equity capital (5% in 1961).

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

(Continued from previous column).

work during those years in guiding the development and expansion of the Company. We were particularly fortunate to have his specialised knowledge at our disposal at a time when the lease of the Angus Works was finalised, the Company's capital was re-organised and very large foreign exchange loans were negotiated. I am pleased to be able to tell you that he will be visiting India from time to time in the years ahead and that his valuable experience and advice will be available in the interests of the further development of the Company.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

CAPITAL, 30th May, 1963.

G.A.T.T. MEETING DISAPPOINTS DEVELOPING NATIONS

By Malcolm Subhan

GENEVA:

AS the 23-nation committee charged with the task of drafting a report on the problems of the developing countries broke up after a long and difficult meeting, a delegate from an Asian country was heard to exclaim angrily: "How can I return home with such an agreement?" There is no doubt that the Ministerial session of the G.A.T.T. which closed in Geneva last week proved to be a considerable disappointment to the delegates from the developing countries. Mr. Manubhai Shah felt that the conference, although it accepted in principle the eight-point programme of action submitted by the developing countries, had done no more than take a halting step in the right direction. Pakistan's Minister for Commerce, Mr. Wahiduzzaman, stated after the Conference: "Nothing substantial has been gained, but a beginning has been made."

The report adopted by the Conference noted that the Ministers of the less-developed countries had "expressed disappointment with the understandings and positions as set out by some industrialised countries and found them to be unhelpful." This curiously elliptical attack on the six Common Market countries deserves to be more closely examined at a time when Mr. Manubhai Shah, India's Minister for International Trade, is visiting Brussels, and the E.E.C. Commission is preparing to study the aide-memoire submitted by India last month.

Before proceeding to an examination of the draft report adopted by the Ministers at their final session, a few words on the Conference itself will not be out of place. It was clear from the first that for the industrialised nations at any rate, the success or failure of the Conference depended in the last analysis on whether or not agreement could be reached between the U.S.A. and the Common Market on the principles of the projected round of tariff negotiations—the Kennedy round. Once battle had been joined, so to speak, between Mr. Christian Herter and the Belgian Minister for Foreign Trade, who represented the Six, little was heard of the problems of the developing countries. As the struggle between the two grew more intense, the energies of both were more and more devoted to the task of finding a compromise which would prevent the Conference from breaking down completely.

Inevitably, neither the Six nor the U.S.A. could devote much time to the drafting committee entrusted with the task of reporting on measures to expand the exports of the developing countries. But such was the nature of the problems facing the members of the committee that crucial political decisions were necessary if the Six in particular were to make a fresh approach to the problem of the developing countries. In the end, the attitude of the E.E.C. remained substantially what it had been earlier in the year when the Action Programme was discussed in Committee III of the G.A.T.T.

U.S.-E.C.M. Conflict

While the preoccupations of the industrial countries with their own problems does not altogether explain the relatively meagre gains made by the developing countries, it does suggest however that attention will

remain focussed in the coming months on the conflict between the U.S.A. and the Six. Although the agreement reached in Geneva last week is more substantial than it appears at first sight, the fact remains that it leaves unanswered a number of important questions. These will now be studied by a working group, which in principle must report before 1st August. The most important of the problems concerns the formula for dealing with those tariffs which are significantly higher in the U.S.A. than in the Common Market. The Americans have admitted that such tariffs cannot be simply reduced by 50 percent. The Six, however, do not want to negotiate each of these tariffs separately. The search for a suitable tariff-cutting formula will, therefore, be long and may eventually prove fruitless, thus putting an end to the trade negotiations, which otherwise should open next May.

While it would be an exaggeration to say that the situation concerning the developing countries is equally uncertain, it is evident that the implementation of the Action Programme presented by the 21 developing countries will not be easy. The resolution finally adopted by the Ministers at their closing session authorises the setting up of an Action Committee which is to assist in the implementation of this programme and to initiate and co-ordinate the various "positive measures" mentioned in the 14-page report prepared by the drafting committee. The effect of this relatively forthright declaration is considerably blunted, however, by the report itself, which makes it abundantly clear that neither the six abundantly clear that neither the six E.E.C. countries nor the 18 African States associated with them accept the Programme of Action.

Refusal by African States

This fact will, of course, strongly influence the work of the Action Committee. It may lead to a renewal of the angry exchanges which marked some of the sessions of the drafting committee, although much will depend ultimately on the speed with which the Six are able to reach agreement with the U.S.A. on the basic rules of the Kennedy round. It must not be forgotten that if the Common Market countries found themselves unable to accept the Programme of Action along with the other industrialised countries, in the words of the report they nevertheless "endorsed in principle, the general objectives of the Programme, and declared themselves ready to contribute, for their part, to the fullest extent possible, towards the development of the developing countries."

As had been expected, only the E.E.C. countries and their African partners refused to support the general conclusions relating to tropical products contained in the report of the drafting committee. Under French pressure, they refused even to endorse the general objective of free access to markets for tropical products. Obviously, they could not agree to duty-free entry for tropical products by 31st December, 1963, without violating their agreement with the 18 African associated States. This does not mean that the Six are determined to maintain indefinitely the tariff preferences which the latter now enjoy. They argue, however, that international action "should, in particular, be directed to a deliberate effort to organise international trade in products of interest to the less

developed countries." This effort, in their view, must "take into account economic inequalities between the less developed countries themselves," some of whom "cannot at present face competition from the countries which have already achieved a certain degree of development."

Organising Markets Better

The Six maintain, therefore, that the primary effort should be directed not simply at eliminating barriers to trade, but at organising markets so as to assure the developing countries growing exports at "remunerative, equitable and stable prices." In this connection it may be noted that the recommendation for the gradual elimination of fiscal charges and revenue duties by 31st December, 1965, was strongly opposed by the Common Market. Thus if the Dutch representative could declare that no such taxes were levied in his country on products of interest to the developing countries, both the West German and the Italian representatives warmly defended such taxes which are extremely profitable to the Treasury.

On the whole, the Six's reluctance to abolish the preferences enjoyed by their African associates on tropical products led them to adopt in Geneva a more rigid attitude concerning tariff and non-tariff barriers generally. Thus, whereas the other industrialised countries were prepared to support a "standstill" agreement—no new tariff or non-tariff barriers to be erected against exports from the developing countries—the Six felt unable to give a similar undertaking. They also could not join the other industrialised countries in pledging themselves to seeking the elimination, or at least substantial reduction, of tariffs on primary products. As regards semi-processed and processed products from the developing countries, while the majority of industrialised countries agreed to work towards a substantial reduction of the tariffs on these products, the Six proposed that a study be made "to determine the selective measures... which could assure the developing countries the necessary markets for the products in question."

It would be wrong, however, to conclude from the foregoing that the Six's attitude to the problems of the developing countries was wholly negative. Significantly enough, it was the Belgian Minister for Foreign Trade who took up the Indian suggestion that the industrialised countries grant preferential treatment to the semi-manufactured and manufactured products exported by the developing countries. The Six also supported the proposal that a working party be set up to study the following proposals and to submit a report at the next Ministerial session: (a) the granting of preferences on selected products by industrialised countries to developing countries as a whole; and (b) the granting of preferences on selected products by the developing countries to all other developing countries.

At the same time, the Six subscribed to the belief that the "fundamental need" of the developing countries is for higher export earnings, and they joined the other members of the G.A.T.T. in seeking to extend the work of Committee III in collaboration with other international agencies, particularly the lending agencies. Moreover, the Six Common Market countries were

among the handful of industrialised countries which supported the demand by the developing countries for an amplification of the objectives and a revision of the principles and rules of the General Agreement on Tariffs and Trade, with a view to safeguarding the interests of the latter in the overseas trade and development programmes.

Lukewarm Endorsement

In his opening speech, the president of the Conference, Mr. Hans Schallner, told the assembled delegates from some 73 nations: "It is no exaggeration to say that, no matter whether our work is going to meet with success or failure, the world will not be quite the same as before." In retrospect, it is clear that the half-hearted manner in which the industrialised countries supported the Programme of Action has left things largely where they were when the Conference opened. Indeed, the outright rejection of the Programme by the industrialised countries would have had a far more stimulating effect on the conscience of the major trading nations than the lukewarm endorsement which it finally received.

Mr. Christian Herter, President Kennedy's special representative on tariff matters, told the assembled delegates that "no task this meeting faces is more important than that of finding ways to improve the export opportunities of less developed countries." Although all the Ministers who followed him to the podium echoed Mr. Herter's words, it is clear that many of the delegations from the industrial countries were more preoccupied with the Kennedy round than with the development problems of the non-industrialised world. Moreover, much of what the Ministers had to say sounded all too familiar. This was not surprising as the problem of helping the developing nations has been before the G.A.T.T. for some years now. The discussion at the last session centred in fact around an eight-point programme of action which 21 developing countries, including India, Pakistan, Nigeria and the United Arab Republic, presented in Committee III of G.A.T.T. (The eight points appear at the end of this article).

British Support

Mr. Frederick Erroll's endorsement of the action programme was perhaps the most enthusiastic of any representatives of an industrial nation. "The U.K. thinks it is of the first importance that industrial countries should state clearly and firmly their wholehearted acceptance of the broad concepts of the action programme, and we ourselves intend to do so," the President of the British Board of Trade told the delegates. He went on to point out that his country had already put into practice the various points contained in the programme of action, particularly as far as the members of the Commonwealth were concerned.

Mr. Herter declared that as regards the first seven points of the action programme "the U.S. has taken a positive action on all of them." He went on to say: "In certain cases, along with other industrialised countries, we have accepted the points recommended by the less developed countries with certain minor qualifications." His Government supported the proposal, for instance, that the industrialised countries in framing their policies affecting the pattern of production take into account the need for providing larger outlets for the exports of the less developed countries.

Whether by accident or design, most of the Ministers who spoke on the first day represented the developing countries and those who spoke on the second the industrial nations. Among the latter were the Ministers of Canada and Australia, both of

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whom vigorously supported the action programme, which the former described as "constructive and imaginative." He expressed concern, however, at the ideas contained in the last of the eight points "in so far as they contemplate new discriminatory measures." He felt they would require careful study, and expressed doubts as to whether the "weaker countries would be the ones most likely to benefit from the undermining of the principle of non-discrimination."

The developing countries taken as a group emphasised four points. They argued that the programme of action should be accepted as a whole, even though some countries laid particular emphasis on the need for the industrialised nations to remove internal or fiscal duties on products such as tea and coffee. They stressed the need during the Kennedy round for flexibility as regards the problems of the developing countries, and in general, supported the idea that the industrial countries grant tariff preferences to the less-developed countries.

Finally, they called for the strengthening of the institutional framework of the G.A.T.T., while a number of them suggested that the various international agencies concerned with the problems of the developing countries, such as the I.B.R.D. and the International Finance Corporation, be linked to the G.A.T.T.

Significantly enough, none of the developing countries took the position that the organisation was of no value to them. Mr. Manubhai Shah declared that India was "conscious of the valuable work which the G.A.T.T. has done all these years in the field of international trade, and we have lent our full support to its functioning." Several developing countries, however, stressed the fact that little progress had been made during the last 18 months in removing trade barriers. "Progress in the last 18 months," according to Mr. Manubhai Shah, "has been at best marginal and the overall situation of the developing countries today is, if anything, worse than what it was when we met in 1961." Clearly, the fear that some

of the developing nations may show their impatience with the G.A.T.T. by threatening to leave it—thereby strengthening the hand of Russia in the coming U.N. conference on world trade—has not been altogether dissipated and may yet influence the work of the Conference.

Common Market Attitude

A group of countries whose remarks on the action programme were awaited with particular interest was the Common Market. Not only did Ministers of each of the six member States address the Conference, but Mr. Jean Rey, the member of the Commission in charge of external relations, spoke also for the Community as a whole. Of the seven speakers, perhaps only the Belgian Minister of Foreign Trade, Mr. Brasseur, attempted to break fresh ground when he gave cautious approval to the proposal, first put forward in the G.A.T.T. by Mr. K. B. Lall, India's Ambassador to the European Communities, for preferential tariffs for the developing countries for the simpler manufactures.

Inevitably, the Ministers of all six member States maintained that while in principle they viewed with favour the action programme, their obligations towards the 18 African States associated with the Community made it impossible for them to accept all eight points unconditionally. They, nevertheless, expressed the hope that a way would be found to reconcile their commitments to their associates to the programme of action. It is obvious, however, that the Six will continue to resist any move to eliminate tariffs on tropical products by the end of the year as the action programme visualises. The most determined opposition has come, of course, from the French, who claim that such a step would lead to chaos as it would be the signal for a price war. In the French view—and in the view of the Community generally—the emphasis should, therefore, be in the first instance on price stabilisation schemes and marketing arrangements. They do not regard the present regional structure of the trade in tropical products as permanent, however, but visualise the eventual merger of the various regions with the gradual disappearance of preferential systems.

The Six also made it clear that the Community had already made a substantial contribution to the economic development of the non-industrialised countries. Mr. Jean Rey declared that the Six were prepared to conclude a trade agreement with any developing country which would express the wish. He pointed out that despite the breakdown of the British negotiations the Community hoped to adopt certain of the provisions made on that occasion to the three countries of the Indian sub-continent. The decision to reduce the common external tariff on tea to zero—which was formally approved by Mr. Erroll when he addressed the Conference—was the first step in this direction.

The most promising contribution from the Six came from the Belgian Minister of Foreign Trade who visited India last year. Mr. Brasseur argued that the industrialised nations could not insist on a monopoly as regards manufactured goods, and suggested that they grant the developing nations tariff preferences on certain products in order to enable the latter to develop their industrial production. According to Mr. Brasseur such a concession could not be offered in the case of two categories of manufactured goods: (1) those for which the developing countries possess a clear advantage over the industrial, whether because of cheap and abundant labour or ready access to, if not a virtual monopoly of raw materials, and (2) those which cannot be manufactured economically in developing

countries. At the same time, Mr. Brasseur stipulated that the preferences be granted only on condition that the developing countries undertake to liberalise their import trade as their manufacturing industries grew more competitive.

Sources close to the Indian delegation feel that Mr. Brasseur's proposals are far too vague and too hedged about with qualifications to be acceptable, though they do offer a basis for negotiations. While the Belgians do not appear to have discussed their proposals with their partners, they nevertheless have their support in principle. It now remains to be seen whether it can be expressed in a form acceptable to all the countries concerned. The Americans, who have so far opposed any exceptions to the most-favoured-nation principle, are prepared to study proposals for tariff preferences for manufactured goods.

PROGRAMME OF ACTION PRESENTED BY 21 DEVELOPING COUNTRIES, INCLUDING INDIA

(1) No new tariff or non-tariff barriers should be erected by industrialised countries against the export trade of any less-developed country in the products identified as of particular interest to the less developed countries.

(2) Quantitative restrictions on imports from less developed countries which are inconsistent with the provisions of the G.A.T.T. shall be eliminated within a period of one year. Where on consultation between the industrialised and the less-developed countries concerned, it is established that there are special problems which prevent action being taken within this period, the restriction on such items will be progressively reduced and eliminated by 31st December, 1965.

(3) Duty-free entry into the industrialised countries shall be granted to tropical products by 31st December, 1963.

(4) Industrialised countries shall agree to the elimination of Customs tariffs on the primary products important in the trade of less-developed countries.

(5) Industrialised countries shall also prepare urgently a schedule for the reduction and elimination of tariff barriers to exports of semi-processed and processed products from less developed countries, providing for a reduction of at least 50 percent of the present duties over the next three years.

(6) Industrialised countries shall progressively reduce internal charges and revenue duties on products wholly or mainly produced in less-developed countries with a view to their elimination by 31st December, 1965.

(7) Industrialised countries maintaining the above-mentioned barriers shall report to the G.A.T.T. Secretariat in July of each year on the steps taken by them during the preceding year to implement these decisions and on the measures which they propose to take over the next 12 months to provide larger access for the products of less-developed countries.

(8) In putting forward the seven specific proposals for action the countries sponsoring the action programme pointed out that the gap between the needs of the less-developed countries and their current earnings from exports was so large that even the adoption of the measures outlined above might not be adequate. The less-developed countries therefore urged that the contracting parties should also give urgent consideration to the adoption of other appropriate measures which would facilitate the efforts of less-developed countries to diversify their economies, strengthen their export capacity, and increase their earnings from overseas sales.

New Delhi

EXPANDING BARAUNI AND KOYALI OIL REFINERIES

(FROM OUR NEW DELHI CORRESPONDENT)

PLANS for economic and technical assistance from Russia for expanding the oil refineries in Barauni, Bihar, and Koyali, Gujarat, and for establishing a second precision instruments plant in Pudukseri, near Palghat (Kerala) have been finalised between the Governments of India and Russia. Protocols to this effect were signed in New Delhi recently. The present agreement provides for expanding the capacity of the refineries in Barauni and Koyali each from 2 million to 3 million tons a year during the third plan period. The foreign exchange costs of the two expansion projects will be financed out of the 112.5 million rouble credit (Rs. 59.53 crores) extended to India in February 1961.

The foreign exchange costs of the precision instruments plant in Kerala will also be met from the 112.5 million rouble credit (Rs. 59.53 crores) granted to India in November 1957. The plant will manufacture hydraulic, mechanical and pneumatic instruments for industrial process control. The plant's production pattern has been finalised in consultation with Russian specialists. The plant is the second Russian-aided instruments factory to be constructed in India. Together with the first one, designed for manufacturing electronic and electro-magnetic instruments, to be built in Kothah, the two plants will meet the increasing demand for precision instruments of Indian industries.

I. D. A.

Credit for Power Projects

The International Development Association (I.D.A.), an affiliate of the World Bank, extended a credit equivalent to \$20 million to India for electric power development in Andhra Pradesh. The credit will cover about half the cost of building a 120,000-kilowatt steam power-station in Kothagudem, a reservoir to supply cooling water and a 150-mile transmission line to equip the station with power facilities. The project is part of a programme of the State Government to relieve the chronic power shortage which has for many years hampered the development of industry and agriculture there.

The construction of the Kothagudem power project is one of a series of steps being taken by the State Government during the third plan period to increase capacity by about 380,000 kilowatts. The demand in the State, it is estimated, will reach 500,000 kilowatts by 1966; the present rate of increase is expected to continue thereafter. With this rapid growth in prospect, the Kothagudem station has been designed to allow for a doubling of capacity in the next stage of development and for an ultimate capacity of 1 million kilowatts or more. Over two-thirds of the demand is expected to come from industry, among which are plants producing iron and steel, ferro-manganese, textiles, jute, rayon, rubber, fertilisers and chemicals and engineering goods.

The I.D.A. credit for India is for a term of 50 years. The repayment of the principal will begin on 1st

December, 1973. Thereafter, 1 per cent of the principal will be repayable annually for ten years and 3 per cent annually for the final 30 years. The credit is free of interest, but a service charge of three-quarters of 1 per cent a year on the amount withdrawn and outstanding will be made to meet the I.D.A.'s administrative costs.

The Governments of India and the United States concluded an agreement last week. It provides for an American loan of \$8.4 million (Rs. 4 crores) for financing the foreign exchange costs of expanding the capacity of the Ramagundam thermal power-station in Andhra Pradesh. The U.S. Government has approved two more foreign exchange loans to the Government of India. The first, for \$7.7 million (Rs. 3.7 crores), will finance the foreign exchange cost of a ropeway project in the Jharia coalfields. The other credits of \$5.1 million (Rs. 2.4 crores) will be used to double the output of the Dugda coal washery. Both these projects, located in Bihar, will make a significant contribution to increasing the supply of coaking coal to steel mills.

The loans are repayable over a period of 40 years with a grace period of ten years. They are free of interest and carry a service charge of three-quarters of 1 per cent a year.

The existing Ramagundam power-station has an installed capacity of 37,500 kilowatts. The United States will finance the installation of a 60,000 kilowatt turbo-generator with associated boiler and other facilities. This will enable the expansion of many industries in the Telengana area, including cement factories, collieries, paper and pulp plants, and textile mills. The Ramagundam station will also increase electric power supply to the metropolitan area of Hyderabad and Secunderabad.

The ropeway project in the Jharia coalfields will transport 3 million tons of sand each year over a total distance of 25 miles. The sand, obtained from the river Damodar, will be used to fill up mined spaces in the coalfields. Coal seams in the region are thick, and the roofs of the mines are supported by vast coal pillars. These pillars contain good quality coking coal. By stowing sand, most of the coal in the pillars can be removed. The project will help increase coal production by 1.5 million tons a year.

The expansion of the Dugda coal washery to be financed by the last of the loans announced will also help increase the supply of good quality coking coal to the steel mills. The first stage of the coal washery, which is now in operation, processes 2.4 million tons of coal a year. The second stage will double the capacity to 4.8 million tons.

The first stage of the washery used \$6 million from the credit extended to the Government of India by the U.S. Export-Import Bank, and the second stage will be financed by the present \$5.1 million loan. Coal with high ash content, separated in the washing process, will be used in generating electricity at the Chandrapura thermal

power-station which is located close to Dugda.

BOKARO

Prospects Surveyed

In its report on the Bokaro steel plant, the U.S. steel mission made a number of suggestions on raw materials, land, water, power, transport and management. While speaking at a Press conference in New Delhi last week, the Central Minister for Steel and Heavy Industries, Mr. C. Subramaniam, made a detailed statement on the subject. Referring to raw materials, he said that the U.S. team had indicated in its report that the best source of iron ore for the Bokaro project throughout all its three stages would be Kiriburu. "In Phase I, 100 percent of the ore will be lump. In Phase II and in Phase III, only 55 percent and 30 percent, respectively, will be lump ore, and the balance being fines generated at the mines to be used after sintering. As a result of further discussions, it has been decided to plan to get 2.5 million tons of lump ore from Kiriburu, against 2 million tons recommended by the U.S. team for Phase I and 7 million tons for Phase III, against 5.7 million tons for the final stage as recommended by the U.S. team.

"One of the problems raised by the U.S. team during its visit and in its final report was the relatively high percentage of alumina in the Kiriburu iron ore. This makes it difficult to use the fines for producing good and economic sinter. A similar problem has arisen for some time at the three Government steel plants. The National Metallurgical Laboratory in Jamshedpur has already done some work in this direction as a result of which it is being tackled through beneficiation of the iron ore. Extensive samples of iron ore from Kiriburu are being taken up for full-scale study in Jamshedpur. This problem appears to be capable of solution through proper beneficiation of fines by washing.

Coal Requirements

Coal: The requirements of coal for steel have to be viewed over the long term as a problem in advance planning for the steel and coal industries. These are under constant review by the Government of India and associated agencies. In order to use India's low-grade high-ash coal for the steel plants, we will have to establish a number of coal washeries at suitable locations. The distribution of coal from the washeries to various steel plants is a problem for mutual discussions and settlement taking into account the pattern and cost of transport. This does not present an insuperable problem. Considerable detailed work has been done and is in progress on various aspects of the question. Investigations are being made to determine the characteristics of the blend to be used in the various steel plants. It has also been established that Bokaro can be well served from Kathara and Dugda-II washeries in the first stage. Full-scale tests on this are now in progress at the T.I.S.C.O., Jamshedpur.

"Limestone: The U.S. team considered that one of the most serious deficiencies in the supply of princi-

pal raw materials is concerning limestone. Long before the U.S. team's visit, Hindustan Steel had already taken up a detailed investigation of various prospective areas of limestone not only with reference to the needs of Bokaro but also with reference to the needs of other steel plants. Since the visit of the U.S. team to India, considerable work on the possibilities of raising limestone in the Bhavanathpur area in Palamau district of Bihar has been done. Detailed investigations in Bhavanathpur have proved that adequate reserves of blast furnace grade limestone, nearly about 200 million tons, are available in the area and arrangements are being made to open up a captive mine at this place. For steel melting grade limestone, a captive mine will be opened up in the Satna area, wherefrom limestone is already being mined.

"When the U.S. team visited the Bhavanathpur area, detailed work on the deposit had just begun. The extensive work since carried out indicates that the limestone in Bhavanathpur would be of a slightly better quality than what has been indicated in the U.S. team's report as minimum acceptable. As for limestone for the steel-melting shop, there is no difficulty concerning quantity and quality.

Water: Arrangements have been made with the Damodar Valley Corporation and the Central Ministry of Irrigation and Power to construct a dam across river Damodar in Tenughat costing about Rs. 12.5 crores to get the water supply needed for operation. The time schedule for the construction of the Tenughat dam has been drawn up in such a way as to leave enough margin to get adequate quantity of water for Phase I. The construction of the Tenughat dam is expected to be completed in six to seven years to supply 140 cusecs of water needed by Bokaro in Phase II. The water from Tenughat dam will be carried by an open canal as recommended by the U.S. steel team. Steps have been taken to construct this canal also.

Land: It has been decided to acquire 42,500 acres of land for the Bokaro steel works, its township and ancillary works such as railways, etcetera. About 5,000 acres of land has already been taken over. The Bihar Government will start handing over the rest of the land from July 1963.

Power: For the construction of the steel works, about 8-megawatts of electric power is required. Arrangements have been made with the Damodar Valley Corporation to supply this at any time we want it. According to the U.S. team's report, for the operation of the steel works, 94 megawatts of power is required for Phase I. There will be no difficulty to get this power, since the Chandrapura thermal power-station, which is being built with American aid, will be in commission before the first stage of Bokaro goes into operation.

Transport: The U.S. team's observation in its report that the fulfilment of present plans for the construction of tracks and the supply of rolling stock is the pre-requisite for efficient and fully productive operation of Bokaro is concurred in by the Government of India. We are concentrating on adequate implementation of this plan.

Some Problems

"Certain problems of details are commented on below: (a) iron ore: The railways feel that there will be no difficulty in transporting the 2.5 million tons of iron ore from Kiriburu to Bokaro. The railways have assured that by 1971-72, they will have completed the doubling of certain sections and such other improvements

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of the track as are necessary for transporting 7 million tons of iron ore to Bokaro. The details of this have been discussed with the Railway Board officials at various meetings recently and decisions have been taken.

"For transporting coal, two cable ways—one from Kargali-Kathara (whichever coal mine is finally decided) and the second from Dugda—will be constructed. The Argada coal will be received by rail; for this also, there is no difficulty. The coal middlings required would be obtained by rail from Ramgarh coal washery, which is expected to come into production in the third plan period. In this matter also, there is no difficulty.

"(b) Limestone: The blast furnace grade limestone will be received from Bhavanathpur. This will be transported by constructing a new railway line from Bhavanathpur to Ramna joining the new railway line now under construction from Robertsganj to Garwa Road. The railways have been asked to take up the construction of the Bhavanathpur-Ramna link which is about 14 miles in length. This will be ready in time for Phase I.

"The S.M.S. grade limestone will be ultimately transported by rail from the Katni area via Singrauli joining the Robertsganj-Garwa Road railway line now under construction.

"(c) Finished products: The railways have assured us that for transporting about 1 million tons of the finished product from Phase I, there will be no difficulty and the necessary wagons, etcetera, will be made available. As for the other stages of Bokaro, the various points raised in the U.S. team's report are being further examined by the Railway Board, and it is confidently ex-

pected that the problems can be solved well in time.

"Management: The U.S. steel team has recommended that Bokaro should be managed by an organisation separate from that of the existing steel plants. The Government of India had indicated to the team, even when it was here, that it was thinking on the same lines. The Government has now decided to set up a separate company to run the Bokaro plant. It is the Government's intention to give this organisation the necessary flexibility to run a modern industry efficiently, taking into account the U.S. steel team's observations.

A number of important issues have been raised by the U.S. steel team concerning the management of the engineering construction and operation of the Bokaro steel plant. The Government of India considers that the question is not whether the management of the Bokaro steel plant should be American or Indian. It is rather how to manage the plant efficiently. For this purpose, we will have to recruit as many people from the U.S.A. as cannot be found from among the qualified Indian personnel. This has been the lesson of our experience in Bhilai, Durgapur and Rourkela. Taking this experience into account, we will have to examine how many Americans will be needed for helping us to manage Bokaro, in what positions and for how long a time, Mr. Subramaniam concluded.

SHIPPING

Indo-U.S. Cargo Service

The Shipping Corporation of India will start from next month its once-a-month direct cargo service from India to the United States, it is

announced. The first vessel *Vishwa Maya* will leave India on its maiden voyage to the U.S.A. on 8th June.

MINERALS

Meeting in Bangalore

Several proposals for the speedy development of the Indian mineral industry will be considered at the session of the All India Mineral Advisory Board beginning in Bangalore on 30th May, 1963. The advisability of fixing zone-wise targets for the export of iron ore through the serving ports and the programmes for the movement of exportable iron ore are chalked out for the different supplying areas by joint consultations among the railways, the State Trading Corporation and its suppliers will be considered by the Board. A proposal that the State Governments should make prior consultation with the Government of India before levying any direct and indirect taxes, cesses or any other levies affecting the mining industry situated in a State, will also come up for consideration at the meeting.

The need for greater Central assistance to the State Governments for mineral development schemes has been suggested. The Board will be urged to recommend the expeditious survey of underdeveloped States by the Geological Survey of India. The regular supply of explosives to the mining industry and an adequate supply of wagons for the movement of minerals produced are some of the other subjects which will come up for consideration.

The appointment of a high-power commission to go into the details of the metalliferous mining industry in India has been suggested. The transport and communication problems of the metalliferous mining in-

dustry in the eastern zone will be discussed at the meeting. The present operating capacity of iron ore and manganese ore mines in Bihar and Orissa and the Guwahati-Manoharpur section of south-east railways is about 6 million tons annually, against the present transport capacity of 2 million to 3 million tons. The proposals seek to urge the railway authorities to increase the transporting capacity of the particular section. Several suggestions have also been made for increasing the production of mica and its export.

CAPITAL, 30th May, 1963.

AID-INDIA CLUB

Meeting in Paris

The crucial meeting of the Aid-India Club will be held in Paris on 4th June. Two issues are involved. Firstly, although there is a legitimate and logical explanation for it, there is a feeling among the aid-giving countries that India had not been able to use more than 50 percent of the aid offered to her for the first two years of the third plan. Secondly, as far as the U.K. and the U.S.A. are concerned, they are being asked to give massive military aid to India. The U.K. is, however, worried about its own internal economic problems. This has naturally placed certain limitations on its resources. But it is still anxious to assist India within its financial limitations. Knowledgeable circles say that if its contribution towards India's defence effort is raised eventually, it may be, to a certain degree, at the cost of economic aid to India.

The position of the U.S.A. is simpler. It has provided military aid to India during its fiscal year ending 30th June, 1963, from its overall allocation for military aid. It is prepared to

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continue giving aid on a similar basis for a number of years. But in giving massive aid, it will have to seek the sanction of Congress. In order to get the sanction, it will like India to do the lobbying for herself, just as other countries, such as Pakistan, are doing.

IRON ORE

Exports to Japan

A message from Tokyo says that ten major Japanese iron and steel manufacturers have signed a two-year barter agreement with the State Trading Corporation last week. Under the agreement, Japan will import 4,450,000 tons of iron ore at \$10.22 a ton and India will buy Japanese steel at \$104 a ton. This revoked the earlier agreement under which Japan was to import 2,650,000 tons of iron ore at \$11.34 a ton. It is too early to say what repercussions this deal will have on other iron ore importers, particularly West Germany and Italy. They may similarly link the import of iron ore with their surplus commodities.

Japan, it is pointed out here, has been virtually buying contracts in India by quoting rock bottom prices, which, as a buying country, India has not been able to resist. Japan was able to overbid all its competitors in the alloy steel project. It has been able to oust the traditional suppliers of railway locomotives from the Indian market.

Reference was made in these columns last week to the telephone switching project. The World Bank loan of \$42 million for the project is divided into three parts, for microwave equipment, for telephone switching and for cables. As could be expected, the tender of Nippon Electric Company of Japan for microwave is the lowest, as also for telephone switching for which the tenders are as follows:

	(In \$ million)
Nippon Electric Company	5.6
International Telephone and Telegraph Corporation of the U.S.A.	7.7
L. N. Ericsson (Sweden)	9.1
Automatic Telephone and Electric Co. (U.K.)	12.1
Northern Electric Company of Canada	14

In addition to supplying the equipment for telephone switching, the successful tenderer will also become eligible to establish a factory in India for the same type of equipment. As the Japanese tender is lower by over \$2 million to its next competitor, with probably a cushion for bargaining, there is every chance that it will be accepted eventually.

The western countries, and in particular the United Kingdom, apparently feel greatly concerned over their being elbowed out from India and probably from south-east Asia. The case of the alloy steel project is cited to illustrate the point. If India were to have a second plant in Bhilai and the United Kingdom or Canada had agreed to finance it, the presumption should be that India would demand that its total foreign exchange cost should not exceed the one supplied by the Japanese. This would be impossible, and unless the Japanese credits were available, India would have to pay a higher price for a second alloy steel plant. Alternatively, India should decide whether it would be wise on her part to put all her eggs in the Japanese basket. In any case, the iron ore-steel barter deal is bad in principle and detrimental to India's trading interests.

ALUMINIUM

Progress of Projects

There is a definite move to accelerate the progress of the aluminium

industry. While in Hungary, the Central Minister of International Trade, Mr. Manubhai Shah, will make arrangements for an early report on the public-sector project in Madhya Pradesh. Some progress is also reported in the Mangalore project in the private sector. Thanks to the good offices of the Central Steel Minister, Mr. C. Subramaniam and the Central Defence Minister, Mr. Chavan, the Maharashtra Government has agreed to make bauxite available for the project. The Government is waiting for the deadline when the licence granted to Mr. Murarji Vaidya for the project may be revoked and negotiations started afresh with another Indian party to undertake the commissioning of the project. Meanwhile, a definite move forward is expected by the beginning of June.

SMALL INDUSTRIES

Report by U.S. Team

A U.S. team is here again on its third and final visit for perspective planning of small-scale industries. An early report is expected.

COAL

Importing Mining Machinery

The Cheddi Lal mission has returned to New Delhi after a successful visit to Belgium and the United Kingdom where it saw new and second-

hand coal mining machinery to be imported into India for raising coal production. Belgian credit is usable for these imports. India, it is expected, will shortly place an order for a sizable quantity of mining equipment. The mission also paid courtesy visits to France and Poland, both of which are assisting India in raising coal production—Poland in deep coal mining and France in introducing the "caving" method. Poland is financing seven deep coal mines, each having a washery.

The last Finance Act has improved the climate for coal mining in the private sector. The Act, it will be recalled, has raised the development rebate from 20 to 35 percent and has exempted certain items of coal mining equipment from duty.

PETRO-CHEMICALS

Advisory Body Set Up

A Petro-chemical Advisory Committee—on the model of the Oil Advisory Committee—has been set up in the Central Ministry of Mines and Fuel, with the Minister-in-charge as its chairman. The Central Ministry of Mines and Fuel has been claiming jurisdiction over the industry primarily because it has jurisdiction over oil refineries, which produce raw material for the industry. If this contention is accepted, the Central Ministry of Mines and Fuel will have jurisdiction, among others, over the steel industry and the Central Ministry of

Agriculture, among others, over cotton, jute and plantation industries.

Chemicals are within the jurisdiction of the Central Ministry of Commerce and Industry, and it had been claiming jurisdiction over the petrochemical industry as well. While the whole issue is being discussed, the Central Ministry of Mines and Fuel, as reported earlier, has set up an advisory committee.

Meanwhile, the Ministry of Commerce and Industry has issued a letter of intent to Mafatlals to set up a naphtha cracker with a capacity of 200,000 tons in the Bombay area. Mr. Mafatlal is due to leave for the United Kingdom and the United States to fix up a financial and technical collaborator.

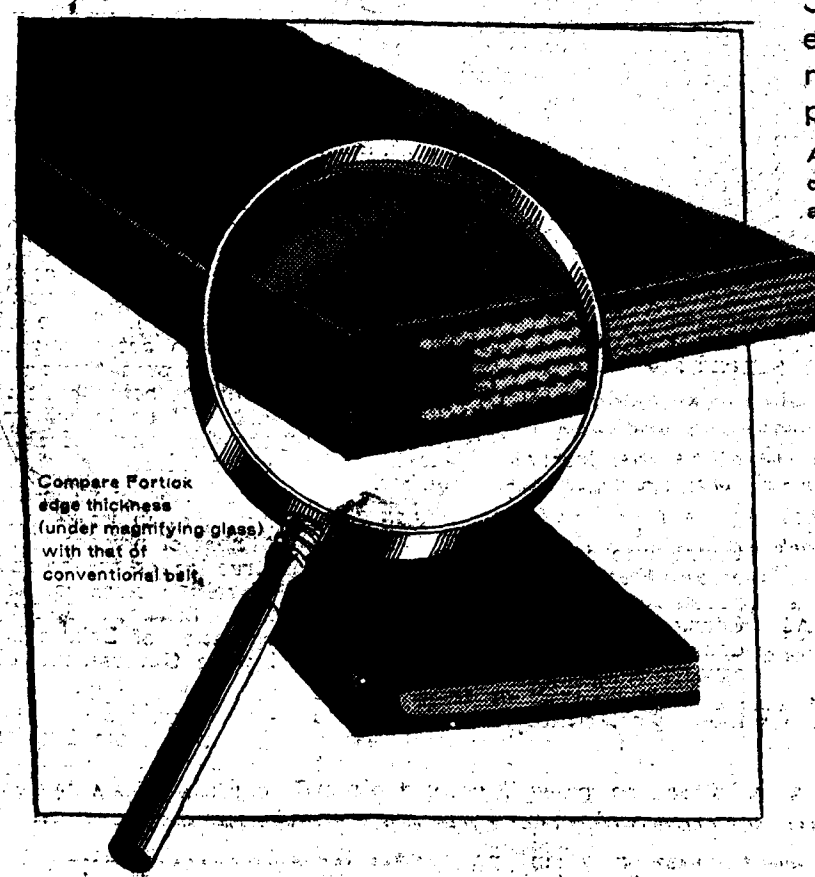
Meanwhile, Union Carbide, which has been licensed to set up a 60,000-ton naphtha cracker, also in the Bombay area, is going ahead with its project.

S. T. C.

Link Pact Concluded

In the issue of *Capital* of 9th May, it was stated on page 686 that the State Trading Corporation had concluded a link agreement with Messrs A. B. Sukab of Sweden for exchange of goods valued at Rs. 1.56 lakhs each way in a period of one year. The figure should have been Rs. 1.55 crores.

NEW FORTLOK CONSTRUCTION GIVES DUNLOP CONVEYOR BELTS AN EDGE OVER OTHERS



Conveyor belts are most vulnerable at the edges. The new Dunlop **FORTLOK** construction more than doubles the life of the belt edge by providing double edge cushioning capacity.

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89/MN/64

SHARP RECOVERY IN U.K. ECONOMY FORECAST

(FROM OUR LONDON CORRESPONDENT)

FOR just over a year now, Britain has been regaled with talk of the coming economic expansion, but hitherto the actual indicators, while being encouraging, have somehow failed to provide a really convincing answer. Now, however, it looks as though the prospects are more encouraging than usual. The National Institute of Economic and Social Research in its issue of *Economic Review* for May confirms many other forecasts by predicting a "sharp recovery". The two quarters up to March have been disappointing, but the *Review* suggests that output should soon start rising at the rate of about 4 percent a year.

This is rather less than has been suggested by other forecasters. The argument is that apart from the bad winter, it has been the decline in fixed investment and stockbuilding which has pulled output down. Both these sectors of expenditure are now likely to stop contracting. In addition, current expenditure of public

authorities is rising and exports should rise "a little further", according to the *Review*. Employment is expected to improve further, although the first effects of the recovery will be a lengthening of hours worked rather than an increase in the number of people at work. In fact, the Institute calculates that by the end of 1963, unemployment may be little, if at all, lower than it was at the end of last year. This, it should be pointed out, is a gloomier view of the situation than is taken by officials in Whitehall.

While the general argument that the coming expansion will be slow to absorb manpower is fully in line with the U.K. Treasury's view, as set out in the economic report last month, the latest idea seems to be that by autumn serious unemployment will be mainly confined to the development areas. Seasonal trends will, of course, add again to the numbers out of work in the winter months, but Whitehall will be disappointed if the

total at the end of the year is anything like that of last December.

Industrial Production Up

Even so, it will do no harm to take a look at the latest industrial production index to see to what extent expectations are likely to be realised. This refers, of course, to March, and is, therefore, not perhaps as revealing as its successors ought to be. The best that can be said for it is that it marks the end of the great winter paralysis. The seasonally adjusted figure for "all industries," which includes construction, is five points up at 115, after rising four points from January to February. The figure is just up to the October-November level and not yet equal to the somewhat higher average of May-September. There is certainly nothing in these figures to bear out Mr. Maudling's assertion earlier last week that the economy had started to expand.

A very slightly better picture emerges from the manufacturing in-

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dustries alone, for which the March index is 116, compared with 115 for March 1962. Here again, the level is not yet up to that of May-September, when monthly figures of 117 and 118 were reported. The U.K. Treasury comments that the five-point rise in the March figure for all industries, seasonally adjusted, reflects mainly the recovery of the construction industry from the effects of the severe weather. The smaller rise of two points in the manufacturing index for March came from a number of industries, especially engineering and electrical goods. The plain fact is that in spite of the revival of the construction activity and the boom in the motor-car industry, the official estimates still show no evidence of general economic expansion. Of course, the latest index figure deals with a period that ended seven weeks ago. A good deal must have happened since then. But the absence of any real speed-up in March—except for the climatic change—comes as a disappointment.

The way in which expectations have been raised by hopeful official pronouncements can be seen in the monthly review of a leading New York stockbroking house, which writes as follows on the situation in the United Kingdom: "Although the March index of industrial production is not yet available, there can be no doubt that the normally strong seasonal spring improvement will be particularly pronounced this year." Perhaps it will be.

A Remarkable View

Expansion may be in the pipeline. Mr. Maudling has been careful to warn the country not to judge by statistics, but "by the feelings and views of practical men of business." That is a remarkable view to come out of the Treasury, which has always regarded judgments based on the views of business men as a mere journalistic exercise. One welcomes the conversion, but doubts whether anyone in Whitehall has yet developed a method of discovering and weighing up the "feelings and views of practical men of business."

The slow recovery of industrial output makes it all the more significant that company profits are already well on the way up. No doubt, certain industries and firms have done very much better than the average. As always, the overall national statistics are weighed down by the depressed industries. But in a number of cases, higher profits have actually been made on a static or even reduced volume of production or sales. This ability to get costs a unit of output down and so to increase profit margins in a period of slack trade should produce substantial results when the real expansion comes at last.

In the same issue of the *Review*, the Institute draws attention to the sharp downward revisions of the personal savings figures for past years which the statisticians have been making. The savings ratio in 1956, for example, originally given as 10.1 percent, is now shown as 6.2 percent. The 1959 figure, originally estimated at 7.4 percent, has since been drastically revised, and is shown in the latest national income accounts at only 5.5 percent.

The *Review* comments: "It seems clear that there is a systematic tendency for the savings ratio to be overestimated, the bias being greater the more recent the estimate. This is chiefly because, as new information comes in (from the census of distribution, for instance) it tends to show that the increase in consumption has been understated." The *Review* goes on to suggest that part of the spectacular rise in the savings ratio in recent years (the latest figures give the ratios as 10 percent for 1961 and 8.9 percent for 1962) may again disappear in future revisions.

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Jute

MOVE TO RAISE FREIGHT RATES WORRIES GUNNY EXPORTERS

EXPORTERS of Indian goods in general, and of jute goods and sea in particular, are worried over the possibilities of an upward revision of the westbound cargo freight rates following the present round of discussions among the spokesmen of the India-Pakistan-U.K.-Continent Shipping Conference and the representatives of various export promotion councils, trade associations and chambers of commerce. Conference circles say that although there has been a more than 45-percent increase in operational costs, they have asked for only a 15-percent rise in the freight rates. Since 1957 there has been no increase in the rates. They were, in fact, reduced in June 1958 either directly or through an increase in the deferred commission. In 1962, the freight rates on jute and jute goods were further cut, it is stated. Explaining their difficulties, a spokesman of the Conference lines has said that while the latter are eager to help expand India's export trade, they cannot but raise the freight rates on westbound cargo on account of the sharp increase in operational costs. Conference circles believe that liner services are indispensable for the development of India's economy and her foreign trade, so they should be offered higher returns. Meanwhile, efforts are being made to arrive at a compromise.

The present position is that under the 1962 agreement with the Government of India, the Conference cannot introduce an overall increase in the freight rates before 30th June this year. The agreement laid down that in matters connected with the revision of the rates, the shipping interests should first thrash out the issue with the shippers. In the event of any disagreement, the matter would be referred to the Government of India. It is believed that Conference circles might have agreed to a lower increase but for the provision in the agreement that once an increase is effected, it cannot be revised in two-and-a-half years.

In course of the talks already held in Calcutta and Madras, Indian trade interests have pointed out that so high an increase in the freight rates will affect India's exports, particularly at this juncture when the country is trying to build a thriving overseas market. They have urged the shipowners to reduce operational costs by modernising their facilities. Ceylon and Pakistan, it is further understood, have rejected the proposal.

Growing Consumer Resistance

If the proposed increase is eventually accepted, it may cause a serious setback in the overseas offtake of Indian jute goods. It is felt that a 15-percent rise in the freight rates will increase the price of jute goods in export markets by more than 1 percent. This will cause an appreciable shrinkage in their demand. Consumer resistance is already perceptible, and the Indian industry has been trying hard to overcome it by keeping down its production costs. The volume of gunny exports has increased with the progress of modernisation and diversification in the industry. Jute circles, however, hope that the Conference authorities will weigh the comparative advantages between a higher freight

with a lower volume of cargo and the present rates with a higher volume and desist from insisting on the proposed increase.

Pakistani Competition

Pakistan is gradually gaining an increasing foothold in the world jute goods markets. U.S. market statistics for March 1963 show that out of 158.07 million yards of hessian purchased by that country during that month, India got orders for 147.65 million yards (93.4 percent) and Pakistan 10.21 million yards (6.5 percent). Total forward purchases as at the end of March for April and distant positions were 264.48 million yards. Of this, India held 236.49 million yards (89.4 percent) and Pakistan 26.58 million yards (10.1 percent).

In March 1963, Pakistan exported 17,696 tons of jute goods. Of this, 12,340 tons were sacking, 5,266 tons hessian and 90 tons miscellaneous goods. Total exports during the nine-month period ended March 1963 were 168,481 tons, comprising 120,333 tons of sacking, 46,629 tons of hessian and 1,469 tons of other goods. Of this, Australia was the best customer for heavy goods, since she absorbed as much as 27,345 tons. West Africa came next with an intake of 16,898 tons, South Africa 12,578 tons and east Africa 11,383 tons. The U.S.A. bought 21,878 tons of hessian.

With an average of 8,759 looms in operation, the total output of gunnies during the period was 221,281 tons—151,496 tons of sacking, 62,664 tons of hessian and 7,121 tons of miscellaneous goods. About 1.3 million bales of raw jute was consumed by the industry. During the corresponding period of 1961-62, the industry had a complement of 8,059 looms at work, producing 201,837 tons of jute goods. Of this, 138,613 tons were sacking, 53,813 tons hessian and

9,411 tons miscellaneous goods. About 1.2 million bales of raw jute was consumed.

Raw Jute Arrivals

Arrivals of raw jute in Calcutta and mill stations during April 1963 were 487,130 bales—467,380 bales from India and 19,750 bales from Pakistan. The total was 121,170 bales lower than the figure for the previous month and also 81,670 bales less than in April 1962. Arrivals between July 1962 and April 1963 were 5,882,000 bales from India and 359,000 bales from Pakistan, making a total of 6,241,000 bales. In the corresponding period of 1961-62, total arrivals were fractionally higher at 6,325,000 bales, made up of 5,962,000 bales from India and 363,000 bales from Pakistan. Thus arrivals during this season were lower by 84,000 bales than those during the same period of the previous season—those from Pakistan declined by only 4,000 bales, while India's share was lower by 80,000 bales.

Fibre Exports from Pakistan

Export sales of 78,446 bales of raw jute were registered with the State Bank of Pakistan during the second half of April. Czechoslovakia was the best customer with an intake of 13,690 bales, followed by Japan with 12,110 bales and West Germany 7,845 bales. Total sales during the ten-month period ended April 1963 were 3,387,000 bales, against 3,766,000 bales for the corresponding period of the previous season.

Raw Jute Crop Prospects

The tornado which blew over parts of north Bengal and the northern wing of East Pakistan during the past week was followed by heavy rainfall in the Jalpaiguri, Cooch Bihar, Dinajpur, Lalmanirhat, Rangpur, Bogra, Pabna, Serajganj, Mymensingh and Sylhet areas, indirectly helping the standing jute

plants. In other districts of East Pakistan and West Bengal, rainfall has been scanty with the result that the soil has dried up. Farmers are relieved to hear the weather clerk's forecast that monsoon is in the offing. Heavy rainfall followed by an inundation of the fields was reported from scattered areas in Assam. Prompt arrangements for drainage saved the standing jute plants. Reports from Purnea and Saharsa districts of Bihar and from wide areas in Orissa and Tripura reaching Calcutta state that the plants are thriving well in those areas. It appears from available indications that the crop prospects are good. The raw jute acreage, it is reported, is about 10 percent higher than in the previous season.

THE JUTE MARKETS

Manufactured Goods: The manufactured goods market opened on a subdued note during the past week and receded further on the emergence of a larger number of mills as keen sellers for all positions in both hessian and heavy goods. Chances of an upward revision of the freight rates on westbound cargo following the present discussion between the India-Pakistan-U.K.-Continent Shipping Conference lines and Indian exporters induced caution and drove overseas buyers to the fence. Indian jute goods prices are already considered high in these markets. A 15-percent increase in the freight rates is likely to affect the sales of jute goods and stimulate the use of substitutes. Towards the close, scattered business was reported in sacking with Australia and in hessian with the U.S.A., Argentina, Chile and the Continent. But these failed to enthuse sentiment, and prices registered a further decline. There was no Government tender during the week. In the futures market, transactions in May contracts in B Twills and hessian were closed from Saturday. There was heavy bull liquidation in both, depressing the trend. But hessian remained firmer than sacking in view of the sustained interest in the former. Fluctuations were wide in sacking and narrow in hessian.

In the spot market, B Twills registered a loss of Rs. 2.20 to Rs. 111.60 for May, Rs. 1.75 to Rs. 112.25 for



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June, Rs. 1.35 to Rs. 1.13 for July-September, Rs. 1.40 to Rs. 1.12 for October-December, and Rs. 1 to Rs. 1.12 for January-March 1964. Hessian showed a lower loss of 70nP to Rs. 51 for May, nil to Rs. 50.90 for June, 30nP to Rs. 49.70 for July-September, 35nP to Rs. 48 for October-December and 40nP to Rs. 47.10 for January-March 1964.

In the futures market, B Twills May declined by Rs. 2.40, against the previous week's gain of 10nP to Rs. 110.90 after moving between Rs. 113.45 and Rs. 110.90, while Hessian May lost 64nP, against a gain of 86nP during the preceding week to Rs. 49.84, after fluctuating narrowly between Rs. 50.90 and Rs. 49.84. For August positions, B Twills showed a loss of Rs. 1.40 to Rs. 112.60, after Rs. 114.05 and Rs. 112.05 and Hessian 30nP to Rs. 49.10, after moving between Rs. 50.10 and Rs. 48.74. Turnover was moderate and the undertone hesitant.

At the close, the differential between May ready and futures was higher from 50nP at the end of the preceding week to 70nP in sacking and lower from Rs. 1.26 to Rs. 1.16 in Hessian. The corresponding figures for August were 40nP, against 35nP in the former and 60nP, against the same, in the latter.

Wednesday's quotations were as follows:

	May	June	July	Oct.	Jan.
40in. 70oz.	37.40	37.40	36.50	35.75	35.10
40in. 80z.	39.90	—	—	—	—
40in. 100z.	50.75	50.75	49.50	47.65	46.90
B Twills	111.65	112.25	113.00	112.50	112.00
Corn sacks	113.50	114.00	113.50	114.75	114.25
Heavy Cees	—	—	—	—	—
(Plain)	111.50	112.00	113.00	112.50	112.00
A Twills	134.00	135.00	136.50	137.00	136.00
Liverpools	127.00	127.00	127.00	126.50	126.00

Raw Jute: The raw jute market lacked interest. Mills did not like to take lower grade jute at a discount. Small transactions were reported in quality fibres in bare marginal lots at the prevailing levels, basis Rs. 29 a maund, ready f.o.r., Calcutta for Assam Bottoms. The market was awaiting official permission to commence trading in the new crop.

The futures market was subdued. Upper Assam White Bottoms June moved idly around the floor level of Rs. 30 a maund. Scattered business commenced for September positions from Monday. Opening at Rs. 30.52, it moved within a narrow range between Rs. 30.58 and Rs. 30.50 to close at the latter rate. Turnover was small and the undertone hesitant at the close.

With the gradual depletion of up-country stocks and an extremely restricted turnover at lower-than-floor levels in the agencies, arrivals at the Cossipore market were shrinking. Sellers there were freely offering their holdings at below the floor levels. But hardly any business of interest was reported to have been transacted.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)		T.S.D. Prices	
	Rs.	Rs.	Rs.	Rs.
Assam-Agaritola	76.36	23.50	80.38	30.00
Jute	76.36	28.50	79.04	29.50
Northern Jute	72.34	27.00	72.68	27.50
Western Desai	89.75	33.50	85.74	32.00
Assam-Agaritola	85.73	32.00	83.05	31.00
Tossa	68.32	25.50	72.34	27.00
Local Duisee	68.32	25.50	72.34	27.00
Bihar Dist.	60.28	22.50	66.98	25.00
Pakistani N. C.	90.00	a bale.	June-July	

THE U.K. JUTE MARKETS

FIBRE REMAINS FIRM

(FROM OUR DUNDEE CORRESPONDENT)

A STEADY tone existed in the raw jute market in Pakistan last week, and prices became slightly dearer. This applied to both old and new crop fibre. Although there has been excessive rain in some of the jute-growing districts of East Pakistan, no damage has been done to the young plants. Despite this firm position, there were offers of some grades of new crop at under the current minimum export price levels. However, this did not attract much buying at present, and business was confined to fairly small quantities.

The spot market in Dundee was also firmer and good quality jute was no longer available at discounted rates. A substantial quantity of jute was still offered ex warehouse Dundee, but as spinners were already holding large stocks, business was of a selective nature. Old crop prices were lowest at £111 for Mill Lightnings, at £94 for Mill Hearts and at £78 for Grade Hearts, c.i.f. U.K., for June-July shipment. Grade Tossa-2/3 was available to a limited extent at £121 10s and Grade Tossa-4 at £105 10s. Output Tossa-2/3 was at £95 15s and Output Tossa-4 at £85 10s—June-July. Cuttings were steady at £54 for S.N.C. and at £45 10s for N.C.

Books

PROBLEMS OF ECONOMIC PLANNING

Indian Economy. By G. C. Jangir. (Published by Atma Ram and Sons, Kashmere Gate, Delhi 6. Price Rs. 14, pages 756.)

This book examines the various aspects of the Indian economy in the light of the successive five year plans. A book of this nature has to be descriptive to some extent; the author has also discussed the background of the different problems whenever necessary. One can detect certain repetitions in different chapters, but this is possibly unavoidable in a publication of this type. The author has collected material and statistics from various authoritative publications and journals with a view to showing the relative progress and shortfalls in different sectors of the economy during the plan periods. The author's conclusions may be summed up as follows. The economy is progressing but at a slow rate, and the path is beset with many difficulties, one of them being a very high rate of population growth (2 percent a year). This has compelled the nation to use up a substantial part of its resources, including foreign exchange reserves, in feeding additional mouths each year. The democratic system of Government, which relies more on persuasion and voluntary acceptance by the people rather than on imposition and regimentation, does not usually ensure rapid progress.

There had also been certain major defects in the implementation of the plans, particularly the third plan, with the result that the actual rise in national income and output fell far short of expectations. The increase by 2.2 percent in national income in 1961-62 was hardly sufficient to match the 2 percent rise in population. Domestic savings by individuals, corporate bodies and the Government could not be raised according to expectations from the second five year plan period. On the other hand, the inflationary pressures on prices, which have often accompanied development expenditure by the Government, appeared to have prevented progress by discouraging the marginal propensity to save and inducing the cost structure to rise. The author is, however, hopeful that once the defects in planning and expenditure are removed by better co-ordination and foresight, the original aim of the plan should not be too difficult to realise. The goal is moderate and not ambitious.

There are several misprints in the book. As for example, on page 594, the deposit with the foreign banks in 1958 is stated to be Rs. 1.96 crores—this should presumably have read Rs. 196 crores. On page 582, the figures given for assistance (authorisations) by the U.S. Government do not agree with those appearing on the chart in the previous page. On page 557, paragraph 3, the author states that India's imports from the non-sterling area are almost constant at 14 percent to 15 percent. As the U.S.A. and Canada are also in the non-sterling area and now belong to the "external accounts area" with the European countries (except of course the U.K.), the statement needs modification.

Indian Chamber of Commerce, Calcutta. Published by Oxford Book Company, 17 Park Street, Calcutta 16. Price Rs. 6, pages 136.)

Various specialised institutions have come into being for providing finance to industry, but each has its own procedure, constitution and responsibilities. The Indian Chamber of Commerce, therefore, considered it desirable to bring together in a compact book the details of procedures for obtaining financial assistance from these institutions and, in particular, information on such matters as the extent of loan that is given by each of these institutions to any single borrower, the nature of security that will have to be provided, the margin that the financing institution generally requires, the rate of interest that it will charge, the form in which applications for loans should be made and other relevant information which any person seeking financial assistance from these institutions will require. In the present edition, all the information given in the first edition has been revised and brought up-to-date. There is an appendix outlining the scheme introduced by the Government of India for the guarantee of advances granted to small industries.

PLANNING IN U.P.

Planning in Uttar Pradesh. By P. N. Masaldan. (Published by Vora and Co. Publishers Private Ltd, 3 Round Building, Kalbadevi Road, Bombay 2. Price Rs. 3, pages 49.)

This is the report of a research project entitled "A Study of Co-ordination of Planning at State Level in U.P." The study was divided into two parts. The first part was on the organisation and procedures of the various mechanisms stipulated to achieve co-ordination and the second one was on the nature and extent of co-ordination achieved in actual practice.

The U.P. secretariat is said to consist of a band of clerks (page 31) and proper co-ordination is rendered difficult by the procedure suggested by the secretariat manual which lays down that on each reference the officer concerned will either prepare a reply or ask the office to prepare it. But the latter course is invariably followed, lowering the level of initial consideration. The administrative department is described as a post office, passing the files from one office to another. The Government of India, it is said, interferes with matters of details falling within the purview of local offices. For example, the Ministry of Health suggested a reduction in the height of rooms of the proposed Medical College in Kanpur from 17 feet to 12 feet. But the Principal and the Executive Engineer of the Medical College did not agree. The Ministry replied that the Government of India would give assistance in accordance with the ceilings to be fixed by it and the extra expenditure on account of the increased height of buildings would have to be borne entirely by the State Government. The need for co-ordination among the co-ordinating agencies is also stressed (page 37).

Commodity Markets

TEA PLANTERS RESENT EXTRA TAX BURDEN

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE chairman of the Central Travancore Planters Association, Mr. J. C. Strange, said in Peermade last week that the introduction of the new super profits tax would hit "most unfairly" the great majority of the tea producing companies in India. Addressing the latest annual general meeting of his Association, the chairman said: "There are more tea companies in planting than any other sector where the original capital has not been altered, while the assets have expanded. The 6 percent rule will apply with exceptional severity on old established tea companies because it will be related to the original capital and it will also penalise efficient management".

While fully appreciating the country's need for raising more money through taxation to meet the challenge of emergency, the chairman felt that the nation could probably raise the extra resources required with much less strain if the large number of paid holidays and the lavish absenteeism which in the planting industry and in Kerala was about 20 percent could be reduced and if a good eight-hour work day was put in by labour. "The question of a fair day's work for a fair day's wage is before the three plantation wage boards set up by the Government of India. If the wage board decides on a wage boost without a like increase in work output, it will be an act of cost inflation in an industry which can now least afford it", he added.

Mr. Strange said that the planting industry in this country had to pay a higher price than all its overseas competitors for almost all the essential supplies on which they had to depend for production. The Indian planters had to pay more because most of the manufacturing industries supplying their needs were protected and they did not have to face the competition in an import-restricted country, whereas the plantation products had to be sold in a free world market. Over and above the effect of import restrictions and protection afforded to these industries, sales tax and excise duties at different stages of production added to the cost. The competitors of Indian planters abroad could buy the latest machinery and equipment from the most reputable suppliers without any of the involved, protracted and sometimes endless procedures the planters here had to undergo and they were available at considerably less price. He added that tea machinery of the right type was almost unobtainable on account of import restrictions in the country and many of the gardens had to continue to manufacture teas with out-of-date equipment.

Referring to the need for replanting, he said that planting began in his district in the late '70s of the last century, but some of the land with tea might be tired out as a great deal of the planted area was well over 65 to 70 years. The planters have made the existing tea bushes good producers by careful husbandry and general care. He underlined two facts. One was that while the crop was doubled in 22 years, the planters were still managing with factory facilities organised to meet less than half the present-day intake of crop. The other was that while the bushes had responded well to the cultural practices and

yielded high crops, any long-term improvement should now be based on replanting and replacement with the new type of high-yielding planting material. Both these demanded capital investment. The trend of taxation was such that the necessary resources could not be built up internally. A correction to this policy might not occur until it was too late, and the economy of the industry seriously damaged, Mr. Strange said.

The chairman drew attention to the uneconomic price for tea and said that last year from about 37,689 acres in his district, 35.9 million lbs of tea was produced. This was a remarkable achievement in production. The realisation in the market did not, however, match this record in production as 4 million kilograms of dust grade tea from this district was sold through Cochin auctions realising Rs. 1.81 crores in 1951, whereas the sale proceeds from 4,776,022 kilograms of dusts in 1962 were Rs. 1.64 crores. So the average price obtained from these dust grades dropped 72nP a kilogram but the offerings were 16 percent more. On-leaf sales, they offered over 840,000 kilograms more last year, but realised Rs. 11 lakhs less in value. Thus the earning was becoming less and less as production grew more and more. Therefore, in his opinion, the time had come when the planters should endeavour to improve quality. Unless the appearance at least was improved, the difficulty of the producer in selling his teas at a reasonable price was bound to increase.

Growing Cash Crops

The Planning Commission has advised the Kerala Government not to interpret the national objective of food self-sufficiency in its literal sense at the State level, but to place emphasis on the production of cash crops like rubber, coconut, arecanut and cashew in which the country is either deficit or in the export of which the country is interested. The soil and climatic conditions of Kerala are very suitable for the cultivation of these crops unlike most other

parts of India. Mr. Sriman Narayan, Member of the Planning Commission, who disclosed this to the newspaper men last week said that Kerala should give top priority to rubber among the cash crops and make the maximum efforts to increase production. In this strategically important commodity, the country was in deficit today, and was spending substantial amounts of foreign exchange for imports. For rubber production programmes, an amount of Rs. 4.40 crores was included in Kerala's third plan, Rs. 3.80 crores for loans to smallholders of ten acres and less and Rs. 60 lakhs for loan assistance to landless and poor peasants who take to rubber cultivation. It had also been decided to raise the replanting subsidy from Rs. 400 to Rs. 1,000 an acre. Rates of loan assistance for new planting also has been increased to Rs. 750 an acre.

When it was pointed out to him that despite all these assistance promises, the progress made in the matter of rubber production was very slow and unimpressive, Mr. Narayan said that he was at a loss to understand why it was so. He has asked the Kerala Government to point out to the Planning Commission its genuine difficulties, if it had any, and promised their quick removal.

At the instance of the Planning Commission, the Kerala Government has decided to bring under 50,000 acres Sea Island cotton by the end of the fourth plan. The Planning Commission and the Central Government are keen that Kerala should devote some attention for the cultivation of this long-staple cotton, which is now largely reported. Kerala alone holds out the possibilities for its successful cultivation, and if its cultivation was discarded in the State, India could never think of growing this variety of cotton, Mr. Sriman Narayan said. The Kerala Government has pointed out some difficulties like the high cost of production and has demanded special considerations like price support. The Planning Commission has agreed to consider these demands sympathetically.

More Indian Tea Consumed at Home

(BY A SPECIAL CORRESPONDENT)

SINCE the final export sale of leaf teas for the 1962-63 season was completed, world prices have recorded

a slow but steady decline in prices. Having regard to the statistical situation of this industry in relation to supply and stocks, this downward tendency is puzzling, but news from Russia gives one clue. This correspondent has pointed out the apparently extravagant claims made by Russian sources as to the great advances made by the planters in Georgia, both as to quality and quantity. Recent news to hand from that area indicates that the 1965 target has already been exceeded.

With reference to east Africa, it is reported that production is expected to increase rapidly in the near future. On that showing, the F.A.O. warning that supplies would exceed consumption presages a difficult year for Indian tea producers. Fortunately, perhaps, the chairman of the Indian Tea Board will not listen to the prophets of gloom. He continues to preach that new markets will be opened up and maybe some old ones will be recovered. It is also gratifying to find that Messrs W. S. Cresswell and Co. Private Ltd who have a long experience of the vagaries of the tea trade have some encouraging comments to make. Firstly, last year's world production was lower at 1,485.5 million lbs, compared with 1,491.2 million lbs in 1961. A year ago, the estimated amount of tea in India carried over into the 1962 account was 334 million lbs. Now the figures are estimated at 295 million lbs only.

As for Indian domestic consumption, the firm says:

"Consumption has undoubtedly risen again and is now thought to be in the region of 315 million lbs annually. The quantity estimated to be retained in India from the last season's crop, therefore, represents a remarkable change from the very comfortable stock position of June 1962, and explains the sustained demand from internal buyers in the closing sales of the season.

"The internal market once again demonstrated a marked preference for teas of C.T.C. manufacture, particularly dusts and broken, and this has been largely responsible for the switch to this type of manufacture by so many gardens in the Doars, and more recently in Cachar, who were unable to obtain reasonable prices for their orthodox teas."

Prospects in E.C.M.

As for the European Common Market, it is said "in spite of Britain's failure to join the Market,

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to April 1963. As compared with March, the April indices

for Food, Clothing and Miscellaneous show rises of 15 points, 4 points and 3 points, respectively, while that for Fuel and Lighting reveals a drop of 3 points.

Combining all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living increased by 9 points during April 1963.

Middle Class Cost of Living Index Number for Calcutta. Prices in August, 1939=100

Groups	Weights	GROUP INDICES											
		Apr. 1962	May 1962	June 1962	July 1962	Aug. 1962	Sept. 1962	Oct. 1962	Nov. 1962	Dec. 1962	Jan. 1963	Feb. 1963	Mar. 1963
Food	53.6	547	548	551	555	563	568	573	573	562	550	553	563
Fuel and Lighting	4.4	291	291	291	299	299	299	299	299	299	299	299	307
Clothing	12.4	592	592	592	591	596	598	598	598	598	598	598	602
Miscellaneous	29.6	310	310	310	310	311	311	311	311	311	311	311	314
Combined Index	100.0	471	471	473	476	481	484	487	487	481	474	476	491

Compiled and constructed by the Statistical Department of "Capital"



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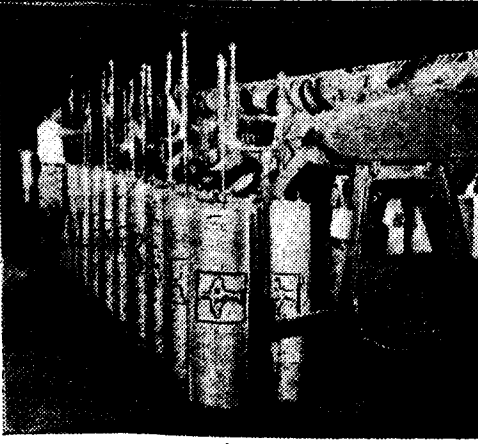
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of Weight • Smooth Operations

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FINANCIAL AGENCIES

Central Financing Institutions for Industry in India. (Compiled by the

recent pronouncements by European leaders indicate that there is every prospect of India eventually being able to negotiate a trade agreement whereby the present import duties on tea might be abolished. This will considerably improve prospects for increasing tea consumption in Europe at present handicapped by high retail prices. In this context, the Tea Board's present promotional activities for Indian tea in Europe assume a new importance.

The U.K. President of the Board of Trade has said that India and Ceylon would benefit from the decision of Britain and the European Economic Community to suspend their tariff on non-Commonwealth supplies of tea. Reporting to the House of Commons, he said, "We and the E.E.C. are working on details of arrangements for suspending our tariffs on tea. He explained it would help India and Ceylon to secure improved access into the markets of other countries, greater than they could have hoped to get by the natural increase in tea drink-

ing in Britain. From Darjeeling comes news that 139 workers of tea estates who had been retrenched earlier this month were reinstated on 24th instant. This is reported to be due to action taken by the State Labour Minister who requested members of the I.T.A. to exercise caution before dismissing workers during the emergency period.

Prospects for New Season

On the prospects for the coming season, Messrs W. S. Cresswell and Co. Private Ltd say that with 295 million lbs only likely to be retained in India from the 1962 crop, compared with 334 million lbs retained from the 1931 crop, stocks in the country are known to be low and a strong demand for internal types in the opening sales seems certain.

Until artificial irrigation can be arranged for, say, 20 percent of the area under tea in north India, extra valuable foreign exchange earnings

will remain subject to the vagaries of monsoons. The area under tea in north India is about 635,000 acres, so 20 percent would equal 12,700 acres. Two maunds extra tea a year if available from irrigation would, therefore, give an increased crop of 254,000 maunds or, say, 20 million lbs which if exported at the average price secured over the past three seasons, of Rs. 5.6 a kilogram would increase exchange earnings by a few crores.

Tea Price Trends

The London tea sale held on 20th May, recorded a good demand at better prices for Assam, some selling up to 2d a lb higher. But mediums were wanted less and most kinds were only about steady at the last week's prices. Doors were strong with the possible exception of a few thin-liquoring sorts. Low-priced plain teas sold in buyers' favour.

Stocks in London are at present higher than this time last year, but

that alone does not explain the down trend in prices, which continues in spite of the optimistic forecasts from the members of the Indian Tea Board and some local traders.

Calcutta registered its first sale for the 1963-54 season last week and although foreign buyers were reported to be in attendance, the demand for Darjeeling was disappointing, which seems to be somewhat surprising after the advertisement given to teas from this district.

The higher prices paid in Mincing Lane for certain quality grades seems to have been a flash in the pan, for although a good demand for leaf teas continued on 20th May, the first Calcutta sale prices continued to favour buyers. Offerings amounted to 17,723 packages at Sale No. 1.

The market opened weak but demand improved somewhat later. Most of the offerings came from Darjeeling and prices were irregular. Flavoured Darjeelings came to a selective market, but with the exception of a few special lines, sold below brokers' expectations with many withdrawals. Broken and Fannings were strong features and were readily absorbed, good prices being realised for Fannings.

Orthodox teas from other districts were well supported with buyers' emphasis on whole leaf grades and stylish B.P.S.s. C.T.C. were in short supply and brokers fetched better prices than fannings of corresponding invoices.

Calcutta continued with its Wednesday Sales of dust teas. On 22nd instant, offerings amounted to 30,290 chests at internal sale No. 48. There was a fair demand at easier rates. C.T.C. teas once again came to an irregular market, and were up to 30nP lower and sometimes more, but a few selected lines sold well. The fibrous C.T.C. teas were well supported, but at irregular and lower rates. Plain and medium orthodox descriptions, although readily absorbed, were again easier by up to 30nP. "Teas for price" sold around last rates.

Cochin reports the same dreary news with prices favouring buyers.

HIDES AND SKINS

The market was quiet. Stocks were higher than in the previous week.

Bazaar Sales

(Between 21st May and 27th May 1963)

Cowhides: Wet salted (Ord.) 19,000 pcs. on the basis of Rs. 8 to Rs. 10.62; Wet salted (Slaughtered) 44,500 pcs. on the basis of Rs. 10 to Rs. 16.50 and Rs. 19.50 to Rs. 28.
Goatskins: Wet salted (Patna, Daissee, Kustia) 63,200 pcs. on the basis of Rs. 225 to Rs. 240, Rs. 325 to Rs. 340 and Rs. 435 to Rs. 445; Wet salted (he-killed) on the basis of Rs. 4 and (she-killed) on the basis of Rs. 3.75 a piece; Purneah 3,000 pcs. on the basis of Rs. 300; Assam-Dinaipur 23,500 pcs. on the basis of Rs. 270 to Rs. 280 and Rs. 290.

Bazaar Stocks

(27th May, 1963)

Cowhides: Wet salted 87,500 pcs.
Goatskins: Wet salted (Daissee, Kustia, Killed) 48,000 pcs.; Assam-Dinaipur 42,000 pcs.; Muzafferpore-Patna-Pakur - Purneah - Kissanganj 1,52,000 pcs.

COMPANY AND PUBLIC NOTICES

SHAW WALLACE & COMPANY LIMITED

NOTICE is hereby given that a General Meeting of the Members of the abovenamed Company will be held at the Registered Office of the Company, 4, Bankshall Street, Calcutta on the 28th day of June, 1963 at 3 p.m. to consider and, if thought fit, to pass with or without modification the following Resolutions:

As an Ordinary Resolution:

"RESOLVED that approval is hereby given to a proposed scheme of arrangement for amalgamation with Walker & Greig (Cooonor) Ltd. whereby the whole undertaking, property and liabilities of Walker & Greig (Cooonor) Ltd. shall be transferred to this Company".

As a Special Resolution:

"RESOLVED that the following new sub-clauses be inserted in Clause 3 of the Memorandum of Association of the Company and numbered as sub-clauses (3A), (3B) and (3C):

(3A). To carry on all or any of the businesses of constructional engineers, structural engineers, mechanical engineers, iron masters and iron foundries, galvanizers, smelters, public works and general contractors, masons and masonry and building contractors, electrical engineers and electricians, suppliers, generators, accumulators of electrical energies, power, etc. general engineers, civil engineers, tool makers, brass founders, metal workers, boiler-makers, millwrights, machinists, iron and steel converters, smith, wood-works, builders, painters, metallurgists, crane makers, water supply engineers, ship-builders, shipwrights, dredgers, tug owners, wharfingers, gas generator and suppliers, framers, printers, carriers and merchants, salt refiners, manufacturers of chemicals and chemical engineering equipment, oil refiners, colliery proprietors and coal masters, coal and coke merchants, miners, smelters engineers, lime-burners and the businesses of forging pressing stamping structural and rolling works of all kinds,

(3B). To carry on all or any of the businesses of manufacturers, importers, exporters, buyers, sellers, repairers, converters, manipulators of and dealers in electrical and constructional and mechanical machinery, iron and steel castings, iron ore, plants other machinery, structural and rolling works of all kinds, iron and steel rails, bars, apparatus, tools, implements, appliances, accessories, ores, and metals, salt hard iron, agricultural implements of all kinds, cranes, bridges, and steel frame buildings, iron and steel structures of all kinds and other articles, steel sleepers goods or commodities of all kinds necessary or convenient or conducive to the attainment of the above objects of the Company and the business of forging.

(3C). To acquire mines, mining leases, mineral rights and mining claims, mining rights and to prospect for, to search for, crush, win, get, quarry, smelt, calcine, refine, dress, amalgamate, manipulate and to carry on any business relating to coke, coal and coal products, ore, metal, stones and mineral substances of all kinds, and to carry on the production, distribution, consumption, manufacture, preparations of any other materials, minerals, and any other prospecting, mining or metallurgical operations, which may be usefully or conveniently combined with any business herein mentioned or any contracts undertaken by the Company, and either for the purpose of such contracts or as an independent business, and to buy, sell, manufacture, conveniences, provisions, and things capable of being used in connection with prospecting, mining or metallurgical operations or required by workmen or others employed by the Company".

By Order of the Board,
S. M. SMITH,
Managing Director.

Registered Office:

4, Bankshall Street,
Calcutta 1.

Dated: 21st May, 1963.

Note:—(i) A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote on a poll instead of himself and the Proxy need not be a Member of the Company.

(ii) In connection with the business to be transacted, an Explanatory Statement under Section 173 of the Companies Act, 1956 has been forwarded to all Shareholders of the Company along with the notice.

CAPITAL LIMITED

NOTICE is hereby given that an Annual General Meeting of CAPITAL LIMITED, will be held at the Bengal Chamber of Commerce & Industry, Calcutta, on Thursday, 27th June, 1963, at 10-25 A.M. to transact the following business:—

1. To consider and approve the Audited Accounts of the Company for the year ended 31st December, 1962, and to receive the Directors' and Auditors' Reports thereon.
2. To elect a Director.
3. To appoint Auditors and fix their remuneration.

By Order of the Board,
CAPITAL LIMITED,
P. C. GANGULI,
Secretary.

Registered Office:

5, Mission Row,
Calcutta, 23rd May, 1963.

NOTE: A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

THE BOMBAY BURMAH TRADING CORPORATION LTD.

Registered Office: 9, Wallace Street, Fort, Bombay 1.

NOTICE

NOTICE is hereby given that the Register of Members and the Transfer Books of the Corporation will be closed from the 4th June, 1963 to the 18th June, 1963, both days inclusive.

Allotment letters for bonus shares to be issued pursuant to the Special Resolution passed at the Extraordinary General Meeting held on 26th April, 1963 will be posted on or about the 18th June, 1963 to holders of the fully paid shares of the Corporation whose names stand on the Share Registers of the Corporation on the 4th June, 1963.

Circular letters giving notice of the increase in the paid up value of the partly paid shares of the Corporation pursuant to the same Special Resolution passed at the same Extraordinary General Meeting held on 26th April, 1963 will be posted on or about 18th June, 1963 to the holders of partly paid shares of the Corporation whose names stand on the Share Registers of the Corporation on the 4th June, 1963.

In accordance with the said Special Resolution, the bonus shares allotted as above and the partly paid shares of the increased paid up value will be entitled to participate in the interim dividend, if declared, and the dividend will be made payable to those shareholders whose names stand on the Share Registers of the Corporation on the 4th June, 1963.

Dated at Bombay this 21st day of May, 1963.
By Order of the Board of Directors,
WALLACE & COMPANY,
Secretaries & Treasurers.

THE INDO-BURMA PETROLEUM COMPANY LIMITED

Registered Office:
Gillander House, Netaji Subhas Road, Calcutta-1.

NOTICE is hereby given that the Fifty-fifth Annual General Meeting of the Members will be held at the Registered Office of the Company on Friday, the 21st June, 1963, at 11 a.m. to transact the following business:—

1. To receive and adopt the Directors' Report and the audited Balance Sheet and Profit and Loss Account for the year ended 31st December, 1962.
2. To sanction the declaration of a dividend.
3. To appoint a Director in place of Mr. S. M. Wahi who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint Auditors including Branch Auditors and to fix their remuneration.

Notice is hereby given that the Ordinary Register of Members of the Company will be closed from the 3rd June, 1963 to 21st June, 1963, both days inclusive.

By Order of the Board,
STEEL BROTHERS AND COMPANY LIMITED,
Managing Agents.
Gillander House,
Netaji Subhas Road,
Calcutta-1.
20th May, 1963.

NOTE: A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and, on a poll, to vote in his stead. Such proxy need not be a member.

W. H. TARGETT & CO. LIMITED

NOTICE is hereby given that an Annual General Meeting of W. H. TARGETT & CO. LIMITED will be held at the Bengal Chamber of Commerce & Industry, Calcutta, on Thursday, the 27th June, 1963, at 10-30 A.M. to transact the following business:—

1. To consider and approve the Audited Accounts of the Company for the year ended 31st December, 1962, and to receive the Directors' and Auditors' Reports thereon.
2. To declare the Dividend recommended by the Directors.
3. To elect Directors.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Register of the Company will be closed from 14th June, 1963 to 27th June, 1963, both days inclusive.

By Order of the Board,
W. H. TARGETT & CO. LIMITED,
P. C. GANGULI,
Secretary.

Registered Office:

5, Mission Row,
Calcutta, 23rd May, 1963.

NOTES:

- (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.
- (b) The Dividend, if declared, will be paid on or after 8th July, 1963, to those Shareholders so entitled whose names appear in the Company's books on the 27th June, 1963, or to their mandatees. No application for Dividend Warrants will be necessary.

BRITISH INDIA ELECTRIC CONSTRUCTION CO. LTD.

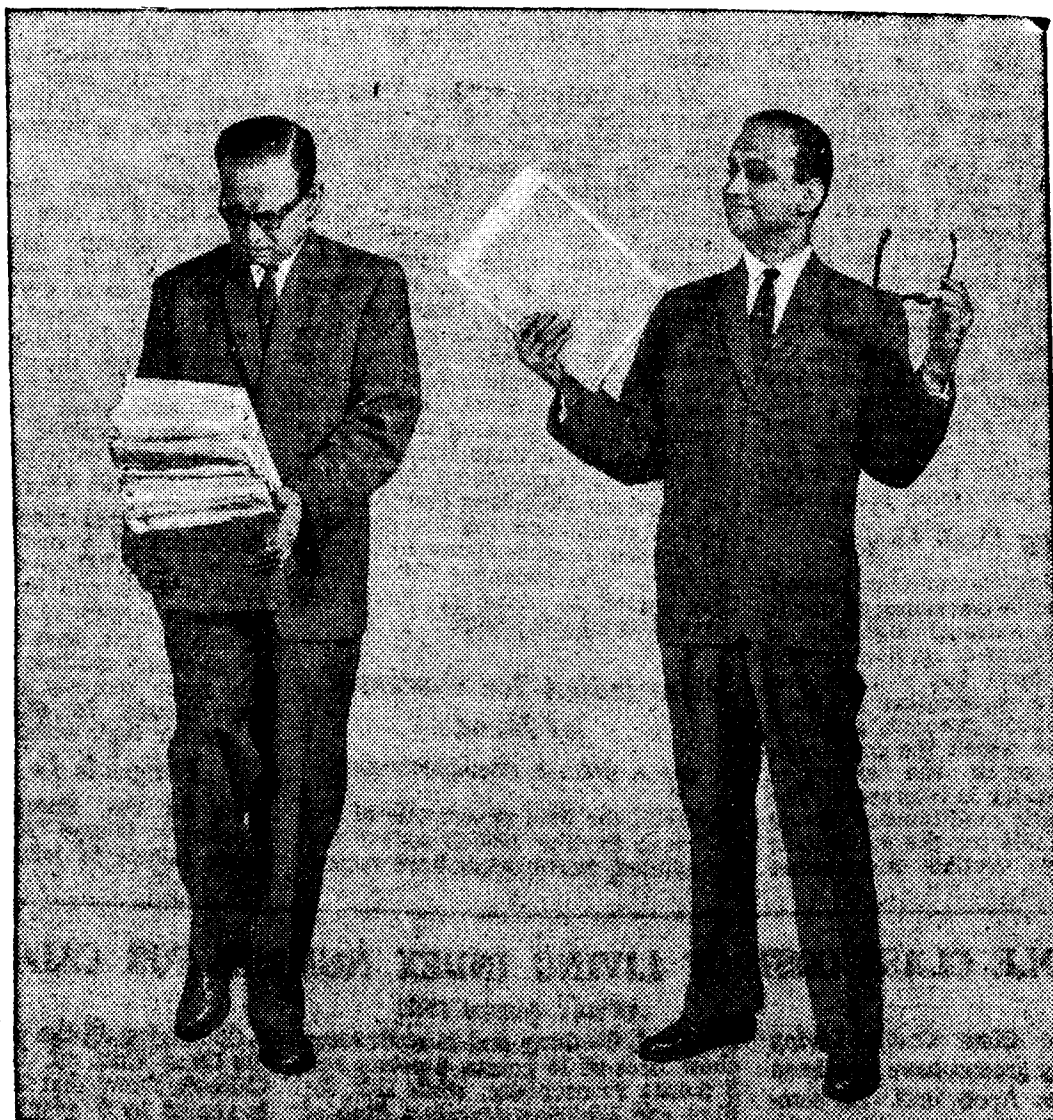
NOTICE is hereby given to the members of the above-named Company, that the Annual General Meeting (being the seventy-ninth Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Thursday, 27th June, 1963, at 3-15 p.m. to consider the Accounts of the Company for the year ended 31st December, 1962, and to transact other ordinary business.

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 13th June, 1963 to 27th June, 1963, both days inclusive.

By Order of the Board,
BALMER LAWRIE & CO. LTD.,
D. MANSON,
Managing Director,
Managing Agents.

21, Netaji Subhas Road,
Calcutta, 22nd May, 1963.

NOTE:—A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.



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BRAITHWAITE & CO (INDIA) LIMITED **NOTICE**

NOTICE is hereby given that the Thirty-third Annual General Meeting of the members of Braithwaite & Co (India) Limited will be held at the Registered Office, 4, Clive Row, Calcutta-1, on Thursday, 20th June 1963 at 11 a.m. to transact the following business:—

- To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1962.
- To confirm the interim dividend on the Preference shares and to declare a dividend on the Ordinary shares.
- To elect Directors in place of those retiring and in this connection to consider and, if thought fit, to pass the following resolution of which special notice as required by section 281 of the Companies Act, 1956, has been received by the Company:—

"That pursuant to the provisions of section 281 of the Companies Act, 1956, Sir Asoka Kumar Roy, who has attained the age of 76 years and who retires from the Board by rotation, be and is hereby

re-appointed a Director of the Company and it is hereby specially declared that the age limit for directors prescribed by section 280 of the Companies Act, 1956, shall not apply to him."

- To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

To consider and if thought fit to pass with or without modification the following resolutions of which numbers 5, 6 and 7 will be proposed as ordinary resolutions and number 8 as a special resolution.

- (As an ordinary resolution)

"That pursuant to the provisions of section 294 of the Companies Act, 1956, the appointment of Marshall, Sons & Co. (India) Limited in terms of an agreement executed by the Company on the 25th day of February, 1963, as the Company's sole selling agent for the Overhead Travelling Cranes, Level Luffing Cranes, Locomotive Steam or Diesel Cranes and Spare Parts for such cranes manufactured by the Company for the whole of the Union of India be and is hereby approved."

- (As an ordinary resolution)

"Resolved that in variation of the ordinary resolution passed

at the annual general meeting held on 29th March, 1957 and in compliance with clause (d) of sub-section (1) of section 293 of the Companies Act, 1956, the Company do hereby consent to the Board of Directors of the Company borrowing from time to time any sum or sums of money which together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) exceeds the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of moneys borrowed by the Board in excess of the limit prescribed by clause (d) of sub-section (1) of section 293 of the Act shall not exceed Rs. 1,50,00,000/- at any one time."

- (As an ordinary resolution)

"That consent be and is hereby accorded to the creation of first legal mortgages of all present and future immovable properties of the Company in favour of the Commonwealth Development Finance Company Limited and the Industrial Credit and Investment Corporation of

CAPITAL, 30th May, 1963.

India Limited so far as and to the extent (if any) that the creation of such mortgages may be deemed to be a disposition of the undertaking of the Company within the meaning of Section 293 (1) (a) of the Companies Act, 1956."

- (As a special resolution)

"Resolved that the regulations contained in the printed document submitted to the Meeting and for the purpose of identification signed by the Chairman thereof be and the same is hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles thereof."

The Transfer Books of the Company in respect of the ordinary shares will be closed from the 6th June 1963 to the 20th June 1963, both days inclusive.

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

Payment of such dividend as may be declared on the ordinary shares will be made on or after 27th June, 1963 to those members whose names are on the Company's register on the 20th June, 1963.

By Order of the Board,
Y. S. TAYAL,
Secretary.

4, Clive Row,
Calcutta,
9th May, 1963.

Note: The Explanatory Statement pursuant to section 173 of the Companies Act, 1956 has been forwarded to the members of the Company.

BALMER LAWRIE & CO. LTD.

NOTICE is hereby given to the members of the above-named Company that the Annual General Meeting will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Friday, 28th June, 1963, at 12-30 p.m. to consider the Accounts of the Company for the year ended 31st December, 1962, and to transact other ordinary business.

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 8th June, 1963 to 28th June, 1963, both days inclusive.

By Order of the Board,
D. MANSON,
Managing Director.

21, Netaji Subhas Road,
Calcutta, 13th May, 1963.

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

BRITISH INDIA ELECTRIC CONSTRUCTION CO. LTD.

The Board of Directors of the Company has decided to recommend to the forthcoming Annual General Meeting, the payment of a dividend of 15 per cent for the year ended 31st December, 1962.

BALMER LAWRIE & CO. LTD.

D. MANSON,
Managing Director,
Managing Agents.

21, Netaji Subhas Road,
Calcutta, 22nd May, 1963.

PITAL, 30th May, 1963.

FILE MACHINERY CORPORATION LIMITED

NOTICE is hereby given that the thirty-third Annual General Meeting of TEXTILE MACHINERY CORPORATION LIMITED will be on Friday, the 28th June, 1963, P.M. at the Registered Office of Company at Belgharia, 24-anas, West Bengal, to transact following business:—

To receive and consider the Report of the Directors and to adopt the Audited Accounts of the Company for the year ended 31st December, 1962.

To declare dividend on Preference and Equity Shares.

To appoint Directors in place of Shri J. M. Goenka and Shri Surottam P. Huthesing, who retire by rotation and are eligible for re-election.

To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS:

To consider and, if thought fit, to pass with or without modification the following resolutions:

- As an ordinary Resolution:

"Resolved that the reappointment of Messrs. Islamistan Traders (Regd.) of Bashir Manzil, Montgomery (West Pakistan), as sole selling agents for the sale of all items of textile machineries and accessories in West Pakistan for a period of 3 years with effect from 16th May, 1963, on the same terms and conditions as contained in the previous agreement dated 6th June, 1960, be and is hereby approved."

- As a special Resolution:

"Whereas Messrs. Birla AG incorporated in Switzerland, an associate of Messrs. Birla Brothers Private Limited, the Managing Agents of the Company, maintain an office in ZUG in Switzerland and whereas the said company is established to carry on business inter alia of acting as Agents in the Continent, United Kingdom and other countries for purchase and sale of goods including stores, plant and machinery, etc., and propose to have dealings and business connections with parties all over the Continent, United Kingdom and other countries and operate on a large scale and whereas their office establishment are likely to amount approximately to Swiss Francs 200,000 per annum in the initial stages and whereas expenses which can be attributed to the work to be done for and on behalf of the Company would depend on the value of purchase effected through the said Company in relation to their total turnover in each year, now it is hereby resolved that Messrs. Birla AG be and are hereby appointed to act as Buying Agents and Selling Agents of the Company for periods of 3 years and 5 years respectively with effect from 1st October, 1962, in the Continent, United Kingdom and other

countries on the following terms as to commission

- For purchase of stores, etc. 5% of the invoice price.
- For purchase of plant and machinery 2½% of the invoice price, and
- For sale of goods manufactured/produced by the Company 2% of the invoice price,

Provided that if any thing to be done in pursuance of the above arrangements requires permission of the Central Government or the Reserve Bank of India, as the case may be, the same will be done with such permission.

The Register of Members and the Share Transfer Registers of the Company will remain closed from 16th June, 1963 to 28th June, 1963, both days inclusive.

By Order of the Board,
R. C. MAHESHWARI,
Finance Officer.

Belgharia,
21st May, 1963.

- (1) A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member.
- (2) The dividends, when declared, will be paid to the registered shareholders whose names are on the Company's Register on the 28th June, 1963, or to their order or to their bankers on/or after 21st July, 1963.
- (3) An Explanatory Statement relating to the special business is being forwarded to the members.

SHAW WALLACE & COMPANY LIMITED

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members will be held at the Registered Office of the Company, 4, Bankshall Street, Calcutta on 28th June, 1963 at 3-30 p.m. for the following purposes:—

- To consider the Profit & Loss Account for the year ended 31st December, 1962, the Balance Sheet as at that date and the Reports of the Directors and the Auditors.
- To declare a Dividend on the Ordinary Shares.
- To appoint Auditors and to fix their remuneration.
- To elect Directors in the places of three Directors retiring.

The Share Transfer Register of the Company's Ordinary Shares will be closed from 19th June to 28th June, 1963, both days inclusive.

By Order of the Board,

D. A. HOUGHTON,
Calcutta Director &
Secretary.

4, Bankshall Street,
Calcutta.

Dated, 15th May, 1963.

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

THE STANDARD COAL COMPANY LIMITED

AT a meeting of the Board of Directors held on Wednesday, the 29th May, 1963, the following dividend was recommended for declaration at the Annual General Meeting to be held on the 28th June, 1963, to be paid for the year ended 31st December, 1962, subject to deduction of tax.

On Ordinary Shares at the rate of 10 per cent per annum.

By Order of the Board,

F. W. HEILGERS & CO. (PRIVATE) LIMITED,
Secretary.

Registered Office:
Chartered Bank Buildings,
Calcutta, the 29th May, 1963.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.T. Hours
Guest. Keen, Williams, Ld.	31-5-63	11-30 a.m.
Kumardhubi Engineering Works Ld.	31-5-63	3-40 p.m.
Bengal Flour Mills Co. Ld.	7-6-63	12-30 p.m.
Steel Containers Ld.	7-6-63	3 p.m.
Industrial containers Ld.	7-6-63	3-15 p.m.
Champdany Jute Co. Ld.	11-6-63	12 noon
Hope's Metal Works (India) Ld.	13-6-63	3-30 p.m.
New Samanbagh Tea Co. Ld.	13-6-63	3-40 p.m.
Tea Planters Benevolent Institution	14-6-63	10-30 a.m.
Bengal Potteries Ld.	14-6-63	4 p.m.
Hattikhira Tea Co. Ld.	18-6-63	11-30 a.m.
New India Investment Corp. Ld.	18-6-63	3 p.m.
Jay Shree Tea & Industries Ld.	18-6-63	3-30 p.m.
State Bank of India	19-6-63	4 p.m.
Braithwaite & Co. (India) Ld.	20-6-63	11 a.m.
Indo-Burmah Petroleum Co. Ld.	21-6-63	11 a.m.
Triton Insurance Co. Ld.	21-6-63	3 p.m.
Dhunsari Tea Co. Ld.	24-6-63	2-30 p.m.
Naga Hills Tea Co. Ld.	24-6-63	3-30 p.m.
British Paints (India) Ld.	26-6-63	11 a.m.
Soorah Jute Mills Co. Ld.	26-6-63	2-30 p.m.
Capital Ld.	27-6-63	10-25 a.m.
W. H. Targett & Co. Ld.	27-6-63	10-30 a.m.
British India Electric Construction Co. Ld.	27-6-63	3-15 p.m.
Philips India Ld.	28-6-63	11 a.m.
Kumardhubi Fire-clay Silica Works Ld.	28-6-63	11 a.m.
Balmer Lawrie & Co. Ld.	28-6-63	12-30 p.m.
Shaw Wallace & Co. Ld.	28-6-63	3 p.m.
Textile Machinery Corp. Ld.	28-6-63	4 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Braithwaite & Co. (India) Ltd.—14 p.c. (o), subject to tax; Clive Row Investment Holding Co. Ltd.—5 p.c. (f) (Gross); Soorah Tea Co. Ltd.—25 p.c. (f), subject to tax; Dufflaghur Tea Co. Ltd.—30 p.c. subject to tax; Chamong Tea Co. Ltd.—10 p.c., subject to tax; Gohpur Tea Co. Ltd.—20 p.c., subject to tax; Lingia Tea Co. Ltd.—17½ p.c. (o), subject to tax; Phagkora Tea Co. Ltd.—Nil; Lakshmi-Vishnu Cotton Mills Ltd.—Nil (o); Andhra Cement Co. Ltd.—9 p.c. (o), subject to tax; Indo-Burma Petroleum Co. Ltd.—Rs. 1.28 per share (o), subject to tax; Hindustan Insurance Co. Ltd.—Rs. 2.625 per share, subject to tax; Carron Tea Co. Ltd.—24 p.c. (o), subject to tax; Marzabong & Kyel Tea Estates Ltd.—2½ p.c. (o), subject to tax; Duncan Brothers & Co. Ltd.—14 p.c. (o), subject to tax; Standard Coal Co. Ltd.—10 p.c. (o), subject to tax; British India Electric Construction Co. Ltd.—15 p.c.; Bridge & Roof Co. (India) Ltd.—30 per cent.

SITUATION WANTED

HIGHLY seasoned and competent economist with long and brilliant research and writing record, excellent references, and well conversant with India's current economic problems seeks suitable engagement. Write Box No. 4809, "CAPITAL", Post Box 14, Calcutta-1.

BRIDGE & ROOF CO. (INDIA) LTD.

THE Board of Directors of the above Company has decided to recommend to the forthcoming Annual General Meeting, the payment of a dividend of 30 per cent for the year ended 31st December, 1962.

By Order of the Board,
BALMER LAWRIE & CO. LTD.,
D. MANSON,
Managing Director,
Secretaries.

21, Netaji Subhas Road,
Calcutta, 28th May, 1963.

SHELLAC DULL

	Rupees a package
Pure Buttonlac	Rs. 92 to 96 value
Lemon One Shellac	Rs. 92 to 96 value
Lemon Two Shellac	Rs. 82 value, 72 buyers, 76 sellers
Standard One Shellac	Rs. 72 value, 64 buyers, 68 sellers
Pure TN Shellac	Rs. 80 to 86 value
Golden Kusmi Seedlac	Rs. 90, 88 value
Kusmi One Seedlac	Rs. 80 to 76 value
Golden Bysack Seedlac	Rs. 70, 68 value
Manbhumi Fine Bysack Seedlac	Rs. 36, 52 value
Fine Bysack Seedlac	Rs. 48, 46 value
Genuine Bysack Seedlac 5%	Rs. 40 to 36 value
Grade One Class B Seedlac	Rs. 58, 56 value
Grade Two Class B Seedlac	Rs. 42 value, 38 buyers, 40 sellers.

Shipments during May until the 23rd were 17,761 packages.



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"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

BANKS

wednesday, 29th May, 1963.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		29-5-63	22-5-63	A year ago		1959	1960	1961		29-5-63	22-5-63	A year ago
Allahabad Bank P.	18	18	18	100	267/00	267/00	329/00	Indian Overseas Bank	12	14	14-14*	100	143/00	145/00	168/00
Bank of Baroda	14	17	17	50	86/50	86/30	104/50	Industrial Finance Corpn.	..	..	..	50	..	..	..
Bank of India	16	20	20-20*	50	110/00	110/00	112/00	National & Grindlays Bank	12½	13½	14-16½ sh	15 sh.	31/3	sh. 31/-	sh. 36/3
Central Bank of India	17-1/5	20 2/5	20-20*	25	56/00	56/00	62/30	Punjab National Bank	20	20	20	10	19/06	19/00	20/81
Chartered Bank	15	15	15	£1	sh.62/-	sh. 61/6	sh.54/-	Union Bank of India	11 2/5	11 2/5	11 2/5	5	5/76	5/84	8/00
Hindustan Commercial	Nil	Nil	Nil-Nil*	50	13/94	13/87	18/00	United Bank of India	4.3	4.3	6-6*	10	7/16	7/31	7/56
Hindustan Mercantile	Nil	Nil	Nil	50	15/62	15/62	16/00	United Commercial Bank	11	12	12	50	68/00	72/50	91/50
Hong Kong & Shanghai	23	23½	23½	HK\$25	£17½	£17½	£15½								
Indian Bank	15	15	15-14*	100	165/45	165/45	177/00								

*1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		29-5-63	22-5-63	A year ago		1959	1960	1961		29-5-63	22-5-63	A year ago
Agarpara P.	10	2½	2½	10	10/75	10/81	11/62	Hukumchand P.	28½	28½	26½	7½	22/00	22/00	25/62
Alexandra P.	44	15	..	100	300/00	300/00	305/00	India	14	12	8	12½	18/00	18/00	17/75
Alliance P.	8	Nil	10	100	104/00	104/00	130/00	Kamarbhaty P.	6	Nil	..	100	205/00	203/00	198/00
Anglo-India P.	20	7	10	100	224/00	224/00	252/00	Kankannar P.	Nil	Nil	..	100	144/00	143/00	121/50
Auckland P.	27	12	Nil	100	144/00	144/00	180/00	Kelvin P.	15	15	5	100	185/00	185/00	206/00
Bally P.	25	25	25	100	265/00	265/00	310/00	Khardah P.	20	5	12½	10	19/25	16/50	17/31
Barnagore P.	30	10	10	100	192/00	190/00	10/69	Kinross P.	Nil	7	Nil	100	148/00	150/00	160/00
Bengal P.	6	..	..	10	10/25	10/25	15/62	Lansdowne P.	Nil	15	10	100	84/50	84/50	140/00
Birla P.	15	15	15	10	28/87	28/75	35/62	Lawrence P.	7	Nil	Nil	100	100/00	100/00	111/00
Budge Budge P.	10	Nil	..	100	155/00	155/00	164/00	Megna P.	12	12½	Nil	10	13/25	13/31	15/00
Calcutta P.	12	..	..	10	8/12	8/12	8/37	Naihati P.	..	..	..	100	81/00	81/00	105/00
Caledonian P.	10	5	..	100	199/00	202/00	214/00	Naskarpara	..	..	..	10	9/00	9/06	22/50
Chandany P.	10	5	Nil	10	24/50	24/00	24/37	National P.	7½	Nil	..	10	23/75	23/06	12/00
Cheviot P.	Nil	5	6	10	24/37	24/37	25/12	Nellimarla P.	5	6	15	10	11/31	11/50	12/00
Chitavalab P.	5	Nil	6	10	10/75	10/75	12/50	New Central P.	15	15	Nil	10	12/81	12/62	16/50
Clive P.	..	..	..	10	8/00	8/00	9/00	Northbrook P.	30	30	20	10	30/25	30/25	39/50
Dalhousie P.	1	1	1	100	145/00	145/00	130/00	Nuddea	8	6	5	60	57/50	55/25	72/30
Delta P.	7½	Nil	Nil	100	162/00	155/00	195/00	Presidency	8	6	10	6	5/19	5/19	5/56
Empire P.	12½	7½	12½	10	14/69	14/69	19/12	Rameswara P.	Nil	Nil	Nil	10	9/56	9/56	9/12
Fort Gloster P.	25	10	12½	100	376/00	376/00	470/00	Reliance P.	Nil	Nil	Nil	10	11/50	11/56	8/25
Fort William P.	22½	22½	10	10	26/12	26/12	28/25	Sammugger P.	6	Nil	..	£1	10/50	10/50	10/50
Ganges P.	10	10	15	10	13/81	13/37	14/37	Shree Ambica P.	5	6	Nil	10	25/00	25/00	35/00
General Industrial	40	10	..	10	15/44	15/44	55/00	Soorah P.	25	25	..	10	22/75	22/75	24/00
Gouropore P.	30	25	20	10	25/50	25/50	124/00	Union P.	6	Nil	..	£1	10/50	10/50	10/50
Hastings P.	6	6	6	100	128/00	128/00	27/25	Victoria P.	5	Nil	..	£1	10/50	10/50	10/50
Hoochly P.	10	..	..	10	20/00	20/00	22/62	Waverley P.	30	30	60	1	8/00	8/06	6/50
Howrah P.	12½	10	Nil	10	19/94	19/50									

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		Rs.	Rs.	Rs.		29-5-63	22-5-63	A year ago		Rs.	Rs.	Rs.	29-5-63	22-5-63	A year ago
Amalgamated	10	12½	15	10	22/69	22/94	24/00	Mundulpur	..	..	..	10	2/69	2/69	2/69
Bengal P.	25	21	..	100	286/00	286/00	309/00	Nazira	..	..	..	10	5/00	5/00	7/6
Bengal Shaldeo	..	..	..	10	3/46	3/46	3/46	New Beerbhoom P.	10	10	..	10	19/37	19/37	23/25
Bengal Nagpur	10	26	..	10	22/00	22/00	20/19	New Manbhoom	7½	9	12	10	16/00	16/00	15/5
Bhaigora	..	..	..	10	4/87	4/87	5/37								
Bharat Collieries P.	..	..	..	10	4/12	3/81	4/06								
Bhulanbarane	..	..	..	10	11/94	11/94	6/00								
Bokaro & Ramgur	..	..	..	10	11/19	1/11	13/25	North West	20	20	..	10	19/75	19/75	19/75
Borra P.	15	15	..	10	23/87	23/87	26/87								
Burrakur P.	13	13	13	10	16/56	10/81	20/12	Ondal P.	6	7½	..	10	18/00	18/00	20/2
Central India	8	10	10	10	10/12	9/80	12/81	Parases P.	11	11	..	10	12/00	12/00	14/4
Central Kurkend P.	..	..	..	10	3/87	3/87	7/00	Pench Valley	10	10	..	10	16/00	16/00	17/8
Churulia	8	..	..	10	3/06	3/06	8/06	Pure Sitalpur	..	..	..	10	18/00	18/00	18/2
Dhemo Main	Nil	Nil	..	10	5/75	5/75	7/50	Raneegunge	15	17	17	10	8/00	8/00	8/00
East Indian	7½	15	20½	£1	31/87	31/87	55/30	Rewa	20	20	..	10	16/00	16/00	16/5
Equitable P.	10	10	..	10	26/50	26/50	30/25								
Ghustek & Muslia	Nil	Nil	Nil	10	14/25	14/25	14/00	Jamla	10	..	..	10	10/03	10/03	8/8
Guzdar Kajora	..	..	..	10	2/03	2/03	2/00	Searsole	Nil	Nil	Nil	2½	1/22	1/22	2/0
Hurriladib	..	..	..	10	8/12	8/12	8/12	Seepore P.	42 6/7	42 6/7	..	7	45/00	45/00	47/7
								Sendra	8	8½	..	10	5/75	6/25	7/8
Karanpura Development	8	5	..	100	12/50	12/50	22/37	South Karanpura	2½	Nil	Nil	10	8/87	8/87	9/9
	15	15	..	10F				Standard	15	10	..	10	13/12	13/12	18/0
Karanpura Collieries P.	7½	10	10	10	16/75	16/75	19/04	Union	..	..	..	10	10/37	10/37	10/4
Katras Jheriah	95	40	25	10	37/75	37/75	48/37	Western Bengal	6	7½	9	10	9/06	8/87	11/0
Khas Kajora P.	..	..	..	10	18/70	18/70	18/70	West Jamuria	Nil	Nil	..	10	4/12	4/12	9/3

CAPITAL, 30th May, 1963.

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		29-5-63	22-5-63	A year ago		1959	1960	1961		29-5-63	22-5-63	A year ago
Basanti P.	..	..	..	10	11/50	11/56	7/87	Elgin P.	11½	17½	17½	10	18/12	18/69	21/94
Bange Luxmi	..	..	..	10	28/00	28/00	28/00	J. K. Cotton (Rayon) P.	12½	10	..	10	13/06	13/62	20/69
Bengal Nagpur P.	Nil	..	..	10	3/00	3/00	3/81	Jay Shree	10	10	..	10	14/37	13/62	15/37
Bharat Commerce	5	15	..	10	22/50	22/50	26/37	Muir t	..	..	..	100	106/00	106/00	146/00
Birla Cotton	10	20	20	10	26/75	26/75	27/00	New Victoria P.	Nil	..	..	2½	1/75	1/66	1/75
Bowrab P.	10	20	..	10	23/37	23/25	32/50	Orissa Textiles P.	Nil	Nil	..	10	9/00	9/00	10/06
Cawnpore Textiles	7-1/5	10	..	5	6/31	6/31	8/56	Rampoor Cotton	3	Nil	Nil	10	12/00	12/00	11/00
Dehi Cloth & Genl P.	12	13	13	25	42/44	42/44	57/00	Swadeshi (Kanpur) P.	5.51	..	..	100	11/50	11/50	11/50
Dunbar	20	20	..	10	27/50	27/50	33/00						7/03	7/03	8/69

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		27-5-63	21-5-63	A year ago		1959	1960	1961		27-5-63	21-5-63	A year ago
	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.		Rs.	Rs.	Rs.		Rs.	Rs.	
Ahmedabad Advance P.	7	16	..	100	170/00	170/00	208/00	Indian	..	..	..	250	761/25	761/25	..
Apollo	..	..	..	100	1/92	1/98	2/14	Indore Malwa United	7	8 1/2	10	100	187/00	186/00	178/00
Beharilal Ramcharan	Nil	Nil	..	100	76/00	76/00	65/00	Khatu Makani P.	18	32	..	100	430/00	437/50	470/00
Bombay Dyeing etc.	14	14	14	25	61/50	61/50	68/40	Kohinoor	9 1/2	15	18	100	315/00	317/50	302/50
Bradbury P.	10	10	25	50	150/00	150/00	192/50	Lakshmi Vishnu P.	Nil	5/7	6	100	95/00	98/00	143/00
Century	..	..	..	100	560/00	560/00	643/00	Morarjee Goculdas P.	21 1/2	21 1/2	24-24*	100	435/00	435/00	406/00
Central India P.	Nil	Nil	Nil	100	102/00	114/00	153/00	Mysore Spr & Mfr P.	14	14	14	50	47/00	46/00	53/50
Coorla	..	..	..	100	140/00	140/00	180/00	New City of Bombay	..	..	..	100	142/50	142/50	181/00
Dawn	20	30	30	50	142/00	142/00	153/00	New Great Eastern P.	..	..	..	100	270/00	270/00	306/00
Edward Textiles	9	9	..	200	325/00	325/00	372/50	Phoenix	..	..	..	100	206/00	206/00	250/00
Elphinstone P.	14	18	22	50	99/00	100/00	130/00	Sassoon & Alliance	Nil	Nil	..	10	11/76	12/24	14/00
Finlay	..	..	..	100	315/00	320/00	306/00	Sassoon Spinning	25	17	20	10	48/00	48/75	59/80
Gokak	..	..	..	100	164/00	164/00	214/00	Simplex	50	15	18	50	130/00	128/00	174/00
Hindustan	..	..	..	250	810/00	810/00	..	Shree Niwas P.	20	15	20	100	239/00	234/00	258/00
India United	..	..	..	10	23/00	22/24	21/56	Svadeshti P.	14	17	..	100	248/00	248/00	275/00
	..	..	..	10d	2/52	2/54	3/24	Swan	..	..	..	100	300/00	300/00	320/00
	..	..	..					Tata	10	20	..	25	57/50	56/50	71/00
	..	..	..					Western India	..	..	..	250	785/00	785/00	802/50

TEA COMPANIES - Contd.

NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
	1959	1960	1961		29-5-63	22-5-63	A year ago		1959	1960	1961		29-5-63	22-5-63	A year ago
Grob	14	6	6	5	9/00	9/00	10/00	Singell	Nil	Nil	Nil	100	36/75	36/75	37/25
Hoograjuli (Assam)	25	20	20	10	27/12	27/12	24/44	Singell	30	50	40	10	3/50	3/50	4/62
Hoolunggooree	20	10	7	100	195/00	195/00	172/00	Singell	10	15	15	10	13/75	13/31	14/62
Jutibari	10	30	30	10	31/50	31/50	32/00	Singell	Nil	Nil	8 4/71	10	11/25	11/25	13/19
Kingsley Golaghat P.	35	35	35	100	140/00	140/00	212/00	Singell	10	10	10	10	7/12	7/12	7/06
Kotamullai P.	Nil	Nil	Nil	10	10/50	10/50	10/12	Singell	10	10	10	10	10/00	10/00	10/00
Krishnabehari	10	15	8	10	8/06	8/06	8/06	Singell	10	10	10	10	10/00	10/00	10/00
Kyang Tea	Nil	Nil	Nil	10	17/25	17/25	17/25	Singell	10	10	10	10	10/00	10/00	10/00
Ledo	7 1/2	10	7 1/2	10	14/81	14/81	15/25	Singell	10	10	10	10	10/00	10/00	10/00
Maud Tea & Seed	15	5	14	10	17/31	17/31	21/25	Singell	10	10	10	10	10/00	10/00	10/00
Methoni	10	Nil	..	10	17/50	17/50	11/50	Singell	10	10	10	10	10/00	10/00	10/00
Moheema	25	30	80	100	507/00	507/00	507/00	Singell	10	10	10	10	10/00	10/00	10/00
Mothola	20	10	10	10	26/50	26/50	26/50	Singell	10	10	10	10	10/00	10/00	10/00
Murpulan (Assam)	25	10 1/2	20 63	10	28/75	28/75	28/75	Singell	10	10	10	10	10/00	10/00	10/00
Naga Hills	5	10	10	10	22/25	22/25	21/50	Singell	10	10	10	10	10/00	10/00	10/00
Namburnadi	16	12	..	10	14/56	14/56	14/00	Singell	10	10	10	10	10/00	10/00	10/00
New Chinnatoliab	Nil	Nil	Nil	100	302/00	302/00	120/00	Singell	10	10	10	10	10/00	10/00	10/00
Rajgarh	35	40	131	10	21/37	21/37	22/50	Singell	10	10	10	10	10/00	10/00	10/00
Sapoi	20	22 1/2	20	10	19/87	19/87	18/44	Singell	10	10	10	10	10/00	10/00	10/00
Seajuli	17 1/2	22	15	10	21/12	21/12	22/50	Singell	10	10	10	10	10/00	10/00	10/00
Teloiian	25	25	25	10	27/75	27/75	27/25	Singell	10	10	10	10	10/00	10/00	10/00
Tengpani	17 1/2	30	30	10	35/00	35/00	35/00	Singell	10	10	10	10	10/00	10/00	10/00
Tezpur P.	20	20	12 1/2	10	15/37	15/37	16/56	Singell	10	10	10	10	10/00	10/00	10/00
Tongani	Nil	Nil	..	10	6/50	6/50	6/25	Singell	10	10	10	10	10/00	10/00	10/00
Tyoon	30	10	15	10	34/37	34/37	37/87	Singell	10	10	10	10	10/00	10/00	10/00
CACHAR								Singell	10	10	10	10	10/00	10/00	10/00
Arcuttipore	Nil	Nil	..	10	7/00	7/00	7/00	Singell	10	10	10	10	10/00	10/00	10/00
Baitakhal	5	5	7 1/2	100	8/00	8/00	6/69	Singell	10	10	10	10	10/00	10/00	10/00
Central Cachar	Nil	Nil	..	10	72/00	72/00	74/75	Singell	10	10	10	10	10/00	10/00	10/00
Eastern Cachar	Nil	Nil	..	10	4/12	4/12	2/37	Singell	10	10	10	10	10/00	10/00	10/00
Kallitugger Khorcel	6	6	..	10	87/00	87/00	86/00	Singell	10	10	10	10	10/00	10/00	10/00
Hattikihra	5	5	8	10	9/12	9/12	11/56	Singell	10	10	10	10	10/00	10/00	10/00
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00	Singell	10	10	10	10	10/00	10/00	10/00
Loobab	Nil	Nil	..	10	4/37	4/37	4/25	Singell	10	10	10	10	10/00	10/00	10/00
North Western	30	30	20	100	160/00	160/00	205/00	Singell	10	10	10	10	10/00	10/00	10/00
Pathemara	Nil	Nil	..	10	7/50	7/50	7/50	Singell	10	10	10	10	10/00	10/00	10/00
Roopacherra	Nil	Nil	..	10	13/62	13/62	13/62	Singell	10	10	10	10	10/00	10/00	10/00
Rungamtee	7 1/2	5	5	50	53/00	53/00	58/50	Singell	10	10	10	10	10/00	10/00	10/00
Soni River	Nil	Nil	..	10	9/12	9/12	9/12	Singell	10	10	10	10	10/00	10/00	10/00
DARJEELING								Singell	10	10	10	10	10/00	10/00	10/00
Bloomfield	Nil	Nil	..	10	3/00	3/00	3/25	Singell	10	10	10	10	10/00	10/00	10/00
Chamong	Nil	Nil	..	10	9/00	9/00	10/25	Singell	10	10	10	10	10/00	10/00	10/00
Darjeeling Tea & Chin	Nil	30	..	100	197/00	197/00	164/00	Singell	10	10	10	10	10/00	10/00	10/00
Dilaram	5	8	..	100	102/50	102/50	102/50	Singell	10	10	10	10	10/00	10/00	10/00
Gelle	Nil	Nil	8 4/71	10	11/68	11/68	11/44	Singell	10	10	10	10	10/00	10/00	10/00
Linga P.	12 1/2	15	10	10	14/56	14/56	14/56	Singell	10	10	10	10	10/00	10/00	10/00
Longview	14	12 1/2	..	10	11/00	11/00	11/00	Singell	10	10	10	10	10/00	10/00	10/00
Margaret's Hope	10	15	15	10	11/62	11/62	12/75	Singell	10	10	10	10	10/00	10/00	10/00
Mim	10	22 1/2	20	100	191/50	191/50	191/50	Singell	10	10	10	10	10/00	10/00	10/00
Nagri Farm	20	30	25	100	27/00	27/00	25/44	Singell	10	10	10	10	10/00	10/00	10/00
Okayil	32 1/2	25	25	100	600/00	595/00	600/00	Singell	10	10	10	10	10/00	10/00	10/00
Pashok	Nil	Nil	..	10	20/00	20/00	20/00	Singell	10	10	10	10	10/00	10/00	10/00
Poobong	Nil	Nil	..	10	7/56	7/56	7/57	Singell	10	10	10	10	10/00	10/00	10/00
Pussimong P.	Nil	Nil	..	10	7/12	7/12	7/75	Singell	10	10	10	10	10/00	10/00	10/00
Rungel Runglot	10	55	20	100	386/00	386/00	386/00	Singell	10	10	10	10	10/00	10/00	10/00
Seevok	15	15	..	10	8/50	8/50	8/50	Singell	10	10	10	10	10/00	10/00	10/00

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
	1959	1960	1961		29-5-63	22-5-63	A year ago		1959	1960	1961		29-5-63	22-5-63	A year ago
Burma Mines	2 41/42	2 3/4	Nil	31S	0/44	0/44	0/44	Alkat & Chemical Corp. (I)	9 1/2	12	15-13*	10	33/19	33/19	40/50
Cheney Mico Industries P.	15	15	12 1/2	100	10/12	10/12	10/12	12/44 Sathgare & Co. Ltd. P.	Nil	Nil	..	10	9/84	9/84	9/87
Iranian Copper Corporation	27	27	27	27	4/26	4/26	3/88	3/82 Benga. Chemical & Pharm. P.	7	7	10	100	97/00	97/00	112/00
Metal Corporation P.	Nil	Nil	..	100	7/94	7/94	7/87	5/11 Calcutta Chemical P.	18	18	18-18*	10	17/87	17/87	17/75
Orissa Mineral Development	36	36	28-20*	10	27/50	27/50	27/37	13/12 Frank Ross P.	6	6	3/25	3/25	3/25	3/25	3/25
								42/60 Smith Stanistreet P.	25	25	25-25*	5	12/25	12/81	16/25
CEMENT LIME SLATE ETC.								ELECTRIC LIGHTING POWERS							
Ashoka Cement	4 1/2	7	7-7*	10	7/19	7/19	8/37	Agra Electric Supply	10	11	11-11*	100	120/00	120/00	125/00
Assam Bengal Cement	..	..	..	100	3/03	3/03	3/81	Bareilly Electric Supply	10	11	11-11*	10	14/31	14/37	11/75
Bengal Potteries	14 29/100	15	..	21	5/06	5/06	6/94	Bhatnagar Electric Supply	5	8	10-8*	10	12/44	12/44	12/00
Bihar Stone Lime	18 1/2	30	31-10*	..	35/00	35/00	35/32	1/19 Calcutta Electric Supply	7	7	7-7*	61	14/25	14/25	15/25
								6/94 Calcutta Electric Supply	6 1/2	7 1/2	10-10*	10	12/62	12/62	12/62
Dalmia Cement (Bharat) P.	12	12	12	100	13/06	13/12	13/19	Dishergarh Power Supply P.	7 1/2	10	10-10*	100	38/00	38/00	33/00
Empur Udyog P.	Nil	6	8-8 30*	10	11/00	11/12	14/06	Jhansi Electric Supply	9 1/2	10	10-10*	10	11/00	11/25	11/00
Kamardhuni Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45	Jubbulpore Electric Supply	9 1/2	10	10-10*	10	12/00	12/00	7/06
Kans Cement P.	11	15	15	10	14/00	13/87	18/94	Muzaffarpur Electric Supply	10	12 1/2	12 1/2*	10	11/50	11/50	11/75
Reliance Firebricks & Pottery	40	22	15-10*	5	22/75	22/75	18/25	Muzaffarpur Electric Supply	8	10	11-11*	10	11/12	11/12	10/37
Soni Valley Portland Cement	Nil	4	..	10	4/62	4/62	4/68	18/94 Shahjahanpur Electric P.	7 1/2	10	10-10*	10	10/62	10/56	11/62
Sutna Stone & Lime	20	27 1/2	30	10	35/00	35/00	37/00	18/25 Silua (Jherria) Electric	10	11	11-11*	100	8/25	8/25	9/00
								5/25 United Provinces Electric	12 1/2	13 1/2	13 1/2*	10	16/00	14/00	15/25

MISCELLANEOUS COMPANIES - Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		29-5-63	22-5-63	1 year ago		1959	1960	1961		29-5-63	22-5-63	1 year ago
ENGINEERING & METAL															
Arthur Butler (Muzantepore) P.	..	..	..	10	14/34	14/30	12/94	J K Synthetics	..	..	8	10	10/56	10/51	..
dhartia Electric Steel	15	10	10	10	14/30	14/30	12/50	James Wright P.	..	..	..	100	..	44	2/75
drahtwaite India	22 1/2	25	25	10	29/50	28/00	36/75	Jardine Henderson Ltd P.	..	..	..	100	86/50	86/00	86/00
Bridge & Root	30	30	30	10	32/25	32/25	32/25	Jay Shree Industries P.	14	14	7-6*	100	16/06	16/06	18/16
Britannia Building & Iron P.	5	NH	NH-NH*	10	9/87	9/69	12/12	Kesoram Industries P.	2 1/2	8	12-12*	10	22/00	22/25	32/19
Britannia Engineering P.	25	45	20	10	33/12	33/12	50/00	Macfarlane & Co	..	..	..	50	7/04	7/01	1/25
British India Electric Cons.	28 1/2	28 1/2	28 1/2	100	463/00	438/00	735/00	Macnelli & Barry Ltd P.	7	8	..	100	2/31	2/31	2/53
Burn P. (Engineering)	5	15	15	10	13/06	13/25	..	Martin Burn Ltd P.	27 1/2	27 1/2	27 1/2	10	25/62	26/37	28/81
Calcutta Steel	..	10	10-10*	10	10/62	10/62	..	McLeod & Co P.	15	15	15	100	210/00	210/00	215/00
Dalmia Iron	24	10	14	10	33/69	33/75	41/69	Meta Box Co of India Ltd P.	10	10	10	100	19/87	49/87	61/62
Guest, Keen Williams	12	NH	NH	60	108/00	108/00	143/00	National Insulated Cable P.	17 1/2	25*	25	10	24/25	24/62	46/25
Hogghly Docking	10	15	16-16*	10	22/30	22/48	25/96	National Pipe & Rubber P.	20	25	20-20*	10	27/25	27/25	32/75
Indian Iron & Steel P.	6	NH	..	50	6/00	6/00	6/00	National Rollings & Steel Ropes	10	13	15-15*	10	18/87	18/87	22/50
Indian Malleable Casting	7 1/2	NH	..	100	2/50	2/50	3/12	National Rubber P.	8 1/2	NH	8 1/2	10	12/12	12/25	14/75
Indian Standard Wagon P.	28 1/2	28 1/2	28 1/2	10	33/12	28/87	..	National Tobacco P.	10	10	7	10	11/69	11/75	16/06
Indian Steel & Wire Products	16 1/2	23	44-23*	100	38/87	38/87	55/37	New India Investment Corpn.	8.7	8.7	..	75	63/00	63/00	70/00
Industrial Containers	..	NH	10	10	21/37	22/06	13/19	Octavius Steel P.	12 1/2	12	..	100	25/12	25/87	35/73
Jay Engineering	12	17.3/20	17.3/20	10	21/75	21/75	19/00	Philips India	37 1/2	10	75-75*	..	22/62	26/62	27/00
J. K. Steel P.	12 1/2	20	20-10*	10	14/06	15/00	..	Publicity Society	NH	..	81-81*	..	117/00	117/00	145/00
Jessop & Co P.	8.50	8.50	8.50	10	22/00	22/37	24/06	Rallis India P.	15	20	10-8*	10	11/37	11/12	19/44
Kumardhubi Engineering P.	10	10	11 1/2	9	7/81	8/00	8/31	Sirdals	..	NH	..	10	9/06	9/18	10/84
Marshall Sons (India)	10	NH	NH-NH*	2	2/84	2/81	3/87	Shen Raleigh Industries P.	..	..	8-8*	10	13/50	13/50	19/50
National Iron and Steel	6 1/2	NH	NH-10-12*	4	8/00	8/00	10/00	Shaw Wallace P.	15	15	15	10	14/81	14/75	24/06
Saran Engineering	7 1/2	30	30	10	29/50	19/75	22/00	Spencer Hotel	14	24	24	10	38/50	38/50	43/12
Steel Containers	20	10	10	10	23/75	23/85	25/70	Union Carbide	12	12	12	10	2/37	2/37	2/69
Textile Machinery	..	10	10	10	..	..	..	Walford Transport	20	20	20	10	3/69	3/62	3/87
SUGAR, BREWERIES, ETC.															
Bairampur Sugar	8	8	8-4*	2 1/2	2/12	2/00	2/30	Concord of India	20	20	20	5	10/25	10/25	11/87
Belaund Sugar	18 1/2	18 1/2	10	7 1/81	7/81	7/81	10/31	Herules	20	22 1/2	22 1/2	10	24/19	24/19	24/25
Bharat Sugar P.	NH	NH	NH-NH*	10	13/00	13/00	13/00	Robt General	10	10	134	6	9/31	9/37	9/74
Carot (Sugar) P.	NH	NH	NH-NH*	10	12/50	12/50	12/44	Standard General	..	..	..	10	6/00	6/00	5/50
Channopur Sugar P.	10	15	12-NH-NH*	10	10/06	10/08	13/50	Friton	45	45	50	25	132/00	132/00	133/50
Channopur Sugar	30	30	NH	8	7/84	8/25	10/00	Bengal	45	40	25	10	34/25	34/25	38/62
Dyns Maslin (Breweries)	14	35	30	10	3/62	5/62	5/19	Delhi P.	..	..	..	10	14/06	14/06	14/00
New Javin Sugar and Juv	..	..	..	10	11/50	11/50	11/50	Ganesh P.	12 1/2	15	NH	12 1/2	15/75	15/75	18/75
Patanpur Sugar P.	NH	..	..	10	26/37	28/12	29/87	Hopghly	27 1/2	15	NH	10	19/75	19/75	19/75
Rammung Cane & Sugar P.	213/7	30	30-30*	10	9/31	9/31	9/87	United	82 1/2	38	10	10	27/81	27/81	38/00
Raza Guland	12 1/2	12 1/2	10	10	5/20	5/20	8/08	Attack Oil	13 1/2	13 1/2	13 1/2	21	sh. 32/9 sh. 24/-	sh. 51/9 sh. 33/6	sh. 28/9
Ryam Sugar P.	..	..	..	10	9/62	9/62	10/08	Burmah Oil P.	25	25	25	10	25/25	25/25	24/06
Sambastipur Central Sugar	..	..	..	10	7/12	7/00	9/25	Indo-Burmah Petroleum P.	25	25	25	10	25/25	25/25	24/06
Shree Krishna Gyanodaya Sugar P	15	15	15	10	7/12	7/12	7/12	Tide Water Oil	82	80	35	10	25/25	25/25	24/06
Shree Sitalam Sugar	..	..	..	10	6/12	6/12	6/62	Bengal P.	22	22	27 1/2	10	29/37	29/37	35/23
Sitalpore Sugar	NH	..	NH-NH*	10	16/62	16/62	14/72	India Paper Pulp	10	10	13-12*	10	17/44	17/44	22/19
United Provinces	10	10	10	10	63/00	63/00	77/00	Orient Paper P.	15	23 1/2	22 1/2	10	33/60	33/85	44/00
Upper Ganges Sugar P.	72 1/2	72 1/2	72 1/2	10	..	..	..	Shree Gopal Paper P.	17 1/2	17 1/2	17 1/2	10	23/37	23/87	37/73
MISCELLANEOUS															
A Firpo (Restaurant)	..	..	..	10	6/90	6/90	6/90	Sirpur P.	8 1/2	8 1/2	8 1/2	10	11/87	11/81	14/19
Aluminium Corporation P.	10	12	12-12*	10	12/87	12/87	10/12	Star Paper P.	..	NH	..	10	10/06	10/06	10/06
Anderson Wright Ltd P.	10	11 1/2	..	10	11/54	11/54	11/50	Titaghur P.	10	20	20-10*	10	14/25	14/25	15/75
Anglo Broa	20	25	25-28*	10	28/76	28/76	25/25	West Coast P.	NH	..	7 1/2	100	180/30	180/30	225/30
Assam Match	18	18	20	10	2/50	2/50	2/44	Pressing Company	11	11	11	100	104/00	104/00	100/00
Assam Saw Mills & Timber	NH	NH	NH	10	23/31	23/44	31/25	Real Property Storage	..	..	..	..	..	..	..
Associated Battery	40	25	15-15*	10	18/31	18/31	18/31	Bengal Bonded Warehouse	..	11	8-8*	..	..	..	..
Associated Hotels of India P.	NH	NH	10-10*	10	241/00	241/00	231/00	Calcutta Safe Deposit	..	..	..	..	..	..	..
Balmer Lawrie & Co.	25	25	25	100	24/37	24/37	27/13	Humayan Properties P.	13 1/2	..	..	100	11/00	11/00	11/00
Bafare Coke	NH	NH	NH-15*	10	9/84	9/84	9/84	Midnapore Zemindary P.	NH	NH	NH-NH*	85	10/30	10/30	9/56
Birds Investments P.	11	11	10-10*	10	41/62	41/62	46/12	Bengal Assam Steamship P.	3 1/2	3 1/2	..	100	34/00	34/00	38/75
Britannia Alumi P.	10	10	30-25*	10	6/75	6/75	9/69	Calcutta Landing & Shipping	10	10	NH-NH*	10	9/50	10/00	9/44
British India Corporation P.	NH	..	..	10	18/73	20/50	25/12	Calcutta Steam Navigation	..	..	..	..	..	..	..
British Paints	10	12 1/2	12 1/2	10	7/15	7/15	7/15	Calcutta Tramways P.	..	..	..	..	..	..	..
Calcutta Silk Manufacturing P.	NH	NH	NH	10	8/50	8/40	8/45	Fraser	NH	NH	..	..	..	..	..
Chlor Gas Investment	10	..	..	10	147/00	147/00	132/00	India General Nav. Railway P	10	10	NH-NH*	10	51/00	65/50	65/00
Chinam Brothers & Co Ltd P.	14	14	14	100	33/37	32/44	44/25	India Steamship P.	10	10	NH-NH*	10	6/57	6/50	7/37
Dunlop Rubber Co (India) P.	21 1/2	21 1/2	20-15*	100	128/00	128/00	138/00	Port Shipping	NH	NH	..	10	12/44	12/44	11/94
Eastern Investments Ltd P.	14	14	14-12*	10	13/00	13/00	18/08								
Electric Construction	12 1/2	20	10-10*	20	35/12	35/12	34/50								
French Motor Car	17	17 1/2	20	100	236/00	236/00	231/00								
Ganges Rope	24	..	6-6*	75	43/00	43/00	43/00								
General Investments Trust P.	10	10	11-11*	10	13/50	13/50	15/12								
Gillanders Arbuthnot & Co Ltd P.	NH	..	4 2/5	4 1/2	35/25	33/25	35/44								
Gladstone Lyall & Co Ltd P.	26	40	40	10	241/00	241/00	241/00								
Godfrey Phillips (India) Ltd P.	6	..	..	250	..	..	..								
Great Eastern Hotel	..	..	..	10	12/12	12/75	..								
Hindustan Aluminium P.	..	NH	..	10	16/62	16/84	20/00								
Hindustan Motors P.	..	..	12-12*	10	14/87	14/87	23/00								
Hindustan Pilkington	..	NH	NH-NH*	10	13/94	13/94	17/87								
Hindustan Fwyfords P.	..	..	..	10	5/44	5/44	7/03								
Hoare Miller & Co Ltd.	..	..	9-9*	10	10/44	10/62	11/12								
Imperia Tobacco	12	15	15-17 1/2	10	33/87	34/44	41/75								
Indian Aluminium Co. Ltd P.	12	22 1/2	22 1/2	10	31/00	31/00	37/12								
Indian Cable P.	18	15	15-12*	10	29/12	29/12	45/87								
Indian Oxygen	..	..	..	10	19/87	19/87	20/00								
Indian Rubber Manufacturers P.	25	30	30-36*	10	22/12	29/00	32/37								
Indian Wood Products	..	..	..	10	14/19	14/50	16/81								
Isaac Holden	..	..	..	100	55/00	55/00	55/00								
Investments and Finance P.	..	..	7 1/2-7 1/2*	100	..	..	..								

mand for credit has, meanwhile, risen appreciably on account of the needs of defence and development. Although resources have been somewhat replenished by borrowing from the Reserve Bank, banks have been reluctant to approach the former for accommodation because of the high rate of interest. The outlook for deposits has deteriorated during recent months. The stiff 1963-64 Central Budget will mop up a large volume of funds in the form of heavier taxation and compulsory savings. A considerable sum is also being siphoned off by the National Defence Fund and the Defence Bonds. This apart, funds are being attracted by industrial houses and the non-monetised sector because of attractive interest rates. Although the influence of these factors should be somewhat mitigated by the bigger Government expenditure on defence and development, it will be some time before the latter can exert its influence.

Deposit mobilisation calls for bigger efforts than have been made so far. The Reserve Bank report is disappointing in that it has merely stated the problem without prescribing any remedy. The banking community seems to have relied on luck rather than effort for obtaining more deposits. There is no doubt that the climate for promoting deposits has improved during recent years. Confidence in the banking system has been reinforced by the introduction of the deposit insurance scheme. The process of weeding out inefficient and uneconomic units and merging the weaker units with the stronger ones has helped to strengthen the banking structure. If the Gold Control Rules were to succeed, funds could be diverted from gold and ornaments to banks.

It is not difficult to understand the banks' reluctance to pay a higher rate of interest for attracting deposits. But it is time the bankers seriously considered whether an increase in the interest rate is not called for under present circumstances. The interbank agreement for regulating the interest rate has been a healthy development, but the question of raising it has come to the fore, especially after the State Bank has raised its deposit interest rates recently. It is difficult to say for certain whether or not the State Bank is trying to divert funds from the private commercial banks to the public sector. In any case, the competition for deposits has increased. Considering that the bulk of the deposits are personal in character, the rôle of interest rates in increasing deposits cannot be ignored. The interest rate apart, the growth of deposits can be promoted by increasing the range and efficiency of services and facilities offered to customers. Bank managements are largely to blame for the present poor services. Hence loose talk about holding down competition in terms of bank services will do serious harm. Mr. G. D. Birla has rightly stressed, in his chairman's address at the annual general meeting of the United Commercial Bank in Calcutta last week (details of which were printed in last week's issue of *Capital*), the importance of promoting competition in providing various services and facilities to customers.

The banks are getting worried about whether they can satisfy the rising credit requirements of the economy in the near future. The 1962-63 busy season has just come to a close, but it does not appear that there will be much credit contraction during the current slack season. Advances are still running at a high level because a substantial portion of the advances have been taken by trade and industry. Despite the selective credit control measures of the Reserve Bank, the demand for credit has been high because of the needs of defence and economic development. Since the prospects of deposit expansion do not appear to be

very favourable so far, the Reserve Bank should consider liberalising credit terms to the banking system. Now that the Central Government is likely to launch its second borrowing programme soon, the banking community is wondering whether appropriate measures will be taken to help it in supporting the Government loans. Although the investment portfolio of commercial banks has expanded in 1962, they have encountered several difficulties in investing in securities. Apart from

WITH exports touching 212 million kilograms during the year ended March 1963, Indian tea has had a satisfactory year. The increase of 12 million kilograms over the previous year's exports reflects a satisfactory response to the fiscal reliefs granted in the 1962 Budget, and seems to have paved the ground for the final step of abolishing the export duty which New Delhi was persuaded to take three months ago. The increase in exports is the more welcome because despite the weakness in prices in earlier months, average realisations over the whole year at the Calcutta auctions show gains for both leaf and dusts. All districts have benefited from the improvement, especially Darjeeling and Assam. As the annual review published by J. Thomas and Co. (P) Ltd, leading Calcutta brokers, says, the outstanding feature of the season's marketing was the excellent price paid for orthodox teas. J. Thomas does not suggest that the poorer showing of C.T.C. teas was because of any surplus, but only reflected a relative shortage of good orthodox types which was "possibly temporary". While the mere conversion to C.T.C. may not command the premium enjoyed in the past, the Company nevertheless advises changing over to this process of manufacture in lower quality districts in view of the growing preference for quicker brewing and stronger liquoring qualities.

The J. Thomas report agrees with other trade assessments that the prospects for the 1963 season are more favourable than was the case at this time last year. The principal factor underlying this forecast appears to be the leanness of stocks held in Calcutta warehouses; at 229,118 chests, they are lower than at any time in the past six years. Excluding mainland China, for which the 1962 production figures are unavailable, overall world production is believed to have declined last year, which warrants the hope that prices in international markets should be well maintained at least in the first half of the season until the trend of production can be accurately gauged. Early reports from Ceylon and south India indicate that new records may be set by the 1963 crops, but the decisive factor will, as always, be the size of the north Indian harvest. While most sources expect that the 1963 crop in north India will be better than last year, the J. Thomas review points to the prolonged dry spell in most districts and the damage suffered from hail as adverse factors. These notwithstanding, the crop may be equal to the 1961 bumper crop and may be even marginally larger should weather conditions improve. Exports should in consequence improve, particularly now that the export duty has been abolished altogether.

The investor in tea shares can draw little comfort, however, from these crop and export prospects. His dividends will be severely affected by the super profits tax because many companies have for historical reasons retained a narrow capital base although their assets have expanded. The 6 percent rule, despite the modifications introduced subsequently by the Finance Minister, has the effect of penalising efficient management, as Mr. J. C. Strange said to the Central Travancore Planters Association recently. Even apart from taxation, the Indian tea grower cannot but be concerned over the steady rise in all his costs partly as a result of inflationary pressures and partly on account of the State's zeal for the worker's "welfare". Tea companies do not object to State-sponsored welfare measures, and are willing to play their part in ameliorating conditions. They only ask that commitments should not run ahead of the industry's ability to find the extra resources in a situation where their sales

the capital loss which they have suffered from the existing investments, they have found it difficult to raise funds against Government securities. Not only has the security market been extremely narrow, commercial banks have had to borrow from the Reserve Bank by paying prohibitive rates of interest. If the banks are to give more generous support to the new Government loans, they should be in a position to raise funds against these securities at a reasonable rate of interest.

OUTLOOK FOR TEA

are subject to increasing competitive pressures. This is in fact the essential point to grasp: the level of India's domestic costs is getting increasingly out of line with world price trends. The prospect of offsetting cost increases by gains in productivity grows increasingly remote chiefly because north India has reached a high plateau. With yields having already risen from 630 kilograms a hectare in 1938 to 1,056 kilograms in 1961, further improvements will be much more difficult to achieve and will be more costly because of not only inherent technical handicaps but also the steady erosion in the purchasing power of the rupee. On this point, the J. Thomas review makes the valid point that comparisons of north India's gains in productivity *vis-à-vis* Ceylon's cannot be fairly made unless it is noted that north India started from a base much higher than the others. Scope for further growth is thus more limited and cannot be expected to equal that in other countries.

The investor, in judging the financial prospects for 1963, will also need to take into account the impact of the higher garden excises. Payments, at the 20 percent higher rates now prescribed, will have to be made as teas leave the estates, and this must increase their requirements of working capital. Coming at a time when money has become tight and interest rates are on the increase, this will impose a serious disability, especially on the less affluent gardens. It may be noted in this context that crop hypothecation arrangements for the 1963 season presented some difficulty because of the hesitancy of banks in the face of the border uncertainties. Emergency risks insurance, and the initiative of the Tea Board, finally reassured the banks, but it is possible that some estates have had to make do with less accommodation than they need to maintain the momentum of growth.

Taking a longer view, growers in India cannot dismiss the possibility that world absorption may fall behind the rising volume of tea entering international trade. Despite official optimism, the fact remains that newcomers like the African territories and the Argentine are rapidly expanding their output from year to year. A new factor in the situation is the Soviet effort to expand domestic output, to which a correspondent referred in *Capital* last week. While the F.A.O. forecast of a world glut by 1965 may have been off the mark, there is no room for complacency. It is encouraging to learn that apprehensions voiced by the Indian Tea Association and other bodies have persuaded New Delhi to approach the F.A.O. for a fresh assessment, a great improvement from the initial reaction which was to dismiss these fears out of hand.

In judging the long-term outlook, the possibility of developing new markets has, of course, to be taken into account. The E.E.C. move to abolish tariff duties on tea is an interesting departure in principle, but its practical implications are limited by the fact that about 2 percent of all Indian exports go to this market. In 1962, according to the J. Thomas tea statistics, exports to the Netherlands and West Germany added up to just over Rs. 3 crores out of a total of Rs. 123 crores. Undoubtedly, tea drinking is catching on, but it would be a mistake to read too much into the recent uptrend. Imports of tea into Germany (including the East, now a separate political entity) were 5.3 million kilograms in 1938, against 6.5 million kilograms in 1961 for West Germany alone. In the Netherlands, however, consumption is still below prewar levels. Removal of tariffs may help tea somewhat, but the outcome

will depend far more on the comparative relationship with coffee prices at the retail level. The plea of India and Ceylon to the E.E.C. to help encourage tea-drinking will be judged against the more immediate responsibility to coffee producers in associated territories. More important than the E.E.C. as future markets are the countries of Africa and Asia where levels of consumption should increase in the wake of economic pro-

CEMENT RETENTION PRICE UP

AFTER considerable delay, the Government of India has allowed a general increase of Rs. 2.75 a tonne in the ex-works price of cement to be paid to the industry. The selling price of unpacked cement, *f.o.r.* destination, has also been increased from Rs. 94 a tonne to Rs. 97.75 a tonne. The cement industry, in common with other producers, has had to cope with a large rise in costs on account of raw materials, freight and power. Understandably, the increase in the retention price of cement has not satisfied the industry, which considers it very inadequate. The full benefit of the rise of Rs. 2.75 a tonne, it appears, will not accrue to the producers since their commission as selling agents has been reduced by 25p a tonne.

The increase in the retention price is meant to enable the industry to meet the rise in the costs of production since 1st November, 1961, when the fair prices payable to cement manufacturers were last fixed. A Government resolution published then had accepted the Tariff Commission's recommendations on raising the retention prices in line with any rise in the production costs due to Governmental action. However, the latest mark-up in the retention price is not sufficient to cover the increase in the costs of the high-cost producers. Furthermore, it does not have retrospective effect from 1st November, 1961. Production costs in the industry have gone up because of several factors, of which those deriving from Governmental action are the increases in freight rates, pithead coal prices, electricity duty and limestone royalty.

There has been a fair amount of idle capacity in the industry until recently. In 1962, India's output of cement was only about 8.6 million tonnes, against an installed capacity of about 10 million tonnes. There has been a considerable increase in production since the beginning of this year, but

gress. The demand there is unlikely to be for quality teas, but for plain and medium varieties sold at a low price. Whether India will benefit from such expansion of trade can hardly be taken for granted because of her poor competitive ability in the lower price ranges. Thought has to be given, therefore, to helping plain and medium teas, an intention implicit in the differential excise but which remains unfulfilled so far.

It has been achieved at high cost. The shortage as well as the poor quality of coal supplies, the rise in the prices of raw materials, the change-over from coal to furnace oil by factories in southern and western India and the shortage of power have pushed production costs up. Transport difficulties have been serious, both in obtaining raw material supplies and in clearing cement from the works. Since the sources of limestone and coal are located far away from each other and from the consuming centres, long hauls are necessary. Transport thus assumes a special significance for the cement industry. Although the transport situation has recently improved, the cost, particularly for road haulage, has gone up. Another major burden which the industry has to bear is the fiscal one. All these factors have affected its profitability. This is reflected in the prices of cement shares, the index number for which has declined from 169.3 to 140.7 (1952-53 equals 100) over the past year.

There is a considerable shortfall in the targeted capacity for cement. The third plan visualises an increase in capacity to at least 15 million tonnes. Existing capacity is only about 10 million tonnes. The projected expansion will call for an investment of about Rs. 70 crores, assuming that the capital required for a tonne of annual capacity will be, on average, about Rs. 140 (the cost is higher for establishing a new plant than for expanding an existing one). Such a large amount of capital can be raised only if the profitability of the industry improves. Apart from the other disincentives, the industry is subject to rigid controls, both in relation to prices and distribution, which restrict its earning capacity. The importance of granting a fair retention price is thus of far-reaching significance.

Current News and Comment

Coal and Power Supply in West Bengal

In his address from the chair, Mr. J. N. Mookherjee, president, Bengal National Chamber of Commerce, said that the fuel costs of the industries in the Calcutta area had risen as they had been obliged to take their coal supplies by the more expensive means of road transport. Also the new system of block movement, particularly by box wagons, compels small consumers to take their supplies either from the dumps or by making their own transport arrangements. A considerable increase in the fuel cost apart, industries in and around Calcutta have been placed in "a comparatively disadvantageous position *vis-à-vis* industries in the south and the west where movement of coal by coastal ships is being subsidised from a fund to which consumers of coal from every part of the country, including West Bengal, are contributing". In effect, Mr. Mookherjee says, the Government has equalised the price of coal practically throughout the country, but while the disadvantages of distant States on account of higher freight have been removed, West Bengal's industries are suffering from many handicaps because of locational difficulties. Smooth transport of coal to Calcutta is hampered by the inadequacy of suitable roads from the coalfields to the consuming areas. Much attention had not been given earlier to the laying out of a good road system around the coalfields, probably because they had been adequately served by the railways. But if the road system has now

to carry a heavier load of the coal traffic, this difficulty must be removed. Mr. Mookherjee thought that with better roads, the cost of coal to the local industries could be brought down by 50 percent.

Another serious difficulty arises from the recurring power crisis. In the past few months, there has been frequent power shedding in the northern part of the Calcutta industrial area, where industrial concerns have had to suffer an electricity cut of about 40 hours a week, with inevitable loss of production. Mr. Mookherjee attributed the crisis to the Planning Commission's inaccurate estimates of energy demand in the industrial belt of West Bengal. His Chamber as well as a few others have made a careful calculation of the requirements of the Calcutta industrial area during the third plan period, and in their view, the demand should be at least 2,120 MW more than the 1,000 MW which is planned to be supplied. But much less than 1,000 MW will be actually available by the end of the third plan. Mr. Mookherjee, has therefore, urged the authorities to take this large shortfall into account while preparing the energy estimates for the fourth plan period.

Maharashtra Financial Corporation

The Maharashtra State Financial Corporation has done well during the year ended March 1963. Its profit of Rs. 8.12 lakhs shows an increase of 33

percent over the previous year's figure of Rs. 6.09 lakhs, so it has been able to pay the guaranteed dividend of 3½ percent out of the year's profit without seeking any subvention from the Government. The Corporation's results are to be judged by the financial assistance it renders to the corporate sector, especially the small-scale and medium-scale concerns, rather than by the profit that it is able to make. Its record in this direction is encouraging. The total number of applications for loans received by the Corporation during 1962-63 was 605 for an aggregate sum of Rs. 9.53 crores, of which 166 applicants were sanctioned loans amounting to Rs. 2.06 crores. In the previous year, the Bombay State Financial Corporation, out of which the Maharashtra State Financial Corporation was reconstituted in August 1952, sanctioned loans for 185 applicants for a total sum of Rs. 1.79 crores. Total disbursements amounted to Rs. 1.65 crores—the largest amount paid out during any year since the Corporation's inception.

Of the 166 applications for which loans were sanctioned by the Corporation in 1962-63, 28 were for constructing new premises by existing concerns, 46 were for setting up new concerns and 92 for completing programmes of expansion and manufacturing new products. Of the 46 new concerns to whom loans have been sanctioned, 28 have actually started production. Since its inception, the Corporation has sanctioned loans of Rs. 10.35 crores, of which Rs. 2.56 crores is for 452 small-scale concerns, Rs. 6.46 crores for 234 medium-scale concerns and Rs. 1.29 crores for ten large-scale concerns. Of the total sum of Rs. 9.23 crores disbursed by it, the amount given to the units in Maharashtra is Rs. 5.52 crores. The total amount of loans repaid is Rs. 1.48 crores, leaving an outstanding amount of Rs. 4.08 crores at the end of March 1963. In order to meet its immediate requirements of funds, the Corporation resorted to borrowings from the Reserve Bank of India as well as to taking advantage of the refinance facilities offered by the Refinance Corporation for Industries. The Corporation has also decided to accept deposits from the public. It proposes to replenish its resources by the issue of bonds.

The Corporation raised its lending rate from 6½ percent to 7 percent in July 1962. Its income from interest rose during the year from Rs. 15.42 lakhs to Rs. 24.65 lakhs. Interest paid on deposits, bonds, debentures and borrowings increased from Rs. 7.24 lakhs to Rs. 13.26 lakhs. The Corporation's profit has increased from Rs. 6.09 lakhs to Rs. 8.12 lakhs. After providing Rs. 3.75 lakhs (against Rs. 3.06 lakhs) for taxation, the directors have transferred Rs. 10,000 (against nil) to general reserve and Rs. 75,000 (against Rs. 62,000) to special reserve. The 3½ percent dividend absorbs Rs. 3.50 lakhs. The total amount of subvention that the Corporation availed itself since its inception amounts to Rs. 27.59 lakhs, of which Rs. 9.30 lakhs has been transferred to the Gujarat State Financial Corporation as its share of the liability.

Wages and Productivity

A number of labour problems were discussed at the 14th annual session of the I.N.T.U.C. in Jaipur. Inaugurating the session, the Congress President, Mr. D. Sanjivayya, observed that the concept of minimum and fair wages and the legislative and other measures taken by the Government for achieving these wage standards were only interim steps, and the ultimate goal was a living wage for all workers. But the Congress President did not emphasise that it is not possible to ensure a living wage unless the workers put in hard work and raised their productivity. The impression in labour circles that the employers could pay higher wages even at the present level of productivity is obviously wrong. As things are the wage bill in most industries is beyond their paying capacity and any effort to raise the wage level without a corresponding increase in productivity, will inevitably increase unemployment. The I.N.T.U.C. has passed a resolution that wage boards should be set up for chemical, paper, engineering and power industries.

It has been argued that bonus should not be considered an *ex gratia* payment and the worker

India's Resources

are Precious

WASTE NOT,

WANT NOT

has a right to get bonus in addition to wages. But the proposition that a minimum bonus should be provided for each worker regardless of the profits or losses of the company concerned is hardly defensible. The very object of bonus is to encourage the worker to increase his output and the concept of a minimum bonus irrespective of the productivity of labour, vitiates this basic principle.

In the annual report of the I.N.T.U.C. for 1962-63, which the general secretary, Mr. S. R. Vasavada, presented at the session, it has been recognised that industrial relations in India have improved since the state of emergency was declared, and that there have been no strikes or lock-outs in the country. In fact, as against an average monthly loss of 400,000 man-days because of industrial disputes before the emergency was declared, the loss of man-days has now been reduced to less than 25,000 a month. This shows considerable improvement. Mr. Vasavada has regretted that some employers have made changes in working conditions without prior consultation with labour, and have thus not observed the spirit of the Industrial Truce Resolution. But since some employers had to change the conditions of work in order to adjust production to defence requirements quickly, it is difficult to blame them. The object of both employers and workers should be to maximise production to meet the requirements of the national emergency and any changes made in working conditions to achieve this objective, should not amount to a violation of the spirit of the Resolution. However, the criticism that the public sector enterprises have not yet evolved a satisfactory method of voluntary arbitration is substantially correct. In fact, the creation of a machinery for the public sector enterprises to resolve their industrial disputes by voluntary arbitration is overdue.

Inland Water Transport

The third plan has provided a sum of Rs. 7½ crores for developing inland water transport, against less than Rs. 1 crore actually spent during the two previous plans. But the progress of development schemes relating to inland water transport has been disappointing in the current five-year period. This mode of transport plays an important part in some States like Assam, Orissa and Kerala. It has been estimated that out of over 2½ million tons moved between Assam and Calcutta, nearly half is carried by river. In most States inland water transport has not been properly developed, and there is plenty of scope for developing it on the lines recommended by the Inland Water Transport Committee.

In the first five year plan, the Ganga-Brahmaputra Water Transport Board was set up as a joint venture of the Central Government and the Governments of U.P., Bihar, West Bengal and Assam to co-ordinate their activities in developing transport on the Ganges and the Brahmaputra systems. The Board's other functions are to administer pilot projects for testing the feasibility of operating modern craft on shallow waterways and to conduct topographical and hydrographical surveys for collecting data for future projects. The Bihar Government has proposed to take over some of the operations of the Ganga-Brahmaputra Board. But this may not be advisable. It is only by making the Board more effective that success could be achieved in organising inland water transport on sound lines.

It is necessary to start some more pilot projects on navigable rivers and canal systems. The boats used by private operators on inland waterways are old and dilapidated. There is an almost complete absence of mechanical and electrical aids to help these river crafts. There is also no adequate arrangement for dredging the river and canal beds. In order to overcome these defects, the Government may have to provide financial and technical assistance to private operators. The Transport Development Council at its recent meeting urged the State Governments to organise the operators of small country boats into co-operatives and encourage them to switch over to large mechanised craft. Co-operation can offer a satisfactory solution for the problems of all small and disorganised units, whether in the field of agriculture, industry

or transport. But certain essential conditions such as adequate demand, regular service and organised repairing facilities should be available before co-operatives could effectively solve the problem. Unless the Government helps in providing all these facilities, in devising suitable designs for craft to be used on shallow rivers, and in making adequate finances available to the private operators on inland waterways, the organisation of existing services on co-operative lines or their nationalisation, will hardly improve matters.

Expanding Refinery Capacities

In spite of the shortage of petroleum products in India, the Central Ministry of Mines and Fuel has been persistently resisting the efforts of the three private-sector oil refineries to expand their capacity. At a recent meeting the Planning Commission considered in detail the problems of expanding refinery capacity in both the public and private sectors. The Commission has asked the Indian Institute of Petroleum to make an estimate of the prospective demand at the end of the third plan period.

The Ministry is opposed to the expansion of the private-sector oil refineries because, according to it, the expanded capacity of the four public-sector refineries along with the existing capacity of the three private-sector ones will be enough to meet the internal demand of 15 million tonnes, at the end of the third plan. The Oil Advisory Committee, however, had estimated the demand at some 17 million tonnes. The basis of the Ministry's contention is that after the proposed expansion, the public-sector oil refineries in Barauni and Koyali will have a capacity of 3 million tonnes each, Nunmati refinery 1.25 million tonnes and the Cochin refinery, which is expected to be ready by the winter of 1965, 2.5 million tonnes. So the four public-sector refineries will have a total production capacity of 9.75 million tonnes which, along with the capacity of 7.5 million tonnes in the private sector, will be adequate to meet the Indian demand by 1966. But the snag is that, if past experience is any guide, the public-sector refineries may not be able to expand their capacity to 9.75 million tonnes by 1966. In any case, it is futile to hope that production will be maintained at full capacity. The private-sector refineries should, therefore, be allowed to expand their capacity so that the large amount of foreign exchange, which is now spent on importing petroleum products, might be conserved.

The private-sector refineries have proved their worth, so the Government should not be in two minds about allowing them to expand. The argument that the permission to expand will entail foreign exchange expenditure for importing crude oil does not appear to be valid. By producing various petroleum products, the private-sector refineries will help save more foreign exchange than what will be spent in importing crude oil.

Building More Houses

The Central Government has asked the State Governments to make larger allocations for various housing schemes—subsidised industrial housing, low and middle income housing and rural housing—during 1963-64 and to desist from diverting their allocations to other development projects. In view of the state of emergency and the shortage of building materials like steel and cement, the budgetary provision for housing in 1963-64 had been reduced to Rs. 12 crores. Even before the emergency was declared, many State Governments were diverting the housing funds to other schemes. At the beginning of the third plan, there was a shortfall of about 2.5 million houses in urban areas alone. With population increasing at the rate of 2.1 percent a year, the shortage of accommodation in the first two years of the third plan has become more acute not only in industrial areas but also in other cities and towns.

It is, therefore, a move in the right direction to intensify construction efforts. During 1963-64, the Life Insurance Corporation has agreed to advance a sum of Rs. 4 crores for house-building in addition to the annual allocation of Rs. 10 crores for the third plan period. While the availability of

cheap finance for construction is undoubtedly important, it is not the major difficulty at present. In the case of industrial housing, employers have not been keen on building more houses because of the difficulty in getting materials like bricks, cement and steel at reasonable prices and in sufficient quantities. Furthermore, the rentals which they are allowed to charge for the tenements are not economic. The Government of India has asked the State Governments either to persuade employers to avail themselves of the 75-percent assistance from the Government under the subsidised industrial housing scheme or to pay their part of the contribution (25 percent) to the States for building houses for workers. But this will not apparently solve the problem. A satisfactory solution must aim at providing industrial employers with the requisite materials in sufficient quantities at controlled prices; it must also allow them to charge economic rents for the tenements. If these facilities are not available, even the State Governments will not be able to accelerate the pace of house-building in industrial areas.

The Central Government has asked the States to persuade persons, who have been allotted houses on rent or on hire-purchase basis under the low and middle-income housing schemes, to buy the houses outright by paying the outstanding amounts so that they may be used for building more houses. To popularise the low and middle income housing schemes, it is necessary to liberalise the terms on which the loans are made available, to increase the amount of loans and to reduce the interest charges. Land prices have increased sharply in urban areas during the past few years. So it is necessary for the Government to devise a scheme by which prospective house builders may be able to acquire land at reasonable prices. The municipal corporations and other local bodies should examine the possibility of providing land at reasonable rent on 99 years' lease. Even more important is that supply of bricks, cement, steel and other building materials should be ensured at controlled prices to people who desire to build their own houses.

INDIAN RAILWAYS

IF the public in India were given to the reading of Blue Books, a form of intellectual recreation not popular for certain excellent reasons, there is no doubt as to which part of Mr. Robertson's Report they would turn. They would skip Administration, Government Control, and the attractions of those parts which deal with Railways finance and go straight for the "Working of the Railways." What Mr. Robertson has to say in this important section of his report appeals to everybody who is compelled to use the line. The Commissioner's observations constitute the most scathing criticism from an authoritative source ever written against a hundred evils and defects for which the working of our Indian Railways are conspicuous. It is one thing for the mere passenger to growl, or carp, maybe to swear at, miserable rates of speed and high charges: but when a Special Commissioner feels constrained to condemn in no measured terms then indeed it is impossible that some one may listen to him. Much of what Mr. Robertson has said has often been said before in angry letters to the Editor, and by means of strong denunciations in all places where men—and women—do congregate. But it is something to have it said in the way Mr. Robertson says it who, if he does not always call a spade a spade, generally dubs it a shovel. Mr. Robertson is of opinion, which will be heartily endorsed by everybody, that on the main railway routes at least, the public have a right to expect that they shall be carried in a much shorter time from point to point than they now are. We have just said that Mr. Robertson's remark will be endorsed by everybody. Perhaps we are wrong. It is possible that a large number of the third class passengers rather like the slow and methodical speed of certain of the branch lines, and consider our very mediocre averages on the main routes a marvel. Against this must be set the verdict of busy business men, European and native, merchants, agents, travellers, officials while the time taken in the transit of merchandise, produce and goods is regarded as a grievance by all whom it may concern. The average speed of the fastest passenger trains on Indian railways is a fraction over 31 miles an hour.

FROM

CAPITAL
11th June, 1963

A Ditcher's Diary

NOT IN RECENT HISTORY HAS THE DEATH OF A POPE caused as much grief in such diverse circles as that of Pope John XXIII earlier this week. I do not believe that only courtesy or cynicism explains the message sent by Mr. Khrushchev, for while concern for peace is a fairly widespread feeling among all thinking men the Pope was in a peculiarly happy position to speak of it with conviction. Pope John was pretty old when elected; and many thought of him, initially, as a stop-gap incumbent in the high office. Yet he initiated several moves for universal peace and unity among the churches which, he must have known, he would most probably not see fulfilled. It is as a sower of seeds that he will be long remembered. Even as periods of the Khrushchev régime in the Soviet Union witnessed a thaw, in the Vatican too has been discernible in recent years an atmosphere of relaxation, of a holiday from rigidity, of a certain compassion based more on natural humanism than on a body of acquired beliefs as to what is correct and what is not. It was widely believed, for instance, that on the question of family planning Pope John XXIII held views closer to those of most economists and sociologists than those of the orthodox. I have long been sceptical about promises among people with different convictions, which often pass for syntheses. My respect is the greater for those who are prepared to stand by the interests of amity. Pope John's contribution was not to slur over the real differences among the various Christian churches but to emphasise the much larger area of unanimity. Such a point of view, more than a merely passive tolerance, could lead one only to a keener consciousness of the essential oneness of mankind. All religions are not one: we wouldn't have so many if they were; but mankind is at most levels one. Especially on that supreme level—that of survival. This is where our nuclear age was fortunate to have a Pope whose supreme thought was of peace.

WORLD WAR II PRODUCED A NUMBER OF EXCELLENT documentaries: one is still vivid in memory because its title, *London Can Take It*, has since been adapted as a slogan for various purposes such as export promotion, converting "take" into "make". I have often wondered whether a people's capacity to "take" is not a surer measure of its greatness or otherwise than almost any other criterion one can think of. I was led to these reflections when I read last week of the cyclonic storm that hit Chittagong and adjacent areas recently. The damage has apparently been extensive and severe. There was, however, nothing in the reports to sug-

gest that the people of Chittagong "took" it heroically. I don't know why, every word I read conveyed to me a sense of pervasive helplessness. I am not being superior. I always remind myself of the *Punch* cartoon of long ago in which a drowning man was crying "Help, help, I can't swim," and the man walking by soliloquised, "I guess I can't swim either but I am not making such a song and dance about it!" It is ridiculous for a bystander to accuse people in distress of cowardice; and I am doing nothing of the sort. What I am suggesting is that in this sub-continent of joint families and traditional togetherness all things and communities seem to fall apart as soon as a calamity arrives. The nearest relations become strangers and "everyone for himself" drives a whole mass of people into universal disaster or something very like it. That official relief arrives late, if at all, is certainly deplorable; the only use of a Government's behind is that it ought to be kicked as often as possible. There still remains the question of a community helping itself without waiting for Authority to come to its rescue. One of the things Mahatma Gandhi never tired of saying was that the people must not look to the Government for everything; some of his disciples have since abused this to cover up their deficiencies when in power. It may still be true that a people caught helpless every time something catastrophic happens has not quite come into its own.

EVER SINCE I READ OF THE AWARD, TO PRESIDENT Kennedy, of the George Washington Medal as 1963's Father of the Year I have been wondering, without envy, just what he might have done to deserve this undoubtedly great honour. That he has two children and is expecting a third can hardly be a great achievement. There is not an executive in Netaji Subhas Road who has not received petitions from a clerk or two for extra increments on the ground that they have seven—or eleven—children to feed. No, President Kennedy had better not enter for that race at all. The report says that the National Fathers Day Committee—to father committees is a free society's fundamental right—chose Mr. Kennedy "because of his brilliant and courageous leadership of the free world and his humane championship of the rights and dignity of the individual over the entire universe". I am sure all this means something, although I may not know what; but I still don't see what it has to do with being a father. West Bengal since its birth has not had a Chief Minister who was not a bachelor; and the only complaint

I have seen on this score is that, being unmarried, Drs. Ghosh and Roy and Mr. P. C. Sen might for that reason have been insufficiently appreciative of the woes of those having to run largish households. This, surely, is frivolous. Emile Zola, it is said, visited Les Halles long after he had written his celebrated novel on the famous market. Tagore wrote convincingly of the lives of boatmen and post-masters without ever being one. It is a fatal fallacy to imagine that one can write only of that which one can call one's direct and personal experience; in fact those who live intensely have seldom the detachment to observe men and things or the tranquillity in which to write. In the absence of other evidence, therefore, I conclude that the U.S.A.'s National Fathers Day Committee is yet another pressure group which President Kennedy dare not displease by refusing its dubious "honour". Photographers and reporters, I find, were not summoned to record the presentation ceremony for posterity. Well, posterity is all that Fathers Day is about, isn't it? I am still mystified. What on earth can a National Fathers Day Committee have for its aims and objects? Can U.S.I.S. get me a prospectus?

"PERHAPS GRAHAM GREENE SHOULD STICK TO entertainments. He is very good at them": this catty remark of Sarah Gainham's in the *Spectator* last week, very thinly disguised as a compliment, was provoked by a piece written on East Berlin by the distinguished British novelist. Political journalists are to be pardoned for pretending to understand politics, not for claiming a monopoly; and anybody who has read *The Quiet American* or *Our Man in Havana* knows that, for all his preoccupation with the soul and the conscience and all that, Mr. Greene is a shrewd observer of political manoeuvres. As it happens, the *New Statesman* of the same week carries Greene's "Letter to a West German Friend"; and Sarah Gainham's acrid protest seems a shade overdone. Greene's sober, unexcited piece, which I suspect is what infuriates Sarah Gainham, reminds one of the abnormal, almost feverish atmosphere one found in Berlin four years ago. The Wall must have made West Berliners even more excitable; and I think that's a pity. That the position of West Berlin is most unnatural nobody can deny; that life in the beleaguered city should acquire a certain unreality in consequence is quite understandable. Nor is it my intention to withhold from West Berliners admiration for the courage they have often shown. The point I have to make is that a permanently excited mind is not a good judge of things; and journalists who cannot resist the passions of the residents perhaps serve their readers ill. Mr. Greene spent no more than two and a half days in East Berlin; and his report, such as it is, may well be inaccurate in detail. He seems, still, perfectly within his rights to say

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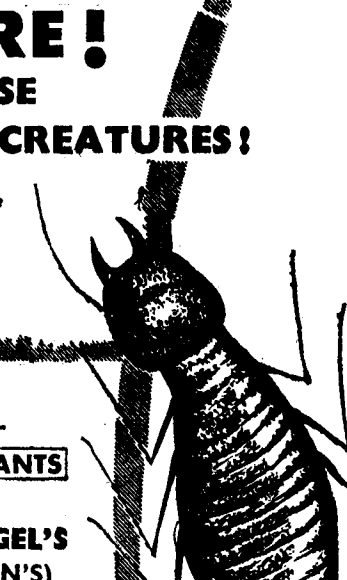


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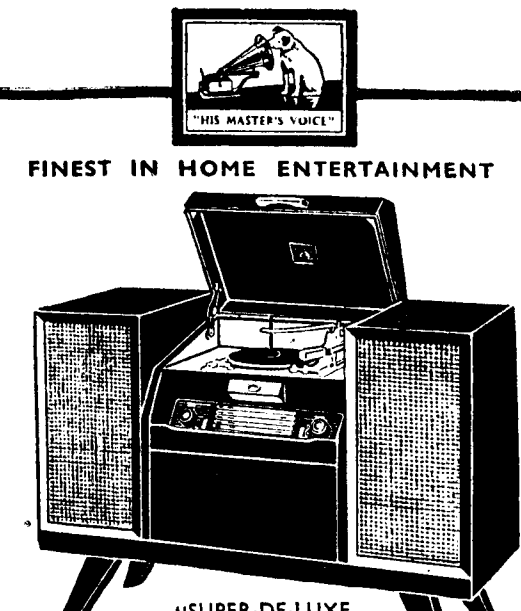


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Guide for Investors

PHILIPS INDIA MAKES STEADY PROGRESS

THE good effects of the expansion of Philips India Ltd have begun to show in its results. The Company has increased the taxable ordinary dividend from 12 percent for 1961 to 13 percent for the year ended December 1962. It has taken steps to manufacture tungsten and molybdenum wire and tungsten coils in its Bombay factory. These are vital components of electric lamps and are at present entirely imported. Technical collaboration has been arranged with N. V. Philips Gloeilampenfabrieken. In order to finance the scheme, the Government has permitted the Company to issue rights ordinary shares for Rs. 16.66 lakhs at a premium of Rs. 5 a share of Rs. 10 each. The manufacture of light products in the Bombay factory, combined with a satisfactory level of production in the Calcutta factory, has contributed substantially to the turnover. Sales rose from Rs. 6.82 crores to Rs. 8.85 crores. With progressive realisation of the capacity of the manufacturing plants and the gradual improvement in supplies, it should be possible to maintain the trend in sales in future.

The Bombay factory has produced a sizable quantity of fluorescent lamp starters. The production of glow switches and burners for gas discharge lamps has started. The Calcutta factory has successfully realised its production programme for fluorescent light fittings. The Loni factory has set up an integrated programme for manufacturing radio components, and its production has increased. The factory is now meeting the demands of large-scale and small-scale radio manufacturers in addition to meeting the Company's requirements. With a view to overcoming the inadequate supplies from local sources, the ancillary industries are being promoted. The Calcutta factory has acquired an outfit for a tool room which should ensure the supply of mechanical piece parts. Meanwhile, the Company has decided to discontinue the pharmaceutical business which has hitherto constituted only a minor part of its total business. The Company has been collaborating with other manufacturers for producing vital parts and components.

The profit has improved from Rs. 66.20 lakhs in 1961 to Rs. 1.20 crores, after providing Rs. 20.96 lakhs, against Rs. 19.44 lakhs for depreciation, Rs. 3 lakhs (the same) for gratuity reserve, Rs. 5 lakhs (against Rs. 1.50 lakhs) for contingencies reserve, Rs. 1 lakh (against Rs. 2 lakhs) for debtors and stock risks. A sum of Rs. 85.50 lakhs, including Rs. 20 lakhs for the super profits tax, has been provided for taxation. Tax provision was only Rs. 36 lakhs in 1961. The dividend is more than four times covered and offers a yield of 4.9 percent at the present price of Rs. 26.37. Development rebate reserve is allocated Rs. 6.15 lakhs (against Rs. 3 lakhs). The carry-forward is Rs. 1.40 lakhs, against Rs. 1.43 lakhs brought in.

The directors say that if the present high rate of taxation continues, it will affect the future dividend policy and the accumulation of reserves for internal financing. There has been an increase of Rs. 33.60 lakhs in the net value of fixed assets which stands at Rs. 1.99 crores, against Rs. 1.66 crores. Current assets have risen by Rs. 17.72 lakhs. Foreign loans have been obtained for procuring capital goods.

Import licences for capital goods sanctioned so far cover nearly 50 percent of the value of foreign loans. A sum of Rs. 10.60 lakhs has been used up-to-date.

Duncan Brothers Pays the Same

THE expansion schemes of Duncan Brothers and Co. Ltd have made considerable progress. The directors have, however, expressed their doubt whether the Company will be able to develop the several useful projects which have been launched in recent years because of the heavy impact of the last Central Budget on its finances. The wool-combing plant of Isaac Holdens has started producing at the existing installed capacity, and it has been licensed to raise production capacity to 13 million lbs a year. Import licences for a part of the undeveloped capacity have been assured by an allocation of Rs. 67 lakhs from the French credit. The full licensed capacity is expected to be achieved early in 1964. The commercial production of the factory set up by Phillips Carbon Black has begun. The Government has sanctioned a further expansion in the capacity up to 40 million lbs a year. This Company has issued rights ordinary shares in the proportion of one new share for every four held at a premium of 30 percent to raise funds for expansion. Schrader-Scovill Duncan has completed its factory for manufacturing tyre and tube valves. The National-Standard Duncan is setting up a factory for producing bead wire, production from which, it is expected, will begin before the end of 1963. Duncan Brothers will be associated with Phillips Petroleum Company and the Government of India in establishing an oil refinery in Cochin with a capacity of 2½ million tons a year.

A taxable ordinary dividend of 14 percent has been repeated which is more than two-and-a-half times covered. The yield is 9.5 percent at the present price of Rs. 147 a share of Rs. 100 each. The profit is Rs. 35.59 lakhs for 1962, against Rs. 37.24 lakhs for 1961, after providing Rs. 1.35 lakhs (against Rs. 1.07 lakhs) for depreciation. Taxation is allocated Rs. 16.75 lakhs (against Rs. 17 lakhs), general reserve Rs. 5 lakhs (against Rs. 3 lakhs), contingency reserve Rs. 80,000 (against Rs. 55,000 lakhs), and development rebate reserve Rs. 13,000 (against Rs. 20,000). The carry-forward is Rs. 2.42 lakhs, against Rs. 3.47 lakhs brought in.

The Company has been sanctioned by the Controller of Capital Issues to issue 18,000 rights ordinary shares at a premium of Rs. 10 a share and 10,000 redeemable preference shares of Rs. 100 each, carrying a fixed dividend of 6 percent. Although the managed tea companies have done well in 1962, the 1963 production got off to a poor start due to drought. But the weather has since improved, and the prospects for the new season appear to be satisfactory. Most of the estates are being developed and modernised. A progressive change-over to C.T.C. manufacture is taking place. The tea buying department and the tea warehouse department have done well. Although the managed jute Company has fared

well in 1962-63, the prospects for the current year have been cautiously assessed as the operating expenses have increased. The jute mill has expanded its engineering services, and steps have been taken to diversify its production.

Macneill and Barry Pays Less

MACNEILL and Barry Ltd has cut the taxable ordinary dividend from 10.5 percent to 7.5 percent for the year ended December 1962. It is covered more than two-and-a-half times. The yield is 8 percent at the present price of Rs. 93.50 a share of Rs. 100 each. The profit has declined from Rs. 35.11 lakhs in 1961 to Rs. 33.70 lakhs in 1962, after providing Rs. 1.50 lakhs (against Rs. 2.31 lakhs) for depreciation. Taxation is allocated Rs. 13.25 lakhs (against Rs. 14.50 lakhs), general reserve Rs. 6.50 lakhs (against Rs. 4 lakhs) and pension reserve Rs. 1 lakh (against Rs. 75,000). The carry-forward is Rs. 43,205, against Rs. 3.39 lakhs brought in.

There has been a substantial decline in the profits because of the unfavourable trading conditions experienced by some of the old-established companies. So the income from agency commissions and dividends has fallen. The Company has acquired for development purposes the leasehold tenancy of the land in Calcutta formerly owned by Kilburn Properties Ltd and Majerhat Properties Ltd. Rentals from manufacturing units in these properties will show a substantial rise in the current year. The Company has also disposed of its holdings in the three Pakistani tea Companies and it has acquired in exchange a property in Calcutta but the Government of West Bengal has notified its intention of acquiring this property since. The Moraghat Tea Co. Ltd and Dewrance Macneill and Co. Ltd have become subsidiary Companies. The latter Company is a new manufacturing unit established in collaboration with Dewrance and Co. Ltd of the U.K.

Braithwaite Earns More

IN their report for the year ended December 1962, the directors of Braithwaite and Co. (India) Ltd say that the order-book is well-filled. The output is expected to increase further during the current year despite the shortages of steel and welding electrodes. Terms and conditions for obtaining foreign exchange loans from the Industrial Credit and Investment Corporation of India and the Commonwealth Development Finance Company, London, have been finalised. Although the exports of the Company's products have increased, they continue to be hampered by the shortage of raw materials and uncertain delivery dates.

The profit has improved from Rs. 70.48 lakhs in 1961 to Rs. 1.11 crores in 1962, after increasing depreciation from Rs. 5.73 lakhs to Rs. 9.96 lakhs. A taxable ordinary dividend of 14 percent has been declared on the ordinary share capital which has been raised from Rs. 56.60 lakhs to Rs. 1

crore by the issue of new shares. The yield is 4.7 percent at the present price of Rs. 29.50 a share of Rs. 10 each. The dividend is more than seven times covered. Development rebate reserve is allocated Rs. 4.61 lakhs (against Rs. 2.37 lakhs), taxation Rs. 58.43 lakhs (against Rs. 32.25) lakhs and the super profits tax Rs. 16.75 lakhs. General reserve absorbs Rs. 28.80 lakhs (against Rs. 24.50 lakhs), leaving a carry-forward of Rs. 2,757, against Rs. 5,914 brought in.

In his chairman's statement, the details of which were printed in last week's issue of *Capital*, Mr. J. V. Jardine Paterson mentions the need for ploughing back funds to finance modernisation and expansion. The profit has been substantially mopped up by the super profits tax. A substantial amount has been transferred to reserve in order to build funds to repay the foreign exchange loans. Although the output of the Clive works has increased, there is still substantial idle capacity in the structural shop. In order to ensure full use of capacity, the directors suggest that the Government should establish an efficient organisation to lay down priorities for orders. Steps should also be taken to supply the necessary raw materials in time. The wagon-building capacity is fully booked for 18 months. The expansion of the Angus works has been delayed because import licences for bringing the equipment were not received in time. The output of this works has been restricted by the shortages of pig iron and coke. In spite of all the difficulties, production, it is expected, will increase by at least 50 percent during the current year.

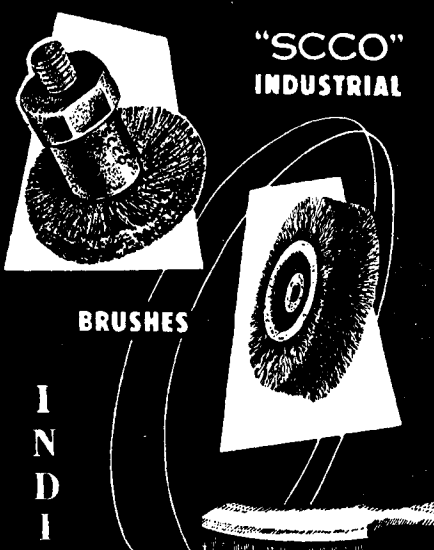
Williamson Magor Tea Group Results

THE results of the Williamson Magor group of tea Companies for the year ended December 1962 have been published. The Dufflaghur Tea Co. Ltd (an Assam garden) has increased the taxable ordinary dividend from 25 percent to 30 percent, absorbing Rs. 2.10 lakhs. The yield works out to 11.1 percent at the present price of Rs. 27 a share of Rs. 10 each. The profit has risen from Rs. 3.87 lakhs in 1961 to Rs. 5.15 lakhs in 1962, after providing Rs. 91.44 (against Rs. 76.137) for depreciation. Taxation absorbs Rs. 3.34 lakhs (against Rs. 1.50 lakhs), including Rs. 26,000 for the super profits tax. General reserve is allocated Rs. 2 lakhs (against Rs. 25,500) and development rebate reserve Rs. 14,000 (against Rs. 2,000). The carry-forward is Rs. 92,668, against Rs. 3.22 lakhs brought in. The crop declined from 464,799 kilograms to 403,594 kilograms, but the average sale price rose from Rs. 5.77 to Rs. 6.70 a kilogram. The 1963 crop estimate is for 436,000 kilograms at a cost of Rs. 5.12 a kilogram.

The Lingia Tea Co. Ltd has made a profit of Rs. 3.49 lakhs, against Rs. 1.08 lakhs, after transferring Rs. 50,577 (against Rs. 31,988) for depreciation. The taxable ordinary dividend has been increased from 10 percent to 17.5 percent, absorbing Rs. 1.23 lakhs. Taxation is allocated Rs. 1.75 lakhs (including Rs. 7,000), for the super profits tax, against Rs. 50,000. Reserve receives Rs. 50,000, leaving a carry-forward of Rs. 54,303, against Rs. 36,756 brought in. The crop increased from 290,326 kilograms to 311,895 kilograms and the average sale price from Rs. 6.68 to Rs. 7.70 a kilogram. A crop of 322,000 kilograms has been estimated for 1963 at a cost of Rs. 6.29 a kilogram.

The Soom Tea Co. Ltd (a Darjeeling garden) has paid a taxable ordinary dividend of 40 percent, including an interim of 15 percent, absorbing Rs. 1.50 lakhs. It offers a yield of 11.4 percent at the present

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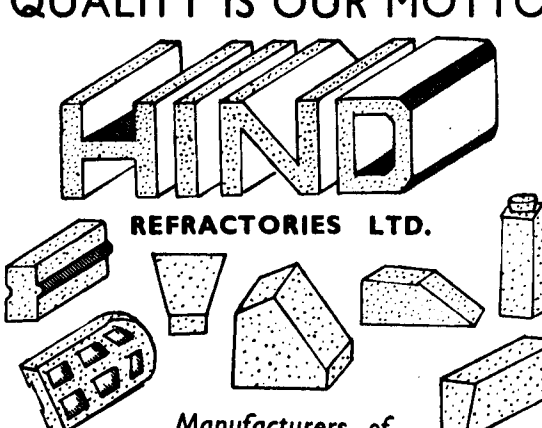


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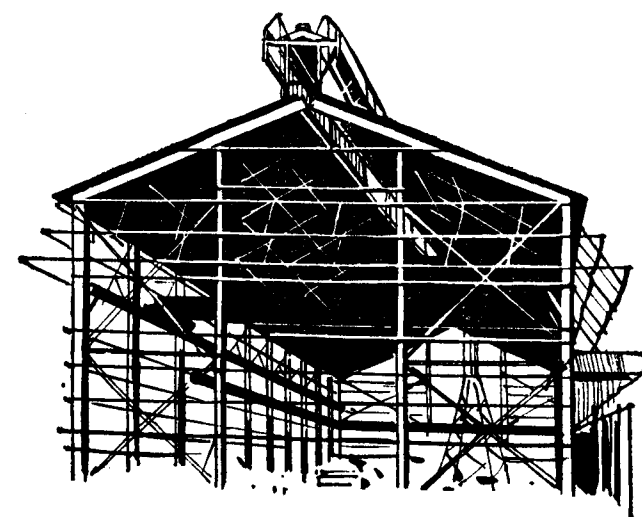
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price of Rs. 35 a share of Rs. 10 each. The taxable ordinary dividend was 40 percent in 1961, but the share capital was increased from Rs. 3 lakhs to Rs. 4.50 lakhs during the year ended December 1962 by issuing bonus shares. The profit has improved from Rs. 2.67 lakhs to Rs. 3.47 lakhs. Taxation absorbs Rs. 1.68 lakhs (including Rs. 9,000 for the super profits tax), against Rs. 1.08 lakhs. General reserve absorbs Rs. 1.49 lakhs. The carry-forward is Rs. 52,632, against Rs. 1.60 lakhs brought in. The crop declined from 166,630 kilograms to 160,068 kilograms, but the average sale price rose from Rs. 7.38 to Rs. 8.53 a kilogram. The 1963 crop has been estimated at 163,000 kilograms at a cost of Rs. 6.34 a kilogram.

The Chamong Tea Co. Ltd (a Darjeeling garden) has earned a profit of Rs. 49,610, against Rs. 1.11 lakhs, after providing Rs. 10,488 (against Rs. 9,657) for depreciation. A taxable ordinary dividend of 10 percent has been maintained, absorbing Rs. 27,990. Taxation is allocated Rs. 26,000 (against Rs. 44,000), leaving a carry-forward of Rs. 85,394, against Rs. 63,343 brought in. The crop was smaller at 77,090 kilograms, compared with 82,803 kilograms. The average sale price rose from Rs. 8.66 to Rs. 8.74 a kilogram. A crop of 84,000 kilograms has been estimated for 1963 at a cost of Rs. 8.35 a kilogram.

Indo-Burma Petroleum Pays Less

THE Indo-Burma Petroleum Co. Ltd has cut the taxable ordinary dividend from 25 percent to 22.5 percent, including an interim of 10 percent, for the year ended December 1962. It is covered more than two-and-a-half times and works out to a yield of 10.4 percent at the present price of Rs. 21.69 a share of Rs. 10 each. The profit has fallen from Rs. 63.36 lakhs in 1961 to Rs. 54.64 lakhs, after providing Rs. 6.01 lakhs (against Rs. 5.25 lakhs) for depreciation and Rs. 1 lakh towards the National Defence Fund. Taxation is allocated Rs. 31.28 lakhs (against Rs. 31.33 lakhs) and terminal gratuities Rs. 1 lakh (the same). Development rebate reserve receives a sum of Rs. 78,471 (against Rs. 58,073). The carry-forward is Rs. 1.19 lakhs, against Rs. 5 lakhs brought in. Sales on own account were Rs. 1.84 crores, against Rs. 1.89 crores, and sales on consignment account rose from Rs. 11.01 crores to Rs. 12.40 crores.

The directors state that the lower margin on sales is likely to continue in the light of Government measures and competitive conditions in the oil industry. The Government of Burma will take over from the oil companies their remaining investments in the Burma Oil Co. (1954) Ltd. Hence Indo-Burma Petroleum will receive a total sum of Rs. 68.74 lakhs for the take-over. Half of the total sum to be paid by the Government of Burma was received in 1963. In the U.K., the Company has been participating with the British and American Association in the drilling of a further exploration well. Since the end of 1962, the Company has made an investment of Rs. 7 lakhs in the Indo-American Electricals Ltd, Calcutta. Negotiations are in progress for acquiring shares in other companies selected for their growth prospects.

Gohpur Tea Pays More

THE Gohpur Tea Co. Ltd (an Assam garden) has increased the taxable ordinary dividend from 5 percent to 20 percent, absorbing Rs. 1.35 lakhs. The profit has risen from Rs. 78,220 to Rs. 4.64 lakhs, after

transferring Rs. 58,982 (against Rs. 60,962) to depreciation. Taxation, including Rs. 22,000 for the super profits tax, absorbs Rs. 2.90 lakhs (against Rs. 30,000). General reserve is allocated Rs. 1.70 lakhs and development rebate reserve Rs. 1,000. The carry-forward is Rs. 48,690, against Rs. 1.51 lakhs brought in. The crop was 259,394 kilograms, against 254,919 kilograms, and the average sale price rose from Rs. 5.81 to Rs. 7.44 a kilogram. The 1963 crop estimate is for 262,000 kilograms at a cost of Rs. 5.64 a kilogram.

Choonabhutti Tea Pays the Same

THE Choonabhutti Tea Co. Ltd (a Doonars garden) has made a profit of Rs. 2.82 lakhs for the year ended December 1962, against Rs. 2.24 lakhs in 1961, after providing Rs. 1.56 lakhs (against Rs. 1.32 lakhs) for depreciation. A taxable ordinary dividend of 26 percent has been repeated, absorbing Rs. 1.80 lakhs. The yield works out to 9.5 percent at the present price of Rs. 210 a share of Rs. 100 each. Taxation absorbs Rs. 1.26 lakhs (against Rs. 80,000), and development rebate reserve Rs. 6,000 (against Rs. 2,371). The carry-forward is Rs. 43,000, against Rs. 87,572 brought in. The crop was 5,214 quintals, against 5,142 quintals. The average sale price rose from Rs. 4.45 to Rs. 4.69 a kilogram. A crop of 5,300 quintals has been estimated for 1963.

Clive Row Investment Maintains

THE Clive Row Investment Holding Co. Ltd has repeated a taxable ordinary dividend of 7.5 percent, absorbing Rs. 10.41 lakhs for the year ended December 1962. The yield is 8.8 percent at the present price of Rs. 8.50 a share of Rs. 10 each. The profit is Rs. 15.08 lakhs in 1962, against Rs. 14.63 lakhs in 1961. Taxation is allocated Rs. 4.70 lakhs (against Rs. 4.25 lakhs), leaving a carry-forward of Rs. 2.47 lakhs, against Rs. 2.49 lakhs brought in. The investment income has shown a small decline. Rises in the income from the jute and miscellaneous companies have been offset by declines in dividends from tea companies.

Soorah Jute Repeats

THE Soorah Jute Mills Co. Ltd has increased the trading profit from Rs. 8.27 lakhs in 1961 to Rs. 18.14 lakhs for the year ended December 1962. A taxable ordinary dividend of 25 percent has been maintained, absorbing Rs. 3.50 lakhs. It offers a yield of 10.9 percent at the present price of Rs. 22.75 a share of Rs. 10 each. Depreciation is allocated Rs. 2.37 lakhs (against Rs. 2.40 lakhs), development rebate reserve Rs. 27,545 (against Rs. 2,200), general reserve Rs. 1 lakh (against Rs. 2 lakhs) and taxation Rs. 9.90 lakhs (against Rs. 2.60 lakhs). The carry-forward is Rs. 26,425, against Rs. 16,168 brought in. Sales of gunnies rose from Rs. 1.26 crores to Rs. 1.29 crores. Stocks were Rs. 5.08 lakhs (against Rs. 5.04 lakhs).

The directors have referred to the heavy impact of the super profits tax. They have been worried about the disposal of the next jute crop which is expected to be a bumper one. The Indian jute mills will be holding raw jute stocks equivalent to six months' consumption by the end of June 1963. Considering that a mini-

mum price of Rs. 30 a maund has been fixed for the fibre during 1963-64 and that the price of raw jute is much lower in Pakistan, smuggling from the latter country will aggravate the pressure on supplies in India. During the current year, the overseas demand for jute goods has tended to taper off, but the demand from the developing and communist countries may increase. The industry is likely to continue the maximum level of production throughout 1963.

Jeewanlal Repeats Dividend

THE profit of Jeewanlal (1929) Ltd has risen from Rs. 13.84 lakhs in 1961 to Rs. 15.78 lakhs for the year ended December 1962, after providing Rs. 1.91 lakhs (against Rs. 1.53 lakhs) for depreciation and Rs. 38,475 (against Rs. 6,731) for development rebate reserve. A taxable ordinary dividend of 10.5 percent has been repeated which is covered more than one-and-a-half times. The yield is 10.5 percent at the present price of Rs. 10 a share quoted at par. Taxation is allocated Rs. 8.52 lakhs (against Rs. 6.36 lakhs) and super profits tax Rs. 30,500. The carry-forward is Rs. 8,749, against Rs. 32,965 brought in. Sales were Rs. 2.19 crores, against Rs. 2.24 crores. The directors mention that the fabricating plants have worked below their capacities due to the shortage of raw materials. The difficulties will be overcome when the Company's own rolling mills start producing. The Company has applied to the Government for permission to issue new shares of Rs. 78 lakhs to finance its expansion programme.

Voltas to Manufacture Hydraulic Equipment

RELIABLE reports indicate that the Government of India has approved the scheme submitted by Voltas Ltd of Bombay for manufacturing a complete range of hydraulic equipment in collaboration with Schweizerische Industrie-Gesellschaft (S.I.G.) of Switzerland. The items proposed to be manufactured by Voltas cover a wide range of hydraulic equipment like power cylinders, control gear, boosters, accumulators, pressure transmitters, fluid motors, and the hydraulic controlling system used in such industries as machine tools, mining, and earth-moving equipment. The collaboration agreement provides for the payment of a technical know-how fee of 150,000 Swiss francs, royalty of 2½ percent of the net sales price, subject to tax, and research and development fee of 2½ percent of the net sales price, subject to a certain minimum.

The capital equipment of the project is estimated to cost Rs. 42.5 lakhs, of which machinery worth only Rs. 5.5 lakhs is to be of indigenous origin. Machinery worth Rs. 15 lakhs is proposed to be imported under D.L.F. loan arrangements, equipment worth Rs. 17.5 lakhs is to be obtained from Switzerland and equipment valued at Rs. 4.5 lakhs is to be secured from abroad under rupee payment arrangements. In addition, the Company will also need to spend about Rs. 3.2 lakhs a year on imported raw materials until such time as these materials become available from indigenous sources. The value of imported components for experimental purposes is placed around Rs. 3 lakhs. As for the manufacturing programme, the firm will have to import initially components worth Rs. 3.5 lakhs from Switzerland. In subsequent phases, it will achieve an indigenous content of not less than 95 percent. At present, hydraulic equipment is being imported and no capacity has so far

been licensed for the manufacture of such equipment. In view of the present import of these items and the potential utility in achieving higher production, the establishment of facilities for manufacturing hydraulic equipment is considered necessary.

The prospects of exporting such equipment to neighbouring countries are also considered fairly promising. The value of hydraulic equipment to be manufactured by Voltas, when the scheme has been fully implemented, is placed around Rs. 50 lakhs. No firm estimates of demand are available at present, since these items are being imported by a number of industries either as component parts or as original fitment. However, for application in the machine tool industry alone (grinding machines, presses, unit heads, furnaces, etcetera), the current demand is estimated around Rs. 2 crores which is expected to rise to around Rs. 6 crores a year by the end of the third plan.

Voltas has also applied to the Government of India for permission to manufacture core drills, haulages and mine fans in their existing workshop in collaboration with Joy Manufacturing Co. of the U.S.A. The foreign exchange required for the import of components for core drills is Rs. 6.70 lakhs in the first year, Rs. 4.55 lakhs in the second and Rs. 2.25 lakhs in the third. No foreign exchange is required for haulages but for mining fans, the Company will require foreign exchange worth Rs. 2.05 lakhs in the first year and Rs. 1 lakh in the second. The requisite licence is expected shortly.

Outlook for Mahindra and Mahindra

IN spite of a fall of about 10 percent in sales from Rs. 15.43 crores to Rs. 13.89 crores, Mahindra and Mahindra's gross profit for the year ended October 1962 recorded a rise of about 11 percent from Rs. 1.11 crores to Rs. 1.22 crores. This became possible because of rigid control on costs and increased efficiency in the organisation. But while the gross profit is considerably higher, shareholders have suffered because the dividend has been reduced from 15 percent to 12.5 percent, mainly because of the much larger provision for taxation. The Company has had to set aside Rs. 11.26 lakhs for the super profits tax. Not only have shareholders suffered a loss in the amount of dividends, compared with the previous year, but the plough back or generated cash retained in the Company has also declined from Rs. 29 lakhs to Rs. 24 lakhs. In view of all this, it is scarcely surprising that the chairman, Mr. K. C. Mahindra, should have devoted a major portion of his annual speech to the criticism of the Government's taxation policy, especially the super profits tax. (A fuller version appears on a later page in this week's issue of Capital.) Mr. Mahindra's view will be readily endorsed that export drives will have no meaning if fiscal measures and multiple taxes, levies, tolls and surcharges keep on adding to production costs. His suggestion for setting up a Bureau of Information in Delhi for disseminating correct facts about the industrial economy without prejudice or favour to any interests or preconceived notions deserves serious attention. The chairman visualises this agency not as a platform but as an organ for publicising the trend and the course of industrial development, the factors which advance or retard growth, the principles which govern the minds of people engaged in such vocations.

In view of the Company's expansion and diversification plans, the chairman views the future with hope and confidence. He assured the share-

holders that the Company's current working is "as satisfactory as one could hope for." Because of the emergency restriction, he was unable to give precise figures of the number and value of vehicles manufactured since the end of October. But he informed shareholders that the total outlay on the jeep expansion programme to raise the output from 5,500 vehicles to 10,200 vehicles is estimated to cost Rs. 2 crores. Mahindra and Mahindra's jeep production programme continues to be under "strict scrutiny controls" but on repeated representations, the Government had released about 20 percent of the Company's production of vehicles in the current year for civilian uses although priority of user-allotment will continue to be controlled by the Government. The chairman stated that the steel division had not been as active during the last six months as in the previous year, but it is due to the untiring effort of the personnel of the division that the alloy steel project has matured. The machine tool division has broadened the base of its operations by including the production of some indigenous machines as well as by promoting the beginning of manufacture of tools and gauges in a small way.

Mr. Mahindra added that in spite of the risk involved in promoting large schemes, the Company had decided to go ahead with the alloy steel and tractor projects. Both these schemes will need substantial finances and the Company hopes to collect them from the market before the next annual general meeting. Replying to shareholders' queries, the chairman said that Mahindra and Mahindra proposed to offer to its existing holders shares of the value of Rs. 20 lakhs in Mahindra Ugine Steel Co. Ltd which has been formed to implement the alloy steel project in Khapoli. The issued capital of the new Company will be Rs. 3 crores, including Rs. 50 lakhs in preference shares. Mahindra and Mahindra and the French collaborators will each take up shares worth Rs. 41.50 lakhs while the International Finance Corporation had agreed to subscribe shares worth Rs. 40 lakhs. The balance of Rs. 1.27 crores will be offered for public subscription. Mahindra and Mahindra will act as sole distributors for special steel to be manufactured by the new Company while it will act as secretaries and treasurers for the International Tractor Company.

Digvijay Cement Results Impress

ALTHOUGH the dividend has only been maintained at Rs. 10 a share, taxable, the preliminary report on the working of Shree Digvijay Cement Co. Ltd for 1962, shows all-round substantial improvement over the previous year's performance. The increase in clinker production is small—from 423,000 metric tons to 426,000 metric tons, but the production of cement shows an impressive rise from 404,000 metric tons to 472,000 metric tons and despatches of cement are also substantially higher at 475,000 metric tons, against 403,000 metric tons in 1961. The gross profit which had risen from Rs. 43.93 lakhs in 1960 to Rs. 65.27 lakhs in 1961 is further up by about 16.5 percent at Rs. 76.09 lakhs. After providing Rs. 21.75 lakhs (against Rs. 18.85 lakhs) for depreciation and Rs. 17.65 lakhs (against Rs. 14.50 lakhs) for taxation and deducting other charges, the net profit amounts to Rs. 32.84 lakhs, against Rs. 28.21 lakhs in the preceding year. Allocation to the development rebate reserve has been raised from Rs. 6.23 lakhs to Rs. 11.21 lakhs, presumably due to the coming into production of the asbestos cement pipe and sheet plant. The rehabilitation, re-

search and development reserve gets Rs. 4.95 lakhs, against Rs. 77,150.

The preference dividend absorbs Rs. 5.19 lakhs and equity dividend Rs. 13.49 lakhs, against Rs. 13.44 lakhs, including the proportionate distribution on the shares allotted to foreign collaborators. After all these appropriations, there remains a surplus of Rs. 56,953 to be carried forward, against Rs. 2.58 lakhs brought in. The working of the Company during the current year should show further improvement as the results would reflect the full year's production of the asbestos cement plant in Ahmedabad which was commissioned in November 1962. The Rs. 100-paid share of the Company is currently quoted around Rs. 158, offering a gross return of about 6.6 percent.

Brady Engineering Plans Expansion

THE Brady Engineering Co. Ltd, Bombay, has asked for the Government of India's permission to effect substantial expansion of its existing manufacturing facilities and to undertake the production of new articles. The Company proposes to increase the production of spur gear pulley blocks from 1,800 to 2,520 units a year, of hand-operated cranes from 60 to 156 and of elevating trucks from 300 to 600. In addition, the Company wishes to start the manufacture of 240 worm gear pulley blocks a year, 600 electric hoist blocks, 120 E.O.T. cranes and 8,000 meter hand and loan chains. The expansion scheme will require an additional capital of Rs. 30 lakhs. The Company is already collaborating with Harbert Morris Ltd of the U.K. The collaboration agreement is proposed to be extended to cover new items. For the expansion of the existing facilities, apart from raw materials and a limited quantity of machine tools, no other component imports are envisaged. For the manufacture of electric hoist blocks and E.O.T. cranes, however, the Company will need to import initially a limited percentage of components. The Government, it is understood, has approved the Company's expansion plans. The necessary licence is likely to be issued shortly.

Same from Mukand Iron on Increased Capital

THE directors of Mukand Iron and Steel Works Ltd have recommended a dividend of 12 percent, that is, Rs. 1.20 a share, on ordinary shares for the year ended March 1963, the same as in the previous year. They have also recommended a proportionate dividend of 60p a share on 100,000 new shares issued during the year. The dividend on deferred shares is, however, proposed to be raised from Rs. 26.70 to Rs. 29.94 a share of Rs. 10. The preliminary figures about the working results, which have been released along with the dividend announcement, show that the Company has fared much better than in the previous year. The gross profit, for 1962-63, is up by about 9 percent from Rs. 61.43 lakhs to Rs. 67 lakhs. After providing Rs. 15.25 lakhs (against Rs. 11.52 lakhs) for depreciation and Rs. 29.75 lakhs (against Rs. 25 lakhs) for taxation, the net profit amounts to Rs. 22 lakhs, against Rs. 24.91 lakhs in the previous year. The directors have transferred Rs. 4.25 lakhs (against Rs. 4 lakhs) to development rebate reserve and provided Rs. 26,411 (against nil) for bad and doubtful debts, leaving a balance of Rs. 17.49

Swadeshi Mills to Make Laminated Plastics

SWADESHI Mills Co. Ltd—a Tata concern—has asked for the Government of India's permission to undertake the manufacture of 24 million metres a year of laminated plastics which is a special water and acid-proof packaging material for textiles and other goods. The basic materials will be paper, cloth and metallic foils, and coating will be effected with alkathene and polythene plastic materials. All these materials are available within the country. The Company will, however, need to spend about Rs. 60 lakhs in importing the Oerlikon extrusion coating plant which is likely to be obtained from Switzerland. The Company is said to have pointed to the Government that if the necessary foreign exchange cannot be made available from free foreign exchange sources, the textile group of Companies of Tatas will be able to cover the foreign exchange out of their export earnings. Reliable reports indicate that the Government of India has approved Swadeshi Mills' application and that the requisite licence will be granted shortly. Apart from foreign exchange, the other main consideration with the Government concerning Swadeshi Mills' scheme for laminated plastics has been the supply of polyethylene within the country. Under the existing policy, 25 percent of polyethylene production is reserved for raw material manufacturers themselves and the balance is equally divided between large-scale and small-scale sectors. The capacity already licensed for polythene moulding powder is 17,500 tons. The Swadeshi Mills will need 300 tons of polyethylene a year for manufacturing 24 million metres of laminated plastics.

Lakshmi-Vishnu Mills Disappoints

LAKSHMI-Vishnu Cotton Mills Ltd reports disappointing results for 1962. While sales are down by only 6.8 percent from Rs. 5.81 crores to Rs. 5.41 crores, the gross profit has fallen by as much as 51 percent from Rs. 40.01 lakhs to Rs. 19.41 lakhs. Since the profit is converted into a net loss after making provisions for depreciation and development rebate, the dividend has had to be skipped. After providing Rs. 13.93 lakhs (against Rs. 10.25 lakhs) for depreciation, Rs. 8 lakhs (against Rs. 1.12 lakhs) for development rebate and nil (against Rs. 7.50 lakhs) for taxation, the Company's accounts show a net loss of Rs. 2.53 lakhs, against a profit of Rs. 21.14 lakhs in 1961. Together with the loss of Rs. 8.14 lakhs brought forward, the aggregate loss amounts to Rs. 10.67 lakhs. After bringing in Rs. 6,078, being the excess amount set aside for the 7 percent second cumulative preference dividend, the directors have carried forward a loss of Rs. 10.61 lakhs.

The directors, however, propose to pay the dividend on the two classes of preference shares amounting to Rs. 1.75 lakhs out of general reserve. They state in their report that the year 1962 has been one of reorganisation and modernisation. To obtain more economic production in each unit, an interchange of machinery has been carried out whereby one of the units now confines its production mainly to superfine varieties and the other to medium and coarse varieties. The processing departments, formerly located in various parts of both the units, have been brought under one roof. The separate workshops and foundries of the two units have been amalgamated

into one. New machinery installed during the year is of the order of Rs. 53.11 lakhs. Further machinery worth about Rs. 25 lakhs, it is expected, will be brought into commission during the current year. The Company has been granted a licence for the installation of 31,960 additional spindles for balancing purposes. The directors anticipate that the unification and modernisation carried out in 1962 will bear fruit in the years to come. The Rs. 100-paid share of Lakshmi-Vishnu Cotton is quoted nominally around Rs. 98.

New India Industries Does Well

THE New India Industries Ltd has reported encouraging results for 1962. In spite of a modest increase in sales from Rs. 1.13 crores to Rs. 1.15 crores, the gross profit has recorded an impressive increase of about 40 percent from Rs. 16.78 lakhs to Rs. 23.55 lakhs. The performance is all the more encouraging because the Company's factories remained closed for a fortnight during January and February for want of coal. After providing Rs. 1.29 lakhs (against Rs. 44,000) for development rebate, Rs. 4.33 lakhs (against Rs. 3.61 lakhs) for depreciation and Rs. 9.25 lakhs (against Rs. 6.10 lakhs) for taxation, the net profit amounts to Rs. 6.86 lakhs, against Rs. 5.33 lakhs in the previous year. Out of this, Rs. 6.64 lakhs (against Rs. 5 lakhs) has been set aside for general reserve. After including Rs. 43,203 brought forward and Rs. 76,785 being excess provisions written back, the directors have used Rs. 1.29 lakhs for the proposed preference dividend, leaving a surplus of Rs. 14,368 to be carried forward.

For the second year in succession, the directors have decided to skip the ordinary dividend but propose to issue bonus shares instead again. Last year, they capitalised Rs. 3.65 lakhs and issued bonus shares in order to conserve the cash resources to meet the cost of the photographic paper project. This year again, the directors propose to capitalise Rs. 3,99,800 from general reserve and issue bonus shares in the ratio of one share for every ten held. The bonus issue is subject to the consent of the Controller of Capital Issues. The directors state that the working of the camera factory showed further improvement, with production rising from 27,405 units to 30,788 units. The trial production of photographic paper started in February 1963 and regular production began in March.

Elecon Engineering Makes Progress

THE directors of the Elecon Engineering Co. Ltd state in their report for 1962 that the five main factory sheds and other buildings have been completed and the administrative block, which is under construction, will be ready soon. The machinery obtained from indigenous sources was installed at Vallabh Vidyanagar during the year. The production of conveyors and idler sets commenced during May-June 1962. Due to national emergency, there was some delay in the issue of import licences of certain machinery. But the machinery for the conveyor and idler sets divisions is now being shipped and the rated capacity is likely to be achieved before the end of the current year. The production of gears is expected to commence by early next year.

The directors add that the Company has orders valued at over Rs. 1 crore for the supply of conveyors and idler sets. Between 1st January and 26th April of the current year, orders for the supply of capital equipment

valued at Rs. 10.83 lakhs were placed, out of which orders worth Rs. 1.47 lakhs have been executed. The gross block of the Company increased during the year from Rs. 11.75 lakhs to Rs. 40.62 lakhs and the net block from Rs. 10.48 lakhs to Rs. 36.91 lakhs. The Company's sales rose from Rs. 21.21 lakhs to Rs. 27.63 lakhs. The working results show a net loss of Rs. 2.34 lakhs, after providing Rs. 2.44 lakhs for depreciation and Rs. 2.26 lakhs for development rebate reserve. Adjusting the surplus of Rs. 7,785 brought forward from the previous year, the debit balance of Rs. 2.26 lakhs is being carried forward. The Rs. 75-paid share of Elecon Engineering is currently quoted around Rs. 48.

Modern Mills Pays the Same

DESPITE an increase of nearly 7 percent in the sales from Rs. 2.33 crores to Rs. 2.49 crores, the gross profit of Moderns Mills Ltd, Bombay, for the year ended October 1962 is down by about 8.2 percent from Rs. 29.83 lakhs to Rs. 27.37 lakhs. The dividend has been maintained at 12 percent, that is, Rs. 6 a share of Rs. 50, subject to tax. The provision for depreciation has been raised from Rs. 7.84 lakhs to Rs. 9.29 lakhs and for development rebate from Rs. 70,000 to Rs. 1.60 lakhs. Taxation accounts for Rs. 9.24 lakhs, against Rs. 11.80 lakhs in the preceding year. A sum of Rs. 83,000 has also been set aside for meeting the liability for the super profits tax. No provision has been made for the general reserve which received Rs. 4 lakhs in the preceding year. The directors propose to create a dividend reserve with an amount of Rs. 5.58 lakhs to start with. Out of this, the proposed dividend of Rs. 6 a share on 92,947 shares absorbs Rs. 5,57,682. The Rs. 50-paid share of Modern Mills is quoted nominally around Rs. 51.

Sivanandha Mills Maintains

ALTHOUGH there was a substantial increase in sales and profits of Sivanandha Mills Ltd for the year ended December 1962, the directors have maintained the dividend at 26 percent. The net profit amounts to Rs. 18,31,465.03, after providing Rs. 4,68,148.93 for depreciation, Rs. 2,03,718.56 for managing agents' remuneration and Rs. 1,43,635 for development rebate, compared with Rs. 11,64,874.88 for 1961, after providing Rs. 4,15,591.48 for depreciation, Rs. 1,38,492.36 for managing agents' commission and Rs. 1,35,327 for development rebate.

With the amount of Rs. 5,185.58 brought forward from the previous year, the total available for appropriation comes to Rs. 18,36,650.61. Out of this, the provision for taxation amounts to Rs. 12,60,000 (against Rs. 5,30,000). A sum of Rs. 2,00,000 is transferred to general reserve (against Rs. 3,50,000). The proposed dividend of 26 percent will absorb Rs. 2,60,000. A balance of Rs. 22,936.48 is carried forward.

Good Results from India Reinsurance

INDIA Reinsurance Corporation Ltd has reported encouraging results for 1962, with the gross premium income up by about 16 percent from Rs. 5.06 crores to Rs. 5.87 crores. After processing this premium and after fulfilling the statutory obligations to companies, the net premium written by the Corporation amounts to Rs. 3.28 crores, against Rs. 2.59

crores in the previous year. The gross premium income of the fire department is placed at Rs. 3.06 crores; the net premium income amounts to Rs. 1.36 crores, against Rs. 1.14 crores in 1961. Net claims paid and outstanding amounted to Rs. 62.20 lakhs, against Rs. 48.91 lakhs in the previous year. Reserves are up by Rs. 11.04 lakhs at Rs. 68.04 lakhs. The gross premium income of the marine department is placed at Rs. 1.40 crores. The net premium written amounts to Rs. 74.12 lakhs, against Rs. 59.68 lakhs in 1961. Net claims paid and outstanding in this department amounted to Rs. 55.01 lakhs, against Rs. 38.90 lakhs. Reserves increased by Rs. 14.44 lakhs to Rs. 74.12 lakhs. In the miscellaneous department, the gross premium amounted to Rs. 1.41 crores. The net premium amounted to Rs. 1.18 crores, against Rs. 85.17 lakhs. Net claims paid and outstanding amounted to Rs. 50.57 lakhs, against Rs. 33.61 lakhs in the previous year. Reserves increased by Rs. 16.44 lakhs to Rs. 59.03 lakhs. The total departmental reserves in relation to the fire, marine and miscellaneous business totalled Rs. 2.01 crores, against Rs. 1.59 crores in 1961, showing an increase of 26.4 percent over the year. The Corporation earned a gross profit of Rs. 19.22 lakhs, compared with Rs. 13.29 lakhs in the previous year. This, together with Rs. 2.58 lakhs brought forward, amounts to Rs. 21.80 lakhs. Appropriations include taxation Rs. 6 lakhs (against Rs. 3.50 lakhs), reserve for depreciation on investment Rs. 4.16 lakhs (against nil) and general reserve Rs. 3.50 lakhs (against nil). The dividend has been maintained at 8 percent (Rs. 40 a share), subject to tax, which absorbs Rs. 8 lakhs (the same), leaving a small surplus of Rs. 11,000 to be carried forward.

In his statement circulated along with the annual report, the chairman, Mr. A. D. Shroff, says that the Corporation has successfully maintained the satisfactory growth pattern established in the previous year. The increase in the premium income in 1962 is comparable with that achieved in the preceding year, but due to the larger premium base, the percentage increase is small. In the marine section, experience, as far as the cargo business is concerned, was marginal as usual, while the hull business showed a handsome profit. Mr. Shroff says that a notable event in Indian shipping has been the formation of the Jayanti Shipping Co. Ltd which proposes to acquire ships with a total deadweight tonnage of 500,000 by 1964. The Jayanti fleet is expected to augment the hull premium income in India by about 30 percent. In the miscellaneous section, 1962 was again a very favourable year. Motor workmen's compensation and certain sundry classes of miscellaneous business showed "satisfactory results" and burglary, cash-in-transit, personal accident and such other classes of business showed "good profitability".

Share Offer by Hind Auto

HIND Auto Industries Ltd, which proposes to set up a factory in Lucknow (U.P.) for manufacturing various motor-car components, namely, tie rod ends, universal joint couplings, water pump repair kits, king bolts, spring shackle bolt and pins, crown wheels and tail pinion, is offering 151,900 equity shares of Rs. 10 each and 50,000 9.5 percent cumulative redeemable preference shares of Rs. 10 each for public subscription. (Fuller details appear on a later page in this week's issue of Capital.) The list will open on 10th June and close on 17th June or earlier but not before 12th June. The West German firm of Alfred Sell Autoteilefabri G.m.b.H. is collabora-

rating in the venture to assist in the manufacture of tie rod ends, king bolts and spring shackle bolt and pins. The firm has agreed to participate in the share capital and has given to the Company the rights of export of its products to all countries except Europe and the whole of the American continent including Canada and West Indies.

For the manufacture of the rest of the items, Hind Auto is negotiating for collaboration with reputed manufacturers of West Germany and the U.S.A. The collaboration agreement is expected to be finalised shortly. The Industrial Finance Corporation of India has in principle sanctioned a loan in deutschmarks equivalent to Rs. 14 lakhs which will help the import of capital goods. The Company has already received import licences to the value of Rs. 12.65 lakhs. The Company has an authorised capital of Rs. 1 crore, made up of Rs. 95 lakhs in equity shares and Rs. 5 lakhs in preference shares—11 of Rs. 10 each. The directors and their friends have already subscribed for 69,340 equity shares. The present issue consists of 240,660 equity shares and 50,000 preference shares. Out of this, equity shares of the value of Rs. 42,000 have been reserved for allotment to the foreign collaborators and equity shares of the value of Rs. 8.46 lakhs are being taken up by the directors and their friends and associates. The remaining 151,900 equity shares and 50,000 preference shares are now being offered for public subscription. The entire issue has been undertaken.

Universal Fire Pays Less

THE Universal Fire and General Insurance Co. Ltd has suffered a substantial setback in its working results for 1962. The dividend has had to be reduced from 20 percent to 15 percent—from Rs. 2 to Rs. 1.50 a share. Even for the payment of the reduced dividend, the Company has had to withdraw Rs. 40,000 from general reserve. Although the total premium income is down only slightly from Rs. 41.23 lakhs to Rs. 41.01 lakhs, the profit has declined sharply from Rs. 4.22 lakhs to Rs. 3.06 lakhs as a result of the fall in the profit of the fire department from Rs. 3.83 lakhs to Rs. 2.45 lakhs and the increase in the loss of the accident and miscellaneous departments from Rs. 44,100 to Rs. 56,265. The loss of the marine department has, however, declined from Rs. 36,390 to Rs. 3,148. In addition to the decline in the profit, the Company has had to provide a larger sum for depreciation on investments with the result that it has not been able to add anything to general reserve. The net premium income from the fire department amounted to Rs. 26.90 lakhs, against Rs. 26.64 lakhs. Claims amounted to Rs. 11.66 lakhs. After allowing for commissions, expenses, etcetera, the profit amounted to Rs. 2.45 lakhs. The net premium from the miscellaneous department amounted to Rs. 12.42 lakhs, against Rs. 12.87 lakhs. Claims amounted to Rs. 7.14 lakhs and the loss to Rs. 56,265. The working of the marine department resulted in a loss of Rs. 3,148. The net premium income was Rs. 1.66 lakhs, against Rs. 1.70 lakhs. The claims amounted to Rs. 71,611. Reserve for unexpired risks has been maintained at 50 percent in the fire, accident and miscellaneous departments and at 100 percent in the marine department.

After bringing in a surplus of Rs. 21,495 (against Rs. 30,375) from the previous year and transferring Rs. 40,000 from general reserve, the disposable surplus amounts to Rs. 3.68 lakhs. Out of this, Rs. 40,000 (against Rs. 1.80 lakhs) has been provided as a reserve for taxation and Rs. 13,107

(against nil) as reserve for bad and doubtful debts. Reserve for depreciation on investment is allocated Rs. 2.02 lakhs (against nil). After providing for the proposed dividend, which absorbs Rs. 96,690, there remains a small surplus of Rs. 14,203 to be carried forward.

Chemo-Pharma Results Impress

CHEMO-PHARMA Laboratories Ltd has done exceedingly well in 1962, although the dividend has just been maintained at 12 percent, less tax, with a proportionate distribution on the new shares issued during the year. Against an increase of about 37 percent in sales from Rs. 41.93 lakhs to Rs. 57.51 lakhs, the gross profit has shot up by as much as 176 percent from Rs. 4.36 lakhs to Rs. 12.05 lakhs. Provision for depreciation has been raised from Rs. 1.04 lakhs to Rs. 1.27 lakhs, for development rebate reserve from Rs. 22,004 to Rs. 31,075 and for taxation from Rs. 1.27 lakhs to Rs. 4.90 lakhs. In addition, the directors have provided Rs. 1.77 lakhs (against nil) for the super profits tax. The allocation to general reserve has been raised from Rs. 30,000 to Rs. 1.50 lakhs. After providing for the proposed dividend, which absorbs Rs. 1.30 lakhs (against Rs. 1.20 lakhs), there remains a surplus of Rs. 12,818 to be carried forward, against Rs. 672 brought in.

The directors state in their report that specialised products manufactured in collaboration with Lakeside Laboratories and the Endo Drug Corporation, both of the U.S.A., are showing an upward trend and have found good response in the market. The Company is making continuous efforts to obtain a larger foreign exchange allocation for the import of raw materials to achieve increased production. But the directors add that the situation created by the Chinese aggression and the need for diversion of available foreign exchange for defence purposes may not enable the Company to show the same rate of progress during the current year.

B. I. G. Insurance Maintains

THE British India General Insurance Co. Ltd has reported satisfactory results for 1962. The dividend has been maintained at 15 percent. Although the aggregate net premium income of all departments—fire, marine and miscellaneous—shows only a modest increase from Rs. 1.22 crores to Rs. 1.24 crores, the gross profit has gone up by about 26.7 percent from Rs. 5.91 lakhs to Rs. 7.49 lakhs in spite of the loss in the marine department. The improvement in the overall results is due mainly to the better performance of the fire department which shows a profit of Rs. 4.75 lakhs, against Rs. 3.71 lakhs in 1961. The miscellaneous department, which suffered a loss of Rs. 9,959 in 1961, has made a profit of Rs. 43,408 in 1962. But it is the other way round in the case of the marine department which has incurred a loss of Rs. 69,190, compared with a profit of Rs. 7,780 in the previous year. The net premium income of the fire department is slightly lower at Rs. 49.39 lakhs, against Rs. 50.03 lakhs, and the loss ratio has risen from 37.77 percent to 37.91 percent. The net premium income of the marine department has come up from Rs. 7.65 lakhs to Rs. 8.67 lakhs. The loss ratio is higher at 82.53 percent, against 71.40 percent. The net premium income of the miscellaneous department is higher at Rs. 66.15 lakhs, against Rs. 64.40 lakhs, but the claims ratio has gone up from

60.70 percent to 63.85 percent. Reserve for unexpired risks has been maintained at 50 percent in the fire and miscellaneous departments and at 100 percent in the marine department.

After providing Rs. 2.80 lakhs the Company's profit for 1962 is placed at Rs. 4.69 lakhs, against Rs. 3.71 lakhs in the previous year. The income earned by way of interest and dividend amounted to Rs. 2.81 lakhs, against Rs. 2.74 lakhs. Allocations include depreciation reserve Rs. 75,000 (against nil), gratuity reserve Rs. 40,000 (the same) and general reserve Rs. 60,000 (against nil). The proposed dividend absorbs Rs. 3 lakhs. Total funds of the Company at the end of 1962, including the paid-up capital of Rs. 20 lakhs, amounted to Rs. 1.08 crores.

National Peroxide Cuts Dividend

THE directors of National Peroxide Ltd have reduced the dividend for 1962 from Rs. 20 to Rs. 12 a share, less tax. In spite of a small increase in the sales of hydrogen peroxide and sodium perborate from Rs. 38.98 lakhs to Rs. 42.02 lakhs, the Company's gross profit is lower at Rs. 20.32 lakhs, against Rs. 21.22 lakhs in 1961. With Rs. 2.52 lakhs brought forward from the previous year, transferring Rs. 1 lakh from general reserve and including Rs. 68,174 being the excess provision for taxation in the previous year, the disposable surplus amounts to Rs. 24.52 lakhs. Appropriations include depreciation Rs. 7.72 lakhs (against Rs. 6.71 lakhs), adjustment of depreciation relating to previous years Rs. 2.65 lakhs (against nil), development rebate reserve Rs. 2,000 (against Rs. 25,000), taxation Rs. 6.58 lakhs (against Rs. 5.91 lakhs) and dividend Rs. 4.32 lakhs (against Rs. 7.20 lakhs).

The production of hydrogen peroxide increased from 1,592 tons to 1,787 tons and sales amounted to 1,582 tons, against 1,508 tons. The production of sodium perborate increased from 101 tons to 326 tons and sales rose from 97 tons to 333 tons. The Company has built up a substantial export market for its products. It earned Rs. 4.51 lakhs of foreign exchange on the f.o.b. basis. Exports of hydrogen peroxide amounted to 229 tons and of sodium perborate to 72 tons. Against these exports, the Company received incentive import licences for raw materials of the value of Rs. 2.28 lakhs. National Peroxide has requested the Government for a licence for the installation of an auto oxidation plant which is proposed to be located near Bombay. The rated capacity of the new plant is envisaged at 300 tons (in terms of 35 percent peroxide strength) to be increased progressively to 6,000 tons a year.

Poor Results from Mogul Line

THE Mogul Line Ltd has fared badly in 1962, so the dividend has had to be reduced from 7½ percent to 6 percent, less tax. While earnings from passage money, freight, etcetera, are down by about 7.2 percent from Rs. 1.79 crores to Rs. 1.66 crores, the Company's gross profit has declined by nearly 17 percent from Rs. 58.55 lakhs to Rs. 48.63 lakhs. After providing Rs. 12.55 lakhs (against Rs. 21.21 lakhs) for depreciation and Rs. 9 lakhs (against Rs. 20 lakhs) for taxation, the net profit is shown at Rs. 27.08 lakhs, against Rs. 17.34 lakhs in 1961. A sum of Rs. 1 lakh (against Rs. 1.50 lakhs) has been set aside for general reserve while Rs. 19.85 lakhs (against Rs. 10 lakhs) has been allo-

cated to reserve for special surveys. The proposed dividends will absorb Rs. 6.07 lakhs, against Rs. 7.58 lakhs, leaving a surplus of Rs. 47,612 to be carried forward, against Rs. 31,995 brought in.

Sakthi Pipes to Enter Market

SAKTHI Pipes Ltd, a new Company formed to undertake the manufacture of pipes and tubes of cast iron, other metals and cement, will shortly enter the capital market to raise Rs. 54 lakhs through the issue of equity and preference shares. The Company has been granted a licence to manufacture 50,000 tons of cast iron spun pipes a year. It has received an import licence of the value of Rs. 64 lakhs on condition that it will export pipes worth Rs. 75 lakhs up to 1967. The plant is proposed to be located in Elavoor, Pollachi, Madras State. The Company has entered into a technical collaboration agreement with Compagnie Generale Des Conduites D'Eau, Liege, Belgium. If all goes well, the plant is likely to go into production by about the middle of next year. The project is estimated to cost Rs. 1.71 crores, of which Rs. 64 lakhs will be spent on imported plant and Rs. 16 lakhs on indigenous machinery. The capital outlay will be financed by a foreign exchange loan of Rs. 64 lakhs from the Industrial Credit and Investment Corporation of India, the capital issue of Rs. 90 lakhs and borrowings of Rs. 17 lakhs.

The Company has an authorised capital of Rs. 1 crore, made up of Rs. 75 lakhs in equity shares of Rs. 100 each and Rs. 25 lakhs in 9.3 percent redeemable cumulative preference shares of Rs. 100 each. The Company has already issued 24,810 equity shares to directors and their friends. It now proposes to issue 47,190 equity shares and 18,000 preference shares, out of which 7,190 equity shares will be allotted to the directors and their friends and 4,000 equity shares to the Life Insurance Corporation which will also subscribe for 8,000 preference shares. The remaining 36,000 equity shares and 18,000 preference shares are to be offered for public subscription in the near future. Mr. K. R. Sundaram Iyer will be the chairman of the Company and Sakthi Enterprises will act as managing agents.

Indian Detonators Share Offer

INDIAN Detonators Ltd, which is setting up a factory in Kokutpally, near Hyderabad, for manufacturing detonators used as explosives in mining and excavation, is offering 15,000 equity shares of Rs. 100 each at par for public subscription. The list will open on 10th June and close on 20th June or earlier but not before 12th June. The entire public issue has been underwritten. The Company's issued capital is Rs. 30 lakhs, all in equity shares, of which shares of the value of Rs. 15 lakhs have already been subscribed. The Company has been licensed to set up a plant with an annual capacity of 40 million ordinary detonators and 24 million electric detonators. At a later stage, it will manufacture 20 million feet of detonating fuse on a two-shift basis. The entire project is estimated to cost Rs. 60 lakhs. It will be financed partly by a share capital of Rs. 30 lakhs and partly by bank borrowings. The Company has entered into an agreement with Komplex Trading Company of Hungary for supplying technical know-how, designs and plant and machinery. The import

licence for machinery of the value of Rs. 30.97 lakhs on rupee account has been received, and orders have also been placed.

The Andhra Pradesh Government has released 125 acres of land for the factory's use, and negotiations for acquiring another 115 acres are in progress. If all goes well, the factory is expected to go into production by about the middle of next year. The entire requirements of detonators are at present being imported, and the bulk of this trade is handled by the Company. The consumption of explosives is rapidly increasing and the current demand is placed at more than two times the licensed capacity of the Company. The marketing of the products is, therefore, unlikely to present any problem to Indian Detonators. The latter has been able to secure import licences worth Rs. 1.25 crores for the import of detonators, safety fuses, etcetera. Sales during the year ended June 1963 are estimated at Rs. 80 lakhs, against Rs. 13.56 lakhs. The Company had declared a dividend of 6 percent for 1961-62. The board of directors includes Mr. C. C. Desai (chairman), Mr. A. N. Shah, Mr. N. B. Vakil, Mr. B. M. Grover, Prince Mukarram Jah Bahadur, Mr. K. N. Nair, Mr. Ashok Desai, Mr. Itaat Hussain and Mr. Varadarajan (managing director).

Vishal Steel Tubes: a New Venture

VISHAL Steel Tube Co. Ltd—a new company under registration—which has been promoted by Chimanlal and Brothers of Bombay in collaboration with a German firm is expected to come to the capital market some time during the last quarter of the year with a public issue of Rs. 90 lakhs, all in equity shares of Rs. 100 each. The Company has been licensed to manufacture 96,000 tonnes of welded and seamless steel tubes a year. The project, it is estimated, will involve a capital outlay of Rs. 12 crores. The Company proposes to raise initially Rs. 3 crores by way of equity capital, while the balance is to be met by a foreign exchange loan of Rs. 6.5 crores and internal borrowings.

Of the issued capital, shares worth Rs. 1.20 crores will be taken up by the German collaborators, and the directors and their friends will subscribe for shares worth Rs. 90 lakhs. The balance will be raised by public subscription after the requisite consent of the Controller of Capital Issues has been secured. The factory will be located in Kalwa near Thana, where the promoters have already set up a plant for the reconditioning of old drums. The Company has already purchased about 100 acres of land for the project and is now negotiating with the State Government for the supply of power and water facilities. If all goes well, it is expected that the plant will commence production by the end of 1964 or early 1965. The raw materials required for the factory, namely, steel billets and strips, will be obtained from the domestic steel mills.

Reconditioned Drums from Asnew

THE acute scarcity in the supply of drums may be considerably relieved with the introduction of reconditioning facilities by Asnew Drums Private Ltd, which has been promoted by Chimanlal and Brothers of Bombay in collaboration with the U.K. firm of Victor Blagden and Company. It is estimated that the

project will cost Rs. 40 lakhs. The paid-up capital of the Company at present is Rs 15 lakhs, of which 49 percent is owned by Victor Blagden. The factory, located in Kalva near Thana (Bombay), can recondition 1,500 drums of 40 and 45 gallons capacity in an eight-hour shift, and thus bring back to life what would have normally been diverted for inferior use or disposed of as scrap. The output capacity will be stepped up to 2,000 drums after about six months.

The factory, it is expected, will start commercial production shortly. The used drum undergoes a thorough cleaning with hot detergents, before it is given a hot blast for removal of old paint. The dents are then removed by introducing into the drum hydraulic pressure and by hammering from outside. The drum is then dried, spray-painted and again dried in a hot oven. Highly automatised, the drum is ready for re-use in less than an hour. While a new drum costs about Rs. 45, a reconditioned drum can be had at around Rs. 32. Each drum can be reconditioned six times before being sold as scrap. The chief consumers of these drums—the oil and chemical industries—will, therefore, benefit a great deal from the reconditioning facilities provided by Asnew Drums. In addition, the reconditioning facilities would save the country about Rs. 2 crores in foreign exchange annually, which is now being spent on the import of steel required by the barrel manufacturing industry.

State Bank of Travancore Repeats

THE State Bank of Travancore has reported a higher net profit of Rs. 8,93,044 for the year ended December 1962, against 8,35,480 for the previous year. The income of the bank moved up to Rs. 1,08,26,995 from Rs. 74,56,844. The expenditure was also higher at Rs. 99,33,951, against Rs. 66,21,364. This was mainly because of the increase in salaries under the Bank Award. The directors feel that the net profit for the year is not commensurate with the expansion of business of the bank, the reasons being the rise in the establishment charges and the higher cost of deposits. The income also did not keep pace with the grant of fresh limits for advances due to realisation of certain sticky advances taken over from amalgamated banks. Interest on such of the advances of the amalgamated banks as are considered doubtful was not taken into account in the computation of the bank's earnings for the year.

The total available profit including the brought forward amount, was Rs. 9,06,766, and Rs. 2 lakhs will be transferred to the reserve fund. Bonus to staff will absorb Rs. 1,80,000 and Rs. 5 lakhs will go for the payment of dividend. The balance of Rs. 26,766 will be carried forward to next year's account. The reserve fund at the end of the year was Rs. 35,50,000. Deposits and other accounts totalled Rs. 19.10 crores, against Rs. 17.15 crores at the end of 1961. The bank's investments at or below market value amounted to Rs. 7.25 crores, showing an increase of Rs. 1.94 crores. Advances outstanding at the end of the year totalled Rs. 7.36 crores, against Rs. 7.28 crores. The ratio of advances to deposits being 38.52 percent and 42.46 percent, respectively.

The bank has selected 16 centres in Kerala for opening new branches. Of these, eight are sub-treasury centres. They are situated in industrial areas—one in Kalamassery in the factory belt near Alwaye, and the other in Pappanamcode industrial

estate, Trivandrum. Of the remaining six centres, two are in rural areas and four in the suburbs of large towns.

Ogale Glass Works Maintains

THE audited accounts of Ogale Glass Works Ltd for the year ended December 1962, show a net profit of Rs. 4,33,149, after providing Rs. 3,28,143 for depreciation and Rs. 43,395 for development rebate. This profit compares with the previous year's net profit of Rs. 4,05,855, after providing Rs. 2,68,712 for depreciation and Rs. 63,500 for development rebate. Adding to the year's net profit, a sum of Rs. 31,996 brought forward from the previous year, Rs. 20,080 being excess provision for 16th dividend, and a sum of Rs. 29,373 transferred from unclaimed dividend, the total available for appropriation comes to Rs. 5,14,598.

Out of this, the Provision for taxation amounts to Rs. 2,40,000 (against Rs. 2,60,000). A sum of Rs. 29,373 is transferred to dividend equalisation reserve. The directors have recommended a dividend of 10 percent (against 10 percent), and this dividend will absorb Rs. 2,25,000. (This dividend is on the increased capitals as the Company issued in May 1962, 100,000 rights equity shares of Rs. 5 each on the basis of one share for every four held. The balance of Rs. 20,225 is carried forward to the next year.

The directors' report says that trial production in the Pimpri unit started in June-July of 1962 with the available semi-automatic machinery. The automatic machinery and plant ordered from abroad will arrive by the middle of the current year and the present production will be considerably increased when the new plant goes into production. The working result of this unit during the short period of six months shows a revenue deficit of Rs. 43,530, after providing for depreciation and development rebate. The profit of the Company for the year has been arrived at after absorbing this deficit.

Southern Industrials Passes Dividend

THE Southern Industrial Corporation has reported a loss of Rs. 38,466 for the year ended December 1962, against a profit of Rs. 61,953 for 1961. Realisations from sales dropped sharply to Rs. 9,35,802 from Rs. 14,27,979. With the addition of the amount of Rs. 89,967 transferred to development rebate reserve and taxation of Rs. 131 relating to the previous year, the total loss was Rs. 1,28,564. After deducting the profit of Rs. 1,434 brought forward from the previous year, the net debit balance, to be carried forward to next year's account, will be Rs. 1,27,130.

The directors state that the economies of expenditure, wherever possible, have been effected. The loss for the year was because of a steep fall in the sales of woodscrews and the delay in commencing the final assembly of flexible shaft machines. On the other hand, the net block which stood at Rs. 14.35 lakhs in January 1961, rose to Rs. 18.85 lakhs at the end of 1962, reflecting developmental activity which has been compressed into a relatively short period. The Company has fulfilled repayments of borrowings on the fixed assets according to schedule. The loans at the end of 1962 stood at Rs. 2.72

lakhs, as against the original amount of Rs. 6 lakhs.

Faced with the necessity to confine its capital goods list within the prescribed limits, the company was obliged to depend on external capacity for castings and certain specialised components. Its strict adherence to specifications added to the delays on procuring the items. The production of 500 machines, planned for 1962, went into full swing only in March-April 1963. The Company has made a beginning with speedometer cables. Supplies for scooters are going forward regularly. Distribution arrangements are being finalised by the Company for the range of flexible shaft machines and spares currently under production. It has plans to manufacture about 500 machines within the next six months, and this will be achieved, according to directors, with only very slight increases in the overheads. Towards the end of the year, the Company expects more die-casting dies from West Germany which will enable it to introduce another horse-power range. The workshop, originally meant for maintenance work, can now manufacture some machines required for the expansion of woodscrew production.

Bharat Carbon Skips Again

ALTHOUGH the dividend has been skipped for the third successive year, the working results of Bharat Carbon and Ribbon Manufacturing Co. Ltd for the year 1962, show considerable improvement over the previous year's performance. Sales are up by about 25.5 percent from Rs. 52.27 lakhs to Rs. 65.59 lakhs, and the gross profit has risen impressively by 91.8 percent from Rs. 2.08 lakhs to Rs. 3.99 lakhs. After setting aside Rs. 1.91 lakhs (against nil) for depreciation and Rs. 4,053 (against Rs. 5,710) for development rebate and deducting other charges, the net profit amounts to Rs. 1.79 lakhs, against Rs. 1.77 lakhs in 1961. With Rs. 1.96 lakhs brought forward from the previous year and transferring Rs. 15,115 from the provision for taxation, the disposable surplus amounts to Rs. 3.90 lakhs. From this, a sum of Rs. 3.56 lakhs has been used for the payment of arrears of depreciation for 1960 and 1961, leaving a small surplus of Rs. 33,517 to be carried forward. In view of the loss carried forward from the last two years and the refund due to the Company as a result of the appeal against the previous year's assessment having been accepted, the directors have not considered it necessary to make any further provision for taxation.

The directors point out in their report that the carbon and ribbon factories showed considerable improvement with sales rising by nearly 22 percent. In view of the rapid advance in the methods of manufacture of carbon paper in Europe and the U.S.A., the Company has decided to take advantage of the new techniques and to install additional machines of the latest type at a cost of about Rs. 1.5 lakhs. Orders for some machines have already been placed abroad. The present trend of sales, it is said, is quite favourable and sales are expected to set a new record this year. The directors, however, add that the price of tissue paper continued to be uneconomic for the best part of the year. But prices have improved since the last quarter, and the tissue paper mill has been running at a profit.

Additional machinery at an estimated cost of about Rs. 6 lakhs has been ordered with a view to raising the production capacity. The major portion of the funds required would be covered from loan from the Punjab

Financial Corporation. The expanded plant, it is expected, will go into production early next year. With the improvement in the working of the tissue paper mill and the increase in sales of the other products, the directors hope to be able to resume the payment of preference dividend, which is in arrears for three years, from the current year. The Rs. 10-paid share of Bharat Carbon is quoted nominally around Rs. 7.60.

Bangalore Printing Pays Less

THE profit of Bangalore Printing and Publishing Co. Ltd having fallen sharply for the year ended December 1962 because of unfavourable trading conditions, the directors have reduced the dividend to 5 percent from 8 percent for the previous year. The net profit for 1962 amounts to Rs. 10,415.94, after providing Rs. 25,702.71 for depreciation and Rs. 14,661.25 for taxation, compared with Rs. 36,935 in the previous year after providing Rs. 26,041 for depreciation and Rs. 23,000 for taxation. With the amount of Rs. 1,058.49 brought forward, and a sum of Rs. 6,000 transferred from general reserve, the total available for appropriation comes to Rs. 17,474.43. Out of this, the proposed dividend of 5 percent will absorb Rs. 17,345.50. A balance of Rs. 128.93 is carried forward.

New Capital Issues

FIVE companies have been authorised to issue capital totalling Rs. 3.95 crores. One is a new company. One is a Central Government undertaking. Four companies are issuing equity shares and one equity plus cumulative redeemable preference shares. The consent is valid for 12 months in all cases. The following are the details:

Sankey Wheels Ltd, a new company incorporated in Maharashtra, has been granted consent to the issue of capital of Rs. 1,69,99,000 in equity shares. The capital is required for the establishment of a factory in Durgapur (West Bengal) for the manufacture of motor-vehicle wheels in collaboration with Joseph Sankey and Sons Ltd of the U.K.

Phoenix Tubes Ltd, Maharashtra, is to issue capital of Rs. 1.25 crores (inclusive of Rs. 18,000 already issued and subscribed) divided into 100,000 equity and 25,000 redeemable cumulative preference shares of Rs. 100 each, carrying dividend at 9.5 percent, a year taxable, for cash at par. The capital will be used for putting up a steel tube mill.

Indian Oil Company Ltd, a Central Government undertaking, with a paid-up capital of Rs. 3.23 crores, is raising further capital of Rs. 60 lakhs divided into 6,000 equity shares of Rs. 1,000 each to be issued privately for cash at par. The capital is needed for the construction of main oil installations and depots, etcetera.

Colaba Textile Mills Private Ltd, Bombay, will raise Rs. 25 lakhs equity capital in shares of Rs. 100 each, to be issued for cash. The money is intended for reducing the loan liabilities of the company.

Madras Forgings and Allied Industries (C.B.E.) Ltd, a company registered on 1st February, 1963, in Madras State, has been given consent to issue capital of Rs. 15 lakhs divided into 15,000 equity shares of Rs. 100 each, for cash at par. The proceeds will be used for establishing a factory for the manufacture of steel forgings and cast iron castings.

The Stock Markets

SLUGGISH CONDITIONS PREVAIL IN LYONS RANGE

Wednesday Evening.

LYONS Range has been busy examining the terms and conditions stipulated by the Government of India for the resumption of forward trading in shares. At a meeting held on Tuesday, the members of the Calcutta Stock Exchange have expressed the view that the margin requirements are very stringent and would virtually make it impossible to transact forward business on a normal basis. Hence they have requested the Committee of the Calcutta Stock Exchange to write to the Government asking for modification of the terms and conditions. The Committee will communicate its decision to the Government during the next few days.

It is odd that the broking fraternity has adopted this attitude. Since forward trading promotes speculation and does not help investment, the proposed restrictions are about the least that are necessary. The stock market should realise that speculation cannot be encouraged. Since the vigour of the Indian stock markets has been linked up with forward trading by a coincidence of circumstances, the Government has been constrained to permit it. The members of the stock exchange would, therefore, do well to accept the terms and conditions of the Government in toto. This will help restore normal conditions. Forward trading in shares was banned towards the end of 1962 following the Chinese invasion which caused a collapse in the stock market.

Sluggish conditions have prevailed in the Calcutta market during the past week because of various uncertainties. If forward trading is resumed there may be fresh selling pressure from bears. In the circumstances, turnover has shrunk considerably and operators have been inclined to keep their commitments light. Sentiment has also been disturbed by developments along the northern borders. Press reports about the efforts of Mr. T. T. Krishnamachari, Central Minister for Economic and Defence Co-ordination, in obtaining military aid from friendly countries have caused a mixed reaction. The corporate news has, meanwhile, been far from encouraging. There have been a series of dividend cuts following the heavy impact of the super profits tax. The shortage of funds has continued to worry the stock market. Despite the close of the busy season, money conditions have been fairly tight.

Turnover has largely been confined to clearing shares and prices have fluctuated within a narrow groove. Interest in cash scrip has been poor. Steel shares have fluctuated on alternate bouts of buying and selling because the investors have not been able to know for certain whether the decontrol of steel at present will do good to the producers. Indian Iron have moved narrowly. The Company has produced 116,102 tons of pig iron in May, against 109,650 tons in April. The output of steel ingots has been higher at 91,208 tons, against 80,807 tons and that of saleable steel at 65,015 tons, against 55,282 tons. Despatches of saleable steel have risen from 46,374 tons to 60,978 tons. Except for Indian Standard Wagon, which have been steady on an excellent report, engineering shares have generally moved down. Stray business has been transacted in Burn,

Guest, Keen, Williams, Texmaco and Kumardhubi. Despite a bigger profit earned by Bhartia Electric Steel, the shares have attracted little attention.

The prices of miscellaneous shares have fluctuated narrowly and turnover has declined. Indian Copper have recovered after an earlier shake-out. Union Carbide, Goodyear and Associated Battery have been neglected. Managing agency shares have been dull. Shaw Wallace have been sold because of disappointing results. In electric companies, Calcutta Electric have met with scattered buying. New shares have been sold freely at lower prices. Isaac Holden, Hindustan Aluminium and East Anglia than Plastics have lost. Paper shares have been subdued. Orient, Titagur and Sirpur have been offered freely. Turnover in bank shares has been poor. Cotton mill shares have been dealt in cautiously in view of the discouraging profit outlook. Sugar shares have been difficult to transact in the absence of buyers.

The earlier support for jute shares has abated and prices have generally slipped back. The lack of foreign enquiries for jute goods has been a restraining factor. Birla, Kamarhaty and Kankarrah have retreated. Coal shares have been neglected. Stray business has been done in Burrakur, Bengal and Central India. Tea shares have fluctuated narrowly and a small business has been transacted. Cement shares have been sold because the increase in the ex-factory price of the commodity has fallen below expectations.

Selected preference shares have met with support. Government securities have been dull. There has been scattered support for short-dated loans but the prices of long-dated securities have been easier. Little interest has been taken in State Government loans.

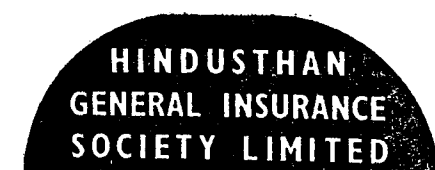
Bombay

FORWARD TRADING MAY START SOON

FEAR OF PRESSURE FROM BEARS

Wednesday Evening.

THE Bombay stock market has been dull during the past week. Share prices have moved narrowly and turnover has been limited. Operators have generally been restrained by uncertainties concerning the resumption of forward trading in shares. Although the stock market authorities have urged the Government to modify the terms and conditions under which forward trading can be resumed, they are now reported to have accepted the conditions in toto. Hence forward trading is likely to be resumed within the next few days. Since forward trading will again permit short-selling, it is feared that share prices might move down because of fresh pressure. In any case, whatever restrictions are placed on forward trading, its resumption may help share prices to settle down at realistic levels once normal trading is restored. Hence operators and investors have generally been inclined to lighten their commitments until the situation becomes clear.



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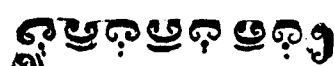
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N. K. KARANJI
Managing Director

the increase in the ex-factory price of the commodity, since it does not cover the rise in production costs. Associated Cement and Digvijay have declined. Mining shares have been subbed. Shivrajpur Syndicate have been offered freely. Steamship company shares have been quiet. Scindia Steam have lost. Sugar shares have been selectively steady. Support has been extended to Belapur and Walchandnagar Industries. Chemical shares have been quiet. Tata Chemical and Indian Dyestuff have fallen on a predominance of sellers. Bombay Burmah have reacted on profit-taking. Rayon shares have lacked interest. National Rayon have fluctuated narrowly.

Turnover in bank shares has been small. Bank of India and Central Bank have been transacted. In the insurance section, New India Assurance have been steady. Electric company shares have been quiet. Ahmedabad Electric and Bombay Suburban have fallen.

Madras

SIZABLE DECLINE IN TURNOVER SUPPORT CONFINED TO PLANTING SHARES

Tuesday Evening.
ALTHOUGH turnover has declined appreciably in the Madras stock market during the past week, share prices have generally been maintained. Support has, nevertheless, been confined to selected planting shares. Professional interest has been at a low ebb, so turnover has been negligible in clearing shares. The stock market authorities are reported to have accepted all the terms and

conditions laid down by the Government for resuming forward trading. Hence operators are inclined to await the resumption of forward trading. Sentiment has been adversely affected by the sharp decline in the price of South India Viscose due to the apprehension that the Company has incurred substantial losses in 1962. The dividend has been passed. Activity has also been restrained by the shortage of funds. New shares, in particular, have weakened appreciably because investors have shown little interest in them considering that they are not expected to yield any dividend for a long time. Heavier taxation appears to have affected the dividend outlook.

Government securities have been dull and nominal business has been transacted. In the banking section, scattered interest has been taken in Canara and Punjab National. Among electric company shares, West Coast have been bought up to Rs. 18.37 on hopes of compensation. Sugar shares have shown mixed trends. Scattered interest has been taken in E.I.D. at Rs. 37 and in Mysore at Rs. 51.30. But Andhra, Kothari and Travancore have weakened.

In the planting section, the steady features have been Blue Mountain at Rs. 2.30, Periakaramalai at Rs. 2.68, Thamarapally at Rs. 15.62, Nonsuch at Rs. 21.50 and Twyford at Rs. 8.75. Travancore Rubber have declared a taxable ordinary dividend of 12 percent and Nilambur a taxable ordinary dividend of 10 percent. Gokul have paid a taxable ordinary dividend of 10 percent and the scrip have fetched Rs. 1.90.

In the cotton mill section, South India Viscose have weakened to Rs. 125.50 due to a predominance of sellers. Travancore Rayon have been easier at Rs. 23.50, and Madura around Rs. 32.50. Tirumurti have been sold freely on payment of a

CAPITAL, 6th June, 1963.

taxable ordinary dividend of 6 percent, while Ramakrishna have been supported on declaring a taxable ordinary dividend of 23 percent. Cannanore Spinning and Weaving Mills Ltd has been permitted by the Government to issue 15,000 rights ordinary shares at par.

In the miscellaneous section, business has passed in Aluminium Industries at Rs. 17.50 and in Ashok Leyland at Rs. 7.50. Cement shares have generally been steady. Dalmia Cement have been transacted at Rs. 13 and India Cement at Rs. 5.55. Selected chemical shares have attracted attention and Mottur Chemical have been done at Rs. 12.20. F.A.C.T. have been steady at Rs. 7.20. Seshasayee Paper have been quoted at Rs. 7.68. United Electricals have declared a taxable ordinary dividend of 7 percent and Enfield a taxable ordinary dividend of 4 percent. Spencer have been steady at Rs. 21.50 on declaring an interim taxable ordinary dividend of 6 percent. United India Fire have paid a taxable ordinary dividend of 10 percent.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs. 28/50—28/75—28/50—28/69—(34/00).
Burrakur Coal—Rs. 16/50—16/50—16/50—16/50—(19/44).
Dunlop Rubber—Rs. 31/44—31/56—31/42—31/56—(42/75).
Guest, Keen, Williams—Rs. 32/81—33/00—32/81—33/00—(40/19).
Hindustan Motor—Rs. 16/69—16/81—16/62—16/78—(19/19).
Howrah Jute—Rs. 19/31—19/81—19/25—19/75—(21/50).
Indian Copper—Rs. 4/24—4/37—4/21—4/37—(5/02).
Indian Iron & Steel—Rs. 22/38—22/66—22/24—22/62—(25/44).
Indian Aluminium—Rs. 33/75—34/37—33/75—34/25—(40/50).
Indian Cable—Rs. 30/50—30/50—30/50—30/50—(36/37).
J. K. Cotton—Rs. 13/00—13/12—12/75—12/75—(19/25).
Jaipur Udyog—Rs. 11/50—11/50—11/50—11/50—(13/75).
Kesoram Industries—Rs. 21/87—21/87—21/75—21/75—(30/75).
Orient Paper—Rs. 33/90—34/15—33/90—34/75—(42/10).
Orissa Cement—Rs. 13/50—13/94—13/50—13/94—(19/69).
Rohas Industries—Rs. 11/31—11/56—11/28—11/50—(16/00).
Textile Machinery—Rs. 23/85—23/85—23/35—23/35—(25/05).

GOVERNMENT SECURITIES

3 % Loan (1986)—Rs. 63/05—63/05—62/95—63/00.
3 % " (1966-68)—Rs. 96/35—96/50—96/35—96/50.
3 % " (1970-75)—Rs. 86/65—86/65—86/65—86/65.
3 1/2 % " (1964)—Rs. 99/60—99/60—99/55—99/60.
3 1/2 % " (1965)—Rs. 99/46—99/50—99/46—99/50.
3 1/2 % " (1968)—Rs. 97/65—97/65—97/65—97/65.
3 1/2 % " (1969)—Rs. 97/00—97/00—97/00—97/00.
3 1/2 % " (1974)—Rs. 95/75—95/75—95/75—95/75.
4 % " (1969)—Rs. 99/50—99/53—99/50—99/50.
4 % " (1972)—Rs. 99/40—99/45—99/35—99/37.
4 % Madras (1964)—Rs. 99/65—99/65—99/65—99/65.
4 1/2 % Kerala (1974)—Rs. 96/70—96/70—96/70—96/70.
4 1/2 % Orissa (1974)—Rs. 96/70—96/80—96/70—96/80.
4 1/2 % Loan (1972)—Rs. 100/10—100/10—100/04—100/05.

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1/4 % U.P. (1974)—Rs. 97/00—97/00—97/00—97/00.

BANKS

Punjab National—Rs. 18/75—18/87—18/75—18/87—(20/44).
United Bank of India (Rs. 10 paid)—Rs. 7/25—7/31—7/12—7/31—(7/67).
Do. (Conty Rs. 20) (Rs. 10 paid)—Rs. 6/37—6/47—6/25—6/44.
United Commercial—Rs. 68/00—68/00—68/00—68/00.

COTTONS

Basanti (Pref.)—Rs. 6/87—6/87—6/87—6/87.
Bowerah—Rs. 23/12—23/19—23/12—23/19.
Dunbar—Rs. 27/56—27/69—27/44—27/44.
Elgin—Rs. 17/94—18/06—17/94—18/06—(20/75).
Do. (1st Pref.)—Rs. 112/00—113/00—112/00—113/00.
Jay Shree—Rs. 14/25—14/25—14/25—14/25.
New Victoria—Rs. 1/72—1/75—1/62—1/62—(1/81).
Do. (Pref.)—Rs. 2/87—3/06—2/87—3/06—(3/50).
Swadeshi (P.O.)—Rs. 7/00—7/06—7/00—7/06.

COALS

Associated Laikdi—Rs. 4/75—4/75—4/75—4/75.
Bharat—Rs. 4/50—4/50—3/37—3/37.
Burrakur (1st Pref.)—Rs. 97/00—97/00—97/00—97/00.
Central India—Rs. 9/94—10/00—9/87—9/87—(12/75).
Western Bengal—Rs. 8/94—9/00—8/94—9/00—(10/50).

JUTES

Agarpara—Rs. 10/62—10/62—10/62—10/62—(11/81).
Alliance—Rs. 112/00—118/00—112/00—118/00.
Barnagore—Rs. 194/00—194/00—191/00—192/00—(185/00).
Bengal—Rs. 9/87—10/06—9/87—10/06—(10/31).
Champdany—Rs. 24/50—24/62—22/50—23/75.
Chitavalsah—Rs. 10/50—10/50—10/44—10/50—(12/37).
Fort William—Rs. 25/87—26/19—25/87—26/00—(28/12).
Ganges—Rs. 13/75—13/81—13/62—13/75—(14/50).
India—Rs. 18/12—18/19—18/12—18/19—(16/00).
Kamarhaty—Rs. 200/00—203/00—197/00—203/00—(188/00).
Kanknarrah—Rs. 141/00—141/00—141/00—141/00.
Khardah—Rs. 18/87—18/87—18/87—18/87.
New Central—Rs. 12/87—13/25—12/87—13/12—(16/06).
Nuddea—Rs. 56/75—57/25—56/75—57/25—(62/00).
Northbrook—Rs. 28/25—28/25—28/25—28/25.
Presidence—Rs. 5/00—5/06—5/00—5/06—(5/37).
Reliance—Rs. 11/50—11/50—11/44—11/50—(8/00).
Do. (Pref.)—Rs. 117/00—117/00—117/00—117/00.
Union—Rs. 155/00—155/00—155/00—155/00—(166/00).

MINING

Chrestinn Mica (Pref.)—Rs. 39/50—40/00—39/50—40/00.

CHEMICALS

Dhrangadhara—Rs. 95/00—95/00—95/00—95/00.
Kanoria—Rs. 5/12—6/25—5/12—6/25.

CEMENTS

Assam Bengal (Defd.)—Rs. 0/47—0/47—0/47—0/47.
Bengal Potteries—Rs. 5/00—5/50—5/00—5/50—(6/95).
Sone Valley—Rs. 4/50—4/69—4/50—4/50—(5/44).

ELECTRICS

Calcutta—Rs. 14/25—14/31—14/12—14/25—(15/19).
Do. (Pref.)—Rs. 8/06—8/06—8/06—8/06.
Cuttack—Rs. 10/75—11/87—10/75—11/87.

ENGINEERING

Bharat Ball Bearing—Rs. 12/87—12/87—12/44—12/56—(14/94).
Bhartia Electric Steel—Rs. 14/31—14/37—14/31—14/37.
Binani Metal—Rs. 10/25—10/25—10/19—10/19.

Calcutta Steel—Rs. 13/00—13/00—13/00—13/00—(17/00).
Dalmia Iron—Rs. 10/50—10/69—10/50—10/62—(12/06).
Hindustan Wire Ltd.—Rs. 9/81—9/81—9/81—9/81.
Indian St. Wagon—Rs. 31/81—33/37—31/50—33/00.
Indian Steel & Wire—Rs. 40/50—40/50—40/50—40/50—(57/25).
Kumardhubi—Rs. 7/78—7/87—7/69—7/87—(8/12).
National Iron & Steel—Rs. 3/87—3/87—3/87—3/87—(5/50).
Raymon—Rs. 3/94—4/00—3/94—4/00—(6/56).

INSURANCES

New Asiatic—Rs. 8/00—8/00—7/87—7/94—(7/31).
Ruby General—Rs. 9/31—9/37—9/31—9/31—(9/37).

MISCELLANEOUS

Aluminium Corp.—Rs. 12/75—12/87—12/75—12/75—(18/31).
Asian Refractories—Rs. 7/12—7/12—7/12—7/12.
Asiatic Oxygen—Rs. 9/25—9/31—9/25—9/31.
Balmer Lawrie—Rs. 241/00—241/00—239/00—239/00.
Bharat Nidhi (Pref.)—Rs. 45/25—45/50—45/25—45/50.
Calcutta Tramways—Rs. 10/81—10/81—10/69—10/69—(12/69).
Clive Row Investment—Rs. 8/47—8/50—8/44—8/50.
Dyer Meakin Breweries—Rs. 25/75—26/00—25/62—26/00—(57/37).
Dr. Paul Lohmann (Renunciation)—Rs. 0/56—0/62—0/50—0/56.
English Electric—Rs. 12/00—12/00—11/75—11/94.
Electric Construction—Rs. 12/06—12/12—12/06—12/12—(15/25).
General Tyres—Rs. 8/44—9/00—8/44—9/00—(6/25).
Goodyear—Rs. 34/12—34/25—34/12—34/25.
Hindustan Aluminium—Rs. 12/25—12/28—12/00—12/28—(17/31).
Hindustan Development—Rs. 4/00—4/19—4/00—4/19—(6/50).
Hindustan Pilkington Glass—Rs. 14/62—14/62—14/50—14/50.
Hindustan Wire Products—Rs. 16/24—16/31—16/24—16/31—(14/81).
Hindustan Twyford (Pref.)—Rs. 94/50—95/00—94/50—95/00.
Isaac Holders—Rs. 14/31—14/31—14/12—14/12—(16/50).
India Carbon—Rs. 20/12—20/25—20/12—20/25—(21/25).
Imperial Tobacco—Rs. 10/37—10/44—10/37—10/44.
Jay Shree Industries—Rs. 15/69—15/75—15/69—15/75.
Jardine Henderson—Rs. 86/50—86/50—85/50—86/50—(82/50).
Do. (Pref.)—Rs. 55/00—55/00—54/50—54/50—(56/00).
Jeewanlal (1929)—Rs. 10/00—10/00—10/00—10/00.
J. K. Synthetics—Rs. 10/56—10/62—10/31—10/31—(15/06).
Metal Distributors—Rs. 4/69—4/94—4/69—4/87.
Martin Burn—Rs. 25/25—25/25—25/25—25/25—(29/12).
National Rubber Mig.—Rs. 11/62—11/62—11/62—11/62—(13/25).
Philips India—Rs. 26/00—26/37—26/00—26/37—(36/12).
Phillips Carbon—Rs. 17/50—17/56—17/00—17/06.
Rallis India—Rs. 116/00—116/00—116/00—116/00—(144/00).
Do. (Pref.)—Rs. 60/75—61/25—60/75—61/25.
Sirsiik—Rs. 9/12—9/25—9/12—9/19—(10/06).
Shaw Wallace—Rs. 15/06—15/06—14/94—14/94.
Tungabhadra Indus—Rs. 6/50—6/50—6/50—6/50.
Universal Cables—Rs. 9/81—9/81—9/75—9/75—(12/62).
Usha Martin Black—Rs. 13/87—13/87—13/81—13/81—(17/25).
Universal Electric—Rs. 9/56—9/56—9/50—9/56—(6/00).
Walford Transport—Rs. 3/60—3/60—3/60—3/60—(3/81).

PAPERS

Bengal—Rs. 29/00—29/06—29/00—29/06—(35/87).
Ballarpur—Rs. 16/62—16/69—16/62—16/69.
India Paper Pulp—Rs. 16/75—16/94—16/75—16/94.
Sirpur—Rs. 12/00—12/00—11/75—11/87.
Star (2nd Pref.)—Rs. 85/00—85/00—85/00—85/00.
Straw Products—Rs. 8/94—9/00—8/94—9/00—(10/25).

HIDES AND SKINS

The market was steady. Stocks were higher than in the previous week.

Bazaar Sales

Between 28th May and 3rd June, 1963.

Cowhides: Wet salted (Ord.) 18,000 pcs. on the basis of Rs. 8 to Rs. 10.62; Wet salted (Slaughtered) 27,000 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28; Wet salted (Ord.) 5,000 pcs. on the basis of 90 nP a lb.

Goatskins: Wet salted (Patna, Daissee, Kustia) 75,100 pcs. on the basis of Rs. 225 to Rs. 240. Rs. 325 to Rs. 340 and Rs. 435 to Rs. 445; Wet salted (he-killed) on the basis of Rs. 3.75 a piece; Assam-Dinaipur 20,500 pcs. on the basis of Rs. 220 to Rs. 240 and Rs. 275 to Rs. 300; Patna (Ord.) 3,000 pcs. on the basis of Rs. 235; Purneah-Kissanganj 8,000 pcs. on the basis of Rs. 512.50.

Bazaar Stocks

(3rd June, 1963)

Cowhides: Wet salted 90,000 pcs. **Goatskins:** Wet salted (Patna, Daissee, Kustia, Killed) 56,500 pcs.; Assam-Dinaipur-Pakistan 74,000 pcs.; Muzafferpore-Patna-Pakur-Purneah-Kissanganj 167,000 pcs.

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Head Office: 41, CHOWRINGHEE ROAD, CALCUTTA-16
Branch Office: Himalaya House, 5th Floor, Panton Road, Bombay

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
		(In 000's of Rupees)	21-5-63	24-5-63
Liabilities—				
Notes in Banking Dept. ...			37,05.97	22,45.06
Notes in Circulation ...			22,81,44.43	22,95,74.82
Total Notes Issued ...			23,18,50.40	23,18,20.18
Assets—				
A. Gold Coin and Bullion			1,17,76.10	1,17,76.10
Foreign Securities ...			1,09,08.43	92,63.17
Total of A ...			2,26,84.53	2,27,64.33
B. Rupee Coin ...			1,14,22.29	1,13,92.13
Rupee Securities ...			19,77,43.58	19,76,43.52
Total ...			23,18,50.40	23,18,20.18

BANKING DEPARTMENT		Week Ended		
		(In 000's of Rupees)	21-5-63	24-5-63
Liabilities—				
Capital Paid-up ...			5,00.00	5,00.00
Reserve Fund ...			81,00.00	81,00.00
National Agricultural Credit (Long Term Operations) Fund ...			7,00.00	7,00.00
National Agricultural Credit (Stabilisation) Fund ...			...	...
Deposits—				
(a) 1. Central Govt. ...			73,73.77	57,17.61
2. State Govts. ...			11,60.84	10,65.56
(b) Banks—				
(i) Scheduled Banks ...			78,41.83	82,39.64
(ii) State Co-operative Banks ...			2,26.69	1,87.34
(iii) Other Banks ...			4.31	6.33
(c) Others ...			1,08,96.34	1,00,45.23
Bills Payable ...			34,41.32	29,39.78
Other Liabilities ...			81,64.71	80,42.92
Total ...			6,04,11.98	5,84,03.51

ASSETS—		Week Ended		
		(In 000's of Rupees)	21-5-63	24-5-63
Notes ...			37,05.97	22,45.06
Rupee Coin ...			2.66	2.25
Small Coin ...			2.83	2.63
National Agricultural Credit (Long Term Operations) Fund ...			...	...
(a) Loans and Advances to—				
(i) State Govts. ...			27,17.01	27,17.01
(ii) State Co-operative Banks ...			8,90.16	8,91.87
(iii) Central Land Mortgage Banks ...			...	...
(b) Investment in Central Land Mortgage Bank			2,84.88	2,84.88
National Agricultural Credit (Stabilisation) Fund			...	...
Loans and Advances to State Co-operative Banks			...	...
Bills Purchased and Discounted—				
(a) Internal ...			...	...
(b) External ...			...	...
(c) Govt. Treasury Bills ...			47,80.45	42,91.65
Balance Held abroad ...			8,34.41	9,39.48
Loans and Advances to Govt. ...			45,64.27	50,69.63
Loans and Advances to—				
(i) Scheduled Banks ...			17,60.00	17,60.00
(ii) State Co-operative Banks ...			1,12,86.88	1,11,71.11
(iii) Others ...			2,99.42	3,45.02
Investments ...			2,54,42.77	2,56,79.30
Other Assets ...			38,40.47	37,87.47
Total ...			6,04,11.98	5,84,03.51

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		21-5-63	17-5-63	23-5-62
(i) Demand Liabilities—				
(a) Demand Deposits				
(1) From Banks ...			50,65.89	51,22.60
(2) From others ...			8,88,33.44	8,81,04.59
(b) Borrowing from Banks ...			34,46.72	32,37.91
(c) Others ...			59,87.75	60,47.64
(ii) Time Liabilities—				
(a) Time Deposits				
(1) From Banks ...			24,71.55	27,80.58
(2) From others ...			12,17,25.28	12,14,25.16
(b) Borrowing from Banks ...			21,20.02	17,77.87
(c) Others ...			10,23.28	10,25.35
(iii) Borrowing from State Bank—				
(a) Demand Liabilities				
(i) From Banks ...			6,37.98	7,05.87
(ii) From others ...			10,49.50	10,86.50
(b) Time Liabilities			9,71.85	23,02.30
(i) Cash ...			52,65.40	54,33.41
(ii) Balances with the Reserve Bank ...			79,42.92	78,98.88
(iii) Balances with other Banks in current account ...			19,59.21	19,49.22
(iv) Money at call and short notice ...			53,81.02	49,95.95
(v) Investments in Central and State Govt. Securities ...			6,30,24.79	6,17,42.24
(vi) Loans Cash credits and overdrafts ...			13,09,60.09	13,18,83.33
(b) Due from Banks ...			8,16.16	9,54.43
(c) Inland Bills purchased and discounted ...			1,89,58.53	1,96,56.87
(d) Foreign Bills purchased and discounted ...			54,16.80	54,32.15
(xii) Total of X, XI and XII ...			15,61,51.68	15,79,26.38

THE BRITISH INDIA CORPORATION LTD., KANPUR

BRANCHES DIVISION:

Cawnpore Woollen Mills Branch Cooper Allen Branch
New Egerton Woollen Mills Branch North West Fannery Branch

London Office.

BEGG SUTHERLAND DIVISION:

Secretaries & Treasurers

The Elgin Mills Co. Limited Cawnpore Sugar Works Ltd.
Cawnpore Textiles Ltd. Champaran Sugar Co. Ltd.
Brushware Limited Saran Engineering Co. Ltd.

Secretaries for: Beta Packer Co., Ltd.

Agents for: The Oriental Fire & General Insurance Co., Ltd.

Money

THE CALCUTTA MONEY MARKET

CALL RATE GOES UP FURTHER

Wednesday, 5th June.

THERE has been a fair increase in the general level of advances in the Calcutta money market during the past week. The increase has been mainly due to the rise in miscellaneous advances. The credit given to the jute mills and to the iron, steel and engineering industries has gone up slightly. Advances to sugar mills have declined a little. Credit for the cotton mills and for the foodgrains and seeds trade remains almost unchanged. In the interbank market, conditions have become tight and the call rate has gone up to 5½ percent.

The local exchange market has been fairly active, and there has been a moderate supply of tea and gunny bills as also miscellaneous bills. The demand for remittance has been fair. Sterling has weakened in relation to most currencies except the deutsche mark and the Dutch guilder.

SILVER WAS STEADY IN CALCUTTA during the past week. The price rose from the previous week's level of Rs. 260.50 to Rs. 265.00 quoted today for ready delivery. There was no business in forward. The prices were 110½d. in London and 127.8 cents in New York. Gold was not transacted.

DURING THE WEEK ENDED 31st MAY, Government of India Treasury bills for Rs. 30,83,25,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 4th June. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.41 percent and above were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2,350 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 10th June.

IT IS STATED THAT 91-DAY INTER-MEDIATE Treasury bills will be sold from 5th June to 8th June at Rs. 99.41 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 29th May to 1st June amounted to Rs. 50 lakhs.

A DECLINE OF RS. 14.31 CRORES TO RS. 2,281.44 crores in active notes was the outstanding feature of the return of the Reserve Bank of India for the week ended 31st May, 1963, while the total note issue was Rs. 30 lakhs larger at Rs. 2,318.50 crores. Notes held in the Banking Department consequently rose by Rs. 14.61 crores to Rs. 37.06 crores. The foreign exchange holding of the currency reserve declined by Rs. 1 crore to Rs. 109.08 crores. Deposits of the Government of India rose by Rs. 16.58 crores to Rs. 73.76 crores and those of State Governments by Rs. 1.55 crores to Rs. 11.61 crores. Balances of scheduled banks were Rs. 4.18 crores smaller at Rs. 78.42 crores. Balances held abroad declined by Rs. 1.05 crores to Rs. 8.34 crores. The investment portfolio was Rs. 2.36 crores smaller

at Rs. 254.43 crores. Loans to scheduled banks rose by Rs. 8.84 crores to Rs. 17.60 crores of which advances against usance bills were Rs. 8.70 crores (Rs. 6.28 crores). Ways and means advances stood at Rs. 45.64 crores, against Rs. 50.70 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 24th May, 1963, shows a rise of Rs. 3.35 crores to Rs. 559.68 crores in total deposits. Investments in Government securities are up by Rs. 10.91 crores to Rs. 243.04 crores, while other authorised investments remain unchanged at Rs. 9.34 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have declined by Rs. 7.24 crores to Rs. 290.95 crores. Cash and balances are, in consequence, shown at Rs. 24.73 crores or Rs. 25 lakhs higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 24th May, 1963, shows Demand and Time liabilities at Rs. 1,033.94 crores (Rs. 34.47 crores on account of borrowings from banks) and Rs. 1,273.40 crores (Rs. 21.20 crores), compared with Rs. 1,024.62 crores (Rs. 32.38 crores) and Rs. 1,272.09 crores (Rs. 19.78 crores), respectively, in the previous week. Cash has decreased by Rs. 1.68 crores to Rs. 52.65 crores, while balances with the Reserve Bank have increased by Rs. 44 lakhs to Rs. 79.43 crores. There is a rise of Rs. 12.83 crores to Rs. 630.25 crores in investments. Advances and bills discounted at Rs. 1,561.52 crores show a drop of Rs. 17.74 crores. The ratios to total liabilities of cash and balances and of advances and discounts are, in consequence, shown at 5.7 percent and 67.7 percent, against 5.8 percent and 68.8 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 7-6-63.

Issue Date	Maturity Date	Amount (00's Rs.)	Average Acceptance Rate
7-6-63	10-9-63	2,00.00	Rs. 2,350%
31-5-63	3-9-63	2,00.00	Rs. 2,350%
24-5-63	27-8-63	2,00.00	Rs. 2,355%
17-5-63	20-8-63	2,00.00	Rs. 2,360%
10-5-63	13-8-63	2,00.00	Rs. 2,354%
3-5-63	6-8-63	2,00.00	Rs. 2,350%
26-4-63	29-7-63	2,00.00	Rs. 2,349%
19-4-63	22-7-63	2,00.00	Rs. 2,354%
11-4-63	14-7-63	2,00.00	Rs. 2,360%
5-4-63	8-7-63	2,00.00	Rs. 2,370%
29-3-63	2-7-63	2,00.00	Rs. 2,370%
22-3-63	25-6-63	2,00.00	Rs. 2,370%
15-3-63	18-6-63	2,00.00	Rs. 2,370%
8-3-63	11-6-63	2,00.00	Rs. 2,365%

(Monthly Maturities 00's omitted)

Month	Amount
June 1963	6,00.00
July 1963	10,00.00
August 1963	8,00.00
September 1963	4,00.00
Total	28,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
31-5-63	1,00.22	.....
24-5-63	.....	1,05.81

THIS IS NOT A PROSPECTUS, BUT ONLY AN ANNOUNCEMENT REGARDING THE PROPOSED ISSUE OF CAPITAL AND PERSONS INTERESTED ARE REQUESTED TO APPLY FOR A COPY OF THE PROSPECTUS FOR FULL DETAILS.

Application forms along with copies of the Prospectus can be had from the Underwriters, Bankers and Brokers to the issue and from the Company's Registered Office. Consent of the Central Government has been obtained to this issue by an order of which a complete copy is open for public inspection at the Registered Office of the Company. It must be distinctly understood that in giving this consent the Central Government do not take any responsibility for the financial soundness of any scheme or for the correctness of any of the statements made or opinion expressed with regard to them.

Announcement Regarding Proposed Issue of Capital by

HIND AUTO INDUSTRIES LIMITED

(A Company Incorporated as a Public Company on 20th August, 1962, under the Companies Act, 1956)

Registered Office: 1, MADAN MOHAN MALVIYA MARG, LUCKNOW, (UTTAR PRADESH)

SHARE CAPITAL

AUTHORISED:		No. of Shares	Nominal Value in Rs.		
Equity Shares of Rs. 10/- each	...	9,50,000	95,00,000	(b) Equity Shares of Rs. 10/- each agreed to be taken by the Directors, their friends and associates	84,560 8,45,600
Cumulative Redeemable Preference Shares of Rs. 10/- each	...	50,000	5,00,000	(c) Now offered at par for subscription to the public:	
			1,00,00,000		
SUBSCRIBED:					
The Subscribers, Directors, their friends and associates have already subscribed Equity Shares of Rs. 10/- each	...	69,340	6,93,400	(i) Equity Shares of Rs. 10/- each	1,51,900 15,19,000
PAID-UP:					
Equity Shares of Rs. 10/- each paid-up @ Rs. 5/- each	...	69,340	3,46,700	(ii) 9.5% Cumulative Redeemable (at par after 10 years) Preference Shares of Rs. 10/- each free of Company's Income-tax but subject to deduction of tax at source at the prescribed rates	50,000 5,00,000
PRESENT ISSUE:					
Equity Shares of Rs. 10/- each	...	2,40,660	24,06,600		
9.5% Cumulative Redeemable (at par after 10 years) Preference Shares of Rs. 10/- each free of Company's Income-tax but subject to deduction of tax at source at the prescribed rates	...	50,000	5,00,000		
Out of the present issue:					
(a) Equity Shares of Rs. 10/- each reserved for allotment to the foreign collaborators	...	4,200	42,000		
				Total	10,00 10,00

BOARD OF DIRECTORS

- Sri Rasesh N. Mafatali, (Chairman), Mafatali House, Backbay Reclamation, Churchgate, Bombay-1.
- Director of:
 - Standard Mills Co., Ltd.
 - New Shorrock Spg. & Mfg. Co., Ltd.
 - Indian Dyestuff Industries Ltd.
 - Bank of Baroda Ltd.
 - Century Spg. & Mfg. Co., Ltd.
 - Phalun Sugar Works Ltd.
 - National Organic Chemicals Industries Ltd.
 - Navin Flourine Chemicals Ltd.
 - SLM—Maneklal Industries Ltd.
 - Ahmedabad Jupiter Spg. Wvg. & Mfg. Co., Ltd.
 - Surat Cotton Spg. & Wvg. Mills Private Ltd., etc.
- Sri Rohit C. Mehta, 'Ram Niwas', Ellis Bridge, Ahmedabad-6.

- Director of:
 - Rajesh Textile Mills Ltd.
 - Rohit Mills Ltd.
 - Savaji Mills Ltd.
 - Indian Mercantile Ins. Co. Ltd.
 - Ahmedabad Electricity Co. Ltd.
 - Camphor & Allied Products Ltd.
 - Air Control & Chemical Engineering Co. Ltd.
 - Binani Metal Works Ltd., etc.
- Sri Trikamlal Maneklal, 'Bhaktawar', Narayan Dabholkar Road, Bombay-6.

- Director of:
 - T. Maneklal Mfg. Co. Ltd.
 - SLM—Maneklal Industries Ltd.
 - Arvind Ceramics Ltd.
 - Drossbach Maneklal Pvt. Ltd., etc.
- Li. Col. Maharajkumar Vijaya Ananda of Vizianagaram, M.P., L.L.D., Padma Bhushan, Vijayanagar Bhawan, Varanasi.

- Director of:
 - British India Corporation Ltd.
 - Spencer & Co., Ltd., etc.
- Sri Kishorilal Seth, M/s. Lakshmiji Sugar Mills Co. Ltd., Maholi District Sitapur.

- Director of:
 - Lakshmiji Sugar Mills Co., Ltd.
 - Seth Brothers Ltd.
 - Pioneer Press Ltd.
 - Lakshmi Cold Storage Co. (P) Ltd., etc.
- Dr. Fritz Sell (Special Director), C/o Messrs. Alfred Sell Autoteilefabrik GmbH, Eschborner Landstrasse Frankfurt (Main), West Germany.

- Director of:
 - Alfred Sell Autoteilefabrik GmbH, West Germany.

- Sri Prem Tandon (Proposed Managing Director), 'Mukund', 25, Ashok Marg, Lucknow.
- Director of:
 - Premier Motors Private Ltd.
 - India Motor Corp. Pvt. Ltd., etc.
- Member of:
 - Heavy Industries Advisory Committee, Government of U.P.
 - Small Scale & Cottage Industries Board, Government of U.P.
 - Lucknow University Executive Council.

BANKERS

- Bank of Baroda Ltd.
- United Commercial Bank Ltd.
- Central Bank of India Ltd.
- Punjab National Bank Ltd.

- Any existing main branches at:
 - Kanpur, Lucknow, Ahmedabad, Indore, Amritsar, Nadiad, Baroda, Bombay, Bangalore, Bhavnagar, Broach, Bulsar, Cochin, Coimbatore, Delhi, Gwalior, Hyderabad, Jaipur, Jamnagar, Madras, Nagpur, New Delhi, Patna, Poona, Rajkot, Surat, Trivandrum, Vijayawada, Calcutta, Gaziabad, Varanasi, Allahabad, Mysore, Agra, Meerut, Madurai, etc.
- Bombay:
 - M/s. Mahadevia Brothers, Stock Exchange Old Building, Dalal Street, Fort, Bombay-1.
 - M/s. Devkaran Nanjee & Co., 5, Hamam Street, Fort, Bombay-1.
 - M/s. Dhirajlal Maganlal Purshotamdas, Old Stock Exchange Building, Dalal Street, Fort, Bombay-1.
 - M/s. D. S. Parbhodas & Co., Apollo Street, Bombay-1.
 - M/s. Rasiklal Maneklal & Co., Bank Exchange Old Building, Bombay-1.
- Madras:
 - M/s. Kothari & Sons, Oriental Building, Post Box No. 267, Madras-1.

- Calcutta:
 - M/s. G. M. Pyne, Allahabad Bank Building, 14, India Exchange Place, Calcutta-1.
 - M/s. Chunilal T. Mehta, 8, Lyons Range, Calcutta-1.
- Ahmedabad:
 - M/s. Chimanlal Lalbhai, 2286, Manekchowk, Ahmedabad.
 - M/s. Amritlal Dalsukhbhai Hajl, Manekchowk, Ahmedabad.

SOLICITORS

- Messrs. Manilal Kher Ambalal & Co., 51, Mahatma Gandhi Road, Bombay-1.
- Messrs. C. C. Chokshi & Co., Chartered Accountants, Mafatali House, Backbay Reclamation, Bombay-1.

UNDERWRITERS

- The entire present issue of Capital offered to the public is underwritten as follows:—
- U.P. State Industrial Corp. Ltd., Kanpur 7,50,000 2,50,000
- The Bank of Baroda Ltd., Bombay 3,84,500 —
- The United Commercial Bank Ltd., Calcutta 3,84,500 —
- M/s. Mahadevia Brothers, Shares, Stocks Finance Brokers, Dalal Street, Bombay — 2,50,000

- U.P. State Industrial Corp. Ltd., Kanpur 7,50,000 2,50,000
- The Bank of Baroda Ltd., Bombay 3,84,500 —
- The United Commercial Bank Ltd., Calcutta 3,84,500 —
- M/s. Mahadevia Brothers, Shares, Stocks Finance Brokers, Dalal Street, Bombay — 2,50,000

- U.P. State Industrial Corp. Ltd., Kanpur 7,50,000 2,50,000
- The Bank of Baroda Ltd., Bombay 3,84,500 —
- The United Commercial Bank Ltd., Calcutta 3,84,500 —
- M/s. Mahadevia Brothers, Shares, Stocks Finance Brokers, Dalal Street, Bombay — 2,

MAHINDRA AND MAHINDRA LIMITED

CHAIRMAN, MR. K. C. MAHINDRA'S ADDRESS

Speech delivered by the Chairman, Mr. K. C. Mahindra, at the 17th Annual General Meeting of the shareholders of Mahindra & Mahindra Limited held in Bombay on 30th May, 1963.

The occasion of the Annual General Meeting this year should be of special interest to the shareholders. They are active participants in basic developments, and as such, they contribute substantially to the building of the infrastructure of our economy. The delay in the submission of Directors' report to you was almost wholly due to the fact that the original budget proposals presented on the 28th of February caused considerable confusion in interpretation of their impact on Company finance. Your Directors at their Meeting on March 1st hoped to be able to approve the audited accounts but it was not possible at that date to translate the precise incidence of new taxation on the profits of the Company.

Provision for Super Tax payments in respect of the Accounts as presented has been calculated at Rs. 11.26 lacs for your Company. This has meant that despite an increase of over 11% in gross profits the shareholders, in accordance with the Directors' recommendations before you, suffer a loss of one sixth in the quantum of dividends (as compared to previous year); the plough back or generated cash retained in the Company has declined from Rs. 29 lacs to Rs. 24 lacs. Government has increased its cut from Rs. 36.80 lacs to Rs. 55.65 lacs. In respect of Bonus, however, the Directors have decided to retain the same basic pattern as of last year. With the knowledge of the marginal subsistence of many of our industrial workers, and particularly, in recognition of the pressure on family budgets of rise in prices of basic commodities (which has become quite perceptible in the last three months) and which, in my opinion, will continue, despite what economic advisers and experts attached to Government bureaux may say, the Board felt that the case of the employees deserved the maximum sympathy. The decision in respect of Bonus was also in recognition of the all round effort by everyone in the organisation at increasing productivity. I trust that this approach will meet with your approval.

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Much has been written about the Super Tax proposals—and I would have refrained even from this mention had the matter rested with the solemn assurance by the Finance Minister in his concluding speech that he will not hesitate to abolish the measure if it is found to retard corporate expansion. But he has now categorically stated that "SPT has nothing to do with the present emergency in the country" and that both SPT and Compulsory Deposit Schemes were desirable in themselves. It remains therefore to be affirmed again that the principle of progression in corporate taxation goes contrary to what are universally accepted as sound canons of public finance. It erodes the very base of revenue. Its major effect on capital formation is dissuasiveness—dissuading people who have money to spare from investing in an industrial venture when there is a significant restraint on the quantum of profits and where taxation directly affects efficiency. Capital emerges from savings and 84.1% of total savings in India come from the household sector i.e., from private savers. Government and Corporate Sectors account respectively for 13.9% and 4.7%. This means that savings of private households feed both Government as well as Corporate Sectors with their investible funds, and such funds are bound to shy away from commitments when returns become uncertain and when public finance comes to mean mere gathering in of funds from the public.

That the Super Tax is a tax on efficiency, has been questioned in responsible quarters. Surely, it does not require any detailed arithmetical calculations to come to the conclusion that Corporate taxation ranging from 60% to 75% is not an inducement for exercising severe and rigid controls over expenditure, nor do such heavy imposts provide the motive power for pursuing vigorously the drive for productivity.

The views of a distinguished American analyst may aptly be quoted: Dr. E. Schmidt, Director of Economic Research, U.S. Chamber of Commerce has this to say of Corporate Taxation:—

"Its incidence is capricious and uncertain. It raises the general price level. It is largely a disguised sales tax. It has put the corporate form of doing business at a disadvantage.... It retards new investment. It reduces investment per worker. It raises the average age of plant and equipment.... It distorts investment decisions because of its severe bite."

Novel Concepts

Apart from SPT the Finance Minister has introduced certain novel concepts in his search for additional revenues. Increases in Customs duties for import of capital plant and machinery is justified as a protective measure, i.e. a measure which would encourage growth of indigenous machine building industry. The reasoning is superficial for there is a rigid control on the issue of import licences and the technical department hitherto known as the Development Wing does not clear any application for import licence when indigenous machinery is available. Prices do not come into the reckoning. This is protection enough. The only consequence of such imposts is increases in the cost of production. There is the Compulsory Deposit Scheme which agitated the minds of a considerable number of legislators, because it affects very severely the middle class people. As an illustration: in accordance with the regulations made by the Maharashtra Government a portion of Bonus paid to the worker must be

invested in national Defence Certificates. I know as a matter of fact, that many of our workers have been compelled to pledge their Defence Certificates for cash on prohibitive rates of interest within a few days of their receiving them. The further draft on their cash resources by the Compulsory Deposit Scheme would mean increased resort to private money-lenders. We are all familiar with the widespread operations of the non-banking sector which forms a considerable handicap to the restraints and controls which the Reserve Bank of India tries to administer in respect of inflationary credits. The boost thus given to usurious operations will further defeat the ultimate purpose of keeping prices within check.

Compulsory Deposit Scheme has been justified on grounds of reasonable restraint of individual's rights to spend his earnings in the interest of social economy as a whole. So economics gets mixed up with morality and legislation under another guise is enacted to improve the citizen's behaviour. Are we "dreaming of systems so perfect that no one will need to be good" (T. S. Eliot) and forget for the nonce what a Roman philosopher wrote 2,000 years ago: "Virtue alone is not sufficient for the exercise of Government; laws alone cannot carry themselves into practice."

Another odd feature introduced in this year's budget is the palpable discrimination shown in favour of foreigners employed in India in the matter of remuneration. Attempt is made to justify this measure also on grounds of social restraint. Despite the urgency and the need to enlarge and strengthen our technical and managerial cadres, this kind of restraint is more likely to drive the capable and the energetic to other lands than attract those who are already earning ampler emoluments abroad. The Council of Scientific and Industrial Research stated in 1961 that more than 4,900 Indian scientists and technicians were gainfully employed overseas and bemoaned the fact that no correspondingly attractive outlets or opportunities were being made available within the country to draw them back into our economy. The discriminating legislation now introduced as a finance measure will certainly not improve the situation. Perhaps it was thought that a tax on remuneration paid to Indian nationals above a certain figure would restrain the payment of so called high salaries to Indian managers and technicians and that somehow it will lead to equality in earnings. It is conveniently forgotten that a rupee today is hardly worth more than 25% of its intrinsic value 25 years ago and the salary levels which were not considered unusual then are now being declared the ceiling! It is also amiably forgotten that liberty is given to recruit and engage foreign staff as you will. What becomes of the drive to 'nationalise' completely as soon as practicable the managerial and technical cadres of all business organisations operating in India?

High Cost of Production

One of the major handicaps to the export of our products is the high cost of production. For reasons I need not elaborate, India furnishes today an example of a country which has converted itself from a low cost producer of steel to a land where retail steel prices are amongst the highest in the world. Export drives will have no meaning if fiscal measures and multiple taxes, levies, tolls, and surcharges keep on adding to costs of production.

It has been heard in responsible quarters that the additional excise duties have been so carefully framed as not to

CAPITAL, 6th June, 1963.

impinge on the prices of basic commodities. Literally it may be so, but it is well known that retail prices do not follow the convolutions of a statistician's mind, particularly when he tries to prove that a circle ends in a point. Apart from the recognised multiplier effect of a push in one direction, there is the infection attached to every rise in retail prices. Government attempts to open Fair Price Shops are like segregating the patients of a hospital after the infection has widely spread. With what results we have still to see.

You may manage a smile at the definition of "excise" given by Dr. Samuel Johnson, in his famous Dictionary:—

"A hateful tax levied upon commodities and adjudged not by the common judges of property, but wretches hired by those to whom excise is paid."

"With 100 rows of teeth the shark exceeds," (Marvell).

And on all trade like cassawar she feeds". (Marvell).

May I humbly suggest that taxation as an instrument of economic policy should be submitted to a fresh examination by a high-powered Commission. In the context of the novelties introduced in this year's budget, the fundaments of the policy of public finance need to be reviewed afresh, lest this branch of State administration deteriorates into a mere revenue-collecting agency.

The health of an economy is judged in some countries by the puffs of smoke over mills and factories, in other countries by the shining cavalcade of automobiles and queues at super-markets and pubs. In our country it is the long lines of men at factory gates and employment exchanges and of women and children at retail groceries for sugar and rice and oil which attract attention; if not these it is the teeming millions who sleep on pavements of the streets of Bombay and Calcutta, even of the capital city of Delhi, who cry for shelter. These are essentially economic problems whose solution or non-solution is related directly to the structure of the economy, its capacity for rapid growth in the matter of urgent basic needs, the climate of opportunity and the discipline and desire amongst the people for hard work. While finance is the limitation, financial and fiscal measures are the catalysts for progress toward redemption of the poor and the needy. Solemn therefore is the responsibility of those who devise these things—planners and administrators, financial pundits and economists, and they should welcome a continuing review and examination afresh of the problems and features which retard growth and development.

A more cogent argument for a Tax Commission is the danger of a drift toward Communist ideology when by accident or design a tax structure is imposed which breaks down the motive power, the sinews of our economy. Didn't Karl Marx propose in the famous Communist Manifesto the use of heavy progressive taxation as the means for making "despotic inroads on the rights of property and on the conditions of bourgeois production?"

I envisage for the Tax Commission a triple role: to enquire into the fundaments of tax policy; consequences of such policy on prices with particular attention to spheres where we desire exports to flourish; and influence on growth.

Bureau of Information

Those who are engaged in commerce and industry—essentially a non-political activity—have another duty to perform. The range and standard of debates in the Parliament this year displayed a pathetic non-knowledge of principles and guide lines of public finance. By and large, the case for industrial development went by default and I feel that this happened not because the Legislators were wedded to the ideology of socialism or were biased against the private sector. Full knowledge was not there. I therefore plead for the establishment of a Bureau of Information in

CAPITAL, 6th June, 1963.

Delhi—an Office disseminating from time to time correct facts about industrial economy, without prejudice or favour to any interests or preconceived notions. I visualise the agency not as a platform but as an organ for publicising the trend and the course of industrial development, the factors which advance or retard growth, the principles which govern the minds of people engaged in such vocations. Attention of the Bureau will naturally be directed toward the furnishing of full information on varied subjects to our Legislators primarily. Novel ideas and concepts have emerged this year in the Finance Act. I feel sure that the consequences, both light and serious, of such novelties were not comprehended by the framers of the Legislation. There is urgent need for educating Delhi in the whole palaver involved in establishing and operating an industry. There is need for understanding the overall thinking of members of the Planning Commission. There is need for informing the theoreticians of the Commission with relevant factors about industrial finance and industrial operations which assist or retard accomplishment. There is equal need to supply illumined data to the technical wings of the executive departments of Government. I feel that the Bureau will fulfil a very necessary need by advancing information on these matters of basic policy and which deserve a close and continuous watch.

I should like to suggest to my colleagues in industry that a dozen of them, like-minded and of kindred spirit, whose integrity is above question and who are imbued with national service, should band together and set up in Delhi a Bureau of Information. The proposed Bureau will not serve any sectional interest nor will it propound dogmatic theories which have little bearing on practical considerations that determine development. The Bureau must remain essentially non-political in its approach, non-sectarian in its relays of information and distinctively labelled as a service.

Another reason which I may advance in favour of such a Bureau is the necessity to remove the general aura of suspicion against private industry and industrialists in general which has been engendered during the Parliamentary debates on the Vivian Bose Commission report. It is not suggested that Industry should present itself in sack-cloth and ashes for it is not proven that the alleged evils disclosed in the report are widespread and rampant. Because industry has been generally branded it does not follow that we should remain quiet and silent until a case is proved. I am however of the opinion that it is time that individual industrialists should come forward and declare adherence to certain minima of ethical conduct in the exercise of their business procedures. Certain practices and arrangements which have been highlighted by the Vivian Bose Commission deserve unequivocal condemnation and one can do so without affirming or denying the allegations against individuals. Too much suspicion between Government and industry, between legislators and individual entrepreneurs, between political parties and Chambers of Commerce is both unhealthy and derogatory of individual dignity. The permutations and combinations of mistrust are manifold and attempts must start now to resolve the vicious equation. The remedy for abuses of economic power is both legal and social. As individuals we should abhor and condemn; as citizens we should assist Government in cleaning up the Augean stables; as business men we should affirm our strict adherence to ethical practices.

Defence and Development

Defence and development are stated to be the twin motives for the current economics and financial policy of Government. Supplementing the premise that the new taxation measures will definitely not encourage savings and therefore will retard capital formation, it is worth repeating that Defence, totality

of defence, is intimately linked with industrial development—in the long run it is the spread and range of the industrial base alone which can ensure the military security of the country. It is our experience that a worthwhile project takes many months, in some cases several years, to fructify and for a Company like ours deliberately set on a growth pattern it would be extremely disappointing if several years' efforts to chart a design for development have now to be halted. Your Board therefore has resolved to push ahead, knowing that perhaps they are taking a calculated risk in promoting at this moment of time large new schemes, in particular the Alloy Steel and the Tractor projects. They require substantial financing. I hope we will be able to place them on the market before the next Annual Meeting comes round. This decision has been taken despite the maleficent influence of current taxes and duties, because your Directors believe fundamental

ally that development and disciplined work must go on and we, both in the private and public sectors, in Government or private living, cannot afford to go slow. Did not our recent visitor—John Strachey, the British Labour leader, tell us the other day that "India is condemned to live dangerously, for, otherwise, she may not live at all? I commend these thoughts and our future plans to our shareholders.

Before I conclude I should like to tell the shareholders that the Company's Jeep production continues to be under strict security controls. On repeated representation, Government has been pleased to release about 20% of our production of vehicles in the current year for civilian uses, but priority of user-allocation will continue to be controlled by Government.

Steel division has not been so active during the last six months as in the previous year, but it is the untiring effort

of the personnel of this division of the Company which has now matured into the Alloy Steel project.

Machine tools division has broadened the base of its operations by inclusion of certain lines of indigenous machines in its portfolio, as well as promoting the beginning of manufacture of tools and gauges in a small way.

I opened my remarks by referring to the operations of the year as being more efficient from the productivity angle. For this accomplishment the management, the staff and the workers deserve your compliments. On your behalf I pay them tribute for their contribution and wish them success in the further goals of proficiency and skill which marks the industrial sectors of more advanced countries.

Note: This does not purport to be the proceedings of the Seventeenth Annual General Meeting of the Company.



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GUEST, KEEN, WILLIAMS, LIMITED

CHAIRMAN, SIR RAGHAVAN PILLAI'S STATEMENT

Statement by the Chairman, Sir Raghavan Pillai, K.C.I.E., C.B.E., on the occasion of the Thirty-third Annual General Meeting held in Calcutta on 31st May, 1963.

It is with great pleasure that I welcome you to this, the 33rd Annual General Meeting of your Company. The Directors' Report and the Accounts have already been circulated and I propose, with your permission, to take them as read.

Board of Directors

I am glad to tell you that Mr. S. Lloyd joined the Board of Directors on 28th June, 1962. Mr. Lloyd is a director of our associate company in the United Kingdom, Guest, Keen & Nettlefolds Ltd., and your Company is fortunate in gaining the benefit of his counsel and experience.

It is with regret that I report the resignation from the Board of Mr. T. K. Walshaw on his retirement from India. Mr. Walshaw first joined the Company in February 1935 and was appointed to the Board in May 1959 whilst serving as General Works Manager at the Calcutta Works. Mr. Walshaw is to be succeeded by Dr. A. K. Bose whose appointment to the Board is the subject of a resolution at today's meeting.

Production

The raw material shortages which affected production in 1961 and to which I referred in my statement to you last year were, I am glad to say, relieved to some extent in 1962, and this permitted the steady growth of output throughout the period.

Nevertheless, whilst the total tonnage of steel billets supplied by the integrated steelworks was substantially increased, it has not yet been possible to secure a steady and regulated supply in the numerous categories and sizes required, and in 1962 the irregular flow of certain categories still imposed a serious limitation on production. This imbalance in billet supplies is reflected in a considerable increase in billet

stocks involving substantial working capital.

Calcutta Works

A further substantial increase in the rolling mills output was achieved in 1962, and the new mills, commissioned early in 1961, made a welcome contribution to the year's operations. Meagre supplies of indigenous special steel billets were supplemented by imports, and the company was able to improve its output of special steel bars and sections for the railways and the automotive industries.

In spite of an acute shortage of free cutting steel the bright steel bar plant, installed in 1961, reached a satisfactory level of output in the latter months of the year and is proving to be a valuable addition to the unit.

Production of forgings improved and the construction of a new die shop to supply tools to the forge has undoubtedly contributed to this advance. A planned programme for further additions to tool making facilities is expected to lead to the progressive improvement of productive efficiency and will assist in the trend towards the manufacture of precision products which I mentioned to you last year and which is continuing steadily.

Some revival in the demand for railway track and signal items was apparent but the manufacture of steel crossing sleepers was again severely restricted by lack of raw materials. Production of this material by Hindustan Steel Ltd. was started in the latter months of the year, however, and the Company's sleeper plant has since been operating satisfactorily.

The production of fastenings in the bolt works was maintained at about the same level as in the previous year. Plans are now being made for the next stage of plant rehabilitation and modernisation in that department.

The shortage of power in 1962 has been the cause of grave anxiety and frustration in industries that are striving to expand, and I do not hesitate to reiterate what has been said so many times in recent years, that power planning must be performed with courage and with confidence in the growth potential of consuming industries; that power must lead development, not follow reluctantly behind. The irrecoverable waste of industrial resources and development potential that is synonymous with the shortage of power is immense compared with any temporary loss that might result from over planning power output; it is consoling to know that Central and State Governments now recognise the vital need for a bolder and more objective approach to power planning, and in the present emergency I would hope that such action as is taken will eliminate any possibility of a repetition of the tragic waste that we have witnessed in recent years.

Bhandup Works

Production and sales of wood-screws and other light fastenings made at the Bhandup Works rose again, in spite of the shortage of the special steel wire and strip required for various minor products. The manufacture of self-tapping screws to the highest international standard quality, which was started in the previous year, was successfully established at the full rated capacity of the plant.

Exports

You will be glad to know that the increased level of export achieved in

the previous year was maintained and surpassed in 1962. Direct export sales are as yet a very modest element of the Company's turnover and conditions of demand in neighbouring countries fluctuate to such an extent that a positive pattern of sales has not yet emerged. However your Company is making an indirect contribution to the export drive which is of considerable importance. Every year large quantities of fastenings and other products are shipped abroad by other manufacturers in India who use your Company's products in assembling equipment for sale overseas. The importance of exports is fully recognised and it is your Directors' intention to promote their growth as rapidly as conditions permit.

Operating Results and Dividends

Turning now to the Accounts, the income from sales in 1962 improved to Rs. 13,06,09,872 from Rs. 10,65,88,480 in the previous year, representing an increase of approximately 22.5%. As I have already explained, the shortage of certain categories of raw material prevented the achievement of an even higher turnover and it is clear that the programme of expansion and rehabilitation undertaken during the past few years has now started to contribute appreciably to your Company's activities. A small part of the increase in sales was due, however, to the inclusion of excise duty amounting to Rs. 16,36,712 imposed on iron and steel products with effect from 24th April, 1962.

Increased turnover coupled with economies effected in operating costs has made it possible for your Company to earn a higher trading profit before tax of Rs. 1,15,38,310 compared with Rs. 83,83,644 for the previous period. The total surplus before tax, in spite of a reduced return on investments in subsidiary companies, amounted to Rs. 1,27,55,590 which shows an increase of Rs. 23,29,326 over the corresponding figure for the previous period.

Owing to a reduced claim for Development Rebate and provision at the enhanced rate of 50% for corporate taxation, the charge for taxation for 1962 is Rs. 55,60,000 compared with Rs. 30,50,000 for 1961. After setting aside a sum of Rs. 1,20,000 for super profits tax the surplus after taxation for the period under review has been reduced to Rs. 61,63,670 compared with Rs. 63,07,072 for 1961.

The provision of Rs. 1,20,000 for super profits tax was based on the original proposals in the Super Profits Tax Bill and I am happy to say that, as a result of reliefs since announced, there will be no liability on this account in respect of the Company's 1962 profits. Similarly, the initial estimate of Rs. 13,00,000 provided in the accounts of your subsidiary, Sankey Electrical Stampings Ltd., for 1962 will now be reduced to Rs. 8,50,000. The accounts of both Companies were closed before the reliefs were announced and in consequence the Directors of Sankey Electrical Stampings Ltd. recommended a lower dividend at the rate of 10% compared with 17½% declared for the previous period. This reduction in your Company's dividend income for 1962 has been largely offset by the declaration on 18th April of an interim dividend of 5% for 1963.

I mentioned last year that taxation on the Company's profit for 1961 was under-provided to the extent of Rs. 2.70 lacs as a result of the increased rates of corporate taxation, announced in last year's budget proposals, which

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were published after the Company's accounts for 1961 were closed. This liability has been assessed at Rs. 2.60 lacs and is a charge against 1962 profits.

After the statutory transfer of Rs. 5,54,677 to the Development Rebate Reserve and the transfer of Rs. 5 lacs to the Debenture Sinking fund, the balance available for distribution is Rs. 49,85,391. Your Directors consider it desirable to draw upon the Company's General Reserve for an amount of Rs. 6,14,609 to meet the recommended final dividend of 80 nP. per share. An interim dividend of 60 nP. per share has already been paid making a total distribution of Rs. 1.40 nP. per share for the 52 weeks ended 29th December, 1962.

Sankey Electrical Stampings Ltd.

A further substantial increase in turnover was achieved by your Company's expanding subsidiary, Sankey Electrical Stampings Ltd. A good deal of development work was undertaken and the policy of diversifying the range of products was actively and successfully pursued. A proposal to acquire from the Tata Iron & Steel Co. Ltd. their shareholding in your subsidiary forms the subject of a resolution later at today's meeting.

Future Development

A year ago I referred to the proposed expansion of steelmaking capacity for the manufacture of special steels. This large project is to be located at the Calcutta Works and has been the subject of intensive study during the past twelve months. Detailed planning is virtually complete and excavation work on the site will start shortly. Associated with this project is a proposal for the re-organisation of the rolling mills, partly necessitated by the forthcoming rise in steel production. Application has been made to the Government of India for approval of this re-organisation. The rolling mills are of vital importance to your Company, being the main source of raw material for the fabricating departments, and this scheme will be of great benefit to your Company's development.

The Government of India has granted approval for the expansion of the wood-screw plant at Bhandup and the bright steel bar plant at Calcutta Works. Contracts for the purchase of machines have been placed, and the benefit of increased production should be apparent within eighteen months.

These are but a few of the development projects that your Company proposes to execute during the next few years aided by the valuable guidance of the technical consultants in the United Kingdom, Guest, Keen & Nettlefolds Ltd. In forward planning the emphasis remains on serving the transport industries, and the proposed investment in Sankey Wheels Ltd., which forms the subject of a resolution at this meeting, is complementary to this trend by virtue of their programme for the manufacture of wheels for commercial vehicles. The railways and road transport services have relied for many years on your Company for the manufacture of an ever widening range of products, and in the context of the present national emergency, which has revealed only too clearly the urgent need for improved rail and road communications, it is essential that the Company should not falter in its planning for expansion. It is in this belief that the groundwork for further development over several years ahead is now being vigorously prepared.

Finally I should like to record special appreciation on your behalf of the conscientious work of the staff and all employees whose loyalty and whole-hearted enthusiasm is making possible the increasing success of your Company's operations.

(Note: This does not purport to be a record of the proceedings of the Annual General Meeting).

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New Delhi

AID BODY PLEDGES HELP FOR THIRD YEAR OF THE PLAN

(FROM OUR NEW DELHI CORRESPONDENT)

THE Aid-India Club began its two-day session on 4th June in Paris. On the first day, it pledged assistance to India totalling approximately \$1,000 million (about Rs. 500 crores) to cover the latter's balance of payments deficit for 1963-64. This did not fully meet the requests submitted by India, which had asked for \$1,250 million. For the first two years of the third plan, the Aid-India Club and the World Bank contributed \$2,365 million. Thanks to the untiring efforts of Mr. L. K. Jha, Secretary to the Department of Economic Affairs, Central Ministry of Finance, India's foreign aid problems are now better understood. As far as aid is concerned, the basic criticism against India has been that it has not been able to use the aid offered to her for the first two years of the third plan.

Aid is divided into several categories, such as aid tied to a project but untied to a country. Or it may be tied both to a project and a country or untied to a project but tied to a country. Theoretically, it may also be untied to both a project and a country. In case aid is tied to a project, its full use is tied to the completion of the project. The case of the Durgapur steel plant may be cited to illustrate the point. A British loan, as is well known, has been made available for expanding the plant. This credit can only be fully used by completing the expansion programme. Canada finances a project in a slightly different way. It takes up a project and finances its requirements on a yearly basis till it is completed. This is done obviously with a view to avoiding the possibility of large-scale unused aid.

It is often complained that with a sizable untied aid, India is still following a restrictive import policy or has imposed a virtual ban on foreign travel. On the face of it, this criticism is justified. There are, however, two explanations for the restrictive import policy. Firstly, many projects, although fully covered with a foreign loan for its foreign exchange expenditure, do contain a part the expenditure on which has to be met from free foreign exchange resources. The foundry-forge project, financed by Czechoslovakia, is a case in point. Part of the equipment for the projects has to be imported from outside the rupee-payment area for which foreign exchange amounting to about Rs. 1 crore has to be found. The Czechoslovak Government has made it clear that it will not guarantee the performance of such equipment. Originally, a ceiling of Rs. 80 lakhs for such non-Czech equipment was agreed upon. This ceiling was deleted from the supplementary agreement signed here last week.

Secondly, India is using the maximum quantity of indigenous equipment in some of her projects. Then again, many projects are only an expansion of the existing units for which no foreign aid is provided. But for proper maintenance of plant and machinery, it is necessary to import spares and components. So a large amount of untied aid is required for maintenance imports.

Export Credit

The World Bank had advocated that aid should be tied to a country but not to a project. Aid given by

several countries, it may be added here, are in the nature of export credit. The Government of India appreciates the difficulties of the former. Under the circumstances, part of the aid may be given in the shape of capital goods which could be pooled by aid-giving countries to meet India's needs.

Aid from several European countries can hardly be called aid. It is really a commercial credit for a short period and at a high rate of interest. This has, in fact, been the main criticism by the U.S.A. of the so-called "matching" aid. There is a general realisation that aid—if it is to be effective—should be on a non-commercial basis, untied and for a long term and at a low rate of interest.

The second plan and the democratic method of commissioning projects through global or countrywide tenders have shown one glaring weakness of planning, namely, the delay in commissioning projects. The case of power projects may be cited to illustrate the point. Due to foreign exchange difficulties, the commissioning of some power projects was either slowed down or postponed with the result that there was an acute shortage of power towards the end of the second plan. It is, therefore, felt that planning being a continuous process, some projects falling in the fourth plan should be commenced within the third plan period. But this will inevitably increase India's foreign aid requirements under the third plan.

Denmark was an observer at the last meeting of the Aid-India Club. It is, however, anticipated that the three Scandinavian countries will offer aid to India without joining the Club.

STEEL PLANTS

Expansion Programmes

The western countries should carefully study the techniques of communist countries if they are out to compete with them successfully, particularly in the field of industries. The case of the three public-sector steel plants should illustrate the point. Even before the publication of the third five year plan, the expansion programmes for these plants were widely known. Russia, the United Kingdom and West Germany were willing to finance the expansion of the Bhilai, Durgapur and Rourkela steel plants, respectively. In the early stages of the third plan, Russia produced a project report for Bhilai. On the basis of this, an agreement was reached under which Russia was to supply the plant and equipment at a certain price. No tenders were invited by the Government of India even to compare the cost of such plant and equipment. On the basis of the agreement, orders for plant and machinery were placed. It is now anticipated that the expansion programme of the Bhilai steel plant will be completed well within the third five year plan, as it was originally planned. There being only one supplier, the question of creating a co-ordinating machinery does not arise.

The Russians, for all practical purposes, are running the Bhilai steel plant. If, say, ten top-grade engi-

neers are wanted for Bhilai, the Indian General Manager of the plant makes the required demand on the Russian Embassy in New Delhi through Hindustan Steel and the Government of India. The Embassy forwards this requisition to Moscow, which directs its steel works to send out to India ten hand-picked engineers with instructions that they are to work for India, in Indian climate and with such food as is available in Bhilai. In case of any failure on their part, their next assignment may be in Siberia.

As for the other two steel plants, their project reports for expansion were prepared by Hindustan Steel. On the basis of the project reports, tenders were called included in which there were some tenders from the United States. As competition is the most essential pre-requisite for free enterprise, various tenderers adopted the technique of under-cutting their rivals. From India's point of view, this could be regarded as a healthy development. The basic issue is, however, to achieve the steel production target by a certain date, namely, by 31st March, 1966. Plant and equipment for the expansion of the Rourkela steel plant has now been ordered. Tenders for the Durgapur plant are still being discussed, and it may take some more time before orders are placed for plant and equipment. It roughly takes 30 months from the date of placing orders to the plant going into production. It should be possible for Durgapur to make a beginning in production in its expanded plant by March 1966. Due to such a widely different procedure, it is unfair to compare the production schedules of the three public-sector steel plants.

Many of the difficulties which the Rourkela steel plant has had to face are due to the lack of a co-ordinating machinery. The commissioning of the Durgapur plant was smoother because of a well-knit co-ordinating organisation. At the West German Government's insistence, a co-ordinating organisation has been set up for the Rourkela plant. The British Government likewise has emphasised the need for a co-ordinating organisation for the Durgapur steel plant's expansion. As pointed out earlier, there is no need for such an organisation for Bhilai because there is only one supplier of the entire plant and equipment.

As for technicians, first-class men are not willing to come to India for a limited number of years. They are generally selected by an Indian team, who makes its selection from such men as are willing to come to this country. Here in India, they demand living conditions almost equal to those they have in their own country. So it is not easy to get the services of top-grade foreign technicians unless big enticements are offered.

IRON ORE

Czechoslovakia Plans to Buy

The Czech Commercial Counsellor and Trade Representative to India, Mr. V. Kirsbaum, said in a Press conference last week that his country was prepared to buy more iron ore from India, provided it was offered at competitive prices and arrangements were made for the speedy

delivery of a stipulated quantity a day at the Indian ports of loading. As it is, the price of Indian ore is about 20 percent higher than that of the Brazilian ore. Moreover, the loading arrangements in India are highly unsatisfactory.

ASIAN COMMON MARKET

Diplomats Discuss Prospects

A conference of Indian diplomats serving in the south-east Asian countries was held here last week. Emphasis was laid on developing trade relations with the countries of the region. The proposal for an Asian Common Market was the subject of a report to which India's Ambassador to the European Common Market, Mr. K. B. Lall, was a signatory. The subject was not, however, even mentioned at the last meeting of the E.C.A.F.E. earlier this year. The issue is a simple one. There are two leading countries in the region, namely, Japan and India. Japan is not interested in the Asian Common Market. As for India, she is prepared to have a Customs union of India, Burma, Ceylon and Pakistan to begin with? The Indian diplomats meeting here last week did not consider these issues.

COAL

Price Increased

The Government has decided to increase the price of coal by 6nP a ton with effect from 1st June, 1963, in order to enable the collieries to meet the incidence of the incremental scales of wages to workers awarded by the arbitrator of colliery disputes. The award recommended, among other things, the introduction of grades and time-scales of pay for workers as from 1st June, 1959. Thus an additional increment will fall due on 1st June of each year for six years.

HOUSING

Official Programme Prepared

The Central Ministry of Works, Housing and Rehabilitation has prepared a Rs. 100-crore construction programme to meet the shortage of office accommodation and residential houses for Central Government employees in Delhi, Bombay, Calcutta and Madras. The construction programme, which will be spread over the next seven years—the remaining two years of the third plan and the entire period of the fourth—envisages the construction of nearly 5.8 million square feet of office accommodation and about 74,000 residential units in these cities by 1971.

The main feature of the programme, which has been sent for approval to the Central Ministry of Finance and the Planning Commission, is to construct over 55,467 more residential units in Delhi, 9,811 in Bombay, 3,210 in Calcutta and 5,487 in Madras. For office accommodation, the programme provides for the acquisition of land worth Rs. 19.17 crores and the construction of units with space of 4 million square feet in Delhi, 483,000 square feet in Bombay, 1,278,000 square feet in Calcutta and 134,000 square feet in Madras.

The Ministry has informed the Planning Commission that the programme limit for the current plan period should be increased to Rs. 65 crores and that for the fourth plan period placed at Rs. 70 crores so that it is able to plan now to achieve the targets. According to the Ministry's assessment, the demand for residential units at present is: Delhi 90,065, Bombay 10,266, Calcutta 3,770 and Madras 5,487. Against these, the units

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available are: Delhi 34,598, Bombay 455, Calcutta 560 and Madras nil.

The assessment of the demand is based on the applications received for the allotment of accommodation. The total number of Government employees in each of the cities is much larger than the figures indicate, but it has been presumed that those who have their own private houses have not applied for allotment. The programme expects to meet this demand in full.

So far, lower percentages of residential accommodation were fixed for Bombay, Calcutta and Madras. Consequently, the targets for fulfilment there had been lower resulting in an acute shortage of accommodation for the Central Government staff. This has been one of the reasons why Central Government offices have been reluctant to shift from Delhi. According to the new programme, the policy on the construction of Government buildings in Bombay, Calcutta and Madras will be changed and brought in line with that prevailing in Delhi.

The programme has been worked out on the basis of meeting the existing assessed demand for office accommodation plus 10 percent for future expansion. For residential accommodation, the objective is to meet the present demand on a 100-percent basis, which will become 80 percent or less by the time the programme has been completed in 1971. The total cost of the programme is in addition to the sanctions so far made amounting to about Rs. 32 crores for the current plan period.

The Central Ministry of Works, Housing and Rehabilitation has appointed a Committee of Secretaries to examine the implications of the official decision that Government employees owning houses should be considered for Government accommodation. The committee consists of the Secretaries to the Ministries of Defence, Railways, Communications, Finance, Home Affairs and Works, Housing and Rehabilitation.

The setting up of the committee has been necessitated because a large number of Government employees, who were given notices, represented against the Government's decision, and secondly because some of the Ministries like Defence and Railways were averse to adopting rules depriving their employees who owned houses from Government accommodation. The committee will examine whether exceptions can be made in certain circumstances and on what grounds. The committee will also ensure that the rule is followed uniformly by all the Ministries. A final decision will be taken by the Central Government after the committee makes its recommendations.

Following the Government's decision that market rent, in conformity with the prevailing market conditions, should be charged from those Government servants who occupied Government accommodation in spite of the fact that they had residential accommodation of their own and had let it on rent, a large number of notices were issued to Government servants. In almost all these cases, representations were received from Government employees emphasising that due to one reason or another, it will cause hardship to them if they were either deprived of Government accommodation or were subjected to the payment of market rent.

It was pointed out that the decision discriminated against those Government servants who might invest in other ways such as the purchase of shares. It was also pointed out that employees, who owned houses, had only a modest amount left from these houses after the payment of land dues, municipal taxes and additional income tax. It was stressed that the decision

will be particularly harsh when the house is built with borrowed funds.

The representations made by employees also pointed out that investment in houses as a means of providing income for the future, particularly on retirement, was a legitimate investment on the part of a Government servant. The problem has also legal aspects, because in some cases, the houses belonging to Government servants are trusts or joint Hindu family properties.

RETIREMENT AGE

Government Decides to Raise

The retirement age of I.A.S. and I.P.S. officers has been raised by three years, from 55 to 58. The order which the Central Home Ministry has issued in consultation with the State Governments came into effect on 25th May this year. A proviso has been added to the Act under Service Rules that at the age of 55 or after, the officer can himself retire or the Government can make him do so, but in either case a three-month notice will be required. The retirement age of employees belonging to the Central services has already been increased from 55 to 58.

In 1960, the second Pay Commission had recommended the extension of the retirement age from 55 to 58. It argued that this step would at best reduce fresh employment under the Central Government by about 12,000 persons during each of the three following years. This was less than 1 percent of the total volume of additional employment needed for educated people during the third plan period.

Initially, when the Central Cabinet considered the recommendations of the Pay Commission, it was decided that the age of superannuation might continue to remain at 55, particularly because the higher age would reduce employment opportunities. Later, on 30th November last year the Cabinet reconsidered its decision and agreed to raise the retirement age to 58.

BERLIN FAIR

India to Participate

India has agreed to participate in the annual Berlin Fair, to be held from 20th October to 27th October this year. Since last year, the organisers have introduced a new feature in the fair, namely, "partners in progress." Last year, the African countries participated in this sector. This year, such Asian countries as India, Pakistan, Nepal, Japan, Indonesia, Thailand, Ceylon, Burma, the Philippines, Hongkong, Malaya, Singapore, South Korea and Laos have been invited to participate in this sector.

CZECHOSLOVAKIA

Pact on Equipment Signed

Contracts were signed here last week for the supply of Czech equipment worth about Rs. 9 crores for three major public-sector industrial projects. The machinery is being supplied under the Indo-Czech economic collaboration agreement of November 1959, which provided for a Czech credit of Rs. 231 crores for India. The contracts cover the supply of plant and other equipment for setting up the heavy machine tools plant, Ranchi; the third stage of the foundry-forge plant, Ranchi; and the establishment of the high pressure boiler plant, Tiruchi (Madras State).

The foundry-forge plant, Ranchi, will cater fully to the heavy machine-building plant's requirements of

castings and forgings. In its third stage, it will manufacture about 47,000 tons of grey iron castings, 90,000 tons of steel castings and about 37,000 tons of forgings.

The plant for producing heavy machine tools in Ranchi will be constructed in the two separate stages. In the first stage, the output of 10,000 tons of finished products a year will be achieved gradually. In the second stage, the production capacity will be increased approximately twice as much, namely, about 20,000 tons of finished products a year. The plant has been designed in such a way that it has general-purpose machine equipment so that it can produce machine tools different from those incorporated in the planned production programme. The structure of the production programme has been settled on the basis of average demand for the heavy-duty machine tools in engineering works.

In the first stage, according to this programme, 22 types of heavy-duty machine tools of the most modern design will be manufactured. These machine tools are now exported from Czechoslovakia to many countries all over the world. These include various types of radial drilling machines, double housing planers, centre lathes, horizontal boring machines, vertical lathes, portal milling machines and centre grinders. Vertical lathes with 4,000-millimetres diameter and a weight of 110 tons will be manufactured there. Within the proposed scheme of organisation, it will be possible to carry out changes in the structure of the production programme according to the actual requirements of the Indian industry.

The production programme for the second stage will contain other kinds of machine tools of more complicated designs and more elaborate types, especially portal milling machines and grinders, while the assortment of centre and vertical lathes, horizontal milling machines and planers will be extended. The factory will also produce the corresponding quantity of standard and special accessories as well as spare parts.

The construction of the heavy power equipment plant in Ramachandrapuram, near Hyderabad, and the high pressure boiler plant in Tiruchirappalli follows from the Government of India's decision to increase power generation as quickly as possible so that in 1975, the output of about 35 million kilowatts is reached. That brings about the requirement of securing the annual increase of about 2,500 megawatts of the installed output. In its first stage, the heavy power equipment plant near Hyderabad will have the capacity of 600 megawatts a year which will be doubled to 1,200 megawatts later on.

In its first stage, the high pressure boiler plant, Tiruchi, will manufacture 12 boilers a year with an average rated output of 200 tons of steam an hour. It will have a total capacity of 750,000 kilowatts. The manufacturing programme will also include certain items of fittings, pumps and other ancillary equipment for using in steam turbines and boilers. The completion of the present stages of the three projects will involve a total capital outlay of over Rs. 60 crores.

BHILAI

Expansion of Capacity

Steps are being taken to increase the supply of raw materials for the Bhilai steel plant, whose capacity is being expanded from 1 million tons to 2.5 million tons of ingot a year. Except coal, Bhilai produces most of the major minerals it needs from its own captive mines. So far, the plant has produced about 10 million tons of raw materials to meet its own

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requirements as well as part of the needs of other steel plants in the country.

The Bhilai plant's entire demand for iron ore is met from the captive mines of Rajhara and Dalli. The Rajhara mechanised mine at present supplies 70 to 75 percent of the ore required by Bhilai. As the mechanised mine has not so far achieved the rated capacity, the rest of the requirements is met by manual excavation of the ore. The mechanised unit is, however, expected to reach its target shortly. About 1,329,200 tons of iron were extracted at the mechanised mine during 1962. The total demand of the Bhilai plant during the year was 2,131,100 tons. In view of the present expansion programme of Bhilai, it has been decided to introduce three shifts in the Rajhara mine. It has also been decided to develop Dalli as a separate mine for which detailed prospecting is being done. At Dalli, a reserve of 112 million tons of ore has been proved. Besides, 5 million tons of easily obtainable float ore is available near the loading point.

During 1962-63, it is learnt, Bhilai despatched about 250,000 tons of iron ore to Rourkela to enable the latter to upgrade the Barsua ore. From the beginning of 1963, Bhilai has also started despatching iron ore to the State Trading Corporation, for which a separate mine has been developed a few miles from Dalli. At this place, reserves are estimated at about 17 million tons of float ore with about 65-percent iron content.

As for limestone, deposits have already been discovered at a place about 20 miles from the steel plant. During 1962-63, the mechanised quarry there produced 430,000 tons of limestone. In order to meet the requirements of the expansion programme, arrangements are being made for the increased supply from the quarry by installing additional crushers, etcetera. Bhilai has also succeeded in finding out good areas for the development of captive mines for manganese, and the Government has already granted the necessary mining leases to the plant. The plant has also prospected and selected a suitable area in Jabalpur district for developing a bauxite mine. The lease has already been granted, and the mining programme is being worked out. A good deposit of chromite has also been located by the steel plant authorities in Maharashtra. The Madras Government has granted Bhilai a certificate of approval for prospecting for magnesite near Salem, for which a cell has already been opened.

The rare mineral, fluor spar, most of which had in the past been imported from China, has also been located at a place about 60 miles from Bhilai. Detailed prospecting is going on in the area, and reports so far obtained are promising.

BEAS DAM

Finding of U.S. Team

The team of engineers from the U.S. Bureau of Reclamation which is visiting India on behalf of the U.S. Agency for International Development (A.I.D.) has expressed the view that there is scope for increasing the floor storage in the reservoir to be created upstream of the Beas dam. It has also suggested that the dam might be designed for a higher flood discharge. This suggestion has been accepted by the project authorities.

The A.I.D. is considering a proposal for assisting the Beas project with a dollar loan to meet the requirements of construction machinery and permanent equipment. At the time of signing the Indus Waters Treaty in 1960, the World Bank and the U.S. A.I.D.

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had agreed to give India a total loan of \$56 million for the project.

According to the team, the concreting done in Bhakra was of outstanding quality, and it was surprised to note the absence of any seepage into the drainage and foundation galleries. The team is reported to have suggested that there is scope for using the secondary power generated in Bhakra for which necessary arrangements may be made.

Unit I of the Beas project envisages the diversion of the Beas river from a point upstream of Mandi (Himachal Pradesh) into the lake created by the Bhakra dam on the Sutlej river.

Unit II of the Beas project comprises an earth and rock fill dam, 380 feet high on the river Beas in Pong, near Talwara. The Beas dam in Pong will provide maximum utilisable storage capacity which will be used for irrigation in Punjab and Rajasthan.

POWER GRIDS

Regional Agencies Planned

The Central Government is likely to introduce legislation shortly to establish regional agencies for planning and operating zonal power grids leading eventually to an all-India grid system. The Government has already accepted the recommendations of the special committee set up to suggest organisational pattern and functions of the regional agencies. The committee included the representatives of the Central Water and Power Commission, the Planning Commission, various State Electricity Boards, the Damodar Valley Corporation, the Delhi Electric Supply Undertaking and the Federation of Electricity Undertakings of India.

The legislation is expected to be on the lines of the recommendations made by the committee. The latter has recommended the demarcation of the country into the following zones for establishing regional agencies: (1) Western Ghat region: Kerala, Madras, Mysore and south Andhra; (2) Eastern Ghat region: north Andhra, south Orissa, eastern Maharashtra and central and southern Madhya Pradesh; (3) Satpura region: Gujarat, western Maharashtra, west Madhya Pradesh, extreme south Rajasthan; (4) Western Himalayas: Jammu and Kashmir, Himachal Pradesh, Punjab, Delhi and Rajasthan; (5) Central Himalayan region: Uttar Pradesh and north Madhya Pradesh; (6) Eastern Himalayan region: Bihar, Bengal, the D.V.C. and north Orissa; (7) Assam region: Assam, Manipur, Tripura, N.E.F.A. and Nagaland.

According to the recommendations of the committee, a regional power agency shall be vested with responsibility for planning of new power stations and major transmission lines and the integrated operation of power systems in the region as a whole. It shall comprise technical representatives of the State Electricity Boards concerned, organisations like the D.V.C. and representative of the Central Electricity Authority. The chairman of the regional power agency will be the representative of the constituent State Electricity Boards by rotation on a yearly basis. The secretary of the regional power agency will be a full-time technical officer to be appointed by the agency. The headquarters of the various regional agencies and the secretariat will be fixed by the respective agencies.

The representatives of the various State Governments have agreed that the functions of the regional agencies should include the planning of generation and major transmission programme in the region and ensure efficient integrated operation of the constituent systems in such a manner that at any given time, the total

amount of electricity generated and transmitted shall give optimum benefits to the region as a whole.

In view of the growing demand, all State Governments have accepted that planning of power on a regional basis will prove advantageous to all the constituents of a regional agency. The system is already in operation in some of the European countries where sovereign nations have pooled their power resources to ensure that the requirements of all the participating nations are fully met.

It has been estimated that, when the four systems of Kerala, Madras, Mysore and Andhra Pradesh are interconnected and operated on an integrated basis, there will be a saving of 265 megawatts in the installed capacity on account of diversity between the systems and the reduction in standby capacity. This is expected to result in a saving of Rs. 22.73 crores in the capital outlay and Rs. 2.60 crores in the annual running charges after allowing for the capital and running expenditure involved in the construction of the inter-State links together with the associated grid substation equipment and a central load frequency control station.

Similarly, in the eastern region, as a result of inter-connections and integrated operation of the D.V.C., West Bengal, Bihar and Hirakud-Talcher systems, it is estimated that the saving by the end of the present plan period will be 350 megawatts in equivalent generating capacity due to diversity between individual systems and the reduction in standby capacity. This is likely to result in a saving of about Rs. 27.15 crores in the capital outlay and Rs. 4.8 crores in the annual running charges after making due allowance for establishing the inter-connections and associated terminal equipment.

OIL INDIA

Cost of Pipeline

The total cost of Oil India's 720-mile long Nahorkatiya-Gauhati-Barauni pipeline system is estimated at Rs. 24,250,000. The amount of foreign exchange raised to finance the cost of the pipeline is Rs. 13,250,000. Of this sum, Rs. 3 million has been provided by the British Government through the Government of India. The balance of Rs. 10.25 million has been covered by the Burmah Oil Company by issuing debentures for Rs. 25,000,000 and by issuing to the Bank of Scotland and the Chartered Bank of an unsecured B.O.C. loan stock of Rs. 5 million. Proceeds of these borrowings will be made available to Oil India Ltd by the B.O.C. at identical terms of interest and repayment. The rupee cost of the project has been covered by the Rs. 30-crore debenture stock issued recently by Oil India Ltd in India—the largest single public issue of debenture stock in this country to date.

CEMENT

Selling Price Raised

The selling price of unpacked cement free on rail destination has been revised at Rs. 97.75 a ton with effect from 1st June, 1963. The price hitherto was Rs. 94. The excise duty and the additional surcharge thereon and the packing charge have to be paid separately.

On a representation by the cement industry, the Government has examined the incidence of the increases in the cost of production and has decided that with effect from 1st June, 1963, the ex-works price to be paid to the industry should generally be increased by Rs. 2.75 a ton.



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FACILITIES FOR COMMERCIAL EDUCATION IN U.K.

(FROM OUR LONDON CORRESPONDENT)

At a very early stage in its history, the London Chamber of Commerce began to take a close interest in education for commerce. It is curious that its concern with the question first arose because many London merchants at that time were employing a number of foreign clerks. An investigation by a special committee of the Chamber showed the reason to be that most of the English clerks available, apart from knowing no language but their own, lacked, not ability or application, but education in commercial subjects. And they suffered that deficiency largely because the necessary facilities were not available to them. This special committee, which became the London Chamber's Commercial Education Committee, co-opted leading headmasters, visited several Continental schools of commerce and made thorough enquiries into educational facilities available. As a result, it drafted a suggested course of instruction for pupils in secondary schools, based to a large extent, it appears, on the practice of the commercial schools of Leipzig and Munich.

Although the Committee started in a purely advisory and consultative capacity, it soon realised that the many gaps in the education system could be filled only by its offering both lectures and courses to those employed in clerical occupations in the London area. As those gaps were gradually filled by the education authorities, the Committee discontinued its work in those directions. Nevertheless, it continues to act in an advisory capacity to both commerce and education.

During the 1880's, the Committee came to the conclusion that, just as there was an urgent need for the expansion of education for commerce, so also was there a need for awards, based on examinations, to enable the business community to recruit or promote soundly educated and properly certificated young people. With this in mind, the Committee devised a series of junior examinations, the first of which were held in 1890. With the growth of further education, a senior examination in more specialised commercial subjects was offered

in 1894. These were particularly valuable, for at that time many of the present leading professional bodies were not in existence, or were in their infancy.

In spite of the growing number of recognised professional bodies, there is still a big demand for the Chamber's examinations in the more advanced commercial subjects, particularly among those who are not intending to become professionally qualified, but who wish to present evidence of successful studies in the form of the London Chamber's certificates and diplomas. In the early days, the Chamber included a number of technical and semi-technical subjects in its examinations, jointly with the City and Guilds of London Institute and the Wholesale Textile Association, but later discontinued them to concentrate on more commercial examinations.

Stages of Education

Between the first and second World Wars, the Commercial Education Committee revised its scheme to provide for three stages of examination, i.e., elementary, intermediate and higher, with the intention of encouraging students to progress from the lower to the higher levels of examination through an intermediate stage. This policy has been continued by the Committee. The Committee, aware of the difficulties experienced by employers in finding a sufficiency of well-trained and adequately qualified female clerical staffs, carried out an investigation with a view to ascertaining whether the traditional methods of examining in the typing, stenographic and secretarial fields were appropriate to present-day needs. Throughout its discussions on the subject, it had constantly in mind that any decisions affecting its examinations would also affect teaching methods.

As a result of its investigations, it developed new and revolutionary examinations for typists, stenographers and private secretaries. These have been acclaimed by the commercial teaching profession at home and abroad. Unfortunately, too few employers support them, perhaps

through lack of knowledge of their content and purpose, with the result that they continue to complain of the low quality of work and output of those employed in these categories. The remedy lies in the hands of employers who could, by encouraging schools and colleges to train young people up to the Chamber's standards, receive into their employ an ever growing number of young women who were properly trained and certificated.

With the development of trade in the then British Empire in the early part of the 20th century, there followed a growth in education, and as a result of this and because of the public interest taken in the work of the Committee, there came a growing demand for the Committee to extend its examination scheme throughout the Empire and more particularly in the Commonwealth countries—other than Australia, Canada and New Zealand. Today, the London Chamber has active examination centres in nearly 40 Commonwealth and other countries having close links with the U.K.

When the Committee first decided to offer examinations, it came to the conclusion that in addition to awarding certificates and diplomas, it should award medals and prizes to those who were outstandingly successful in its examinations in the U.K. This policy it has continued as an encouragement to greater endeavour. The medals and prizes awarded by the Committee were later supplemented by prizes awarded by outside bodies for special successes in the examinations, among them the Institute of Chartered Accountants, the Association of Certified and Corporate Accountants and the Spanish Chamber of Commerce. The medals and prizes are presented every year by a distinguished visitor at the Mansion House by kind permission of the Lord Mayor of London. In 1950, Her Majesty the Queen, then Princess Elizabeth, honoured the Chamber by presenting these special awards.

Scholarships

In 1923, the late Mr. Charles R. E. Bell bequeathed the sum of £10,000

to the Committee in order that scholarships might be awarded to suitable young people. After careful consideration, the Committee decided to offer two types of scholarship—one of £60 to young people to enable them to continue their whole-time day education, and the second, a senior scholarship, valued £180, to enable young business men and women to travel abroad and improve their knowledge of foreign languages. After the second World War, and with the passing of the 1944 Education Act, it was decided to discontinue the above scholarship; in favour of scholarships to the value of £500 for higher commercial studies at home or abroad.

Altogether 42 Junior and 27 Senior Travelling Scholarships were awarded under the old scheme, while 17 scholarships have been awarded during the period 1951-60 under the new scheme. The value of scholarships awarded during the period 1926-60 was over £12,000. Scholarships will continue to be offered each year, and the Committee hopes that the business community will bring these valuable awards to the notice of their staffs.

A further extension of the work of the Committee has been the part it plays in the national commercial apprenticeship scheme inaugurated by the Association of British Chambers of Commerce. The scheme provides for a two-tier system of commercial apprenticeship based on individual employers' needs, and leads, through part-time day release and evening study, to the National Certificates in Commerce (probably shortly to become the National Certificates in Business Studies), and to suitable professional qualifications. An Apprenticeship Sub-committee has been appointed by the main Commercial Education Committee to assist employers to develop new schemes of practical training and to approve, on behalf of the Chamber, schemes which offer the breadth and level of training which it is felt would be acceptable to the National Commercial Apprenticeship Board. It is the Committee's hope that an increasing number of employers will support the scheme, for it is clear that commerce badly needs young men and women who can be trained to fill the more senior posts as they fall vacant through retirement and other causes.

Old Attitudes

Just as there is a realisation in industry that technical training is a necessary function of the employer if it is to get the future technicians, technologists and scientists it will need, so should commerce realise that it is only through planned practical and academic training that it will get its future administrators and managers. The laissez-faire attitude of commerce towards commercial education and training is resulting in the brighter young school-leavers seeking posts elsewhere, and leaving in the main only the residue for clerical employment. This may be one of the reasons, if not the most important reason, why commerce is so consistently complaining about the poor quality of young men and women entering its employment. Support for the Commercial Apprenticeship Scheme could go a long way towards remedying the situation.

It will be seen from the above summary of the work of the Commercial Education Committee that it has played an important part in the development of commercial education at home and overseas, and exercised considerable influence in directing this development into the right channels. The Committee's value has not been diminished today, when the country is still to some extent in a transitional stage as far as education, and particularly commercial education, is concerned.

CYCLONE AFFECTS PROSPECTS OF BUMPER CROP

WITH reports of a cyclone and tidal bore sweeping over the coastal districts of East Pakistan, drought conditions in the Gangetic basin of West Bengal and heavy rain in the catchment areas of the Brahmaputra and its tributaries swelling the rivers in Assam, the prospects of a bumper jute crop have receded. In East Pakistan, the coastal districts have suffered heavy loss of life and property. The damage has been so great that the authorities may take months to repair it. Meanwhile, vast areas of land in the Chittagong, Noakhali, Tipperah, Dacca and Barisal districts lie submerged in saline water, which will seriously affect the normal growth of the jute plants. In Mymensingh, Pabna, Rangpur and Dinajpur districts, the swelling rivers have already inundated the fields, damaging the plants.

Monsoon Delayed

The monsoon has been delayed in West Bengal. Normally, it should be here, around 7th June. So far, there is no indication of any depression developing soon in the Bay of Bengal to accelerate the entry of the monsoon into the State. As a result, fields with standing jute are dry and the plants are of stunted growth. A week's heavy shower at this stage can revive the plants, but the chances of such rainfall appear remote.

In Assam, heavy showers in the catchment areas of the Brahmaputra and its tributaries have raised the level of the rivers. The Brahmaputra has already inundated some of the fertile jute-growing areas. In some places, the fields have been submerged. As a result, the plants have been benefited to some extent. But unless there is timely rainfall, the plants lie exposed to infestation by pests.

In North Bihar, fields lying contiguous to river or canal banks are getting enough water and plant growth has been sustained on them. In Tripura, river-levels are rising. The jute plants are submerged in turbid tidal water. In the coastal districts of Orissa and Andhra, rainfall has been sparse and normal growth of plants has been affected. Only the early advent of the monsoon can halt further damage to the jute crop.

Market circles do not yet seem to be worried about the present crop situation and the price and offtake are unaffected. Both mills and the Jute Buffer Stock Association have got adequate stocks of fibre with them. The carryover from the current season will be about 3.5 million bales, which will enable the mills to continue the present high level of production. Pakistan too will have a sizable carryover. So, any shortfall in the output of the 1963-64 season is not likely to cause any difficulty for the industry.

Burlap Imports into the U.S.A.

With a gradual rise in the import of burlap into the U.S.A., India's share in the trade is improving. The U.S. intake in March 1963 was 30,800 tons, making a total of 91,000 tons for the first quarter of the year. The intake was 78,800 tons for the corresponding quarter of 1962. Supplying as much as 78,800 tons against 67,900 tons, India's share in the trade rose to 86.6 percent in the current year from 86.2 percent in the previous year. Pakistan supplied 7,200 tons against 7,100 tons; Continental countries

3,900 tons, against 2,600 tons; and others 1,100 tons, against 1,200 tons.

THE JUTE MARKETS

Manufactured Goods: The manufactured goods market opened steady on hectic covering for the due date by bears and shippers during the past week. The transactions were closed without any difficulty. Towards mid-week, sentiment suffered a mild setback when a number of mills and holders made keen offers for all positions. But there was no evidence of selling pressure. Scattered business in heavy goods with Cambodia was reported. A Nigerian Government tender for 7,200 bales of B Twills for near positions was shared by India and Pakistan. There were some enquiries in sacking from West Africa. Small hessian business was done with the U.K., the U.S.A. and the Continent. At the close, the market showed a modest gain in sacking. But a lower offtake in hessian depressed sentiment, revealing fractional losses on balance. The futures market moved in sympathy with the spot market on intermittent spells of profit-taking by bulls and short-covering by bears.

Quotations on Wednesday were as follows:

	June	July-Sept.	Oct.-Dec.	Jan.-March
40in. 71oz.	37.50	36.90	36.10	35.40
40in. 80z.	40.00	—	—	—
40in. 100z.	50.75	49.70	48.15	47.25
B Twills	112.75	113.75	113.35	112.85
Cornsacks	115.25	116.25	115.35	115.00
Heavy Cees (Plain)	112.75	113.50	113.25	112.85
A Twills	135.50	136.50	137.50	136.50
Liverpools	127.50	127.50	127.50	126.75

Raw Jute: The raw jute market was dull and inert during the past week. Mills were reluctant to take off-quality fibre even at a discount and confined their purchases to mar-

ginal lots of selected jute for blending purposes around the prevailing prices. Assam Bottoms closed at Rs. 29 a maund, ready f.o.r., Calcutta. Operators were awaiting permission to commence business in the new crop. The futures market lacked interest. Upper Assam White Bottoms June were transacted nominally at the floor level of Rs. 30 a maund. For September positions, scattered business was reported. Opening on a subdued note with a loss of 10nP from the previous closing level at Rs. 49, the price moved within a narrow range from Rs. 49.04 to Rs. 48.30 to close steadier at Rs. 48.92, showing a loss of 18nP. The turnover was small and the undertone quietly steady at the close.

Arrivals at the Cossipore market were 300 wagons during the week. About 50,000 maunds were purchased and the closing stock was estimated at 350,000 maunds.

	Landed at Mills (Basis Bottoms)	
	1962-63 Rs. a Md.	1963-64 Rs. a Md.
Assam-Agartala Jute	28.50	30.00
Northern Jute	28.00	29.50
Western Desai Jute	26.50	27.50
Selected Daissee	33.50	33.00
Assam-Agartala Tossa	32.00	31.50
Mesta:		
Assam-Northern	25.50	26.50
Local Daissee	25.50	26.50
Bihar Dist.	22.50	24.00
Pakistani N. C.	90.00 a bale	90.00 a bale.

THE U.K. JUTE MARKETS

LITTLE BUYING OF FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

The raw jute market remained firm in Pakistan during the past week. The E.P.C. value of Grade Tossa-4 was raised by £3 a ton, the reason being to bring it into line with

the official price of Dacca Tossa-6. However, this made little or no difference to the position here, and there were still sellers willing to accept the previous rates.

Dundee spinners showed little interest in raw material, so practically no movement took place in fibre. It is unlikely that much more buying of old crop jute for shipment will take place as a substantial quantity is available ex warehouse Dundee, which should be sufficient to maintain production until fibre from the new crop becomes available.

The new crop in Pakistan is making satisfactory progress. A cyclone has hit East Pakistan, but no news has been received about damage to the jute crop. Offers are being quite freely made here with the lower grades available at under minimum export rates.

New crop offers were lowest at £109 10s—for Mill Lightnings, at £94 for Mill Hearts and at £80 for Grade Hearts, c.i.f. U.K. for August-September shipment. Grade Tossa-4 was still available at £107/10s—and Outport Tossa-2/3 at £97. Dacca Tossa-6 was offered at £109/10s—for October-November shipment.

Old crop prices were at £111 for Mill Lightnings, at £94 for Mill Hearts and at £79 for Grade Hearts. Grade Tossa-2/3 was at £121 10s and Grade Tossa-4 at £107 10s. Outport Tossa-2/3 ranged from £95 10s and Outport Tossa-4 from £84 10s for June-July shipment. Cuttings were steady at £53 10s for S.N.C. and at £45 10s for N.C.

The Siam market was firm, but there was no further increase in prices. Grade A was at £75, grade B at £72 and grade C at £69, delivered mill Dundee for June-July shipment. New crop was available at £2 to £4 a ton less. Some Far Eastern countries were still showing interest in this type of raw material.

The Calcutta goods market was quieter, and prices returned to a more normal level. Quotations were at 77s for 40in. 100z. and at 57s for 71oz. a 100 yards f.o.b. Calcutta for June shipment, at 75s 3d and 55s 6d July-September and at 72s 9d and 54s 6d October-December. B Twills were at 172s, 173s and 172s 6d for the respective shipment periods.

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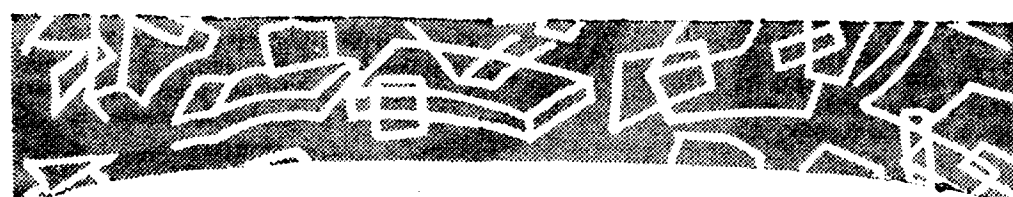
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Commodity Markets

PEPPER PRICES FALL FOR LACK OF DEMAND

(FROM OUR SOUTH INDIAN CORRESPONDENT)

INDIAN shippers have been anxious about the continued absence of foreign demand for pepper. Prices have been on their downward move for some time now. Forward positions are virtually neglected by buyers. Bombay, which has become the new nerve-centre of forward deals in this commodity, reports that Jeth and Shrahan contracts once touched their lowest. Jeth, which opened around Rs. 330 six weeks ago came down to Rs. 234 a quintal, and Shrahan dropped from Rs. 334 to Rs. 305 a quintal. Spot delivery has come down to about Rs. 150 a 50 kilograms. Sentiment in pepper is induced by lack of demand, both foreign and local. According to certain reports, Singapore recently unloaded about 1,500 tons on New York at around 31 to 31½ cents, but the Indian price works to around 33 cents even at the present low rates.

It is said that the stock position in the U.S.A. is at present comfortable.

If this is true, then the U.S.A., which is the largest buyer of this commodity, might wait for more attractive prices to resume its buying. The Communist countries of Europe which used to buy substantial quantities of Indian pepper at regular intervals are also keeping away from the market, probably looking for prices to come down further.

There is a talk in market circles that the earlier estimates of supplies this year were on the low side. Singapore's willingness to sell at lower prices and the foreign buyers' continued disinterest in Indian pepper are attributed partially to this revised idea about supplies.

According to certain trade estimates, exports from India so far this season are about 12,000 tons. Market circles are not optimistic now as they were previously and their present opinion is that the current season's

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exports are not likely to touch last season's record of 23,000 tons.

Exports of coir products from India during 1962-63 bettered the export performance of the two previous years, both in terms of quantity and value. According to the Coir Board figures, their exports were to the tune of 78,212 tonnes, compared with 76,077 tonnes in 1961-62 and 70,936 tonnes in 1960-61. The coir industry earned on this account Rs. 12.18 crores in foreign exchange by these exports, against Rs. 11.35 crores in 1961-62 and Rs. 8.67 crores in 1960-61. Compared with 1961-62, the increase in coir products was 2.8 percent in terms of quantity and 7.3 percent in terms of value. Coir prices were higher during the year, and a section of the foreign buyers had the complaint that prices were prohibitively high.

The Central Government has decided to abolish the system of licensing for the export of coir yarn and coir products largely as a measure for removing the procedural delays and formalities connected with the export of coir goods. Coir exports will, however, be confined to registered exporters. The Coir Board has introduced a system of voluntary pre-shipment inspection of coir mats as a first step in the introduction of quality control for all coir products. Two inspectors appointed by the Board, one each in Alleppey and Cochin, the two important shipping points, will conduct the inspection to help the exporters. It was decided at the recent meeting of the Coir Board to supply high quality coir mats, mattings and carpets to all Indian embassies abroad as a means of popularising Indian coir goods.

Bonus Dispute Settled

The long-drawn dispute in Kerala plantations over bonus for workers for 1960, 1961 and 1962, was settled at a meeting of the tripartite Plantation Labour Committee, held on 30th May in the presence of the Kerala Chief Minister. The issue was before the committee for the past one year, and by this agreement, nearly 200,000 plantation workers in the State are benefited. As a result of this agreement workers in tea plantations will get bonus at rates ranging between 6½ percent and 8 percent of the annual total earnings for each of the three years. Rubber estate workers will get bonus at rates ranging between 6½ percent and 7½ percent of the total annual earnings for each of the three years. Employers have already paid bonus at rates, which appeared to them reasonable, but that will be now treated as interim payment. The remainder will be distributed along with the payment of wages for July 1963.

Weather Affects Tea Supply Prospects

(BY A SPECIAL CORRESPONDENT)

THE tea trade still appears to be somewhat uncertain as to the supply of the commodity during the 1963-64 season. The total world output fell slightly last year. In north India, the weather to-date has not been very favourable, and with snow melting on the Himalayas, and with early rains swelling the rivers and flooding large areas, the immediate outlook does not suggest that there will be plentiful supplies soon. But outside India, as reports indicate, Russia and east Africa may be both going ahead fairly fast.

The approximate amount of tea retained in India for the last four seasons was: 1959 265 million lbs; 1960 266 million lbs; 1961 334 million lbs; and 1962 295 million lbs. The average is 290 million lbs. Since

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1959, internal consumption has considerably increased, and is now estimated at 315 million lbs a year.

Price Trends

At the London tea sale on 27th May, 25,839 packages were on offer, of which 14,852 came from north India. Good liquoring Assams again sold well, but other grades met with little support and some lines fell away by 3d a lb. Doars had fair enquiry, but were generally about 1d a lb lower. At the sale on 29th May, 23,862 packages were on offer of which 18,533 packages came from north India. There was less demand than at the previous sale, except for useful Doars teas.

At the 28th May tea sale in Cochin, there was a good demand, but again, rates were lower. To some extent, quality was the cause of an irregular fall of from 15nP to 20 nP a kilogram. High-grown offerings also came to an irregular market, and the majority sold below the previous week's rates.

According to Press reports, nearly 8 million lbs were offered for sale on 27th May in Colombo. There was a firm to strong demand for the best Dimbella Dickoya B.O.P. at dearer rates. Others followed the decline in quality and were generally lowed on last closing rates. There is a sustained demand for good tea, but the supply of medium and commons seems to be heavy. At the above sale, prices eased 2 to 8 cents a lb.

North Indian estates are rapidly changing over from Orthodox manufacture to C.T.C. production. If, as has been maintained, C.T.C. style produces more cups of tea to the lb, and again, if 1963 crop plans out to be 47 percent C.T.C. manufacture and only 45 percent Orthodox (leg-cut making the balance 8 percent), then the increase in the C.T.C. supply means, in fact, that there are to be more cups of tea available without any increase in the weight manufactured. This may also be a serious matter because still more gardens are turning over to the C.T.C. method.

If out of India's production, the changeover from Orthodox to C.T.C. already shows that the latter method exceeds the former and assuming that C.T.C. definitely gives more cups of tea to the lb, than it stands to reason that consumers will require less tea the weight. Meanwhile, the Russian position is moving from being an important buyer to that of a large combined producer and consumer. East Africa is also going to be a source of worry to all common producing countries. Kenya has raised its planted area from 21,000 acres to nearly 44,000 acres in the past few years. Uganda and Tanganyika have done likewise, but South Rhodesia is in the running in a small way, and Portuguese East Africa is going ahead too fast to be ignored.

The West Bengal tax on teas entering Calcutta remains in force. It is reported that tea proprietors are doing more business outside Calcutta. This tendency is likely to continue and may influence the proprietors of direct-export estates.

Mechanical Plucking

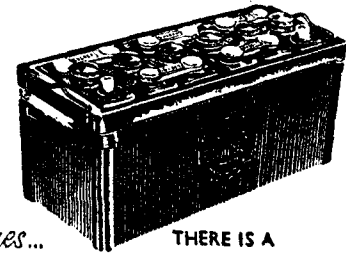
The Russians claim "that a mechanical tea plucking instrument has been successfully tried out on a row of shrubs 500 metres long. The task took 30 minutes and produced 42 kilograms of tender shoots." That statement implies that the collecting bunker or hoppers did not pluck much, if any, stalk. The note continues, "a simple calculation revealed that in a shift the unit is capable of collecting 700 to 1,000 kilograms of tea leaves while an experienced plucker gathers only 40 to 60 kilograms daily."

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.I. Hours
Bengal Flour Mills Co. Ltd.	7-6-63	12-30 p.m.
Steel Containers Ltd.	7-6-63	3 p.m.
Industrial Containers Ltd.	7-6-63	3-15 p.m.
Champdany Jute Co. Ltd.	11-6-63	12 noon
Hope's Metal Wind-dows (India) Ltd.	13-6-63	3-30 p.m.
New Samanbagh Tea Co. Ltd.	13-6-63	3-40 p.m.
Tea Planters Benevolent Institution	14-6-63	10-30 a.m.
Bengal Potteries Ltd.	14-6-63	4 p.m.
Hatikhira Tea Co. Ltd.	18-6-63	11-30 a.m.
New India Investment Corp. Ltd.	18-6-63	3 p.m.
Jay Shree Tea & Industries Ltd.	18-6-63	3-30 p.m.
State Bank of India Braithwaite & Co. (India) Ltd.	19-6-63	4 p.m.
Indo-Burmah Petroleum Co. Ltd.	20-6-63	11 a.m.
Trilon Insurance Co. Ltd.	21-6-63	11 a.m.
Duncan Bros. & Co. Ltd.	21-6-63	3 p.m.
Dhunsari Tea Co. Ltd.	21-6-63	11 a.m.
Naga Hills Tea Co. Ltd.	24-6-63	2-30 p.m.
Octavius Steel & Co. Ltd.	24-6-63	3-30 p.m.
British Paints (India) Ltd.	25-6-63	12 noon
Soorah Jute Mills Co. Ltd.	26-6-63	11 a.m.
Shree Gopal Paper Mills Ltd.	26-6-63	2-30 p.m.
Capital Ltd.	26-6-63	3 p.m.
Karanpur Development Co. Ltd.	27-6-63	10-25 a.m.
Borrea Coal Co. Ltd.	27-6-63	11 a.m.
Tezpur Tea Co. Ltd.	27-6-63	10-45 a.m.
Ondal Coal Co. Ltd.	27-6-63	3-30 p.m.
Dhelaikat Tea Co. Ltd.	27-6-63	10-30 a.m.
Lodna Colliery Co. (1920) Ltd.	27-6-63	9-30 a.m.
W. H. Targett & Co. Ltd.	27-6-63	3-30 p.m.
British India Electric Construction Co. Ltd.	27-6-63	10-30 a.m.
Bishnauth Tea Co. Ltd.	27-6-63	3-15 p.m.
Methoni Tea Co. Ltd.	28-6-63	11-50 a.m.
Standard Coal Co. Ltd.	28-6-63	11-20 a.m.
Orissa Cement Ltd.	28-6-63	11-30 a.m.
Dalmia Cement (Bharat) Ltd.	28-6-63	2 p.m.
Sendra Coal Co. Ltd.	28-6-63	11 a.m.
	28-6-63	11-45 a.m.

DIVIDENDS DECLARED OR PROPOSED
ED.—Bor Pukhuri Tea Co. Ltd.—10 p.c. subject to tax; East India Tea Co. Ltd.—10 p.c. subject to tax; Phillips India Ltd.—13 p.c. (o), subject to tax; National Tobacco Co. of India Ltd.—7 p.c. (o), subject to tax; Godfrey Phillips India Ltd.—6.875 p.c. subject to tax; British India Electric Construction Co. Ltd.—15 p.c. subject to tax; Tezpur Tea Co. Ltd.—12½ p.c. (o), subject to tax; Great Pyramid Insurance Co. Ltd.—12nP per share, subject to tax; Shaw Wallace & Co. Ltd.—7½ p.c. (o), subject to tax; Kotamullai Tea Co. Ltd.—Nil; Rydak Tea Syndicate Ltd.—25 p.c., subject to tax; Dessai & Parbutia Tea Co. Ltd.—15 p.c., subject to tax; Naga Hills Co. Ltd.—Re. 1 per share tax; subject to tax; Baradighi Tea Co. Ltd.—25 p.c., subject to tax; Central Cachar Tea Co. Ltd.—5 p.c., subject to tax; Mothola Co. Ltd.—Rs. 35 per share, subject to tax; Ganges Rope Co. Ltd.—Rs. 20 per share, subject to tax; Sendra Coal Co. Ltd.—2½ p.c. (o), subject to tax; Ondal Coal Co. Ltd.—7½ p.c. (o), subject to tax; Borrea Coal Co. Ltd.—15 p.c. (o), subject to tax; Karanpura Development Co. Ltd.—3 p.c. (o), 9 p.c. (Founders') subject to tax; Bombay Burmah Trading Corporation Ltd.—Rs. 1.20 per share of Rs. 25 (Int.), subject to tax; Kettlewell Bullen & Co. Ltd.—10 p.c. (o), subject to tax; Bhartiya Electric Steel Co. Ltd.—Rs. 1.25 per share, subject to tax; Gungaram Tea Co. Ltd.—12½ p.c. (o), subject to tax; Rungamatttee Tea Co. Ltd.—5 p.c. (o), subject to tax; Shree Gopal Paper Mills Ltd.—17-6/7 p.c. (o), subject to tax; Bisra Stone Lime Co. Ltd.—50nP per share (o), subject to tax; Dalmia Cement (Bharat) Ltd.—Rs. 1.20 per share (o), and 12nP per share (Dtd), subject to tax; Orissa Cement Ltd.—Re. 1 per share (o), subject to tax.

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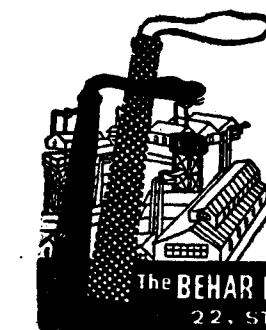
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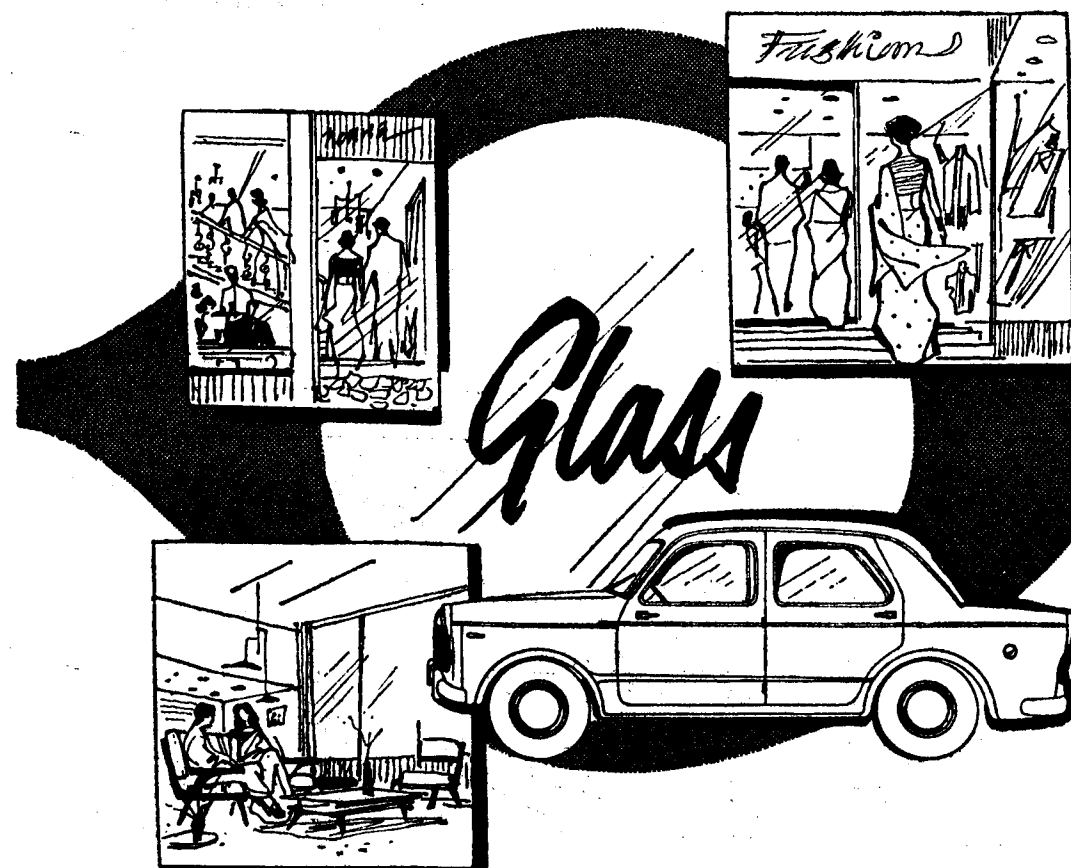
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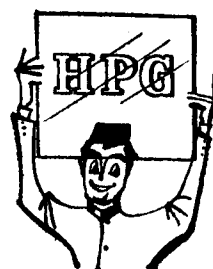
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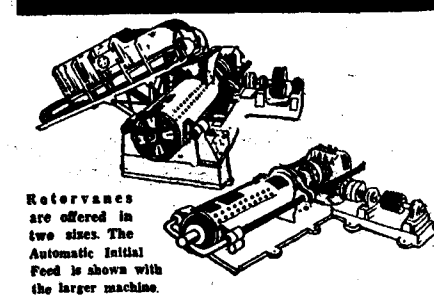
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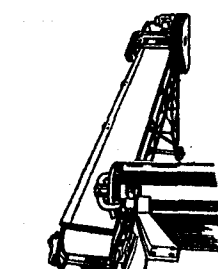


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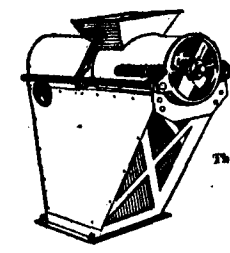
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Secretaries & Treasurers: ANDREW YULE & CO. LTD.
8, CLIVE ROW, CALCUTTA 1

COMPANY AND PUBLIC NOTICES

INDIAN ALUMINIUM COMPANY, LIMITED

31, CHOWRINGHEE ROAD, CALCUTTA-16.

NOTICE is hereby given that the Company's Transfer Registers respecting 6½% Debenture Stock 1970-75 and 7% Debenture Stock 1971-73 will remain closed from 15th June, 1963 to 1st July, 1963, both days inclusive, in connection with the payment of interest on 1st July, 1963.

INDIAN ALUMINIUM COMPANY, LIMITED,

ANDREW YULE & COMPANY LIMITED,
S. R. DAS,
Secretary,
Registrars.

Registrar's Office:

8, Clive Row,
Calcutta-1.
P.O. Box 150.
5th June, 1963.

THE STANDARD COAL COMPANY LIMITED

NOTICE is hereby given to the members of the abovenamed Company that an Annual General Meeting of the Company will be held at the Registered Office, Chartered Bank Buildings, Calcutta, at 11-30 A.M. on Friday, the 28th June, 1963, for the following purposes:—

1. To adopt the Profit and Loss Account of the Company for the year ended 31st December, 1962 and the Balance Sheet as at that date together with the Directors' and Auditors' Reports thereon.
2. To declare the Dividend recommended by the Directors.
3. To appoint a Director in the place of a retiring Director.
4. To appoint Auditors and fix their remuneration.

As Special Business.

5. To consider and if thought fit, to pass with or without modification the following Ordinary resolution of which a notice has been given to the Company under Section 257 of the Companies Act, 1956.

"THAT Mr. S. Sen be and is hereby appointed a Director of the Company".

6. (a) To consider and, if thought fit, to pass with or without modification the following resolutions which will be proposed as special resolutions:

"THAT F. W. Heilgers & Co. (Private) Limited be and is hereby appointed the Secretary of the Company to perform the duties which may be performed by a secretary under the Companies Act, 1956, and any other purely ministerial or administrative duties as on and from the 1st day of May, 1963, for the period of five years and the Company shall pay to the Secretary such remuneration for its services as Secretary as may from time to time be determined by the Company's Board of Directors and agreed upon with the Secretary before the close of each financial year of the Company subject to a

minimum of Rupees four hundred and ninety-five per month and a maximum of Rupees three thousand per month and otherwise on the terms and subject to the provisions including provision for reimbursement of expenses contained in the draft agreement submitted to the meeting and signed by the Chairman thereof for the purpose of identification which said draft agreement be and is hereby approved and the Board of Directors be and is hereby authorised and directed to execute the said agreement in the manner prescribed in the Company's Articles of Association".

- (b) "THAT Article 174 of the Articles of Association of the Company be amended by deleting the word 'three' in line 3 and substituting therefor the word 'six'."

The Share Transfer Register of the Company will be closed from 17th June, 1963 to 28th June, 1963, both days inclusive.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LIMITED,
Secretary.

Registered Office:
Chartered Bank Buildings,
Calcutta, 29th May, 1963.

Notes:—(a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

- (b) The Dividend, if declared, will be paid on or after 12th July, 1963, to those Shareholders so entitled whose names appear in the Company's books on the 28th June, 1963 or to their mandatories. No application for Dividend Warrants will be necessary.

- (c) The Relative Explanatory Statements pursuant to Section 173 of the Companies Act, 1956, in respect of Special Business set out above are being sent to the Shareholders.

THE ONDAL COAL COMPANY LIMITED

AT a meeting of the Board of Directors held on Friday, the 24th May, 1963, the following dividends were recommended to be paid for the year ended 31st December, 1962, subject to deduction of tax.

On 6½ per cent Cumulative Preference Shares of Rs. 100/- each at the rate of 8.45 per cent per annum in accordance with the provisions of the Preference Shares (Regulation of Dividends) Act, 1960.

On Ordinary Shares at the rate of 7½ per cent per annum.

By Order of the Board,
P. PRASHAD,
Chairman.

Registered Office:

Chartered Bank Buildings,
Calcutta, the 24th May, 1963.

THE ONDAL COAL COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of THE ONDAL COAL COMPANY, LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Thursday the 27th June, 1963, at 10-30 a.m. for the following purposes:—

1. To adopt the audited Profit and Loss Accounts of the Company for the year ended 31st December, 1962, and the Balance Sheet as at that date together with the Directors' and the Auditors' Reports thereon.
2. To declare the Dividends recommended by the Directors.
3. To appoint a Director in place of a retiring Director.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from the 17th June, 1963 to the 27th June, 1963, both days inclusive.

By Order of the Board,
P. PRASHAD,
Chairman.

Registered Office:
Chartered Bank Buildings,
Calcutta, 24th May, 1963.

Notes:—

- (a) A member entitled to attend and vote at this meeting may appoint a Proxy to attend and vote in his stead. A Proxy need not be a member of the Company.

- (b) The Dividends, if declared, will be paid on or after 23rd July, 1963 to those shareholders so entitled whose names appear in the Company's books on the 27th June, 1963, or to their mandatories. No application for Dividend Warrants will be necessary.

DUNCAN BROTHERS & COMPANY LTD.

NOTICE is hereby given that the Sixty-fourth Annual General Meeting of the Shareholders of Duncan Brothers & Co. Ltd. will be held at the Registered Office of the Company, No. 31, Netaji Subhas Road, Calcutta on Friday, the 21st June, 1963 at 11 A.M. for the following purposes:—

1. To consider and adopt the audited Accounts for the year ended 31st December, 1962 and the reports of the Board of Directors and the Auditors.
2. To declare dividends on the Preference and Ordinary shares.
3. To elect a Director.
4. To appoint Auditors for the current year and to fix their remuneration.

The Register of Members and Share Transfer Books of the Company will be closed from 12th to 21st June, 1963, both days inclusive.

By Order of the Board,
S. K. MITRA,
Secretary.

Calcutta, 27th May, 1963.
Note:—A member entitled to attend and vote at the meeting may appoint a proxy to attend and, on poll, to vote on his behalf. The proxy need not also be a member of the Company.

THE SENDRA COAL CO. LIMITED

AT a meeting of the Board of Directors held on Friday, the 31st May, 1963, the following dividend was recommended for declaration at the Annual General Meeting to be held on the 28th June, 1963, to be paid for the year ended 31st December, 1962, subject to deduction of tax.

On Ordinary Shares at the rate of 2½ per cent per annum.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LTD.,
Secretaries.

Registered Office:
Chartered Bank Buildings,
Calcutta, the 31st May, 1963.

THE SENDRA COAL COMPANY LIMITED

NOTICE is hereby given to the members of the abovenamed Company that an Annual General Meeting of the Company will be held at the Registered Office, Chartered Bank Buildings, Calcutta, at 11-45 A.M. on Friday, the 28th June, 1963, for the following purposes:—

1. To adopt the Profit and Loss Account of the Company for the year ended 31st December, 1962, and the Balance Sheet as at that date together with the Directors' and Auditors' Reports thereon.
2. To declare the Dividend recommended by the Directors.
3. To appoint a Director in the place of a retiring Director.
4. To appoint Auditors and fix their remuneration.

As Special Business

5. To consider and, if thought fit, to pass with or without modification the following resolution which will be proposed as special resolution:—"THAT Article 161 of the Articles of Association of the Company be amended by deleting the word 'three' in line 4 and substituting therefor the word 'six'."

The Share Transfer Register of the Company will be closed from 17th June, 1963 to 28th June, 1963, both days inclusive.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LTD.,
Secretaries.

Registered Office:
Chartered Bank Buildings,
Calcutta, 31st May, 1963.

Notes:—

- (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

- (b) The Dividend, if declared, will be paid on or after 12th July, 1963, to those Shareholders so entitled whose names appear in the Company's books on the 28th June, 1963 or to their mandatories. No application for Dividend Warrants will be necessary.

- (c) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Special Business set out above is being sent to the shareholders.

TEZPORE TEA COMPANY, LIMITED

NOTICE is hereby given that the Forty-fifth Annual General Meeting of the Members will be held at the Registered Office of the Company, No. 4, Bankshall Street, Calcutta, on Thursday, the 27th June, 1963 at 3-30 P.M. for the following purposes:—

1. To receive and adopt the Directors' Report and Audited Accounts for the year ended 31st December, 1962.
2. To declare Dividends.
3. To elect a Director in place of one retiring.
4. To appoint Auditors and to fix their remuneration.

As Special Business.

5. To consider and if thought fit to pass with or without modification, the following resolution of which Special Notice has been received from a Member under Section 261(2) of the Companies Act 1956, which will be proposed as a Special Resolution:—

"RESOLVED that Mr. C. I. M. Arnold be and he is hereby appointed a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation".

Special Notice as required by Section 261(2) of the Companies Act, 1956 has been received by the Company from a member of his intention to propose as Special Resolution the Resolution for the appointment of Mr. C. I. M. Arnold as a Director. It is stated in the Special Notice that the sanction by Special Resolution is required for the appointment of Mr. Arnold as a Director since he is a Director of Shaw Wallace & Co. Ltd., the Managing Agents of the Company and the Managing Agents are authorised by the Company's Articles of Association to appoint Directors to the Board of the Company.

The Transfer Register will be closed from the 20th June, 1963 to 27th June, 1963, both days inclusive.

- N.B.—(1) A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.

- (2) In connection with the business to be transacted, an Explanatory Statement under Section 173 of the Companies Act, 1956, has been sent to the Shareholders along with the notice.

By Order of the Board,
SHAW WALLACE & COMPANY LIMITED,
Managing Agents,
Calcutta, 28th May, 1963.

MACNEILL & BARRY, LIMITED

NOTICE is hereby given that the Register of Members and Share Transfer Books of the Company will remain closed on the 21st June, 1963.

By Order of the Board,
A. N. MITRA,
Secretary.

2, Fairlie Place,
Calcutta-1, 29th May, 1963.

DHELAKHAT TEA COMPANY LIMITED

NOTICE is hereby given that the Forty-fifth Annual General Meeting of the Shareholders of Dhelakhat Tea Company Limited, will be held at the Registered Office of the Company, No. 31, Chowringhee Road, Calcutta, on Thursday, the 27th day of June, 1963, at 9-30 A.M. to transact the following business:—

1. To receive and adopt the Directors' Report and the audited Balance Sheet and Profit and Loss Accounts for the year ended 31st December, 1962.
2. To declare a Dividend.
3. To elect Directors in place of retiring Directors.
4. To appoint Auditors for the current year and fix their remuneration.

The Share Register and Transfer Books of the Company will be closed from 13th June to 27th June, 1963, both days inclusive.

By Order of the Board,
JAMES WARREN & COMPANY, LIMITED,
Managing Agents.

31, Chowringhee Road,
Calcutta-16, 23rd May, 1963.

The Dividend if sanctioned will be paid on or after 27th June, 1963, to those Shareholders so entitled whose names appear in the Company's Register of Members on 13th June, 1963.

Note—A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself. Such proxy need not be a member of the Company.

THE GENERAL INDUSTRIAL SOCIETY LIMITED

NOTICE is hereby given that the Annual General Meeting of Shareholders of the Company will be held at the Registered Office of the Company, at No. 15, India Exchange Place, Calcutta, on Friday the 28th June, 1963 at 2-45 P.M. to transact the following business:—

1. To consider and adopt the Report of the Directors and of the Auditors and the Audited Accounts for the year ended 31st December 1962.
2. To declare dividend.
3. To appoint a Director in place of the retiring Director.
4. To appoint a Director in place of Sri H. V. Gandhi who being co-opted by the Board as an additional Director under Article 117 of the Company's Articles of Association with effect from 7th November, 1962, is eligible to hold office only upto the date of this Annual General Meeting under the Provisions of Section 260 of the Companies Act, 1956. He, being otherwise eligible, seeks re-election.
5. To appoint Auditors and to fix their remuneration.
6. As Special Business.

To consider and if thought fit, to pass with or without modifications the following Resolution as an Ordinary Resolution:—

"RESOLVED that pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956, the consent of the

Company be and is hereby accorded to the borrowing of moneys by the Board of Directors from time to time upto Rs. 4 Crores remaining outstanding on account of principal at any time from such person(s) and on such terms and conditions as the Board of Directors may think fit notwithstanding that the moneys so borrowed (apart from the temporary loans obtained from the Company's Bankers in ordinary course of business) will exceed the aggregate of the Company's paid up capital and its free reserves, i.e., to say, reserves not set apart for any specific purpose.

The Share Transfer Book and the Register of Members of the Company will remain closed from 21st June, 1963 to 28th June, 1963, both days inclusive.

By Order of the Board,
For THE GENERAL INDUSTRIAL SOCIETY LIMITED,
K. C. BAGRI,
Secretary.

15, India Exchange Place,
Calcutta-1.

Dated, 1st June, 1963.

N.B. i. The Directors have recommended dividend on Equity shares @ Rs. 1.30 per share, subject to deduction of tax under section 194 of the Income-Tax Act. If dividend on shares as recommended by the Directors is approved at the meeting, the dividend will be payable only to such shareholders whose name are on the Company's Register on the day of the Annual General Meeting. No application need be sent for dividend as relative Dividend Warrants will be posted to the shareholders by 8th August, 1963. Shareholders are requested kindly to notify immediately any change of address.

- ii. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

Explanatory statement in respect of the Item No. 6 has been appended in the notice, calling this Annual General Meeting sent to the individual shareholders.

THE BOMBAY BURMAH TRADING CORPORATION LIMITED

Registered Office: 9 Wallace Street, Fort, Bombay 1.

NOTICE is hereby given that the following Interim Dividends (subject to deduction of Income Tax) have been declared for the year ending 31st May, 1963 namely:

Rs. 1.20 per share on 7,34,000 shares of Rs. 25

Rs. 0.96 per share on 4,20,000 shares of Rs. 25 (Rs. 20 paid up)

The above Interim Dividends are payable on and after 30th June, 1963, to those shareholders whose names stood on the Share Register of the Corporation on 4th June, and to holders of Fractional Certificates after such certificates have been exchanged for Bonus Shares in accordance with the prescribed procedure.

Dated at Bombay this 28th day of May, 1963.

By Order of the Board of Directors,
WALLACE AND COMPANY,
Secretaries and Treasurers.

THE BENGAL PAPER MILL CO. LTD.

NOTICE is hereby given that the Annual General Meeting of the Company being the one hundred and thirty ninth Ordinary General Meeting will be held at the Registered Office of the Company at 14, Netaji Subhas Road, Calcutta, on Friday the 28th June, 1963 at 3 p.m. for the following purposes.

1. To receive and consider the Report of the Directors and to adopt the audited accounts of the Company for the year ended 31st December, 1962.
2. To declare dividends on Preference and Ordinary Shares.
3. To elect Directors in place of those who retire by rotation.
4. To appoint auditors and fix their remuneration.

Notice is hereby given that Share Transfer Books of the Company shall remain closed from 13th June, 1963 to 28th June, 1963, both days inclusive.

By Order of the Board,
THE BENGAL PAPER MILL CO., LTD.,
B. D. DAGA,
Secretary.

Registered Office:
14, Netaji Subhas Road,
Calcutta.

29th May, 1963.

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

THE BORREA COAL COMPANY LIMITED

AT a meeting of the Board of Directors held on Thursday the 30th May, 1963, the following dividends were recommended for declaration at the Annual General Meeting to be held on the 27th June, 1963, to be paid for the year ended 31st December, 1962, subject to deduction of tax.

On 4000 6½% cumulative preference shares of Rs. 100/- each at the rate of 8.45 per cent per annum in accordance with the provisions of the preference shares (Regulation of Dividends) Act, 1960.

On ordinary shares at 15 per cent per annum.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LTD.,
Secretaries & Treasurers.

Registered Office:
Chartered Bank Buildings,
Calcutta.

ORISSA CEMENT LIMITED

THE Thirteenth Annual General Meeting of the Shareholders of the Company will be held at Rajgangpur, the Registered Office of the Company on 28th June, 1963 at 2 P.M. Notices of the meeting setting out the Agenda and Explanatory Statement on the special business to be transacted thereat have been sent by post.

By Order of the Board,
S. C. AGGARWAL,
Secretary.

Dated, 1st June, 1963

THE BORREA COAL COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of THE BORREA COAL COMPANY LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Thursday the 27th June, 1963, at 10-45 A.M. for the following purposes:—

1. To adopt the audited Profit & Loss Accounts of the Company for the year ended 31st December, 1962, and the Balance Sheet as at that date together with the Directors' and the Auditors' Reports thereon.
2. To declare the dividends recommended by the Directors.
3. To appoint a Director in place of a retiring Director.
4. To appoint Auditors and fix their remuneration.

AS A SPECIAL RESOLUTION:

5. To consider and if thought fit to pass with or without modification the following resolution which will be proposed as a special resolution:—

"That Article 161 of the Articles of Association of the Company be amended by deleting the word 'three' in line 4 and substituting therefor the word 'six'."

The Share Transfer Registers of the Company will be closed from the 17th June, 1963 to 27th June, 1963, both days inclusive.

By Order of the Board,
F. W. HEILGERS & CO.
(PRIVATE) LTD.,
Secretaries & Treasurers.

Registered Office:
Chartered Bank Buildings,
Calcutta, 30th May, 1963.

Notes:—

- (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
- (b) The Dividends, if declared, will be paid on or after 23rd July, 1963, to those shareholders so entitled whose names appear in the Company's books on the 27th June, 1963 or to their mandatees. No application for Dividend Warrants will be necessary.

Explanatory Statement.

- (c) With regard to Item No. 5 you are aware that Company's shares are listed with the Calcutta Stock Exchange Association Ltd. According to listing conditions there shall be no forfeiture of unclaimed Dividends before the claim become barred by law, which in the case of Dividend is six years.

SOUTHERN BANK LTD.

(SCHEDULED BANK)

Head Office
24, NETAJI SUBHAS ROAD, CALCUTTA.
Phone 22-5988, 22-5989.

BRANCHES: BURRABAZAR, SHYAMBABAZAR,
BHOWANIPUR, BASIRHAT & KHULNA.

LOAN GRANTED ON APPROVED
SECURITIES

All Sorts of Banking Business Transacted
S. N. BANERJEE, M.A.,
General Manager.

DALMIA CEMENT (BHARAT) LIMITED

DALMIAPURAM.

THE Eleventh Annual General Meeting of the Shareholders of the Company will be held at Dalmiapuram, the Registered Office of the Company on 28th June, 1963 at 11 A.M. Notices of the meeting setting out the Agenda and Explanatory Statement on the special business to be transacted thereat have been sent by post.

By Order of the Board,
S. C. AGGARWAL,
Secretary.

Dated. 1st June, 1963.

SHREE GOPAL PAPER MILLS LTD.

NOTICE

NOTICE is hereby given that the 26th Annual General Meeting of the shareholders of the Company will be held at the Registered office of the Company at 'Thapar House', 25, Brabourne Road, Calcutta, on Wednesday, the 26th June, 1963 at 3 P.M.

1. To receive and adopt the directors' report and the audited accounts of the Company for the year ended the 31st December, 1962.

2. To declare dividends. The directors have recommended dividends at the following rates:—

- (i) 7.80 % plus 2% per annum subject to tax on First Preference Shares.
- (ii) 9.10 % per annum subject to tax on Second Preference Shares.

- (iii) 17.67% per annum subject to tax on Ordinary Shares.

3. To elect directors in place of those who retire, Seth H. P. Poddar, Seth B. P. Poddar and Seth R. K. Jaidka directors of the Company, being longest in office, retire and being eligible, offer themselves for re-election.

4. To appoint auditors and to fix their remuneration. The present auditors, M/s. Price, Waterhouse, Peat & Co., retire and are eligible for re-appointment.

5. (a) Special business:

To pass the following resolution with or without modification as an ordinary resolution:—

"Resolved: That subject to the approval of the Central Government sanction be and is hereby accorded to the investment by the Company in Kulu Valley Development Co. Limited, to the extent of Rs. 1,25,000/- in 1,250 shares of Rs. 100/- each at par."

5. (b) To pass the following resolution with or without modification as a Special resolution:—

"Resolved: That payment of commission to the directors under Article 126(c) of the Articles of Association of the Company for the period, 25.6.61 to 31.12.61 be and is hereby approved, confirmed and ratified."

6. To transact any other business that under the Articles may

be transacted at the Annual General Meeting.

- Note: (i) The Share Transfer Books of the Company will be closed from 17.6.63 to 26.6.63, both days inclusive.
- (ii) A member entitled to attend and vote at the meeting, is entitled to appoint a proxy who need not be a member, to attend and vote, instead of himself.
- (iii) The Explanatory note pursuant to section 173 of the Companies Act, 1956, in respect of the above resolutions has been sent to all the shareholders along with the notice.

By Order of the Board,
KARAM CHAND THAPAR & BROS.,
PRIVATE LIMITED,
Managing Agents.

Registered Office:

'Thapar House'
25, Brabourne Road, Calcutta.
The 20th May, 1963.

OCTAVIUS STEEL & CO., LIMITED

NOTICE is hereby given that the Fortysecond Ordinary General Meeting of the Shareholders of the Company will be held at the Registered Office, No. 14, Old Court House Street, Calcutta, on Tuesday, the 25th June, 1963 at 12 noon for the following purposes:—

1. To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1962.

2. To declare a dividend.
3. To elect a Director in place of the retiring Director.

4. To elect Auditors for the ensuing year and to fix their remuneration.
- The Share Transfer Book of the Company will be closed from 18th June, 1963 to 25th June, 1963, both days inclusive.

By Order of the Board,
B. GHOSE,
Secretary.

14, Old Court House Street,
Calcutta, 31st May, 1963.

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

THE KARANPURA DEVELOPMENT COMPANY LIMITED

AT a meeting of the Board of Directors held on Thursday the 30th May, 1963, the following dividends were recommended for declaration at the Annual General Meeting to be held on the 27th June, 1963, to be paid for the year ended 31st December, 1962, subject to deduction of tax.

On Ordinary shares at 3 per cent per annum.

On Founders' shares at 9 per cent per annum.

By Order of the Board,
BIRD & CO. (PRIVATE) LTD.,
Secretaries & Treasurers.

Registered Office:

Chartered Bank Buildings,
Calcutta.

CAPITAL, 6th June, 1963.

THE KARANPURA DEVELOPMENT CO. LTD.

NOTICE is hereby given that an Annual General Meeting of THE KARANPURA DEVELOPMENT COMPANY LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Thursday the 27th June, 1963, at 11 a.m. for the following purposes:—

1. To adopt the audited Profit & Loss Accounts of the Company for the year ended 31st December, 1962, and the Balance Sheet as at that date together with the Directors' and the Auditors' Reports thereon.
2. To declare the Dividends recommended by the Directors.
3. To appoint a Director in place of a retiring Director.
4. To appoint Auditors and fix their remuneration.

AS A SPECIAL RESOLUTION:

5. To consider and if thought fit to pass with or without modification the following resolution which will be proposed as a special resolution:—

"That Article 161 of the Articles of Association of the Company be amended by deleting the word 'three' in line 4 and substituting therefor the word 'six'."

The Share Transfer Registers of the Company will be closed from the 17th June, 1963 to the 27th June, 1963, both days inclusive.

By Order of the Board.

BIRD & CO. (PRIVATE) LTD.,
Secretaries & Treasurers.

Registered Office:

Chartered Bank Buildings,
Calcutta, 30th May, 1963.

Notes:—

- (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

- (b) The Dividends, if declared, will be paid on or after 23rd July, 1963, to those shareholders so entitled whose names appear in the Company's books on the 27th June, 1963, or to their mandatees. No application for Dividend Warrants will be necessary.

Explanatory Statement.

- (c) With regard to Item No. 5 you are aware that Company's shares are listed with the Calcutta Stock Exchange Association Ltd. According to listing conditions there shall be no forfeiture of unclaimed Dividends before the claim become barred by law, which in the case of Dividend is six years.

THE BENGAL PAPER MILL CO. LTD.

Registered Office: 14, Netaji Subhas Road, Calcutta.

NOTICE is hereby given that the Register of Loan Stock Holders of the Company will remain closed from 13th June, 1963 to 30th June, 1963, both days inclusive for the purpose of payment of interest for the half year ending 30th June, 1963 on 6½% Unsecured Convertible Loan Stock of the Company.

By Order of the Board,

THE BENGAL PAPER MILL COMPANY LTD.,

B. D. DAGA,

Secretary.

29th May, 1963.

CAPITAL, 6th June, 1963.

THE CALCUTTA JUTE MANUFACTURING CO. LTD.

NOTICE is hereby given that the fifty-seventh Annual General Meeting of the Calcutta Jute Manufacturing Co. Ltd. will be held at the Registered Office of the company "Stephen House" fourth floor, No. 4 Dalhousie Square East, Calcutta, at 3 p.m. on Friday, the 28th June, 1963 for the following purposes:—

AGENDA:

1. To receive and adopt the Balance Sheet as at 31st December, 1962 and the Profit and Loss Account for the year ended 31st December, 1962, together with the Reports of the Auditors and Directors.
2. To declare dividend on the Preference shares.
3. To appoint a director in place of Sri Debi Prasad Poddar retiring by rotation.

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

"That Sri Debi Prasad Poddar be and is hereby appointed a Director of the company liable to retirement by rotation".

Special Notice of the intention to propose the foregoing resolution as a Special Resolution in conformity with the provisions of Sections 190 and 261 of the Companies Act 1956, has been received wherein it is stated that Sri Debi Prasad Poddar is a partner of Dayaram & Sons, the Managing Agents of the company and accordingly an "Associate" of the Managing Agents within the meaning of the

Act and that therefore he can only be appointed by a Special Resolution as a Director liable to retirement.

4. To appoint auditors and fix their remuneration.

The Share Transfer Books of the company will be closed from June 18th to June 28th 1963, both days inclusive.

Any member of the company who is entitled to attend and vote at the meeting convened by this Notice is also entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.

By Order to the Board,
DAYARAM & SONS,
Managing Agents.

"Stephen House" 4th floor,
4, Dalhousie Square East,
Calcutta.
The 31st May, 1963.

Note: Payments of dividends declared will be made to those members whose names are registered in the books of the company on the 28th June, 1963. No application for Warrants will be necessary.

THE BISRA STONE LIME COMPANY LIMITED

Notice of Interim Dividend

THE Board of Directors has sanctioned payment of an Interim Dividend on the 4,00,000 Ordinary Shares @ Re. 0.50 nP per share in respect of the year ending 31st March, 1963, subject to deduction of tax at source.

This dividend will be paid on or after 2nd July, 1963, to those Shareholders (or their mandatees) whose names appear in the Company's books on the 26th June, 1963, as the registered holders of these shares.

The Share Transfer Register of the Company will be closed from 14th

June, 1963 to 26th June, 1963, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office—

Chartered Bank Buildings,
Calcutta: 31st May, 1963.

THE BISHNAUTH TEA COMPANY, LIMITED

NOTICE is hereby given that the Annual General Meeting of the Members of The Bishnauth Tea Co., Ltd., will be held at the Registered Office at No. 4, Mangoe Lane, Calcutta, at 11-50 in the forenoon on the 28th day of June, 1963 for the following purposes:—

1. To consider the Revenue and Profit and Loss Accounts for the year ended 31st December, 1962, the Balance Sheet as at that date, and the Reports of the Directors and Auditors.
2. To declare a Dividend.
3. To appoint a Director in place of Mr. D. K. Basu, who retires by rotation and who being eligible offers himself for re-election.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

To appoint a Director in place of Mr. K. A. Evers who has expressed his intention to resign his office of Directorship with effect from the conclusion of this Annual General Meeting. To consider in this connection and if thought fit to pass with or without modification the following Resolution which will be proposed as Special Resolution:—

"That Mr. V. V. Parekh be and is hereby appointed Director whose period of office shall be liable to determination by retirement of Directors in rotation."

Special Notice as required by Section 261(2) of the Companies Act 1956, has been received by the Company from a member expressing his intention to propose the Resolution for the appointment of Mr. V. V. Parekh as Director as a Special Resolution. The Notice states that the sanction of a Special Resolution becomes necessary for the appointment of Mr. V. V. Parekh as Director as Mr. Parekh happens to be Director and Member of Messrs. J. Thomas & Co., Private Ltd., who by Special Resolution have been approved as Brokers for the sale of the teas produced by the Company and who may therefore be deemed to hold an office of profit under the Company.

The Share Transfer Books and Register of Members of the Company will be closed from the 18th June, 1963 to the 28th June, 1963, both days inclusive.

By Order of the Board,
THE BISHNAUTH TEA COMPANY, LIMITED,

For WILLIAMSON MAGOR & CO. LTD.,

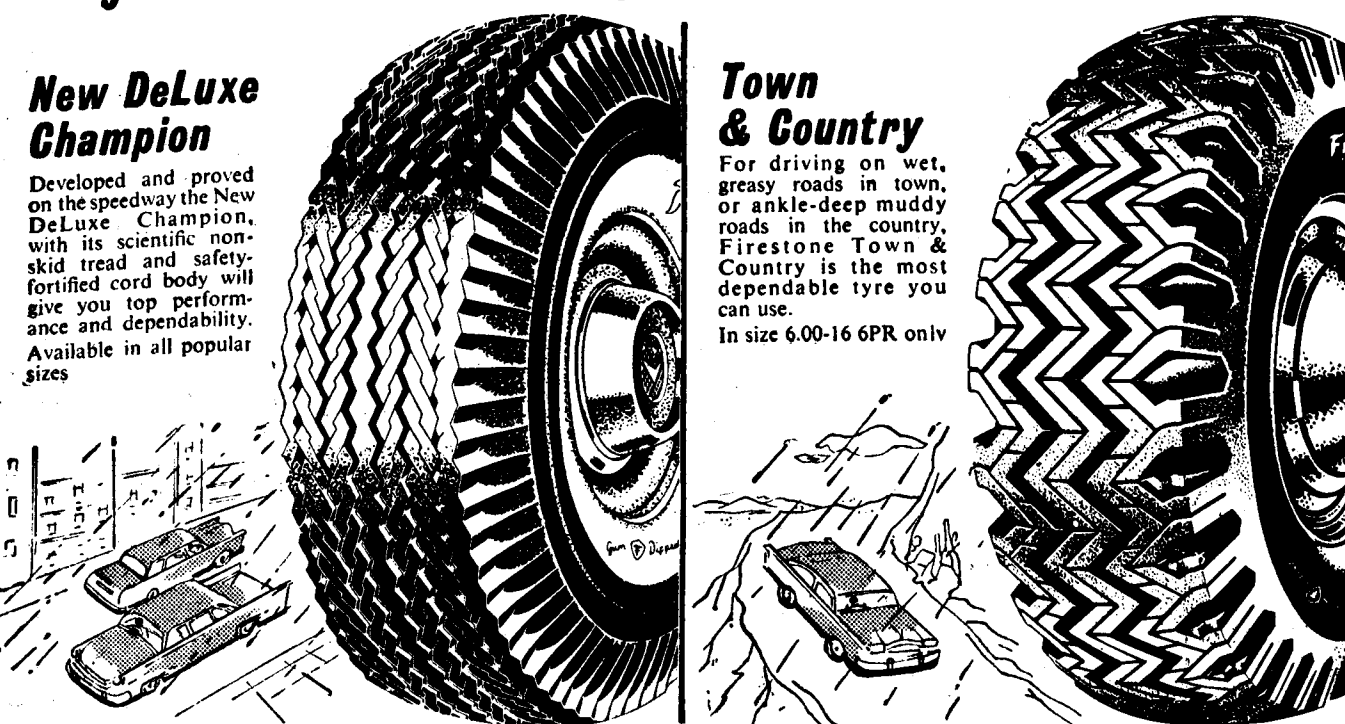
T. R. SWAMINATHAN,
Secretary,
Managing Agents.

Calcutta, 31st May, 1963.

1. Notes:—A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company.
2. The dividend if declared will be paid on or after 17th July, 1963 to those Shareholders whose names appear on the Company's books on 28th June, 1963 or to their mandatees.
3. Explanatory Statement as required by the Companies Act 1956, has been forwarded to the Members of the Company.

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Tyres for Extra Safety in any Monsoon condition!



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LODNA COLLIERY CO., (1920) LTD.

AT a meeting of the Board of Directors held on Thursday, the 30th May, 1963, the following dividend was recommended for declaration at the Annual General Meeting to be held on the 27th June, 1963, to be paid for the year ended 31st December, 1962, subject to deduction of tax. On Ordinary Shares at the rate of 10 per cent per annum.

By Order of the Board,
LODNA COLLIERY CO., (1920) LTD.,
D. M. JAFFRAY,
Director.

Registered Office:

6, Lyons Range,
Calcutta, the 5th June, 1963.

INSIST ON

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WORKS LTD., CALCUTTA-1.**

**FOR
MACHINE
TOOLS
AND
SPECIAL
SWEDISH
STEELS**



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**FRANCIS KLEIN & CO.,
PRIVATE LTD.**
HEAD OFFICE
1, INDIA EXCHANGE PLACE
CALCUTTA-1
SHOWROOMS
13A, GOVT. PLACE EAST
CALCUTTA-1

**THE METHONI TEA COMPANY
LIMITED**

THE Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Friday the 28th day of June, 1963, at 11-20 A.M. for the following purposes:—

1. To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1962.
2. To declare a dividend.
3. To elect a Director in place of the retiring Director.
4. To elect Auditors for the ensuing year, and to fix their remuneration.

The Share Transfer Book of the Company will be closed from 21st June, 1963, to 28th June, 1963, both days inclusive.

OCTAVIUS STEEL & CO. LTD.,
I. P. GOENKA,
Managing Director,
Managing Agents.

Calcutta, 4th June, 1963.

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

**LODNA COLLIERY COMPANY
(1920) LIMITED**

NOTICE is hereby given that the Forty-second Annual General Meeting of Lodna Colliery Company (1920), Limited, will be held at the Registered Office of the Company, No. 6, Lyons Range, Calcutta, on Thursday, the 27th day of June, 1963, at 3-30 P.M. for the following purposes:—

1. To receive and adopt the Directors' Report and the audited Balance Sheet and Profit and Loss Account for the year ended 31st December, 1962.
2. To consider and declare a dividend in respect of the year ended 31st December, 1962.
3. To appoint Auditors and to fix their remuneration.
4. To appoint a Director in place of Mr. A. J. Hormasji who retires from the Board and is eligible for re-appointment subject to compliance with Section 261 of the Companies Act, 1956, and in this connection to consider and, if thought fit, to adopt the following Resolution which will be proposed as a Special Resolution:—

"That Mr. A. J. Hormasji, Secretary of Turner, Morris & Co. Ltd., the Managing Agents of the Company, and as such Secretary, an associate, officer and employee thereof, be and is hereby re-appointed a Director of the Company whose period of office is liable to determination by retirement of directors by rotation".

(Special notice has been received by the Company to move this resolution as a Special Resolution in conformity with the provisions of Sections 190 and 261 of the Companies Act, 1956. The reasons which make the resolution necessary as set out in the special notice are (1) Turner, Morrison & Co. Ltd., are the Managing Agents of the Company and Mr. A. J. Hormasji, the Secretary of the Managing Agents, is an associate, officer and employee thereof in terms of Section 261(1)(f) of the Act, (2) The Managing Agents are a company and as such Managing Agents hold an office or place of profit under the Company and Mr. A. J. Hormasji is an officer and employee of the Managing Agents as aforesaid in terms of Section 261(1)(c) of the Act, and (3) the Managing Agents also being a body corporate holding the office or place of profit as aforesaid Mr. A. J. Hormasji is an officer and employee thereof in terms of Section 261(1)(d) of the Act.)

The Share Transfer Register of the Company will be closed from the 18th to 27th June, 1963, both days inclusive.

Warrants for the dividend, when declared, will be forwarded in accordance with the registered instructions, but if no such instructions have been received, to the registered address of the Shareholders whose names appear on the Company's Register at the date of declaration. An Explanatory Statement is annexed to the convening notice issued to members of the Company.

By Order of the Board,

For and on behalf of
**LODNA COLLIERY COMPANY
(1920), LIMITED,**
D. M. JAFFRAY,
Director.

Calcutta, 30th May, 1963.

Note:—A member entitled to attend and vote at the Meeting is entitled to appoint a proxy, who need not be a member of the Company, to attend and vote in his stead.

CAPITAL, 6th June, 1963.**BRIDGE & ROOF CO. (INDIA) LTD.**

NOTICE is hereby given to the members of the above-named Company that the Annual General Meeting (being the seventy-ninth Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Friday, 28th June, 1963 at 12-15 p.m. to consider the Accounts of the Company for the year ended 31st December, 1962 and to transact other ordinary business.

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 21st June, 1963 to 28th June, 1963, both days inclusive.

By Order of the Board,

BALMER LAWRIE & CO. LTD.,
D. MANSON,
Managing Director,
Secretaries.

21, Netaji Subhas Road,

Calcutta, 30th May, 1963.

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

The Company meetings and dividends table appears on page 835.

**THE INDO-BURMA PETROLEUM
COMPANY LIMITED**

Registered Office:

Gillander House, Netaji Subhas Road,
Calcutta-1.

NOTICE is hereby given that the Preference Register of Members of the Company will be closed from the 17th June, 1963, to 2nd July, 1963, both days inclusive for payment of the dividend for the half-year ending 30th June, 1963, on the 2nd July, 1963, at the rate of Rs. 2.914 per share (being the stipulated dividend of Rs. 3.50 per share increased by 11% to Rs. 3.885 less Rs. 0.971 being Income Tax at the Company's present rate of 25%) subject to tax being deducted therefrom in accordance with the provisions of Section 194 of the Income Tax Act, 1961.

By Order of the Board,

**STEEL BROTHERS AND COMPANY
LIMITED,**
Managing Agents.

Gillander House,
Netaji Subhas Road,
Calcutta-1.

1st June, 1963.

ECONOMIC RESEARCH is an essential part of modern commerce. But it is not always easy to obtain. The ordinary business house does not usually possess the records, statistics and archives which are the raw material of research. **CAPITAL'S RESEARCH & STATISTICAL DEPARTMENT** has a long record of service to Chambers of Commerce, Industrial Associations and private business concerns. It does not undertake trade inquiries, but its facilities and advice are available for all kinds of research proper into the problems of Indian commerce and industry.

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London, S. W. 1.

Bombay Representative—**Mr. R. Lakshmanan,**
B3/120, Rajawadi, Bombay-77.

Madras Representative—**Mr. P. R. Vasudeva Naidu,**
23, Gurusvappa Chetty Street, Chintadripet, Madras-2.

Delhi Representative—**Mr. Nikhil Das,**
30, Pusa Road, New Delhi-5.

**"CAPITAL" STOCK AND SHARE LIST
THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE****BANKS**

Wednesday, 5th June, 1963.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		5-6-63	29-5-63	A year ago		1960	1961	1962		5-6-63	29-5-63	A year ago
Allahabad Bank P.	18	18	18	100	267/00	267/00	329/00	Indian Overseas Bank	12	14	14-14*	100	145/00	145/00	168/00
Bank of Baroda	14	17	17	50	86/50	86/50	104/50	Industrial Finance Corpn.	..	..	..	50	..	..	..
Bank of India	16	20	20-20*	50	110/00	110/00	112/00	National & Grindlays Bank	12½	13½	14-16* sh	15 sh	31/9	sh 31/3	sh 36/3
Central Bank of India	17-1/5	20 2/5	20-20*	25	56/30	56/00	62/30	Punjab National Bank	20	20	20	10	18/87	19/06	20/81
Chartered Bank	15	15	15	£1	sh. 62/3	sh. 62/-	sh. 54/-	Union Bank of India	11 2/5	11 2/5	11 2/5	5	5/76	5/76	8/00
Hindustan Commercial	Nil	Nil	Nil-Nil*	50	15/82	13/94	18/00	United Bank of India	4.3	4.3	6-6*	10	7/31	7/16	7/56
Hindustan Mercantile	Nil	Nil	Nil	50	2/17	2/17	2/51	United Commercial Bank	11	12	12	50	68/00	68/00	91/50
Hong Kong & Shanghai	£3	£3½	£3½	HK\$25	162/00	165/45	177/00								
Indian Bank	15	15	15-14*	100											

*1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		5-6-63	29-5-63	A year ago		1960	1961	1962		5-6-63	29-5-63	A year ago
Agarpara P.	10	2½	2½	10	10/62	10/75	11/62	Hukumchand P.	28½	28½	26½	7½	22/00	22/00	25/62
Alexandra P.	44	15	..	100	300/00	300/00	305/00	Indie	14	12	8	12½	18/19	18/00	17/75
Alliance P.	6	Nil	..	100	118/00	104/00	130/00	Kamarbhatti P.	5	Nil	..	100	203/00	205/00	198/00
Anglo-India P.	20	7	10	100	224/00	224/00	252/00	Kankarrah P.	Nil	Nil	..	100	141/00	144/00	121/50
Auckland P.	27	12	Nil	100	144/00	144/00	180/00	Kelvin P.	15	15	5	100	185/00	185/00	206/00
Bally P.	25	25	25	100	265/00	265/00	310/00	Khardah P.	20	5	12½	10	18/87	19/25	17/31
Barnagore P.	30	10	10	£5	192/00	192/00	188/00	Kinnaird P.	Nil	Nil	Nil	100	148/00	148/00	160/00
Bengal P.	5	..	..	10	10/66	10/25	10/69	Landowne P.	Nil	Nil	Nil	100	84/50	84/50	140/00
Birla P.	15	15	15	10	28/69	28/87	35/82	Lawrence P.	7	15	10	100	100/00	100/00	171/00
Budge Budge P.	10	Nil	..	100	155/00	155/00	164/00	Magma P.	12	12½	Nil	10	13/25	13/25	13/00
Calcutta P.	..	..	..	100	8/12	8/12	9/37	Najhat P.	..	..	..	100	81/00	81/00	115/00
Caledonian P.	12	5	..	100	199/00	199/00	214/00	Naskarpura	..	..	..	10	9/06	9/06	10/50
Chandany P.	10	5	Nil	10	23/75	24/50	..	National P.	7½	Nil	..	10	23/75	23/75	22/50
Cheviot P.	Nil	5	5	10	24/37	24/37	25/12	Nellmaria P.	3	6	15	10	11/31	11/31	12/00
Chitavalasab P.	5	Nil	5	10	10/50	10/75	12/50	New Central P.	15	15	Nil	10	13/12	12/81	16/50
Clive P.	..	1	..	100	8/00	8/00	9/00	Northbrook P.	30	30	20	10	28/25	30/25	39/30
Dalhousie P.	7½	Nil	..	100	145/00	145/00	130/00	Nuddes	8	6	5	50	57/25	57/50	72/50
Delta P.	12½	7½	12½	10	162/00	162/00	195/00	Presidency	8	6	10	10	5/08	5/19	5/56
Empire P.	25	10	12½	100	14/69	14/69	19/12	Rameswara P.	Nil	Nil	Nil	10	9/56	9/56	9/12
Fort Gloster P.	25	22½	10	10	376/00	376/00	470/00	Relliance P.	Nil	Nil	Nil	10	11/50	11/50	8/25
Fort William P.	22½	22½	10	10	26/00	26/12	28/25	Sammugger P.	6	Nil	..	£1	10/50	10/50	10/50
Ganges P.	10	10	15	10	13/75	13/81	14/37	Shree Ambica P.	6	6	Nil	10	25/00	25/00	35/00
General Industrial	40	10	..	10	15/44	15/44	55/00	Tilashur P.	25	25	..	10	22/75	22/75	24/00
Goutapore P.	30	25	20	10	25/50	25/50	..	Union P.	6	Nil	..	£1	10/50	10/50	10/50
Hastings P.	6	6	6	100	128/00	128/00	124/00	Victoria P.	25	6	Nil	100	155/00	158/00	185/00
Houghly P.	10	..	..	10	20/00	20/00	27/25	Waverley P.	6	Nil	..	£1	10/50	10/50	10/50
Howrah P.	12½	10	Nil	10	19/75	19/94	22/62		30	30	60	1	8/06	8/06	6/50

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		5-6-63	29-5-63	A year ago Ra.		1960	1961	1962		5-6-63	29-5-63	A year ago Ra.
Amalgamated	10	12½	15	10	22/69	22/69	24/00	Mundulpur	..	..	..	10	2/69	2/69	2/69
Bengal P.	25	21	..	100	286/00	286/00	399/00	Nazira	..	..	..	10	5/00	5/00	7/62
Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48	New Beerbhoom P.	16	10	..	10	19/37	19/37	23/25
Bengal Nagpur	10	26	..	10	22/00	22/00	20/19	New Manbhoom	7½	9	12	10	16/00	16/00	15/50
Bhaigora	..	..	..	10	4/87	4/87	5/37								
Bharat Collieries P.	..	..	..	10	3/37	4/12	4/06								
Bhainsbarree	..	..	..	10	11/94	11/94	6/00	North West	20	20	..	10	19/75	19/75	19/75
Bokaro & Ramgur	..	..	..	10	11/19	11/19	13/25		7½	18/00	18/00	20/25			
Borra P.	15	15	..	10	23/87	23/87	26/87								
Burrakur P.	13	13	13	10	16/50	16/50	20/12	Ondal P.	6	7½	..	10	12/03	12/00	14/40
Central India	8	10	10	10	9/87	10/12	12/31	Parasea P.	11	11	..	10	18/00	18/00	17/88
Central Kurkend P.	..	..	..	10	3/87	3/87	7/00	Pench Valley	10	10	10	10	18/00	18/00	18/25
Churulia	..	..	..	10	3/06	3/06	3/06	Pure Sitalpur	..	..	..	10	8/00	8/00	9/00
Dhemo Main	NH	NH	20½	21	5/75	5/75	7/50	Raneegunge	15	17	17	10	16/00	16/00	16/56
East Indian	11	10	..	10	31/87	31/87	55/50	Rewa	20	20	..	10	28/50	28/50	29/12
Equitable P.	..	..	..	10	26/50	26/50	30/25								
Ghusick & Muslia	NH	NH	NH	10	14/25	14/25	14/00	Samla	10	..	..	10	10/03	10/03	8/87
Guzdar Kajora	..	..	..	10	2/03	2/03	2/00	Searsole	NH	NH	NH	2½	1/22	1/22	2/03
Hurriladib	..	..	..	10	8/12	8/12	8/12	Seebopore P.	42 6/7	42 6/7	..	10	45/00	45/00	47/75
								Sendra	..	3½	..	10	5/75	5/75	7/69
								South Karanpura	2½	NH	NH	10	8/87	8/87	9/94
Karanpura Development	5	5	..	100	12/50	12/50	22/37	Standard	15	10	..	10	13/12	13/12	16/00
	15	15		10F											
Karanpura Collieries P.	7½	10	10	10	16/75	16/75	19/04	Union	..	..	..	10	10/37	10/37	10/44
Katras Jherria	95	40	25	10	37/75	37/75	48/37	Western Bengal	6	7½	9	10	9/00	9/00	11/09
Khas Kajora P.	..	..	..	10	18/70	18/70	18/70	West Jamuria	NH	NH	..	10	4/12	4/12	9/37

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		5-6-63	29-5-63	A year ago		1959	1960	1961		5-6-63	29-5-63	A year ago
Basanti P.	..	..	..	10	11/50	11/50	7/87	Elgin P.	11 1/2	17 1/2	17 1/2	10	18/06	18/12	21/84
Bangaluxmi	..	..	..	40	28/00	28/00	28/00	J. & L. Cotton (Rayon) P.	12 1/2	..	..	10	12/75	13/06	20/69
Bengal Nagpur P.	Nil	..	..	10	3/00	3/00	3/81	Jay Shree	10	10	..	10	14/25	14/37	15/37
Bharat Commerce	..	15	..	10	22/50	22/50	26/37	Mur e	..	..	..	100	106/00	106/00	146/00
Birla Cotton	10	20	20	10	26/75	26/75	27/00	New Victoria P.	Nil	..	..	2 1/2	1/62	1/75	1/75
Bowreah P.	10	20	..	10	23/19	23/37	32/50	Orissa Textiles P.	Nil	Nil	..	10	9/00	9/00	10/06
Cawnpore Textiles	7-1/5	10	..	5	6/31	6/31	8/56	Rampur Cotton	3	Nil	..	10	12/00	12/00	11/00
Delhi Cloth & Genl. P.	12	13	13	25	41/75	42/44	57/09	Swadesh (Kandur) P.	5 1/2	..	..	100	11/50	11/50	11/50
Dunbar	20	20	..	10	27/44	27/50	33/00						7/06	7/03	8/89

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		4-6-63	27-5-63	A year ago		1959	1960	1961		4-6-63	27-5-63	A year ago
Ahmedabad Advance P.	7	16	..	100	170/00	170/00	208/00	Indian	..	..	..	250	761/25	761/25	..
Apollo	..	..	..	2	2/00	1/92	2/14	Indore Malwa United	7	8 1/2	..	100	187/00	187/00	178/00
Beharilal Ramcharan	Nil	Nil	..	100	76/00	76/00	65/00	Khatola Manganji P.	16	32	..	100	427/50	430/00	470/00
Bombay Dyeing etc	14	14	14	25	61/10	61/50	68/40	Kotinor	15	15	18	100	312/00	315/00	302/50
Bradbury P.	10	10	25	50	150/00	150/00	192/50	Lakshmi Vishnu P.	Nil	5 1/2	6	100	95/00	95/00	143/00
Century	..	..	..	100	550/00	560/00	643/00	Morarijee Goudas P.	21 1/2	21 1/2	24-24 1/2	100	435/00	435/00	400/00
Central India P.	Nil	Nil	..	100	102/00	102/00	153/00	Mysore Spg. & Mfg. P.	10	14	..	100	47/00	47/00	63/50
Coorla	..	..	..	100	142/00	140/00	160/00	New City of Bombay	..	..	..	100	142/50	142/50	181/00
Dawn	20	30	30	50	142/00	142/00	153/00	New Great Eastern P.	..	..	..	100	270/00	270/00	306/00
Edward Textiles	9	9	..	200	325/00	325/00	372/50	Phoenix	..	..	..	100	200/00	206/00	250/00
Elphinstone P.	14	18	22	50	100/00	99/00	130/00	Sassoon & Alliance	Nil	Nil	..	10	11/76	11/76	14/00
Finlay	..	..	..	100	315/00	315/00	306/00	Sassoon Spinning	25	17	20	10	48/00	48/00	59/80
Gokak	..	..	..	100	164/00	164/00	214/00	Simplex	10	15	Nil	50	130/00	130/00	174/00
Hindustan	..	..	..	250	819/00	819/00	..	Shree Nwas P.	15	18	20	100	235/00	239/00	258/00
India United	..	..	..	10	23/00	23/00	21/56	Sundeshi P.	14	17	..	100	248/00	248/00	275/00
	..	..	..	100	2/54	2/52	3/24	Swan	10	20	..	100	300/00	300/00	320/00
								Western India	..	..	..	250	785/00	785/00	802/50

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BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1956	1960	1961		4-6-63	27-5-63	A year ago		1959	1960	1961		4-6-63	27-5-63	A year ago
CEMENT, ENGINEERING & METAL															
Associated Cement	11	12½	12-12*	100	149/75	143/50	160/75	British India General	..	..	..	10	11/52	11/52	11/92
ELECTRIC LTG. POWER															
Ahmedabad Electricity	6½	7	6	100	91/20	91/00	90/00	Jupiter (General P.	..	..	..	15	9/00	9/00	11/76
Andhra Valley Power P.	5	5½	5-5*	1000	1,002/50	1,002/50	1,015/00	New India	38	..	..	15	61/00	61/00	71/00
Bombay Suburban Elec	..	..	..	100	99/00	99/00	103/50	Vulcan	..	..	..	10	15/62	15/52	17/12
Tata Hydro Elec. Power P.	5	5½	5-5*	100	104/00	104/00	113/00	MISCELLANEOUS							
Tata Power P.	5	5½	5-5*	1000	1,041/25	1,045/00	1,107/50	Belapur Sugar	..	..	..	50	179/00	185/50	235/00
INSURANCE COMPANIES															
Alcock Ashdown	..	..	..	100	304/00	310/00	332/00	Bombay Burmah Trading	19	30	33-33½	100	64/00	66/00	
Jost's Engineering	10	8	10-10*	50	98/00	98/00	99/50	Hindustan Lever	24	26	26-26½	100	243/75	243/75	271/25
Larsen & Toubro P.	12½	12½	13-14*	10	21/88	23/24	33/50	Industrial Invt. Trust	6	6½	6½	100	36/50	36/50	51/00
Mckenzie	12½	..	..	100	150/00	150/00	147/50	Indochem (Chemists)	..	..	..	200	68/50	68/50	78/00
Premier Construction P.	..	..	..	300	136/50	143/00	167/50	National Rayon	22	22	..	100	305/00	305/00	325/00
Tata Eng. & Locomotive P.	9 1/2	12½	14½-14½*	100	273/50	291/00	373/00	Scindia Steam Navign.	64	3	3-3*	20	343/00	362/00	551/50
Tata Iron & Steel P.	8 1/2	9 1/2	10 3/8-10 3/8*	750	132/75	136/50	150/00	Shivrajpur Synd.	60	80	Nil	10	9/80	10/16	12/92
								Tata Chemicals P.	7½	6	6½-6½*	10	16/52	18/00	37/00
								Tata Oil P.	13	23	23-23½	25	14/32	15/32	16/64
								Volta.	13	13	14-14*	100	60/00	60/00	81/00
								Western India Match	16	16	16	100	253/00	261/00	299/50
													261/25	261/25	296/50

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TEA COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		5-6-63	29-5-63	A year ago		1959	1960	1961		5-6-63	29-5-63	A year ago
ASSAM GARDENS															
Anandabag	15	Nil	10	10	20/00	20/00	25/94	Brooke Bond P.	12 1/2	15	10-7 1/2	10	11/81	11/81	11/81
Amiuckie P.	17 1/2	30	32 1/2	10	33/2	39/25	30/87	Deora Valley	4 1/2	15	26	10	4 1/2	49/25	4 1/2
Baghmari	15	Nil	15	10	18/56	18/56	22/25	Jessa & Jurbutta	Nil	Nil	..	100	149/00	149/00	148/00
Barduar Tea	Nil	Nil	..	..	8/50	8/50	8/50	Jubur P.	20	12 1/2	..	10	19/62	19/62	22/12
Basmatia	30	35	25	10	27/25	27/25	27/25	Juburgar P.	23	20	15	10	13/85	13/67	15/37
Bateb	30	30	..	5	17/25	17/25	19/00	Juburnak P.	30	40	40	10	31/25	31/00	33/25
Betian	25	40	45	10	30/58	30/56	30/50	Duffbaghur	35	25	20	10	..	21/8	23/12
Bishnauth	13	13	13	10	18/19	17/50	19/12	East India	10	Nil	Nil	10	27/00	27/00	28/30
Bokakhat	8	Nil	12	10	13/76	13/76	13/76	Hillabokri	25	25	20	10	14/25	14/25	20/06
Borkham Jan P.	12 1/2	15	15	10	14/25	14/25	16/50	Jubur	10	Nil	..	10	16/56	16/56	16/56
Bor Pukhuri	Nil	Nil	Nil	10	11/75	11/75	10/87								

* 1962

TEA COMPANIES - Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		5-6-63	29-5-63	A year ago		1959	1960	1961		5-6-63	29-5-63	A year ago
Grob	14	6	6	5	7/97	9/00	10/00	Singell	Nil	Nil	Nil	100	36/75	36/75	37/25
								Singtom	5	2	..	10	3/50	3/50	4/62
Hoograjuli (Assam)	25	20	20	10	27/12	27/12	24/44	Soom	30	50	40	10	35/00	35/00	50/25
Hoolungoree	20	10	7½	100	195/00	195/00	172/00	Sungma	10	15	15	10	15/06	13/75	14/62
Jutlibari	10	30	30	10	31/50	31/50	32/00	Teesta Valley	Nil	Nil	8 1/2	10	11/25	11/25	13/19
Kingsley Golaghat P.	35	35	..	100	140/00	140/00	212/00	Tukvar	..	..	..	10	7/12	7/12	7/06
Kotamullai P.	Nil	Nil	Nil	5	10/31	10/31	10/37	DOOARS							
Krishnabehari	10	15	8	10	10/50	10/50	10/12	Banarhat P.	32½	22½	21	100	226/00	226/00	294/00
Kyang Tea	Nil	Nil	..	10	8/06	8/06	8/06	Baradighi	25	30	25	10	23/25	23/25	26/00
Ledo	Nil	Nil	..	10	17/25	17/25	17/75	Bhaskara	10	15	15	10	18/00	18/00	21/25
Maud Tea & Seed	7½	10	7½	10	14/81	14/81	15/25	Birpara P.	22½	17½	12½	100	160/00	160/00	183/00
Methoni	15	5	14	10	17/31	17/31	21/25	Carron	15	20	5	100	145/00	145/00	145/00
Moheema	10	Nil	..	10	11/50	11/50	11/50	Choonabhati P.	30	32½	20	100	210/00	210/00	262/00
								Ellenbarrie	5	5	5	100	184/00	184/00	176/00
Mothola	25	30	30	100	507/00	507/00	507/00	Enge	Nil	60	30	100	136/00	136/00	136/00
	25	6	15	10	26/50	26/50	26/50	Euelbari	Nil	6	5	10	13/12	13/12	8/37
Murphulani (Assam)	20	10.63	20.63	10	28/75	28/75	28/75	Gairkhatta	12½	15	20	10	21/50	21/50	25/12
								Gopalpara	9.24	12	2	25	19/00	19/50	20/00
Naga Hills	5	10	10	10	22/25	22/25	21/50	Hantapara P.	12½	15	5	100	104/00	110/00	124/00
Namburnadi	16	12	..	10	14/56	14/56	14/00	Hasmapara P.	12½	17	16½	10	12/31	12/31	31/56
New Cinnatollah	Nil	Nil	Nil	100	302/00	302/00	120/50	Huldibari	22½	22½	19.2/7½	10	12/62	12/62	30/37
Sajgarh	35	40	13½	10	21/37	21/37	22/00	Jaybirpara	5	10	Nil	10	11/75	11/75	13/60
Sepoi	20	22½	20	10	19/67	19/67	18/44	Killcott	17½	25	15	10	16/25	16/25	18/87
Seoul	17½	22½	15	10	21/12	21/12	22/50	Manabarrie	5	10	6	10	59/50	59/50	56/37
Telotian	25	25	25	10	27/75	27/75	37/25	Nagalsuree	17½	25	15	100	140/00	140/00	169/50
Tenkpani	17½	30	30	10	35/00	35/00	35/00	Nodlabari	32½	35	20	100	230/00	230/00	296/00
Tezapore P.	20	20	12½	10	15/37	15/37	16/56	Phaskowa	Nil	12½	7½	100	14/25	14/25	15/25
Tongani	Nil	Nil	10	10	7/00	6/50	6/25	Rajabhat	Nil	Nil	Nil	10	129/00	129/00	127/00
Tyroon	30	10	15	10	54/37	34/37	37/87	Ranicherra	Nil	Nil	Nil	10	12/12	12/12	14/00
								Rydk	10	15	15	10	16/00	16/00	20/62
CACHAR								Sarugaon	30	25	20	10	25/44	25/44	26/70
									40	40	40	10	36/25	36/25	36/00
Arcuttipore	Nil	Nil	..	10	7/00	7/00	7/00								

MISCELLANEOUS COMPANIES - Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		Rs.	P.	A.		1958	1960	1961		Rs.	P.	A.
ENGINEERING & METAL															
Arthur Butler (Muzartepore) P.	..	..	10	10	11/91	14/94	12/94	J K Synthetics	..	..	3	10	10/31	10/58	..
Bartia Electric Steel	15	10	10	10	14/31	14/50	12/50	James Wright P.	..	..	..	10	10/31	10/58	..
Brahmawati India	22 1/2	25	25	10	29/50	29/50	36/75	Jardine Henderson Ltd. P.	..	..	..	10	10/31	10/58	..
Bridges & Hooi	30	30	30	10	32/25	32/25	52/25	Jay Shree Industries P.	14	14	12 1/2	10	13/75	16/00	16/15
Britannia Building & Iron P.	..	..	..	10	3/85	3/85	3/85	Jesooram Industries P.	2 1/2	6	12-12 1/2	10	21/75	23/00	32/19
Britannia Engineering P.	10	10	10	10	9/87	9/87	12/12	Macfarlane & Co	..	..	..	10	7/00	1/00	1/25
British India Electric Cons	25	25	25	10	33/12	33/12	50/00	Macneil & Barry Ltd. P.	7	8	..	100	93/50	93/50	93/00
Burn P. (Engineering)	28 1/2	28 1/2	28 1/2	100	463/00	463/00	735/00	Martin Burn Ltd. P.	27 1/2	27 1/2	27 1/2	25	25/25	25/25	28/81
Calcutta Steel	5	15	15	10	13/00	13/00	13/00	McLeod & Co P.	15	15	15	100	210/00	210/00	215/00
Dalmia Iron	..	10	10-10	10	10/62	10/62	12/00	Meta Box Co of India Ltd. P.	17 1/2	25	25	10	49/87	49/87	61/02
Quest Keen Williams	24	16	14	10	33/09	33/09	41/69	National Insulated Cable P.	20	25	20-20	10	24/25	24/25	48/25
Hooghly Docking	12	..	..	50	108/00	108/00	143/00	National Pipe & Tubes P.	15	20	20-20	10	27/25	27/25	32/75
Indian Iron & Steel P.	10	15	16-16	10	22/62	22/62	25/96	National Rolling & Steel Ropes	10	13	15-15	10	18/87	18/87	22/50
Indian Malleable Casting	6	..	..	60	1/01	1/01	8/00	National Rubber P.	5 1/2	..	..	10	11/62	12/12	14/75
Indian Standard Wagon P.	28 1/2	28 1/2	28 1/2	10	33/09	33/12	..	National Tobacco P.	18	16	7	75	65/00	65/00	70/00
Indian Steel & Wire Products	18 1/2	23	24-23	100	40/50	38/87	55/37	Jetavrus Steel P.	12 1/2	10	..	100	..	..	..
Industrial Containers	..	..	..	10	21/37	21/37	15/19	Philips India	12 1/2	12	12	10	26/37	26/12	35/75
Jay Engineering	12	17 3/20	17 3/20	10	21/75	21/75	..	Publicity Society	37 1/2	10	75-75	..	26/62	22/62	27/00
J. K. Steel P.	12 1/2	20	20-10	10	14/36	14/36	19/00	Rail India P.	..	..	..	100	116/00	117/00	145/00
Jessop & Co P.	8.58	8.58	8.58	10	22/00	22/00	24/06	Rohas Industries P.	15	20	10-8	100	11/50	11/37	16/44
Kumarchudi Engineering P.	10	10	11 1/2	3	7/87	7/81	8/21	Srinivas P.	..	..	..	10	9/19	9/06	10/84
Marshall Sons (India)	10	..	..	2	2/84	2/84	3/87	Sun Raleigh Industries P.	8	8	8-8	10	13/50	13/50	19/50
National Iron and Steel	6 1/2	..	..	10	3/87	4/25	5/62	Shaw Wallace P.	15	15	15	10	14/84	14/81	24/06
Saras Engineering	7 1/2	..	..	4	8/00	8/00	10/00	Spencer Hotel	15	15	15	10	9/99	9/99	13/12
Steel Containers	..	..	..	10	29/50	29/50	22/00	Union Carbide	15	30	30	100	2/87	2/87	3/87
Textile Machinery	20	10	10	10	23/25	23/25	25/70	Walford Transport	20	20	20	10	3/69	3/69	9/87
SUGAR BREWERIES ETC.															
Balrampur Sugar	8	8	8-4	24	2/12	2/12	2/50	Concord of India	20	20	20	5	10/25	10/25	11/87
Belauna Sugar	18 1/2	18 1/2	10	24	7/81	7/81	10/31	Hercules	20	22 1/2	28 1/2	10	24/19	24/19	24/25
Bharat Sugar P.	..	..	..	10	13/00	13/00	13/00	Ruby General	10	10	10	5	9/31	9/31	9/50
Carew (Sugar) P.	..	..	..	10	12/50	12/50	12/44	Standard General	..	..	..	10	6/00	6/00	5/44
Cawnpore Sugar P.	..	..	..	10	10/06	10/06	13/50	Triton	48	48	50	25	132/00	132/00	133/50
Chowpura Sugar	15	15	12-11 1/2	10	15/87	15/87	17/94	Concord of India	20	20	20	5	10/25	10/25	11/87
Durgam Cheruvu	20	..	..	10	7/84	7/84	10/00	Hercules	20	22 1/2	28 1/2	10	24/19	24/19	24/25
Dyer Messin (Breweries)	10	25	30	5	28/00	28/00	60/00	Ruby General	10	10	10	5	9/31	9/31	9/50
New Savaan Sugar and Jute	..	..	..	10	5/62	3/62	5/19	Standard General	..	..	..	10	6/00	6/00	5/44
Purandara Sugar P.	..	..	..	10	11/50	11/50	11/50	Triton	48	48	50	25	132/00	132/00	133/50
Ramnagar Cane & Sugar P.	213/7	..	..	10	26/37	26/37	29/87	Concord of India	20	20	20	5	10/25	10/25	11/87
Raza Dulan	12 1/2	12 1/2	10	10	9/37	9/31	9/87	Hercules	20	22 1/2	28 1/2	10	24/19	24/19	24/25
Ryan Sugar P.	..	..	..	10	5/20	5/20	8/06	Ruby General	10	10	10	5	9/31	9/31	9/50
Samsatpur Central Sugar	..	..	..	10	9/62	4/62	10/06	Standard General	..	..	..	10	6/00	6/00	5/44
Shree Krishna Gyanodaya Sugar P.	15	15	..	10	7/06	7/12	9/25	Triton	48	48	50	25	132/00	132/00	133/50
Shree Shyam Sugar	..	..	..	10	7/12	7/12	7/12	Concord of India	20	20	20	5	10/25	10/25	11/87
Sitalpore Sugar	..	..	..	10	6/12	6/12	6/62	Hercules	20	22 1/2	28 1/2	10	24/19	24/19	24/25
United Provinces	15	15	..	10	10/82	10/62	14/72	Ruby General	10	10	10	5	9/31	9/31	9/50
Upper Ganges Sugar P.	72 1/2	72 1/2	72 1/2	10	65/00	65/00	77/06	Standard General	..	..	..	10	6/00	6/00	5/44
MISCELLANEOUS															
A Firpo (Restaurant)	24	..	..	10	5/90	5/90	5/90	Concord of India	20	20	20	5	10/25	10/25	11/87
Aluminium Corporation P.	10	12	12-12	10	12/75	12/75	19/12	Hercules	20	22 1/2	28 1/2	10	24/19	24/19	24/25
Anderson Wright Ltd P.	10	12	12-12	10	11/31	11/31	11/50	Ruby General	10	10	10	5	9/31	9/31	9/50
Anglic Bros	20	25	22 1/2-25	10	21/12	21/12	22/56	Standard General	..	..	..	10	6/00	6/00	5/44
Assam Match	18	18	20	10	2/87	2/87	2/44	Triton	48	48	50	25	132/00	132/00	133/50
Assam Saw Mills & Timber	..	..	..	10	23/31	23/31	31/25	Concord of India	20	20	20	5	10/25	10/25	11/87
Associated Battery	40	25	15-15	10	10/31	10/31	10/31	Hercules	20	22 1/2	28 1/2	10	24/19	24/19	24/25
Associated Hotels of India P.	..	..	..	10	10/31	10/31	10/31	Ruby General	10	10	10	5	9/31	9/31	9/50
Balmer Lawrie & Co.	25	25	25	100	239/00	241/00	278/00	Standard General	..	..	..	10	6/00	6/00	5/44
Bararee Coke	..	..	..	10	24/31	24/31	27/12	Triton	48	48	50	25	132/00	132/00	133/50
Birds Investments P.	11	..	..	10	9/94	9/94	12/50	Concord of India	20	20	20	5	10/25	10/25	11/87
Britannia Biscuit P.	14	25	30-25	10	41/62	41/62	46/12	Hercules	20	22 1/2	28 1/2	10	24/19	24/19	24/25
British India Corporation P.	..	..	..	10	8/75	8/75	9/69	Ruby General	10	10	10	5	9/31	9/31	9/50
British Paints	10	12 1/2	12 1/2	10	18/75	18/75	25/12	Standard General	..	..	..	10	6/00	6/00	5/44
Calcutta Silk Manufacturing P.	..	..	..	10	7/15	7/15	7/15	Triton	48	48	50	25	132/00	132/00	133/50
Clive Row Investment	10	..	..	10	8/50	8/50	9/45	Concord of India	20	20	20	5	10/25	10/25	11/87
Duncan Brothers & Co Ltd P.	14	14	14	100	147/00	147/00	152/00	Hercules	20	22 1/2	28 1/2	10	24/19	24/19	24/25
Dunlop Rubber Co (India) P.	21 1/2	21 1/2	20-15	10	31/56	33/37	44/25	Ruby General	10	10	10	5	9/31	9/31	9/50
Eastern Investments Ltd P.	14	14	14-12	100	124/11	129/00	138/00	Standard General	..	..	..	10	6/00	6/00	5/44
Electric Construction	..	..	..	10	12/12	13/00	16/06	Triton	48	48	50	25	132/00	132/00	133/50
French Motor Car	25 1/2	20	20	20	35/12	35/12	34/50	Concord of India	20	20	20	5	10/25	10/25	11/87
Ganges Rope	17	17 1/2	20	100	238/00	238/00	231/00	Hercules	20	22 1/2	28 1/2	10	24/19	24/19	24/25
General Investments Trust P.	23	..	..	10	43/00	43/00	43/00	Ruby General	10	10	10	5	9/31	9/31	9/50
Gillanders Arbuthnot & Co Ltd P.	10	10	11-11	10	13/50	13/50	15/12	Standard General	..	..	..	10	6/00	6/00	5/44
Glaxo India & Co Ltd P.	..	..	..	10	33/25	33/25	35/44	Triton	48	48	50	25	132/00	132/00	133/50
Godfrey Phillips (India) Ltd P.	26	40	40	10	241/00	241/00	241/00	Concord of India	20	20	20	5	10/25	10/25	11/87
Great Eastern Hotel	..	..	..	10	12/28	12/12	12/12	Hercules	20	22 1/2	28 1/2	10	24/19	24/19	24/25
Hindustan Aluminium P.	..	..	..	10	12/28	12/12	12/12	Ruby General	10	10	10	5	9/31	9/31	9/50
Hindustan Motors P.	12	..	..	10	16/78	16/82	20/00	Standard General	..	..	..	10	6/00	6/00	5/44
Hindustan Petroleum	..	..	..	10	14/50	14/87	23/00	Triton	48	48	50	25	132/00	132/00	133/50
Hindustan Portland P.	..	..	..	10	13/94	13/94	17/87	Concord of India	20	20	20	5	10/25	10/25	11/87
Hoare Miller & Co Ltd	..	..	..	10	5/44	5/44	7/03	Hercules	20	22 1/2	28 1/2	10	24/19	24/19	24/25
Imperial Tobacco	..	..	..	10	10/44	10/44	11/12	Ruby General	10	10	10	5	9/31	9/31	9/50
Indian Aluminium Co Ltd P.	12	15	15-15 1/2	10	34/25	33/87	41/75	Standard General	..	..	..	10	6/00	6/00	5/44
Indian Cable P.	15	22 1/2	21-21 1/2	10	30/50	31/00	37/12	Triton	48	48	50	25	132/00	132/00	133/50
Indian Oxygen	15	15	15-12	10	28/12	28/12	45/87	Concord of India	20	20	20	5	10/25	10/25	11/87
Indian Rubber Manufacturers P.	15	20	30-36	10	19/87	19/87	20/00	Hercules	20	22 1/2	28 1/2	10	24/19	24/19	24/25
Indian Wood Products	25	30	30-30	10	28/12	28/12	32/37	Ruby General	10	10	10	5	9/31	9/31	9/50
Isaac Holden	..	..	..	10	14/12	14/19	16/81	Standard General	..	..	..	10	6/0		

for more untied credits. If this leads to a substantially larger proportion of future aid grants being available in an untied form, the total will have been raised in effect if not actually in fact. This is a point on which Indian attention could profitably be concentrated. At present about half the U.S. commitment is tied, although the proportion has been increasing in recent years. If the other members of the consortium could be persuaded to accept this as a target, then India's problem might effectively be solved without any overall increase in the figure of assistance granted. Again, the main stumbling block here would seem to be the attitudes of France and West Germany. In any event, India's case for increased aid in all forms, which is largely based on the Chinese threat, will eventually stand or fall on that issue alone. At present, the United States and Britain are providing India with almost all the military assistance she is getting. But there is no reason to believe that the other Powers could not be persuaded into doing so if the Chinese resumed their attacks on Indian territory.

The final verdict on the Paris meeting, then, must be one of moderate satisfaction. There is time before the next gathering, which is due in Washington in July, for further intensive diplomatic activity on India's part. Perhaps more than anything else, this should be aimed at countering the growing feeling in the West that India is not herself making the best efforts, either politically or economically, on her own behalf. This may sound a strange theory when Indian ears are constantly being reassured with soothing words from the West

THE FOG OVER BOKARO

THE way the prospects of setting up the Bokaro steel plant keep changing every other week is an unfortunate commentary on the uncertain course of Indo-American relations. After President Kennedy's strong defence last month of U.S. aid for a public-sector plant in Bokaro, one would have thought that the going would be relatively easy. The impression was confirmed when Professor Galbraith, now almost at the end of his assignment in New Delhi, told the Press that he expected the funds needed for Bokaro to be included in the aid Bill to be presented to the U.S. Congress for approval in July. The Ambassador also let it be known that credits for the steel plant would carry only a nominal service charge, as is the case now with most A.I.D. disbursements. With such details being brought up, it seemed that the Bokaro negotiations had moved forward to a stage where the final outcome was no longer in doubt. New Delhi knew, of course, that several knots would have to be untied before Bokaro got past the U.S. Congress. There was, for instance, the touchy question of State versus private ownership on which, President Kennedy's effort notwithstanding, Congressional feelings are still strong. Only a shade less difficult was the issue of control during the period of construction and initial operation. The conciliatory statements made by Mr. C. Subramaniam, India's Minister for Steel and Heavy Industry, warranted the hope that a formula could be devised which would give the Americans the substance of their demand without putting India in a difficult position in relation to other countries which might want similar rights over the projects they were assisting.

But the more hopeful trends have now suddenly been reversed by the suggestion that a second survey be undertaken to assess the raw material and transport situation before the U.S.A. makes a firm commitment to support Bokaro. Mr. Subramaniam has declined to reveal where the suggestion has come from; he has only added to the mystery by his reference to unnamed "Indian and American quarters". Pressed to identify the Indian element at a Press conference in Calcutta last week, he refused to mention names but said enough to indicate that the move was inspired by a desire to see it built under private management, if not private ownership. Although there have been some references in the foreign Press to an Indian lobby campaigning in Washington against a public-sector Bokaro, the question has never been

about how satisfied it is with the use to which its aid is being put, and at the persistently determined way in which India's plans are being pursued. But it must be remembered that a strong body of economic opinion, especially in France and West Germany, attributes India's slow rate of growth at least partly to faulty planning and intrusive ideology. Whether the view is right or wrong, it would be useless for India to ignore it, especially when the evidence of the Paris meeting clearly underlines the importance of these two countries in the future of economic aid, at least for as long as the United States holds to its "matching" principle.

On the whole, India has not come out too badly from the recent round of aid and trade talks. Much will now depend on what happens in the economies of the West, and that will determine whether willingness to help this country further will increase or diminish. The efficacy of aid is not necessarily accepted nowadays without qualification, as it was only a few years ago. Resistance exists, and it tends to grow whenever economic conditions become less favourable or whenever political circumstances seem to indicate that aid does not necessarily buy allies. Considering how strong this feeling is among the developed countries now, the Indian Government can congratulate itself and its Chinese opponents on having put up an excellent performance in gaining such a large quantity of development resources for the third year of the plan. It is to be hoped, however, that in the future, the initiative will come entirely from the former and not from the latter.

touched upon in India except indirectly. Even now, the Minister seems curiously reluctant to avoid joining issue with this lobby publicly, although there seems little point in adding mystery to what is basically a straightforward issue of policy.

It is said that some business interests in India would like to see themselves controlling a steel plant because it is a badge of status which they have so far had to do without. That the private sector might not be able to finance a project of this size at the present stage (a point which Mr. J. R. D. Tata made in New York) apparently does not count with them; they argue that the Government too does not have the funds and will have to depend largely on borrowings. If the plant has to be built in any case on the strength of credits, there is no reason, the argument runs, why the State alone should be regarded by A.I.D. as credit-worthy. It may be recalled that the bid to set up a privately-owned steel mill in the early 'fifties with British assistance was based on similar premises. The Government took the view that if it was required to underwrite the credits, it might as well take the loans for itself and build a plant under State ownership. This plea is being rebutted in the present instance by the charge (which can obviously be made to stick) that State management is *per se* inefficient and hence private control would be a great improvement even if a substantial part of the capital is contributed by the Indian and U.S. Governments. Whatever position one takes in the debate, one cannot fail to note that the plea for efficient private management has its attractions, both to a disenchanted public in India and to U.S. Senators who start with a pronounced bias against State-owned industry.

The renewed plea for a privately-managed Bokaro takes one right back to the original idea underlying U.S. participation in an Indian steel works designed to serve as a showpiece of U.S. aid. A distinguished American banker, who has taken a good deal of interest in the Indian steel industry on behalf of the World Bank, is credited with fathering the proposal for tripartite sponsorship of a new steel plant by private entrepreneurs in India and the U.S.A. and the Indian Government. Soundings taken by this banker in New Delhi suggested to him that the Government might not reject such a move out of hand. A diligent research worker might, if he scrutinised the verbatim record

of a Press conference which the Prime Minister, Mr. Nehru, held in 1960, find that some curiously ambiguous replies were given which indicated that the Cabinet had not, up to that time, ruled out "mixed" ownership. But all that was a long time ago. Since then, the Government has committed itself to a public-sector Bokaro, a fact to which various statements in the Lok Sabha bear witness. No doubt, New Delhi has lately shown itself capable of a great deal of indecision; some might judge India's need for Bokaro to be so urgent as to assume that the Government can, if pushed hard enough, talk itself out of its commitments. It is on some such assumption that the interests to which Mr. Subramaniam referred appear to be acting, pressing their case in both New Delhi and Washington, with their hands strengthened by the poor performance of public-sector management. It is believed that it is this pressure which makes A.I.D. try to defer a decision on Bokaro on the disingenuous plea of surveying raw materials and transport plans all over again.

Two aspects need to be considered before deciding where the balance of advantage lies, judging by the larger interests of private enterprise as a whole rather than of any particular section which may be interested in Bokaro. There are persistent reports that the talks initiated by Russia with India on the pattern of assistance for the fourth plan did touch upon the possibility of a new steel plant. This was only to be expected, judging from the value that Russia has derived out of Bhilai's fortuitously outstanding record *vis-à-vis* the other two steel plants. The Government's thinking on the fourth plan calls for two new steelworks, if not three, besides Bokaro. Normally, therefore, Russian assistance would be sought for one of the other projects if Bokaro went through with U.S. aid. If it does not, it should not be too difficult to make Bokaro the candidate for Soviet assistance, while fresh endeavours are made to secure support from different quarters for other steel projects. Admittedly, such a switch would be made only with great reluctance because India needs all the support she can get. But it is one which the Government may be forced into if U.S. reservations about ownership and control are taken under the pressure of lobbying beyond the point of compromise. Should this happen, the impact it will have on public opinion will do private enterprise no great good. The fact is realised in responsible quarters in the private sector and has prompted them to extend their full support to New Delhi's efforts to secure an early U.S. commitment on reasonable terms. Mr. J. R. D. Tata has gone out of his way to urge the U.S.A. to support Bokaro during his recent visit to that country. Mr. Bharat Ram, president of F.I.C.C.I. also lent a hand when he was recently in New York.

Another aspect needs to be considered before arriving at any conclusions on the issues raised by the latest turn of events on Bokaro. Private enterprise is perfectly entitled to press its case upon New Delhi for greater latitude in the administration of industrial policy. In fact, the pressure needs to be exerted overtly, rather than in private as some people seemingly prefer, so that the issues which arise may be freely judged. Such a dialogue based on convictions on either side cannot but be healthy for a young democracy. But this debate will go off the rails the moment extraneous influences are introduced, such as foreign pressure on the Indian Government to agree to a course of action which may be unwise. The danger will be the greater if publicists ranged on the other side

India's Resources
are Precious
WASTE NOT,
WANT NOT

can insinuate that foreign pressure is not motivated primarily by principles, but is inspired by an active lobby of powerful firms interested in the fat contracts that Bokaro will yield. If, as is being

EXPORT PROMOTION

THE nature and seriousness of India's export problems are now well understood. But they need to be restated from time to time to give a new sense of urgency to the export drive. Although the Department of International Trade was set up under Mr. Manubhai Shah about a year ago, the trend of exports remains far from encouraging. To achieve the third plan export target of Rs. 3,700 crores, the annual average of Rs. 612 crores achieved during the second plan has to be increased to around Rs. 740 crores. And to meet the country's growing foreign exchange requirements, the third plan average will need to be doubled during the fourth plan. The actual growth in exports of the order of Rs. 30 crores a year that has taken place is inadequate by any standards.

The inaugural address of Mr. P. C. Bhattacharyya, Governor of the Reserve Bank, at the annual meeting of the Indian Council of Foreign Trade in Bombay last week provided an illuminating analysis of the country's export problems. As Mr. Bhattacharyya pointed out, despite rigorous import controls, which have affected the supply of even essential imports, the balance of payments has to be supported by external assistance on a massive scale. This obviously cannot provide a long-term solution, although securing a sustained rise in exports in a developing country like India is undoubtedly difficult. The narrow range of exports, especially the concentration on primary commodities and simple manufactures, tends to limit the scope for expansion. There are also difficulties in diversifying exports, difficulties which flow directly from the under-developed state of the economy itself. The problems arise from the inadequate surpluses available for exports, a protected domestic market, quality deficiencies, low productivity and the absence of export tradition and experience in marketing.

The Reserve Bank Governor said that export incentives should be short-term measures designed to meet the initial or temporary handicaps of exporters. Export incentives can also be justified for the products of new industries, because the latter need to be nurtured and assisted until they are in a position to overcome their initial handicaps. There may also be some justification for providing special aid, for strictly limited periods, to old established industries, especially when they are in arrears of modernisation or when their exports face a setback for no lack of effort on their part. But it is doubtful whether all the export incentives which are allowed at present would stand these tests. For incentives have been extended to many commodities in which India not long ago enjoyed pride of place in world markets.

As Mr. Bhattacharyya pointed out, incentive schemes have to be so framed as not to harm the legitimate trading interests of other countries. This brings into focus the more enduring aspects of export promotion. The overall long-term export targets have to be distributed among the various commodities and markets. This not only means gearing up industry to produce these requirements but also implies strict control over costs of production so that the products can be sold in highly competitive markets. There can be little doubt that the private sector in the economy exports will remain a priority sector in the economy for a long time, with all the attendant facilities for setting up of industrial capacity, allocation of essential materials, provision of short-term and long-term credit and such other incentives as are needed to overcome the initial handicaps of exporters. The Reserve Bank is already extending preferential treatment to the credit requirements of exporters.

In his presidential speech, Mr. Murarji J. Vaidya said that the reduction in the trade deficit from Rs. 473.8 crores in 1957-58 to Rs. 383.1 crores in 1962-63 had been brought about by starving the country of essential raw materials, components and

said, a link-up exists between these firms and some interests in India, public opinion may well conclude that the private-public sector issue in steel is really no more than a struggle for the spoils.

capital goods. India has been trying to develop her industries and import large quantities of capital goods and industrial goods, but she has not sufficiently developed agriculture, which would have prevented the large import of foodgrains valued, on average, at over Rs. 120 crores a year. The export promotion methods so far employed by the Government have been far from effective. Although exports have risen by about Rs. 24 crores to Rs. 686 crores, the increase has been achieved mostly by jute goods and tea, which together account for an additional Rs. 17.6 crores; tobacco fetched an extra Rs. 4 crores. While traditional items have thus helped augment foreign exchange earnings, the value of exports of manufactured goods has fallen substantially. Furthermore, trade deficits have worsened with a number of important countries on whom India depends for her requirements of capital goods and industrial raw materials.

While the export trend, by itself, is discouraging, the likely import requirements during the current year lend greater urgency to the problem of export promotion. According to the demand estimates made by the Government for enabling the Aid-India Club to assess the pressure on the country's balance of payments, imports are expected to increase from \$2,411 million in 1962-63 to \$2,976 million in 1963-64. The rise will be mainly accounted for by machinery, equipment and basic materials like non-ferrous metals, iron and steel, chemicals, petroleum products and fertilisers. While aid will no doubt help cover a substantial part of the trade deficit, the need for stepping up export earnings remains. In this effort, the indus-

Current News and Comment

Gold Policy Losing Glitter

In spite of the failure of gold control policy, Mr. Morarji Desai, Central Finance Minister, would have the people believe that it has been quite a success. Speaking in Madras the other day, he claimed that his policy had been a success, although there was still "some" hidden gold in the country and warned that those who held it "could not benefit by it." Mr. Desai's statement has to be examined in the context of the Reserve Bank's estimate of total hoards at Rs. 5,000 crores at the internal price before the gold control rules were announced. The chairman of the Gold Control Board, Mr. G. B. Kotak, stated recently that the Government would have to do something to bring out hoarded gold into the Government's coffers. But beyond making platitudinous statements from time to time, neither the Finance Ministry nor the Gold Control Board has done anything to bring out hoarded gold or to check the rise in the price of the metal. The failure of the gold policy has to be attributed to the absence of a ceiling on ornament gold as well as concrete measures to arrest the rise in the price of the metal.

But it would appear that Mr. Desai could not adequately foresee the implications of his policy when he announced it in January. The price of the metal, for one thing, could not be brought down to the international level. The price of spot gold in Bombay is hovering between Rs. 112 and Rs. 115 for 10 grams which is much more than what Mr. Desai could anticipate a few months ago. The incentive for smuggling thus remains as before. Mr. Desai, however, believes that smuggling has been effectively checked. This is also the view of the Gold Control Board whose chairman gave some reasons to justify this official belief. True, the price of Middle East gold has fallen to some ex-

trialised countries especially those offering aid to India, can help by reducing their import restrictions. As Mr. Manubhai Shah, India's Minister for International Trade, pointed out at the recent Commonwealth Trade Ministers Conference in London, the simpler manufactured articles, processed and semi-processed goods and primary products, which the developing countries export, are now subject to higher tariff and other barriers than the more sophisticated products from the industrially advanced countries. While the lowering of trade barriers must depend on the economic conditions and policies of the industrialised countries, India on her part can adopt vigorous measures to sell her products abroad. The various export promotion councils, which have been set up by the Government, have not been very effective so far. In order to extend their influence, a special membership drive is to be launched by the councils so that all the exporters will be bound by the code of conduct prescribed by the councils. They have also been asked to submit special schemes of quality control, publicity and market research. Mr. Bhattacharyya mentioned the example of Japan, where careful studies of international commodity price trends are made to give proper direction to the export effort. Efforts to make Indian market surveys more utilitarian and less academic should be helpful. There is also a pressing need to draw up a more vigorous and effective programme of export publicity to create a new image of India abroad.

While these measures might help the export drive, more important is the need to make Indian products cheaper. This involves the broader question of reducing industrial costs. The Indian manufacturer has to cope with shortages of raw materials, equipment and power. In many cases, the plant and machinery used are out-of-date and inefficient. Tax burdens are too heavy. The entire fiscal structure has to be examined afresh with a view to assessing the crippling effect of taxes on exports. An effective scheme of cost reduction will have to be the major plank of India's export policy.

But it may or may not have been due to a fall in the smuggling of gold into India. Mr. Kotak said the other day that London refineries which usually took a few weeks to effect deliveries now take only a few days to do so. This improvement in their delivery schedule, he said, could be due to the decline in smuggling of gold into India. But in the face of the rising trend in spot gold prices, it is difficult to believe that smuggling has declined to a trickle.

Obviously perturbed by the rising trend in prices, Mr. Desai is now unwilling to fix the price of 14-carat gold. Although refineries will be set up and dealers will be licensed wherever facilities exist for converting pure gold into 14-carat gold, it is not the intention of the Government, he said, to supply gold to the dealers. The latter may, therefore, have to buy gold in the form of jewellery in the market and convert it into 14-carat gold. The price of the latter in that case will depend on that at which the dealer purchases it in the open market. It is clear that Mr. Desai is discovering the limitations of his gold policy and gradually retreating from his previous stand.

A related subject is his threat to close down the Kolar and Hatti gold mines if the cost of production was not brought down. He said last week that the gold produced in Kolar was costlier than even the inflated values of gold in the country. "As against the international price of Rs. 62.50, the Kolar gold costs Rs. 128", Mr. Desai said. It is well known that gold worth Rs. 1.50 crores a year is produced from the Kolar gold fields and that the whole of it is supplied to the Government. Mr. Desai is apparently annoyed that the price of Kolar gold should be so high when he wants the internal price of the metal to be brought down to the international level. But he fails to appreciate that the production costs are high, mainly because

gold from those mines has to be extracted from great depths.

World Bank Loan for I.C.I.C.I.

The Industrial Credit and Investment Corporation of India has secured a fresh line of credit amounting to \$30 million from the World Bank. Like the four earlier loans from the Bank totalling \$60 million, the latest loan will be used to meet the foreign exchange requirements of projects financed by the Corporation. The I.C.I.C.I.'s financial operations are expected to continue at the high level of the past few years, and it will, therefore, have to increase both its foreign exchange and rupee resources. The latest loan of \$30 million together with the balance still available from existing loans should meet the Corporation's foreign exchange requirements until early 1965. It is also making arrangements to obtain an additional Rs. 10 crores of rupee funds.

Including the World Bank loans totalling \$90 million, the Corporation's resources amount to Rs. 72.3 crores. They include Rs. 5 crores of paid-up share capital, Rs. 17.5 crores of advances and credits from the Government of India, lines of credit amounting to \$5 million from the United States Agency for International Development and 25 million deutschmarks from Kreditanstalt für Wiederaufbau and surplus and reserves of about Rs. 1.6 crores. Organised in 1955, the Corporation has so far approved financial assistance worth Rs. 601 crores for 200 industrial projects involving 183 firms. Of this amount, nearly half is accounted for by foreign exchange loans, one quarter by rupee loans and the balance by underwriting operations and direct equity investments. It is estimated that the Corporation's operations have resulted in mobilising a total capital investment of about \$650 million or five times its own investments. They have generated some 60,000 additional jobs.

Removing Sugar Shortage

There has been a sharp rise in the price of sugar in Calcutta during the past month. What is more distressing is that the bulk of the supplies have gone underground and consumers have been forced to buy the commodity at the black-market price of Rs. 1.65 a kilogram, against the so-called controlled price of Rs. 1.25. Although the Government has loudly announced that the pipeline is full of sugar and an adequate supply will be available from the fair price shops it is difficult to get even a small quantity from these shops.

The Government is largely to blame for the prevailing shortage. Judging from the experience during the past few years, it is obvious that it does not have any clear-cut policy. It always adopts half-hearted measures, and those belatedly, to overcome difficulties whenever they occur. Following a bumper production of sugar in 1960-61, the output was reduced in 1961-62 by prescribing ceilings on production. The late recognition of a shortage led to some ineffective measures at the beginning of the 1962-63 season for increasing production. At the start of this season, the production curbs were removed but they had, as was to be expected, no effect because the sugarcane crop was already on the ground. So there has been a sharp fall in production. During 1962-63, the output is not likely to be more than 2.2 million tons, against 2.7 million tons in 1961-62. Since the domestic consumption has risen to more than 2.5 million tons and exports of about 500,000 tons have been planned, there is to be a shortage of the commodity.

The Central Food and Agriculture Ministry does not appear to have taken any practical steps to increase the supply of the commodity. It has taken a complacent view of the prevailing shortage by urging the factories to produce at least 3.3 million tons during the coming 1963-64 season. Although the price of sugarcane has been raised to promote bigger cultivation and pilot cane development schemes have been adopted in selected areas, it is doubtful whether sufficient sugarcane will be grown to achieve the target.

Impact of S.P.T. on Companies

An interesting study of the incidence of super profits tax on companies has been attempted by Dr. Raj K. Nigam, Director of Research and Statistics,

and Mr. S. M. Dugar, Senior Accounts Officer, of the Department of Company Law Administration; it is published in the fortnightly Bulletin of the Department. The striking feature of this intellectual exercise is that the impact of the levy has been considered to be lighter than has generally been thought of. The latest company reports do not, however, support the authors' point of view, since the levy has substantially eroded the after-tax profits of several companies. The practical value of the study is, however, limited since the sample chosen is far too small. The authors have examined the incidence of the levy before and after the concessions in the tax were announced.

For the purpose of this study, a random sample of 100 non-Government big-sized companies, each with a paid-up capital of Rs. 50 lakhs or more, and 55 non-Government medium-sized public companies with a paid-up capital of between Rs. 5 lakhs and Rs. 50 lakhs, has been taken. These companies were in existence in 1959 and 1960. Concerns floated recently have not been included as they may not make sufficient profits to attract the levy. The data have been collected from the published annual accounts for the financial years ended during the twelve-month period from 1st July, 1961 to 30th June 1962.

The incidence before the concessions has been studied first. Of the 100 big-sized companies, 66 have been affected by the impost. Hence one-third of the companies do not come within the purview of the new tax measure since their profitability rates have been either low or negative. Out of the 66 companies bearing the brunt of the levy, the chargeable profits are more than 10 percent of the capital in 41 cases. Hence they come within the purview of the higher slab of 60 percent tax. The income tax and super profit tax payable by these 66 companies work out to Rs. 37.25 crores and Rs. 9.60 crores, respectively. The total tax burden of these companies is, therefore, Rs. 46.85 crores, of which the S.P.T. constitutes 20.5 percent of the total liability. The tax liability of these 66 companies will be about 58 percent of their net profits on average. Of this, nearly 46 percent is in the form of the usual corporation tax—income tax and super tax. In the case of a large number of companies, the retained earnings or dividends should be reduced to between 20 percent and 50 percent.

Out of the 55 medium-sized companies, 32 are liable to pay super profits tax. Twenty companies will have to pay the tax at the higher rate of 60 percent since their chargeable profits are more than 10 percent of capital. These 32 companies will pay Rs. 35 lakhs in the form of S.P.T. The income tax and super tax of these companies aggregate about Rs. 1.27 crores. Hence the total tax burden, including S.P.T., works out to Rs. 1.62 crores. The total tax liability of these companies will be about 59 percent of their total net profits.

Secondly, the authors have studied the incidence of super profits tax after the concessions were announced. There is no doubt that these concessions have softened the impact of the levy to a great extent, but it is still regarded as sufficiently heavy. The burden, combined with the fact that the impost is bad in principle, has affected the investment climate. Since it has not been possible for the authors to make a detailed study of the concessions because of the absence of published information concerning many details in the profit and loss accounts, the incidence, as examined after the concessions, has not been conclusive. Only two major concessions have been studied. The first is that the development rebate reserve has been included for calculating the capital-reserve base. The second is that a sum equal to 10 percent of the total income before tax has been deducted from the chargeable profits. Although the latter concession is subject to certain conditions, it is hoped that nearly all companies will avail themselves of it. Broadly speaking, the 10 percent deduction from the pre-tax profits is likely to be more beneficial to efficient companies rather than a straight increase in the rate of standard deduction of 6 percent of net worth as the corporate sector asked for.

Against 98 companies which were subject to super profits tax before the concessions, only 74 come under the amended tax measure. Thus out of the 155 companies covered, about 50 percent

will not be subject to the levy. In terms of the number of companies subject to the levy, the fall is about 26 percent in the case of big-sized companies and 22 percent in the case of medium-sized companies. In terms of the amount of super profit tax these companies will pay, the respective declines are 46 percent and 49 percent. An important point is that the number of companies which will pay the tax at the higher rate of 60 percent has also been cut. The highest rate of total tax which will be paid by a company after the concessions works out to 63 percent, against 73 percent (before the concessions) of its net profits.

In sum, under the final form of super profits tax, 74 companies will have to pay the levy out of the 155 companies covered. Out of them, 31 companies will pay the tax at the higher rate of 60 percent. The total net profits of the 74 companies work out to Rs. 67.2 crores, and the estimated profits subject to super profits tax, come to Rs. 10.2 crores. Thus the 74 companies will contribute Rs. 5.37 crores by way of super profits tax. The total tax liability of these companies will work out to 54 percent of their net profits, of which super profits tax will be 8 percent.

The authors have also found that after the concessions, the amount of super profits tax has been reduced by 45 percent for big-sized companies and by 49 percent for medium-sized companies. The number of companies which will pay at the higher rate of 60 percent has fallen from 62 percent to 41 percent in the case of big companies and from 62 percent to 32 percent in the case of medium-sized companies. The percentage increase in the tax liability before the concessions was more for medium-sized companies than for big-sized companies. This liability has, however, declined after the concession, to 16.8 percent from 27.6 percent in the case of medium-sized companies and to 17.3 percent from 25.5 percent in the case of big-sized companies. Hence the concessions have been more pronounced in the case of the former.

JUTE CROP FORECASTING

THE Jute season, 1962-63, is now so near a close that we can, within very approximate figures, tabulate out the result so far as the outcome of the crop is concerned. The following figures will be found to be very near the mark:

	Bales
Exported to all places, say	3,225,000
Purchases by local Mills	2,126,500
Country consumption	500,000
Stocks at Press Houses, local bazars in Ships' holds say	35,000
Total crop for 1962-63	5,886,500

The final forecast was 52,800,000 bales.

The official estimate of the local Jute Mill consumption for the year ending 31st July, 1963, based upon the actual nine months' consumption up to 30th April last, is 27,26,500 bales, but the Mills have not purchased all this quantity this season, but have trenced into their last year's stocks to the extent probably of between five and six lakhs of bales. To keep on the safe side, I have, in the immediately preceding paragraph, estimated that stocks in Mills' hands will be about 6 lakhs of bales or 30,00,000 maunds short of what they were on the 1st of August, 1962, and have therefore put in the Mill purchases for the season now ending, at 6 lakhs of bales less than the actual consumption, or at 21,26,500 bales. When the Government Forecast came out in June last year, giving 52,80,000 bales, as the probable output, Capital ventured to say on 26th June, 1962, when commenting upon the tremendous discrepancy between the Forecast and the actual results of the crop 1961-62 that "assuming the acreage and conditions (in the Government document) to be correct, the crop will be nearer 61,00,000 bales" than 52,80,000. And so it has turned out. The Director of Agriculture has been very far out of his reckoning on each of the two past seasons. If he makes the same happy blunder this month in reference to the coming crop every one will be delighted. But if the present Director has any sense of humour in his constitution, he will ask himself a question before firing off his preliminary telegram from Darjeeling next week giving his prophecy for 1962-63.

FROM

CAPITAL
17th June, 1963

A Ditcher's Diary

"NOT ALL AMERICANS SEE INDIA'S POINT", THUS a headline summed up the results of President Radhakrishnan's visit to the United States. My reaction is best put in the form of two questions: (a) do all Indians? and (b) where in all universe is there a single subject on which all Americans see alike? The inevitably negative answer to both is something to be profoundly thankful for. No, Dr. Radhakrishnan's visit to the U.S.A. was not intended to achieve anything in particular; and that nothing the trip has, in my view, achieved triumphantly. For generally stating India's point of view, without pressing it too hard, India at the present time could not possibly have found a better representative; and I exclude nobody. The harm done by Mr. Krishna Menon in the U.S.A. will live long after him. Would Mr. Nehru have been more effective, since he is the head of the executive? No, Mr. Nehru's "image" is not what it used to be—anywhere. It seems slightly unfair to the substitutes concerned that they should be sent abroad when there are not laurels to be gathered for services to peace but arms and other aid to be begged in an hour of vanished glory; but Dr. Radhakrishnan, who had never spoken in terms of victory or defeat, was the best man to go abroad and philosophise on peace in mainly non-political terms. The sobriquet of "philosopher-statesman" has somehow stuck to the President. In academic philosophical circles, especially those with an aversion to speculative metaphysics through ill-defined words and concepts, Dr. Radhakrishnan is loved and respected as an interpreter, rather than an originator, of ideas; and this, I suggest, is an additional qualification for the rôle in which he has been cast at present. He can bear the Cross of Non-alignment lightly because it is not a chip on his shoulder as it is on some others'. In Britain he is almost on home ground; and he will find there how genuine and widespread the British people's sympathy is for this country. Even in democracies aid deals have to be negotiated by and with a few Ministers and officials; but their task is made much easier by public opinion. This is where President Radhakrishnan's gentle presence and civilised speech will quietly and unobtrusively achieve much.

IT SEEMS THAT MR. KRISHNAMACHARI HAS BEEN AT his evasive best while answering questions about his recent visit to Washington and London. Which to me confirms the impression that

India's claims for military aid have not got the reception he had hoped for in Britain and the United States. Assuming that the claims were, quite rightly, over-stated in the first place, the substantial scaling down which now seems likely might have serious consequences for this country. It all appears to boil down to a straightforward disagreement on two main points: what exactly India needs to repel a new Chinese invasion, and whether or not the Chinese will invade at all. On the second one, I consider the western Powers should accept India's opinion, if only because it is the safest and most sensible one for all concerned. But on the first I can appreciate there might be room for differences. The western case seems to be that an early-warning radar system is unnecessary. I tend to disagree; and Mr. Krishnamachari is on record as explaining that India's position is complicated by the fact that the Himalayan barrier permits Chinese aircraft to be over Indian territory before there is any possibility of detecting them. And by then, of course, it may be too late. On the question of supersonic fighters, India's case appears to have carried little weight for no other reason than that Pakistan is able to represent such weapons as being a threat to herself rather than China. I should have thought that these days supersonic fighters are a "must" if a high-flying enemy is to be intercepted before he can do much damage, even though the intruding plane may itself be only subsonic. What puzzles me is that the United States should be so reluctant to provide the best possible arms against a communist enemy because an ally has objected. It is most unlike the Americans to consider the interests of an ally where the claims of a neutral power are concerned, and I seem to detect the influence of the British here. If so, the point may have been missed in London that a successful Chinese attack on India could cost Britain and the United States far more in the long run than even the persistence of the Kashmir quarrel with Pakistan. I do admit, though, that the central dilemma is capable of solution in Delhi and Rawalpindi only, and not in either London or Washington.

PERHAPS IT WAS NECESSARY FOR THE CALCUTTA Metropolitan Planning Organisation to remind us that its business is to draw up plans, not to execute them. If there had been popular expectations beyond that, the C.M.P.O.'s publicity was not a little to blame. Even now there is an aura of

secretiveness about it all. It has happened to me to meet an odd C.M.P.O. expert or two at parties; the moment they knew I was a journalist they discussed everything except Calcutta. Let that pass. The organisation's first report, as summarised in the daily Press, contains not a few generalities; but I get the impression that there is some more realism around now than in the past. It is realised, for instance, that the C.M.P.O. or anybody else has not got a clean slate to write on, that a lot of people live and work in this city and they must be enabled to continue to do so while somebody is working on a new city out of Calcutta and, above all, that much of Calcutta must remain as it is. And it is amazing how much one could do within the existing framework and under the existing laws, inadequate though these are in many respects. Like all of us, the Corporation is, I know, hard up. But just tot up the enormous waste and you will see how much more could be done with the funds the municipal body has already got. The streets of Calcutta would be a good deal cleaner if only the conservancy department had all the men shown on its payroll or even the existing employees did the quota of work they are paid for. The C.M.P.O. also draws needed attention to another important thing: Calcutta's civic affairs cannot improve without a toning up of the economy. Here the city has received nothing but neglect from the Centre; and all on the specious plea that Calcutta is already amply or over-industrialised. In other cities I have seen considerable building activity by the Life Insurance Corporation. Not in Calcutta. With most development funds at the Centre's disposal, no part of India can develop today without Central help; of this Calcutta has received the least. The Calcutta Metropolitan Planning Organisation's report needs to be read more closely in New Delhi than in Calcutta. The Ford Foundation should talk to Mr. Morarji Desai.

NOT FOR ONE MOMENT DO I BELIEVE THAT MILITARY secrets passed from Britain's ex-Secretary of State for War via a call-girl to the former Russian Naval Attaché in London; and Lord Dillhorne's report confirms the impression. Yet no one who has followed the details of the sordid affair can have the slightest doubt that the price paid so far by Mr. Profumo, or by the Government to which he belonged, may not be the fullest the nation has a right to demand. High falutin' moral indignation about other people's sexual adventures is often inspired by hypocrisy, or worse; and I have no sympathy for it. The plea is nevertheless valid that the private lives of those in positions of authority and responsibility can never be purely their own concern. In Mr. Profumo's case, if there was no breach of security, the danger of it occurring certainly did exist, if only through the acci-

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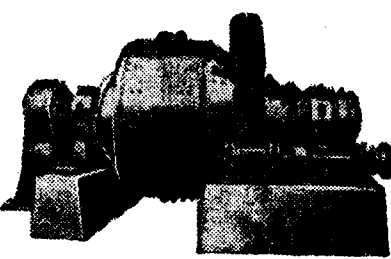
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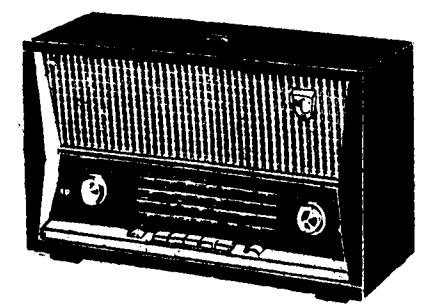
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dent that Miss Keeler simultaneously numbered among her professional friends a suspected Soviet spy. Having deliberately lied to his colleagues, and to Parliament, the ex-Secretary of State for War has paid a penalty by having to relinquish not only high office but also a potentially brilliant political career. Many will wonder, however, whether the penalty, voluntary though it be, matches the egregiousness of his falsehoods in Parliament. The storm of criticism which Mr. Macmillan will face when the Commons debate on the Profumo affair begins on Monday will also, I venture to suggest, be largely deserved. Armed with Lord Dilhorne's report, he will no doubt be able to say that nowhere was security violated. He may still have a hard time explaining how Scotland Yard agents trailing Commander Ivanov to Miss Keeler's bedroom happened not to come across Mr. Profumo; or if they did, why Mr. Macmillan apparently never got to hear of it. On a longer view, the worst by-product of the whole unsavoury episode might well be an indiscriminate witch-hunt in British public life—by the Press, the politicians and other busybodies. The point may nevertheless survive that vigilance is always necessary, and finds its own reward: it is a point which in India, a land of suppressed scandals, may not be easily missed.

FOR AS LONG AS I CAN REMEMBER BIHARI POLITICS have always been turgid in the extreme; and I will not even attempt to understand just what lies behind the proposed merger of Mr. Jaipal Singh's Jharkhand with the Congress. I do not need to be assured that political principles had nothing whatever to do with the motives that inspired either Party to the deal. As a Party, the Congress in Bihar has such a monstrous majority in the Assembly that it needed no support from Jharkhand; Jharkhand with its handful of elected legislators once did rather well for itself in Orissa when Dr. Harekrishna Mahatab's Congress Ministry did not enjoy a clear majority. Hay made, the sunshine was probably declining; perhaps in Bihar too. Perhaps Mr. Singh is right in thinking that small parties have no future in the elections to come in which finance and organisation will be the decisive factors. Is there a feeling in the Congress too that tribal support is worth buying? If, in consequence, the Congress does a little less, not more, for tribals, there may be reason to be happy. I know of several Congress leaders who, in the name of integration, can hardly wait to turn tribals into Hindi-speaking *bhadralogs*, and of course we all know Mr. Morarji Desai's definition of a good man. He does not smoke or drink and goes to bed at 8 p.m. If this is the very antithesis of everything that makes the life of tribals joyful, Mr. Desai will simply say, "So much the better". Mr. Binodanand Jha, Chief Minister of Bihar, should really have consulted Dr. Mahatab before his deal with Jharkhand; the latter has experience of the costly difficulties involved. Mr. Jha has said that the Congress has made no promises in exchange for support; and he is a gentleman. Yet the time may have come for the Congress seriously to consider where the Party has been landed by its unstated and unnumbered commitments to various pressure groups that financed its election campaigns before and after independence. What happens, if anything, to Mr. K. D. Malaviya is as nothing when compared to what has already happened to the Party as a whole. With its socialism and pledge to purge the administration of corruption it simply cannot go beyond a certain point, easily reached—as Mr. Nehru must be painfully aware. The past has a terrible habit of extracting its price.

QUESTION AND ANSWER FROM THE New York Herald Tribune's "Successful Investing" column:

Q—"I am in my twenties and can invest \$100 a week after all expenses. I would like to gamble and yet I would also like an investment that could be cashed in an emergency without taking a loss. What would you do if you were me?"

A—"If I were you, I'd revise my thinking a little."

TAX ON CAPITAL REFUND BY CHAMPDANY JUTE

THE ordinary shares of the Champdany Jute Co. Ltd have been hesitant around Rs. 23.25 a share due to the news that the 50-percent refund of the share capital which has already been made to the shareholders will be subject to tax deduction at source "as a dividend to the extent of the accumulated profits in the hands of the Company as at the repayment date." In a circular letter to shareholders, the Company says that the tax on the refund should have been deducted at source. Since the payment was made without any deduction, it became necessary for the Company to pay tax on behalf of the shareholders concerned, the amount of tax being Rs. 9 lakhs on Rs. 22.83 lakhs out of the total distribution of Rs. 29.58 lakhs to the shareholders. The tax has already been paid by the Company. The figure of Rs. 22.83 lakhs is the estimated amount of the accumulated profits in the Company's hands as on 16th March, 1963, and represents 77.188 percent of the distribution. So all shareholders have been asked to reimburse the tax to the Company, which has already been paid by it on their behalf.

Shareholders should show in their income-tax returns for the relevant year only 77.188 percent of the amount of the capital refund. The amount which they will now refund to the Company as tax should be claimed as tax paid at source. It is possible that the income-tax authorities may ultimately disagree with the Company's estimate of accumulated profits as at 16th March, 1963, in which case the figure of tax deducted will require to be amended. Unless refunds are given to the Company by the shareholders by 22nd June, 1963, they will be recovered by deduction from the net final dividend payments to shareholders. The Company has already declared a taxable final ordinary dividend of 35 percent for 1962-63.

Balmer Lawrie Maintains

ALTHOUGH the profit of Balmer Lawrie and Co. Ltd has risen from Rs. 41.27 lakhs in 1961 to Rs. 51.63 lakhs for the year ended December 1962, the taxable ordinary dividend has been maintained. The directors say that due to heavier taxation, including the super profits tax, the distributable amount has not been sufficient to pay a higher dividend. The profit has been arrived at after providing Rs. 3.03 lakhs (against Rs. 2.12 lakhs) for depreciation. A taxable ordinary dividend of 25 percent, including an interim of 7 percent, has been repeated. This is covered more than twice and offers a yield of 10.5 percent at the present price of Rs. 239 a share of Rs. 100 each. Taxation absorbs Rs. 22.22 lakhs (against Rs. 14.08 lakhs), development rebate reserve Rs. 78,579 (against Rs. 44,747) and general reserve Rs. 14.12 lakhs (against Rs. 7 lakhs). The improved results have been due to an all-round increase in the Company's activities.

Bengal Paper Makes Progress

THE output of the Bengal Paper Mills Co. Ltd has risen from 19,627 tons in 1961 to 21,588 tons

during the year ended December 1962, but the profit has not increased substantially due to the rise in production costs. Prices of raw materials, chemicals and stores have increased. The railway freight has been raised, and the emergency risks insurance scheme has placed an additional burden on the Company. The cost of power has also risen. The Company's expansion programme has been making good progress. New equipment is being installed. The new paper machine, the directors say, may go into production by the end of this year. The Company has already issued 180,000 ordinary shares of Rs. 10 each at a premium of Rs. 12 a share. The offer of unsecured convertible loan stock for Rs. 30 lakhs has been subscribed. The funds will be used to finance the Company's expansion programme.

There has been a profit of Rs. 47.17 lakhs for 1962, against Rs. 41.43 lakhs in 1961, after transferring Rs. 12.55 lakhs (against Rs. 13.62 lakhs) to depreciation. A taxable ordinary dividend of 20 percent has been declared on the old shares and *pro rata* dividends have been paid on the new shares. The dividends are more than four times covered and offer a yield of 6.9 percent at the present price of Rs. 29.12 a share of Rs. 10 each. The dividend was 27.5 percent for 1962. Taxation is allocated Rs. 25.65 lakhs (against Rs. 19.30 lakhs), the super profits tax Rs. 5.08 lakhs, capital reserve Rs. 10,000 (the same), general reserve Rs. 2.50 lakhs (against Rs. 1.23 lakhs) and development rebate reserve Rs. 1.26 lakhs (against Rs. 4.36 lakhs). The carry-forward is Rs. 50,816, against Rs. 1.40 lakhs brought in.

Outlook for Indian Standard Wagon

COMMENTING on the excellent results achieved by the Indian Standard Wagon Co. Ltd during the year ended March 1963, the directors in their report say that the profit must be considered exceptional. Two factors are responsible for this. Firstly, large orders have been completed. Secondly, the unit cost of production has consequently fallen. The improved profit has enabled the directors to meet the additional burden of the super profits tax without having to reduce the total value of the dividend recommended. The directors say that it is difficult to make any accurate forecast of the profits for the current year during the first two months of which production was hampered by the lack of matching steel. There was also a negligible supply of electrodes. With this poor start, it may not be possible to achieve the same results during the current year as in 1962-63, but they hope that the current year's working will be satisfactory as conditions are improving.

The profit has mounted from Rs. 68 lakhs in 1961-62 to Rs. 1.72 crores in 1962-63, after providing Rs. 6.39 lakhs, against Rs. 6.30 lakhs for depreciation. Rs. 11 lakhs for labour profit-sharing in bonus, Rs. 1.71 lakhs (against Rs. 7.55 lakhs) for labour retiring gratuity and Rs. 82,038 (against Rs. 45,600) for development rebate statutory reserve. A taxable ordinary dividend of 20 percent, including a bonus of 5 percent, has been declared. It is cover-

ed more than ten times, and works out to a yield of 6.1 percent at the present price of Rs. 33 a share of Rs. 10 each. The taxable ordinary dividend was 28.5 percent for 1961-62, but the ordinary share capital has, meanwhile, been increased from Rs. 38.99 lakhs to Rs. 77.97 lakhs by the issue of bonus shares. General development reserve is allocated Rs. 15.54 (against Rs. 5.29 lakhs), general reserve Rs. 9.50 lakhs (against Rs. 7.07 lakhs) and dividend adjustment reserve Rs. 5 lakhs. The carry-forward is Rs. 24,064, against Rs. 78,603 brought in. Sales rose from Rs. 4.89 crores to Rs. 8.05 crores. Work in progress was Rs. 3.77 crores at the end of March 1963, compared with Rs. 4.22 crores at the end of March 1962.

Goodyear India Disappoints

THE ordinary shares of Goodyear India Ltd have declined sharply to Rs. 31.25 on disappointing results produced for the year ended December 1962. A serious power shortage was experienced by the new factory in Ballabgarh throughout 1962, so the output had to be severely curtailed. This factor, combined with the high start-up costs of the factory, has resulted in a trading loss of Rs. 57.13 lakhs, compared with a profit of Rs. 28.06 lakhs in 1961, after raising depreciation from Rs. 10.87 lakhs to Rs. 31.94 lakhs and interest to the agency for International Development Loan from Rs. 4.15 lakhs to Rs. 13.50 lakhs. The dividend has again been passed. Bringing in Rs. 51.86 lakhs, transferring Rs. 8 lakhs from development rebate reserve and Rs. 94,955 from taxation provision no longer required, a credit balance of Rs. 3.68 lakhs has been carried forward. The directors say that although the Company has been permitted to expand the capacity of the factory, the shareholders had earlier decided not to proceed with the expansion programme and the issue of rights shares for the time being.

United Commercial Bank Raises Capital Base

THE United Commercial Bank Ltd has made all-round progress during the year ended December 1962. At the Reserve Bank's request to bring the capital-plus-reserves base up to 6 percent of deposits, the bank has already issued rights shares. As a result of the subscriptions, the equity-deposit ratio has moved up to 5.5 percent. In his chairman's statement (details were printed in the 30th May issue of Capital), Mr. G. D. Birla deals with the rising operational costs following the implementation of the Desai award. Although the beneficial effects of deposit insurance have been stressed, the scheme has placed an additional burden on the bank.

Commenting on deposit interest which has been held down by an interbank agreement, Mr. Birla says that "a new and unhealthy spiral of interest rate increases" through competition for deposits is nevertheless possible. In its bid to attract bigger deposits, the State Bank has

recently raised its rates of interest on deposits in order to bring them on a par with those of other commercial banks. Mr. Birla stresses the importance of encouraging competition among banks for providing a wide range of services and facilities. As for investment in Government securities, he thinks that the rate of interest on these securities should be increased to a more realistic level, if banks are to be encouraged to invest more funds in Government loans. There is no logic in forcing banks to borrow from the Reserve Bank against Government securities by paying interest which is higher than the return available from these securities.

An important effect of the super profits tax has been that it has forced industries to take bigger loans from banks. Since the outlook for shares has suffered due to the levy, it has become very difficult to obtain funds by selling shares. Despite the prospect of rising credit requirements, the outlook for deposits has become less favourable. Substantial funds will be siphoned off by heavier taxation and compulsory savings. The deflationary effects of import surpluses have been pointed out. Although the expansion of branches is necessary for attracting deposits, Mr. Birla thinks that they should be opened in unbanked and rural areas as well as in cities which already have banking facilities. The need for more branches in cities arises from the fact that banks must be encouraged to compete among themselves in providing services and facilities.

Binani Metal Repeats

IN their report for the year ended December 1962, the directors of the Binani Metal Works Ltd review the progress of the Company's expansion scheme. Net fixed assets have been increased by Rs. 10 lakhs, and the additional plant and machinery has helped to increase production. Of the new schemes sanctioned by the Government, the tool room has made further progress and its output has been satisfactory. Production in the small tool project has been gathering momentum. The solder resin cored unit has begun production. As for the milling machine project, the directors have decided to defer it for the time being in view of the growing competition and the heavy capital cost involved.

Sales rose from Rs. 1.76 crores to Rs. 1.88 crores. The profit has increased from Rs. 12.88 lakhs to Rs. 15.32 lakhs, after raising depreciation from Rs. 1.26 lakhs to Rs. 2.63 lakhs. The taxable ordinary dividend of 10 percent has been repeated, which is more than three-and-a-half times covered. The yield is 9.8 percent at the present price of Rs. 10.19 a share of Rs. 10 each. Development rebate reserve is allocated Rs. 1.30 lakhs (against Rs. 90,000), taxation Rs. 8.09 lakhs (against Rs. 6 lakhs) and general reserve Rs. 1.50 lakhs (against Rs. 1 lakh). The carry-forward is Rs. 19,201, against Rs. 52,670 brought in.

Dr. Paul Lohmann to Start Production Soon

THE results of Dr. Paul Lohmann (India) Ltd for the year ended December 1962, mainly show the capital expenditure which has been incurred for setting up the fine chemicals factory. The installation of machinery has almost been completed and production will start soon. The licensed capacity of the factory is 1,500 tons a year. An

Industrial licence has been obtained for producing exalic acid, formic acid and sodium formate. The Company has issued rights ordinary shares for Rs. 60 lakhs in the proportion of two new shares for each one held. In view of the good demand for the products to be manufactured by the Company, the directors do not think that there will be any difficulty in selling all the products.

Dalmia Cement Repeats Dividend

THE profit of Dalmia Cement (Bharat) Ltd has risen from Rs. 54.09 lakhs in 1961 to Rs. 1.15 crores for the year ended December 1962. A taxable ordinary dividend of 12 percent has been maintained which is covered more than four times. The yield is 9.2 percent at the present price of Rs. 13 a share of Rs. 10 each. Taxation is allocated Rs. 70.50 lakhs, of which the super profits tax is Rs. 14.50 lakhs. Taxation provision was Rs. 24 lakhs in 1961. Gratuity reserve receives Rs. 1.71 lakhs (against Rs. 1.66 lakhs), general reserve Rs. 13.50 lakhs (against Rs. 3 lakhs), rehabilitation and development reserve Rs. 4.99 lakhs (against Rs. 87,965) and bad debts reserve Rs. 502.

Sales rose from Rs. 4.14 crores to Rs. 5.21 crores. The profit of the ceramics division has increased. The cement output was 495,000 tons, against 406,000 tons. The directors say that production costs of cement have risen due to rises in the freight and electricity charges. The emergency risk insurance scheme has also placed an additional burden on the Company. Sales of iron ore rose from 53,000 tons to 170,000 tons. It is hoped that the negotiations, which are now taking place between the State Trading Corporation and the Japanese buyers, will result in big orders for high-grade iron ore for the Company during 1963-64. As soon as these orders are received, the Company will plan for an increase in output. The profit from the magnesite business has declined from Rs. 19.30 lakhs to Rs. 16.31 lakhs. The expansion programme of the Salem works is being considered in view of the uncertainty about the demand for dead-burnt magnesite. The Company has acquired the Magnesite Corporation of India Ltd as a wholly-owned subsidiary.

Expansion of Jagatjit Cotton

COMMENTING on the satisfactory results achieved during the year ended January 1963, the directors of Jagatjit Cotton Textiles Mills Ltd cautiously consider the prospects for the current year. Although the cloth offtake has improved since February 1963, production costs have risen all-round. The increase in the price of cotton is likely to affect the current profits. The directors consider that the present cloth and yarn prices are unrealistic, and they are awaiting the recommendations of the Tariff Commission on this matter. The Company is going ahead with its expansion programme. New equipment has been installed to increase the processing capacity. Plans have been made to place an order for a printing plant. Steps have also been taken to buy ring frames and cards. The directors say that the Benaras Cotton and Silk Mills will soon be taken over. They are considering renovating and modernising the unit.

The profit has been Rs. 55.95 lakhs, against Rs. 61.43 lakhs in 1961-62, after providing Rs. 17.68 lakhs (against Rs. 17.52 lakhs) for depreciation. A taxable ordinary dividend

of 15 percent has been declared. It is covered more than eight times and offers a yield of 8.8 percent at the present price of Rs. 17 a share of Rs. 10 each. Taxation is allocated Rs. 33 lakhs (against Rs. 30 lakhs), development rebate reserve Rs. 3.30 lakhs (against Rs. 1.90 lakhs) and general reserve Rs. 12 lakhs (against Rs. 22.50 lakhs). The carry-forward is Rs. 70,555, against Rs. 62,549 brought in.

British India Electric Earns More

THE British India Electric Construction Co. Ltd has declared a taxable ordinary dividend of 15 percent for the year ended December 1962, which is covered more than six times. The yield works out to 4.5 percent at the present price of Rs. 33.12 a share of Rs. 10 each. The dividend was 20 percent for 1961, but the share capital has, meanwhile, been raised from Rs. 15 lakhs to Rs. 25 lakhs by the issue of rights shares. The directors mention that it has not been possible to maintain the dividend on the increased capital due to the heavy impact of taxation, including the super profits tax. The sales of switch gear and electric motors increased substantially. The profit has risen from Rs. 12.02 lakhs to Rs. 14.08 lakhs, after transferring Rs. 2.46 lakhs (against Rs. 1.80 lakhs) to depreciation. Taxation absorbs Rs. 9.23 lakhs (against Rs. 5.54 lakhs), development rebate reserve Rs. 95,225 (against Rs. 36,243), and general reserve Rs. 2.60 lakhs (against Rs. 3 lakhs).

Guest, Keen, Williams Expanding

IN his chairman's statement (details of which were printed in last week's issue of *Capital*) at the annual general meeting of Guest, Keen, Williams, Ltd, held in Calcutta recently, Sir N. Raghavan Pillai has dealt with the expansion programme of the Company. Plans have been made for expanding the capacity for making special steels. This is a large project, which will be located at the Calcutta works. It is also proposed to reorganise the rolling mills, which are of vital importance to the Company's operations. The Government has been approached for permitting this reorganisation. The Government has also approved of the expansion of the wood-screw plant in Bhandup and the bright steel bar plant at the Calcutta works. The benefits of increased production should be felt during the next 18 months. The Company will also invest funds in Sankey Wheels Ltd, which will manufacture wheels for commercial vehicles. It is also proposed to acquire from the Tata Iron and Steel Co. Ltd its shareholding in Sankey Electrical Stampings Ltd.

Commenting on the results for the 52 weeks ended 29th December, 1962, the chairman refers to the rise in production. Income from sales rose from Rs. 10.66 crores in 1961 to Rs. 13.06 crores in 1962. Hence the programme of expansion and rehabilitation undertaken earlier has begun to show. Although the shortage of raw materials has been relieved to some extent, there has not been a steady and regular supply of the several categories and sizes of steel billets. The meagre supply of domestic steel billets has been supplemented by imports, so the output of the rolling mills has increased substantially. The bright steel bar plant has reached a satisfactory level of production. A planned programme for further additions to tool-making facilities, it is expected, will lead to

a progressive improvement of efficiency in the making of precision products. The manufacture of steel crossing sleepers was restricted due to the lack of the raw material, but as Hindustan Steel Ltd is producing this raw material, the sleeper plant has been working satisfactorily. Plans have been made for the next stage of planned rehabilitation and modernisation of the bolt works. The shortage of power has interrupted working. Hence it is hoped that the Government will give topmost consideration to providing an adequate supply of power in order to reduce the idle capacity in the engineering industry. The production of wood-screws at the Bhandup works has risen.

The trading profit before tax has improved to Rs. 1.15 crores from Rs. 83.84 lakhs. But the tax provision is higher at Rs. 55.60 lakhs, against Rs. 30.50 lakhs. There would be no liability on account of the super profits tax for 1962, although a sum of Rs. 1.20 lakhs was provided earlier. A provision of Rs. 13 lakhs for super profits tax made by Sankey Electrical Stampings Ltd, a subsidiary, has now been cut to Rs. 8.50 lakhs. These changes have been made after the amendment of the Super Profits Tax Act. A smaller dividend of 10 percent declared by Sankey Electrical Stampings, against 17.5 percent, has been compensated to some extent by the declaration of an interim dividend of 5 percent for 1963.

Prospects for Shaw Wallace

THE group profit of Shaw Wallace and Co. Ltd has improved from Rs. 58.19 lakhs in 1961 to Rs. 70.16 lakhs for the year ended December 1962, but the profit of the parent Company has fallen from Rs. 47.79 lakhs to Rs. 41.86 lakhs. The rise in the turnover of fertilisers has been retarded because of the shortage of funds. So efforts have been made to keep the turn-round of funds at a high level. If the Central and State Governments were to extend bigger credit facilities, the turnover could be increased substantially. The working of the superphosphate and sulphuric acid factory has been interrupted by a break-down. The production of superphosphate in south India has been increasing. The output was 223,976 tons in 1962 but the total installed capacity will be 449,130 tons in 1963. The Madras factory producing agricultural spraying and dusting equipment has reached the maximum level of output. The Madras glue factory has done well but it was decided to close the Calcutta glue factory towards the close of 1962. Tinplate production has reached a record of 77,346 tons, against 77,045 tons in 1961. The subsidiary companies have made a substantial contribution to the profits. The distillery has done well. The initial difficulties of the Indian Yeast Co. Ltd have been overcome. Sales improved in 1962 and better working is expected in the current year. Shaw Wallace and Co. is, therefore, soundly based, and the directors hope to improve profits during the current year.

The taxable ordinary dividend has been halved to 7.5 percent, absorbing Rs. 5.63 lakhs. The yield is 5 percent at the present price of Rs. 14.94 a share of Rs. 10 each. Taxation provision of the parent Company is Rs. 23.13 lakhs, against Rs. 22.50 lakhs. General reserve is Rs. 13 lakhs and development rebate reserve Rs. 55,000 (against Rs. 1.20 lakhs). The carry-forward is Rs. 76,764, against Rs. 21,315 brought in. Commenting on the dividend cut for the first time

since the Company was incorporated in 1946, the directors say that this was necessary in view of the increase in tax and the need to plough back funds to finance capital commitments.

Orissa Cement Pays Less

THE ordinary shares of Orissa Cement Ltd have been sluggish around Rs. 13.94 a share of Rs. 10 each due to the cut in the ordinary dividend, taxable, from 15 percent for 1961 to 10 percent for 1962. The profit for 1962 has fallen from Rs. 1.13 crores to Rs. 95.45 lakhs. The dividend is more than four times covered, and offers a yield of 7.2 percent at the present price. Taxation is allocated Rs. 51 lakhs (against Rs. 44 lakhs). Out of this, super profits tax is Rs. 6.50 lakhs. Gratuity reserve receives Rs. 1.19 lakhs (against Rs. 1.38 lakhs), general reserve Rs. 13.50 lakhs (against Rs. 30 lakhs), rehabilitation and development reserve Rs. 4.08 lakhs (against Rs. 69,341), and bad debts reserve Rs. 1.95 lakhs.

Sales were Rs. 5.90 crores, against Rs. 5.34 crores, but the profit has fallen due to increases in production costs. A smaller production in the refractory division has also contributed to the decline in profits. Cement production rose from 373,000 tons to 380,000 tons, but the production of refractories fell below expectations. In the basic section, the working was interrupted by the shut-down of a kiln for repairs. The output of silica refractories has been cut and one of the kilns has been switched over to the manufacture of fire-clay refractories. The Company has been making efforts to import some balancing equipment to facilitate the adjustment in production. The new refractories unit for producing chemically-bonded bricks has begun to produce since January 1962. Chemically-bonded steel-clad refractories have been produced for the steel industry. A second kiln has been installed for producing these refractories. The manufacture of coke oven silica bricks has started. Orders of Rs. 27 lakhs have been placed for machinery.

Kamani Engineering Fares Well

SHAREHOLDERS of Kamani Engineering Corporation Ltd who had felt somewhat disappointed at the modest 1 percent increase in the dividend in spite of the Company's excellent performance during the year ended September 1962, returned happy from the Company's annual meeting on 7th June as the chairman assured them that the board would consider their suggestion for an additional dividend for the completed year and an interim dividend for the current year in view of the reduction in the liability for super profits tax from the estimated Rs. 5.35 lakhs to around Rs. 4 lakhs because of the revised formula. (A fuller version of the chairman's speech appears on a later page of this week's *Capital*.) The Company did exceedingly well in 1961-62, with sales rising by about 73 percent from Rs. 2.68 crores to Rs. 4.65 crores, and the gross profit going up by 58 percent from Rs. 24.80 lakhs to Rs. 39.10 lakhs. But the dividend was raised by a mere 1 percent from 9 percent to 9 1/2 percent, mainly because of the enhanced tax liability. The provision for taxation has been stepped up from Rs. 9.25 lakhs to Rs. 15 lakhs and in addition, the Company has had to set aside Rs. 5.35 lakhs for super profits tax. The chairman stated that but for the enhanced tax liability, the Company could have

easily paid a dividend of 12 to 14 percent.

Outlining the Company's progress in his speech, Mr. R. H. Kamani said that the production tempo had been maintained, and the factory had crossed the production mark of 20,000 tons, with output for August 1962 exceeding 2,500 tons—25 percent higher than the previous record output of 2,100 tons achieved in December 1961. The supply position of steel was improving, but Mr. Kamani feared that production in the galvanising section might be thwarted by difficulty in importing raw materials due to the emergency. Referring to the Company's programme of expansion and diversification of its activities, Mr. Kamani said that it had been licensed to expand the monthly capacity of light structurals and transmission line towers from 1,500 tons to 4,000 tons, and to double the heavy structural capacity to 1,000 tons a month. The Company has also received sanction for the manufacture of new items of high tensile bolts and nuts up to 500 tons a month. The management also intends to undertake ropeways installation and the manufacture of certain defence materials. Orders have been received by the Company from Maharashtra, Assam, Andhra Pradesh and West Bengal for the construction of important transmission lines. Work under these orders is in progress. The Company completed electrification work in the eastern zone without outside help, and intends participating in similar types of work in the south and west zones. The export and agency business of the Company has been increasing. It has been awarded contracts for the supply of H.T. insulators, underground telecommunication cables and one complete thermal power station for the Bihar State Electricity Board.

Replying to shareholders' enquiries, Mr. P. R. Kamani, a director, stated that the Company had secured jointly with some other firms an order for the supply of transmission lines to the Nigerian Government. Kamani Engineering's exports at present amount to about 10 percent of its sales. The working of the Ceylon Metal Industries Ltd, in which Kamani Engineering has an interest, has been improving and there are now hopes of getting some dividend from that Company in the near future. It is hoped that the Company's assets in Lahore will be repaid, which, however, have been written off. In reply to the criticism that the profit ratio in terms of sales had come down to around 7 1/2 percent, Mr. Kamani pointed out that the percentage of profit to employed capital had, in fact, gone up from 10.71 percent to 16.40 percent.

Ganges Rope Earns More

ALTHOUGH sales and profits of the Ganges Rope Co. Ltd have improved for the year ended December 1962, there has been an acute shortage of essential raw materials. International prices of hard fibres have increased considerably. The directors apprehend that unless imports are increased, the Companies working will be affected. Sales rose from Rs. 72.35 lakhs in 1961 to Rs. 1.05 crores in 1962. The profit has improved from Rs. 6.53 lakhs to Rs. 11.60 lakhs. Taxation is allocated Rs. 8.32 lakhs, of which the super profits tax is Rs. 1.82 lakhs. Tax provision was Rs. 2.60 lakhs in 1961. The taxable ordinary dividend has been increased from 15 percent to 20 percent which is more than three-and-a-half times covered and offers a yield of 8.4 percent at the present price of Rs. 236 a share of Rs. 100 each. Development is allocated Rs. 7,961 (against Rs. 1.17 lakhs) and

general reserve Rs. 80,000 (against Rs. 1 lakh). The carry-forward is Rs. 17,856, against Rs. 46,218 brought in.

South India Steel Share Offer

THE South India Steel and Sugars Ltd, which proposes to set up a sugar factory in Mundiampakkam in Villupuram taluk in South Arcot district, is entering the capital market on 17th June with a public issue of Rs. 55 lakhs; made up of Rs. 41 lakhs in equity shares of Rs. 10 each and Rs. 14 lakhs in 9.3 percent taxable redeemable cumulative preference shares of Rs. 10 each. (Fuller details of the issue appear on a later page in of this week's issue of *Capital*.) The Company has an authorised capital of Rs. 2 crores, consisting of Rs. 1.50 crores in equity shares, and Rs. 50 lakhs in preference shares. The issued capital is Rs. 33,99,800—all in equity shares. The present issue consists of Rs. 57.33 lakhs in equity shares and Rs. 16.50 lakhs in preference shares.

Out of the present issue, equity shares worth Rs. 15 lakhs are reserved for allotment to cane-growers and equity shares of the value of Rs. 1.33 lakhs and preference shares worth Rs. 2 lakhs have been earmarked for allotment to the directors and their friends. The United India Fire and General Insurance Co. Ltd is taking up preference shares worth Rs. 50,000. The balance of the share capital—Rs. 41 lakhs in equity shares and Rs. 14 lakhs in preference shares—is now being offered for public subscription. The entire public issue has been underwritten. The present issue will meet part of the capital cost of the project which is estimated around Rs. 1.60 crores. Plant and machinery is being procured from indigenous sources. Construction of the factory is in progress, and it is expected to be completed by July 1964, and production is likely to commence during the 1964-65 season. It will have a crushing capacity of about 1,000 tons of cane a day and will be capable of expansion to 1,500 tons. The location of the factory, it is said, is ideal for sugarcane supplies. Mr. M. A. Chidambaram is the chairman of the Company.

Bharat Fertiliser to Issue Shares

BHARAT Fertiliser Industries Ltd, which proposes to set up a modern factory in Thana, near Bombay, for the manufacture of granulated N.P.K. mixed fertilisers, will soon be in the market to raise capital through public subscription. The Company is already carrying on business of manufacturing and selling mixed fertilisers under a scheme of Gujarat States, under a scheme of popularising such mixed fertilisers to suit different soils and crops since 1955. Granulation of N.P.K. mixed fertilisers is the latest development in the fertiliser industry in advanced countries. Bharat Fertiliser, it is claimed, will be the first in India to bring out this type of N.P.K. granulated products and the promoters do not expect any difficulty in marketing the product. The main raw materials required for the project are nitrogenous fertilisers, phosphatic and potashic fertilisers. The Company receives its requirements of nitrogenous fertilisers from the State Government and the other raw materials are available in ample quantities locally.

The Company has been licensed to manufacture 25,000 tons of granulated N.P.K. mixed fertilisers. The project is estimated to cost Rs. 33 lakhs, and it is proposed to meet the financial requirements by the capital issue of

Rs. 25 lakhs and a loan of Rs. 8 lakhs from the I.C.I.C.I., which has agreed in principle to grant this loan. The entire imported plant and machinery worth Rs. 5.85 lakhs has been received at site. Orders for indigenous machinery costing Rs. 1.62 lakhs have been placed, and the machinery, it is expected, will be received soon. Land for the factory has been purchased. Construction work, it is expected, will be over during the third quarter of the year. When the new granulating plant goes into full production, an annual turnover of Rs. 1 crore is expected. Barring any unforeseen circumstances, the directors are of the opinion that the Company will be able to pay a reasonable dividend during the first year after the commissioning of the plant to full capacity.

The Company has an authorised capital of Rs. 50 lakhs in equity shares of Rs. 100 each. Out of this, equity shares worth Rs. 10 lakhs have already been issued and paid-up. The Company now intends to issue 15,000 shares at par, of which 2,500 shares reserved for subscription and allotment to directors and their friends have already been allotted. The balance of 12,500 shares will be offered for public subscription some time about the middle of July. The entire issue has been underwritten. The board of directors consists of Mr. Ratilal Mulji Gandhi, Mr. Khushal Khengar Shah, Mr. Madhav Laxman Apte, Mr. Chandrakant T. Sanghvi, Mr. Nathalal Gokaldas Thakkar, Mr. Dhanvantrai T. Sanghvi, Mr. J. V. Patel, Mr. Dahyabhai M. Patel (managing director) and Mr. Chhotabhai B. Patel (managing director).

Swastik Textile Loses

THE Swastik Textile Mills Ltd reports disappointing results for 1962, and both the ordinary and preference dividend have been skipped. The Company which had made a gross profit of Rs. 9.37 lakhs in 1961, has incurred a loss of Rs. 51,867 in 1962. The setback in results has been due to the closure of the weaving factory with 240 looms during the year and the payment of Rs. 3.92 lakhs as the lay-off and retrenchment compensation, gratuity, etcetera, to the employees in order to minimise the losses consequent on the four-fold increase in the excise duty on cotton cloth manufactured on powerlooms by units having more than 49 looms with effect from 23rd April, 1962. The Company has, however, a processing factory in Chembur, and the directors are trying to secure more work for the factory by expanding. After providing Rs. 2.65 lakhs (against Rs. 2.26 lakhs), for depreciation, Rs. 21,100 (against Rs. 65,812) for development rebate reserve and nil (against Rs. 3 lakhs) for taxation and deducting other charges, the year's working shows a net loss of Rs. 3.68 lakhs, against a profit of Rs. 2.77 lakhs in 1961.

Good Result from Indian Standard Metal

THE Indian Standard Metal Co. Ltd, a subsidiary of Investment Corporation of India Ltd, shows encouraging results for 1962. Sales are up by nearly 15.7 percent from Rs. 89.15 lakhs to Rs. 103.13 lakhs, while the gross profit has risen by 34.7 percent from Rs. 9.43 lakhs to Rs. 12.70 lakhs. The dividend on the ordinary shares has been reduced from 10 percent to 7.5 percent with a proportionate distribution on the new shares to the extent of their paid-up value. Although the dividend has been reduced, it involves a larger distribu-

tion of Rs. 1.63 lakhs, against Rs. 1.45 lakhs.

Allocations include depreciation Rs. 4.35 lakhs (against Rs. 2.99 lakhs), taxation, including super profit tax Rs. 4.40 lakhs (against Rs. 3.10 lakhs), development rebate reserve Rs. 77,587 (against Rs. 24,000) and general reserve Rs. 1.22 lakhs (against Rs. 75,000). A sum of Rs. 1.90 lakhs has been transferred to the dividend reserve, of which Rs. 1.88 lakhs is being used for the payment of dividends. Preference dividend accounts for Rs. 24,975 (the same) and ordinary dividend absorbs Rs. 1.63 lakhs (against Rs. 1.45 lakhs).

Century to Expand Rayon Plant

THE chairman of the Century Spinning and Manufacturing Co. Ltd, Mr. R. D. Birla, informed the shareholders' recent annual meeting that the Company has plans for further expansion of its rayon plant, and negotiations are under way for the purchase of 18 new machines which would raise its capacity by 4.5 tons to 23 tons a day. The shareholders were also told that the Company intends to replace the old machinery in the textile division to improve the working efficiency, but such replacement will depend upon the financial position. The machinery for the caustic soda plant has started arriving, and the last instalment is expected to be received by the year-end. The Company's tyre cord plant has already gone into production. Negotiations are in progress for the marketing of the cord.

In reply to shareholders' enquiries, Mr. J. J. Asher, a director, who presided in Mr. Birla's absence, pointed out that for the time being, two machines were working in the tyre cord department and it would be some time before the rated capacity of 6 1/2 tons a day was reached. The Company has plans to raise the capacity to 10 tons a day. In 1962, it produced approximately 6.8 million kilograms of rayon yarn, out of which 5.8 percent consisted of 75 deniers, about 42 percent in 100 deniers and about 46 percent in 120 deniers. Giving the shareholders the break-up figures of the past year's performance, it was stated that the turnover of the textile division amounted to Rs. 10.35 crores and of rayon Rs. 6.74 crores. The gross profit of the textile section amounted to Rs. 1.69 crores, compared with Rs. 1.95 crores in the preceding year, while the gross profit of the rayon section amounted to Rs. 2.10 crores, compared with Rs. 1.97 crores in 1961. Out of the net profit of Rs. 1.23 crores, cotton textiles accounted for Rs. 64.68 lakhs and rayon Rs. 57.79 lakhs. The Company's exports in 1962 amounted to Rs. 99.58 lakhs, and on an average, there was a loss of 30 percent on this account. The Company's sales in the first four months of the current year, it is said, have been satisfactory. Century Spinning is not likely to incur any liability for super profits tax for 1962 as well as for the current year. Full provision has been made for taxation, depreciation and development rebate. Tax assessments have been made up to the accounting year 1957. The Life Insurance Corporation is holding 13,962 equity shares and 26,200 preference shares of Century Mills.

South India Viscose Earns More

SOUTH India Viscose Ltd has earned a gross profit of Rs. 1.27 crores in 1962—the first full year of working of the factory—compared

with Rs. 21.13 lakhs in 1961. Sales rose from Rs. 69.98 lakhs to Rs. 318.35 lakhs. After providing depreciation at Rs. 1.6 crores (against Rs. 17.95 lakhs), there is a loss of Rs. 31.72 lakhs, against a net profit of Rs. 1.11 lakhs in the preceding year. With a further depreciation provision of Rs. 53.09 lakhs concerning previous years, the total loss to be carried over amounts to Rs. 84.09 lakhs. The directors, however, state that if normal conditions prevail in the current year, a major portion of the loss will be absorbed. The Company's staple fibre plant continued to work to its full capacity of 10 tons a day throughout the year except in July 1962, when production was reduced because of the power cut. The total production of staple fibre during the year amounted to 3,759 tonnes, against 1,894 tonnes in 1961, while sales were 3,665 tonnes, against 1,880 tonnes.

Referring to the rayon plant, the directors point out that out of the 41 frames in the rayon plant, 22 frames had been erected in 1961 and 16 more in 1962. The output of rayon yarn increased from 148 tonnes to 2,769 tonnes, and sales amounted to 2,516 tonnes, against nil. The plant worked to full capacity of 10 tons a day on an 120 denier basis from August 1962 to the end of the year. Considerable difficulty is being experienced by the Company in obtaining wood pulp and caustic soda at present. It is obliged to obtain pulp through the export promotion scheme at an additional cost of about Rs. 28 lakhs a year. The directors state that the staple fibre market has been paralysed due to heavy imports. The recent imposition of additional taxes, excise duty, war risk insurance, etcetera, have thrown additional burden on the Company. The Company has represented to the Government for an increase in the prices of rayon yarn as the existing sale prices are wholly inadequate for new concerns. The profit earned under such handicaps is said to be hardly enough even to cover depreciation. The Rs. 100-paid share of South India Viscose is currently quoted around Rs. 128.

Calico Mills Maintains

THE directors of the Ahmedabad Manufacturing and Calico Printing Co. Ltd., popularly known as the Calico Mills, have recommended a final dividend of Rs. 18 a share (Rs. 125-paid) for the year ended March 1963. This, together with the interim dividend of Rs. 14 a share, makes a total of Rs. 32 a share, the same as in the preceding year. The dividend for 1962-63 is, however, payable on the increased capital as raised by the capitalisation of Rs. 6.25 lakhs for the issue of bonus shares in the ratio of 1/33 of a share for each one held. Although the gross dividend has been maintained, the net dividend works out to Rs. 22.40, instead of Rs. 24.95 a share in the preceding year, because the entire dividend for 1962-63 is subject to tax, whereas in the preceding year the interim dividend of Rs. 14 was subject to tax but a part of the final dividend (Rs. 8.50 out of Rs. 18) was exempt from tax. Apart from the dividend, the directors have also recommended, subject to the sanction of the Government, the issue of 1/34th fraction of an ordinary share as bonus for each existing ordinary share. This will mean, as in the previous year, the capitalisation of a sum of Rs. 6.25 lakhs. The proposed bonus shares will be entitled to dividend declared for the year ended March 1964 and thereafter.

Although the dividend has been maintained, the preliminary figures about the Company's working results during the year show a substantial

setback, with the gross profit down by nearly 23 percent from Rs. 2.04 crores to Rs. 1.57 crores. The setback in the profit is attributed to a considerable extent to the increase in interest charges from Rs. 26.21 lakhs to Rs. 52.48 lakhs. After providing Rs. 84.37 lakhs (against Rs. 80.45 lakhs) for depreciation, Rs. 40.43 lakhs (against Rs. 26.46 lakhs) for development rebate reserve, Rs. 16 lakhs (against Rs. 15.16 lakhs) for bonus to employees, nil (against Rs. 28.35 lakhs) for taxation, and deducting other charges, there remains a balance of Rs. 11.48 lakhs, against Rs. 46.53 lakhs. The directors have transferred Rs. 43.50 lakhs from general reserve in order to provide for the payment of the proposed dividend which absorbs Rs. 54.40 lakhs, against Rs. 52.80 lakhs. The directors state that the Company made additions to the gross block to the tune of Rs. 1.38 crores. Exports of the group increased by 50 percent over the previous year. The textile, chemical and plastic products of the Company are said to be in good demand. At its current price of Rs. 736 cum-dividend, the Company's share offers a gross return of about 4.5 percent.

Investa Machine Tools to Issue Rights

IN his statement to shareholders of Investa Machine Tools and Engineering Company, the chairman, Mr. K. C. Bakhle, has revealed that the Company proposes to increase its share capital from Rs. 60 lakhs to Rs. 85 lakhs by the issue of 25,000 equity shares of Rs. 100 each at par. These shares are to be offered to existing shareholders in the proportion of one share for every two held. The Government's sanction for the issue has already been obtained and the shareholders' approval is to be sought at the Company's annual meeting scheduled to be held on 28th June. The rights issue is being made at the instance of the National Industrial Development Corporation which has agreed to give a loan of Rs. 50 lakhs to the Company for setting up a modern foundry in Chinchwad. With the additional equity capital of Rs. 25 lakhs and the N.I.D.C. loan of Rs. 50 lakhs, the Company's financial position will be considerably strengthened and it will become possible to set up the foundry and also to expand the Chinchwad factory to undertake the manufacture of heavy lathes and shapers of the designs of Okuma Machinery Works of Japan with whom the Company is about to execute a technical collaboration agreement.

The Company has already received a loan of Rs. 25 lakhs from the N.I.D.C. The chairman says that the shifting and expansion programme is being carried out in two phases. The first phase, covering the construction of the new factory in Chinchwad, the installation of new plant and machinery and the shifting of equipment from the Byculla works is nearing completion. Some dislocation and setback in production during the current year will be unavoidable due to the change-over work. The construction of a new up-to-date foundry in Chinchwad covering the second phase has just been taken in hand. The total cost of the phased programme, which started in 1960 is placed at Rs. 1.50 crores, of which Rs. 95 lakhs have so far been spent. The demand for machine tools has increased greatly as a result of the national emergency, and the Government has exhorted manufacturers to step up their output by 30 percent. Mr. Bakhle says that despite difficulties in attaining full production because of the change-over from Byculla to Chinchwad, the

Company will endeavour to meet the higher production target.

National Ekco Cuts Dividend

THE National Ekco Radio and Engineering Co. Ltd. has fared badly in 1962. Despite an increase of 6 percent in the sales from Rs. 1.16 crores to Rs. 1.23 crores, the Company's gross profit is down by about 9 percent from Rs. 27.62 lakhs to Rs. 25.17 lakhs. The benefit of a larger turnover was offset by the increase in the cost of production on account of the excise levy on a number of items imposed in March 1962. There was a fall in the demand for sets on which excise duty was Rs. 75 and more. After providing Rs. 77,680 (against Rs. 75,996) for depreciation, Rs. 16.76 lakhs, including Rs. 4.02 lakhs for super profits tax for taxation (against Rs. 11.60 lakhs) and deducting charges, the net profit amounts to Rs. 5.93 lakhs, against Rs. 13.42 lakhs in the preceding year. The sharp fall in the disposable surplus has forced the directors to reduce the dividend from 20 percent to 15 percent, less tax. Allocation to general reserve has been pruned from Rs. 2.50 lakhs to Rs. 1.75 lakhs, and no provision has been made for the contingency reserve which received Rs. 1.50 lakhs in 1961. A sum of Rs. 3.20 lakhs was utilised in the preceding year to write off development expenditure, but no such allocation has been made in 1962. The directors propose to transfer a sum of Rs. 4.60 lakhs to dividend reserve out of which Rs. 4.50 lakhs is being drawn to provide for the payment of the proposed dividend.

The directors state that the Company intends to introduce several new models during the current year. The existing machinery in use is stated to be comparatively old and it is necessary to replace it before it becomes obsolete. With this end in view, the Company engaged an independent engineer who has made a detailed study of this problem and has submitted his report. The report is under scrutiny, but due to the acute foreign exchange shortage, imports of machinery are not allowed from the U.K. and the Continent. Imports under the D.L.F. scheme are relatively costly. The matter is, therefore, receiving the attention of the directors. Although the plastics division of the factory worked all the three shifts during the year, the Company's requirements were barely met. An additional cabinet moulding press is expected to be added when the Government issues a licence to import the same under the D.L.F. scheme.

Vulcan Insurance Repeats

THE Vulcan Insurance Company Ltd. reports satisfactory results for 1962. Despite a setback in the premium income of the marine department, the Company's total net premium income shows a small improvement from Rs. 46.41 lakhs to Rs. 46.60 lakhs. The net premium income of the fire department was higher at Rs. 29.36 lakhs, against Rs. 28.67 lakhs in 1961. The net claims paid and outstanding rose from Rs. 10.69 lakhs to Rs. 11.08 lakhs. After making usual provisions, the fire department's working shows a profit of Rs. 2.36 lakhs, against Rs. 3.16 lakhs. The fire fund increased from Rs. 17.79 lakhs to Rs. 18.13 lakhs. The net premium income in the marine department was lower at Rs. 4.13 lakhs, against Rs. 4.74 lakhs and net claims paid and outstanding amounted to Rs. 2.98 lakhs, against Rs. 3.55

lakhs. The marine department's profit, after making usual provisions, fell from Rs. 1.11 lakhs to Rs. 43,325 lakhs. The marine fund stood at Rs. 4.13 lakhs, against Rs. 4.73 lakhs.

The net premium income in the accident and miscellaneous department increased from Rs. 12.99 lakhs to Rs. 13.11 lakhs, and net claims and outstanding amounted to Rs. 6.70 lakhs, against Rs. 6.46 lakhs in 1961. The working of this department, after making the usual provisions, showed a loss of Rs. 20,598, against Rs. 1.74 lakhs in the previous year. The accident fund stood at Rs. 7.85 lakhs at the end of 1962, against Rs. 7.80 lakhs at the end of 1961. An amount of Rs. 3.31 lakhs by way of surplus from the working of different departments and interest income from investments has been transferred to the profit and loss account, compared with Rs. 2.60 lakhs in 1961. Including Rs. 26,000 brought forward, the amount available for appropriations is Rs. 3.57 lakhs. The dividend has been maintained at Rs. 2 a share, which absorbs Rs. 3.08 lakhs, leaving a surplus of Rs. 50,887 to be carried forward.

Sardesai Brothers Fares Well

SARDESAI Brothers Ltd. reports satisfactory results for 1962. While gross sales are down from Rs. 45.92 lakhs to Rs. 44.93 lakhs, the net sales have risen from Rs. 37.47 lakhs to Rs. 43.14 lakhs on account of considerable reduction in selling expenses from Rs. 8.45 lakhs to Rs. 1.79 lakhs. The Company's gross profit shows an increase of nearly 26 percent from Rs. 3.39 lakhs to Rs. 4.27 lakhs. Although the dividend has been reduced from 6 percent to 4 percent, the total distribution is higher at Rs. 83,616, against Rs. 54,285 because of the increase in the capital. Following the conversion of the Company from private to a public limited one additional capital of Rs. 40 lakhs was issued during the year. Allocations include depreciation Rs. 1.74 lakhs (against Rs. 1.35 lakhs), development rebate Rs. 41,288 (against Rs. 61,284) and taxation Rs. 80,000 (against Rs. 68,411).

The directors state that certain modifications were made in the new plant for carboxy methyl cellulose which had been put into operation in 1961, and these changes are claimed to have made the production more economical and improved the quality of the product. The Company has succeeded in preparing a pure grade of C.M.C. and a separate small plant for this purpose has already been put into operation. The directors feel that a new plant with a larger capacity for this quality may have to be installed in the near future. The production and sales of Nopco products have been encouraging. Negotiations for the manufacture of bases in India are being pursued and the Government's consent is awaited. It is felt that with the cut in imports of synthetic resins and the growing demand for these products, the Company's production and sales there are likely to show an appreciable improvement. In order to supplement the present buildings and plant, the directors have decided to make the first call of Rs. 25 on the new shares.

Bharat Line Earns Profit

SHAREHOLDERS of the Bharat Line Ltd. have gone without a dividend for four years and have suffered heavily because of the depreciation in their investments—the Rs. 10-paid share is quoted nominally around Rs. 4—but they can derive some comfort from the Company's performance in 1962. After three

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years of sustained losses, Bharat Line has made a profit of Rs. 24.23 lakhs in 1962. In the previous year, it suffered a loss of Rs. 2.55 lakhs. After providing Rs. 23.58 lakhs (against Rs. 36.09 lakhs) for depreciation and Rs. 50,000 (the same) for managing agents' minimum commission, there remains a small surplus of Rs. 15,249 which has been adjusted against the accumulated deficit of Rs. 77.25 lakhs brought forward, leaving a debit balance of Rs. 77.10 lakhs to be carried forward.

The Company earned a profit of Rs. 12.37 lakhs on the sale of two vessels and this amount has been credited to general reserve. Since the close of the financial year, two more vessels have been sold for scrap. The arrears of instalment in the repayment of loans secured from the Government of India and the Shipping Development Committee amounted to Rs. 17.76 lakhs, of which a sum of Rs. 13.12 lakhs has been paid since the end of the year. All possible efforts are being made towards effecting economy and with the disposal of four uneconomic units of the fleet, the avoidable drain on the Company's resources has been halted. The directors point out that although the financial position has improved with the sale of the uneconomic units of the Company's fleet, it is not such as could justify the declaration of a dividend.

New Great Insurance Fares Well

THE New Great Insurance Company of India Ltd. reports satisfactory results for 1962. The total gross direct premium income of all the departments is placed at Rs. 1.56 crores, against Rs. 1.52 crores in 1961, and the net premium income has gone up from Rs. 1.06 crores to Rs. 1.19 crores. In spite of a cut in the fire premium rates, the gross direct premium income in the fire department has risen from Rs. 60.69 lakhs to Rs. 62.94 lakhs; claims amounted to Rs. 22.30 lakhs, against Rs. 22.41 lakhs, and the net premium income rose from Rs. 50.61 lakhs to Rs. 60.47 lakhs. The net premium income of the miscellaneous department amounted to Rs. 41.46 lakhs, against Rs. 40.40 lakhs, and claims totalled Rs. 23.73 lakhs, against Rs. 22.04 lakhs. The marine business fetched a net premium income of Rs. 16.99 lakhs, against Rs. 14.85 lakhs, while claims amounted to Rs. 15.22 lakhs, compared with Rs. 14.31 lakhs in 1961.

The fire department alone yielded a profit of Rs. 9.28 lakhs, compared with Rs. 4.16 lakhs in the previous year. The working of the miscellaneous department showed a much smaller loss of Rs. 1.04 lakhs, against Rs. 2.62 lakhs in 1961. The marine department, however, showed a big loss of Rs. 3.64 lakhs, against a profit of Rs. 2.92 lakhs in the preceding year. After providing Rs. 3.35 lakhs (against Rs. 3.50 lakhs) for taxation, the revenue account yielded a net profit of Rs. 3.41 lakhs, against Rs. 6.30 lakhs. The income earned by way of interest and dividend amounted to Rs. 3.30 lakhs (against Rs. 3.26 lakhs). The directors have transferred Rs. 40,000 (the same) from the year's profit to staff gratuity fund. The transfer to general reserve is nil, against Rs. 3 lakhs in 1961. The dividend at the rate of Rs. 3 a share absorbs Rs. 3 lakhs, leaving a surplus of Rs. 22,823 to be carried forward, against Rs. 21,078 brought in.

In his annual statement to shareholders, the chairman, Mr. Tulsidas Kilachand, says that the heavy impacts of the 1963-64 Budget have resulted in a severe loss to general insurance companies in the shape of a depression in the market value of

their investments in industrial securities. In the long run, the Budget would adversely affect trading activity and industrial development, and consequently, the growth potential of general insurance. The chairman says that the Company's plans to develop its business in the Far Eastern countries like Singapore, Thailand, Fiji and Hongkong have been held up by the Government. Its operations in Ceylon east Africa, Pakistan and other countries are reported to have been satisfactory, but the Company has withdrawn from Burma where it was represented by an agency house.

Good Year for Esso Standard Refining

THE Esso Standard Refining Company of India Ltd. had a good year in 1962. Its crude throughput increased by 7 percent in 1962 from 40,945 barrels to 43,807 barrels a day resulting in a total production of 2,433.5 million litres of various petroleum products. The Company sold 2,442.3 litres of petroleum products in 1962, compared with 2,238.8 million litres in the previous year. Out of this, the Company exported 190.8 million litres of motor gasoline and asphalt surplus to the requirements here to New Zealand, Malaya and Indonesia, earning Rs. 1.99 crores worth of foreign exchange. Since the refinery went on stream in 1954, it has saved and earned an estimated Rs. 34.71 crores in foreign exchange for the country. It is stated that by the end of 1962, the Company was receiving about 4,881 barrels of crude oil a day from Ankleshwar. During the year, the new solvent plant went on stream. Since then, the refinery has been supplying hexane and solvent oil to the local market, thus helping preserve additional foreign exchange for the country.

The Company's sales in 1962 amounted to Rs. 37.20 crores, against Rs. 37 crores in 1961, but the payment of excise duty thereon was slightly lower at Rs. 13.50 crores, compared with Rs. 13.62 crores. The net revenue, inclusive of miscellaneous income of Rs. 29.47 lakhs (against Rs. 22.54 lakhs) increased from Rs. 22.60 crores to Rs. 23.99 crores. The gross profit for 1962 is placed at Rs. 4.67 crores, against Rs. 4.18 crores in the previous year. The directors have recommended a 6 percent dividend on preference shares. Allocations include depreciation Rs. 94.11 lakhs (against Rs. 92.30 lakhs), taxation Rs. 1.83 crores (against Rs. 1.45 crores), development rebate Rs. 7.50 lakhs (against Rs. 5 lakhs), debenture issue expenses written off Rs. 52,000 (the same), general reserve No. 2 Rs. 1.88 crores (against Rs. 1.66 crores) and dividend on preference shares Rs. 4.50 lakhs. No provision has been made for self insurance reserve which received Rs. 5.70 lakhs in 1961.

Asian Cable Loses Again

THE third annual report of the Asian Cable Corporation Ltd. for the year ended September 1962, shows a loss of Rs. 11.52 lakhs, compared with Rs. 48,331 in the preceding year, after providing Rs. 6.61 lakhs (against nil) for depreciation. Adding the net debit balance of Rs. 36,566 brought forward from the previous account, a total loss of Rs. 11.90 lakhs has been carried forward. The Company's first plant for the manufacture of V.I.R. and C.T.S. cables went into production in November 1961, and regular production started from January 1962. The value of the monthly production

reached Rs. 6 lakhs (800,000 core metres) in September last, and total sales in 1961-62 amounted to Rs. 9.40 lakhs. The present monthly production is valued at Rs. 8 lakhs (1,250,000 core metres) on a single shift basis. The net value of the fixed assets has increased by Rs. 13.89 lakhs over the previous year. The net value of fixed assets at the end of September 1962 was Rs. 72.87 lakhs. The value of raw material, semi-processed goods and finished products and scrap at the end of the financial year was Rs. 40.26 lakhs.

The Company, it is stated, found initial difficulty in disposing of the stocks. Buyers were reluctant to purchase goods in the absence of an I.S.I. certificate and fire insurance approval. The Company, it is said, has obtained an industrial licence for additional capacity of 840 tons of enamelled copper wires over the existing capacity of 360 tons and another licence for 500 tons of paper and cotton-covered wires and strips a year. It is stated that the fresh issue of capital of Rs. 1.55 crores made during the year had been fully subscribed and that this amount will be used exclusively for the implementation of the project II for the manufacture of paper-insulated power cables and enamelled copper wires. The Company proposes to invest not more than Rs. 15 lakhs in the share capital of a public limited company to be incorporated for setting up an up-to-date rod rolling mill in western India in collaboration with the major cable and winding wire manufacturers of the region. The Rs. 1 crore project will provide an annual rolling capacity of 20,000 tons. The directors are taking powers to borrow up to a total amount of Rs. 2.50 crores for implementing their expansion schemes. The Rs. 100-paid share of Asian Cable is quoted around Rs. 92.

Raja Bahadur Mills Cuts Dividend

DESPITE an increase of about 5 percent in the gross sales from Rs. 1.59 crores to Rs. 1.6 crores, the gross profit of Raja Bahadur Motilal Poonia Mills Ltd. for 1962 is down by nearly 11.8 percent from Rs. 18.03 lakhs to Rs. 15.91 lakhs. The working results have been adversely affected by higher prices of cotton, stores and chemicals and increased wages. The directors have reduced the dividend from Rs. 9 to Rs. 4 a share (Rs. 100-paid) subject to tax. After providing Rs. 8.68 lakhs (against Rs. 8.88 lakhs) for depreciation, Rs. 2.72 lakhs (against Rs. 1.94 lakhs) for development rebate and Rs. 1.94 lakhs (against Rs. 3.10 lakhs) for taxation, and deducting other charges, the net profit amounts to Rs. 1.91 lakhs, against Rs. 3.21 lakhs in the preceding year. After writing back excess provision for previous years amounting to Rs. 1.46 lakhs and providing Rs. 40,346 for income tax for the previous year and Rs. 38,460 for liability, repayment and capital assets acquisition reserve, the directors have proposed the payment of a dividend of Rs. 4 (against Rs. 9) which absorbs Rs. 1.13 lakhs (against Rs. 2.54 lakhs).

No provision has been made for dividend equalisation reserve and general reserve which received Rs. 30,000 and Rs. 35,676 in the preceding year. The directors state that all efforts are being made to rationalise the working of the Company, and good progress has been made in spinning and weaving departments. The management made additions to plant and machinery of the value of Rs. 12.90 lakhs during the year, and machinery of the value of Rs. 10.96 lakhs is said to be under erection. Since the close of the year, machinery worth Rs. 1.50 lakhs has been received.

The directors state that the Company may not have to pay anything by way of super profits tax.

All India General Resumes Dividend

THE All India General Insurance Company Ltd. which had been skipping the dividends for the past five years has declared a dividend of 5 percent (40nP a share of Rs. 8) for 1962. This has been possible because of the Company's improved performance. The net premium income of the fire department was higher at Rs. 12.41 lakhs, against Rs. 11.74 lakhs in 1961, that of the marine department rose from Rs. 1.02 lakhs to Rs. 1.40 lakhs, and of the miscellaneous department from Rs. 9.27 lakhs to Rs. 10.39 lakhs. The total net premium income written by the Company in all the departments was thus up by Rs. 2.16 lakhs over the previous year's figure. The total expenses of management amounted to Rs. 9.63 lakhs, against Rs. 9.51 lakhs.

The total claims paid and outstanding in the three departments amounted to Rs. 12.08 lakhs, against Rs. 11.05 lakhs. As a result of the year's working, the Company was able to add a further sum of Rs. 1.27 lakhs to the reserve for unexpired risks and the reserve at the end of December 1962 stood at over Rs. 12.79 lakhs. The Company earned a profit of Rs. 66,965 (against Rs. 13,007), after making a provision of Rs. 31,403 (against nil) for depreciation on investment. After including the surplus of Rs. 56,820 from the previous year, the amount available for appropriation is Rs. 123,785. The proposed dividend absorbs Rs. 50,000, leaving a balance of Rs. 73,785 to be carried forward. The Company's assets increased by over Rs. 5 lakhs in 1962 and stood at Rs. 44.77 lakhs at the end of the year.

Crookes to Diversify Interests in India

CROOKES Laboratories of London, one of the pioneer companies of Britain's pharmaceutical industry, is joining forces with Indian and Dutch producers to set up a new company to develop, make and sell pharmaceutical products in India. Announcing this in London, Crookes said the other participants would be International Franchises (of Bombay) and a subsidiary of Philips, the Dutch group.

The principal product of the new company, which will be named Crookes Interfran, will be Vitamin D. The Company will extend Crookes' already considerable interests in India. Its products have been sold in the country for over 50 years and it has had a branch in Bombay since 1929. Local manufacturing was begun by Crookes ten years ago.

Nenmeny Rubber and Produce Maintains

DURING the year ended December 1962, the Nenmeny Rubber and Produce Co. Ltd. has earned a higher profit of Rs. 1 lakh, after providing for depreciation and taxation. The previous year's net profit was Rs. 81,296, after providing Rs. 75,000 for taxation. With Rs. 89,820 brought forward, the total available for appropriation is Rs. 1.90 lakhs. Out of this, the dividend of 7.01 percent on preference shares, subject to deduction of tax, amounts to Rs. 21,030. The proposed dividend at 15 percent on ordinary shares (the same) will

absorb Rs. 50,250. The balance of Rs. 1.19 lakhs is carried forward.

The rubber crop harvested during the year amounted to 242,757 kilograms at an estate cost of 221.80nP a kilogram. The estimated crop for 1963 is 250,000 kilograms at 211.38nP a kilogram. But since the trees on 360 acres have been sold out during 1963, the crop will be lower. The report says that with a view to obtaining the benefit of the rubber replanting subsidy scheme of the Rubber Board, the directors decided to replant the old low-yielding areas in the estates where trees are of the ordinary variety. Accordingly, trees in 38.50 acres in the Eldorado estate and 40 acres in the Nenmeny estate were sold during the year with rights for slaughter tapping till 31st March, 1963 and 31st March, 1965, respectively. Furthermore, in March 1963, trees in about 154 acres in the Nenmeny estate and 205 acres in the Eldorado estate were sold with the right for slaughter tapping for three years. On the whole, the Company will realise about Rs. 5.85 lakhs on this sale. The whole area will then be replanted with high-yielding rubber plants under the subsidy scheme.

Vijayalakshmi Mills Earns More

A SUBSTANTIAL rise in the net profit of the Vijayalakshmi Mills Ltd for the year ended December 1962 has enabled the directors to declare a higher dividend of 15 per-

cent (against 12 percent). The net profit amounts to Rs. 14.34 lakhs, after providing Rs. 5.95 lakhs for depreciation, compared with the previous year's Rs. 9.55 lakhs, after providing Rs. 5.32 lakhs for depreciation. With Rs. 3,841 brought forward, the total available for appropriation comes to Rs. 14.38 lakhs. Out of this, provision for taxation amounts to Rs. 6.99 lakhs (against Rs. 1.75 lakhs). Development rebate reserve gets Rs. 1.27 lakhs (against Rs. 4.50 lakhs). The dividend at 15 percent amounts to Rs. 2.55 lakhs. The balance of Rs. 1 lakh (against Rs. 20,000) is transferred to dividend equalisation reserve. Sales of finished goods during the year amounted to Rs. 1.19 crores (against Rs. 1.04 crores).

Highland Produce Pays the Same

THE Highland Produce Co. Ltd has earned a lower net profit for the year ended 31st December, 1962, due to a general drop in tea prices. The profit for the year before taxation amounts to Rs. 7,30,177.31, compared with the previous year's figure of Rs. 8,63,429. With the amount of Rs. 32,247.74 brought forward, the total comes to Rs. 7,62,425.05. Out of this, the provision for taxation comes to Rs. 2,25,000 which includes a sum of Rs. 11,200 for super profits tax. Tax Provision for 1961 was Rs. 400,000. Appropriations include reserve for development rebate Rs. 31,500

(against Rs. 3,500), and general reserve Rs. 100,000 (against Rs. 25,000). The dividend on preference shares at 6.76 percent (gross), taxable, amounts to Rs. 20,280. The dividend on ordinary shares at 15 percent (the same) accounts for Rs. 2,70,000. The balance of Rs. 15,645.05 is carried forward. The total tea crop for the year amounted to 670,200 kilograms (against 636,207 kilograms). The all-in-cost of production was slightly higher at Rs. 3.67 a kilogram, compared with Rs. 3.63 a kilogram in the previous year. The average price realised fell to Rs. 4.39 a kilogram from the previous year's level of Rs. 4.64 a kilogram. The cardamom crop amounted to 26,690 kilograms, against 19,120 kilograms in the previous year. The estimated tea crop for 1963 is 635,000 kilograms, and the estimated cardamom crop is 22,500 kilograms.

Anandam Rubber Cuts Dividend

DURING the year ended December 1962, Anandam Rubber Co. Ltd has earned a net profit of Rs. 55,115, after providing Rs. 31,603 for depreciation and Rs. 10,000 for taxation. The previous year's net profit was Rs. 81,888, after providing Rs. 33,280 for depreciation and Rs. 70,000 for taxation. Due to the lower profit, the ordinary dividend has been reduced to 15 percent from the previous year's 18 percent. With Rs. 48,609 brought forward, the total

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surplus available for appropriation amounts to Rs. 1.04 lakhs. Out of this, the dividend of 7.35 percent on preference shares (subject to deduction of tax) amounts to Rs. 18,375. The balance of the preference dividend for 1959 at 0.35 percent has absorbed Rs. 875. The proposed ordinary dividend of 15 percent will absorb Rs. 37,500. The balance of Rs. 46,875 is carried forward.

The tea crop for the year amounted to 156,930 kilograms at an estate cost of Rs. 2.67 a kilogram. The tea crop estimated for 1963 is 141,000 kilograms at a cost of Rs. 3.07 a kilogram. The average selling price of tea was Rs. 3.48 a kilogram. The rubber crop harvested up to 14th September, 1962, amounted to 30,930 kilograms. The average realised price for rubber was Rs. 3.46 a kilogram. The ordinary shares of the Company are now quoted at Rs. 15.24 cum dividend each of Rs. 10 paid-up.

Sri Kannapiran Mills Pays Less

IN spite of a higher profit for the year ended December 1962, the directors of Sri Kannapiran Mills Ltd have reduced the dividend sharply to 6 percent from the previous year's 12 percent. In order to pay even the reduced dividend, the directors have had to draw from the general reserve. The reasons for the inadequacy of disposable profit are the increase in bonus by Rs. 75,000, increased provision by about Rs. 25,000 for development rebate reserve and the larger provision for taxation which increased by about Rs. 1.35 lakhs, inclusive of the super profits tax. The net profit for 1962 amounts to Rs. 6.72 lakhs, after providing Rs. 4.04 lakhs for depreciation. The previous year's net profit was Rs. 5.48 lakhs which was arrived at after providing Rs. 3.88 lakhs for depreciation. With Rs. 3,367 brought forward from the previous year and transferring Rs. 22,840 from general reserve, the amount available for appropriation is Rs. 6.98 lakhs. Out of this, development rebate reserve gets Rs. 60,167 (against Rs. 34,691). Provision for taxation amounts to Rs. 4.07 lakhs (against Rs. 2.65 lakhs). The proposed dividend at 6 percent will absorb Rs. 79,726. Sales of finished goods rose to Rs. 62.60 lakhs during the year, against Rs. 59.93 lakhs in the previous year.

Rajeswari Mills Profit Down

DURING the year ended December 1962, Rajeswari Mills Ltd, Gudiyattam, has earned a net profit of Rs. 5.57 lakhs, after providing Rs. 1.74 lakhs for depreciation. The net profit for the previous year was Rs. 6.07 lakhs, after providing Rs. 1.80 lakhs for depreciation. With Rs. 6,734 brought forward from the previous year, and with Rs. 1,865 being the refund of income tax, the total available for appropriation amounts to Rs. 5.66 lakhs. Out of this, provision for income-tax amounts to Rs. 3.10 lakhs (against Rs. 3.20 lakhs) and provision for the super profits tax Rs. 85,000 (against nil). Development rebate reserve gets Rs. 6,300 (against Rs. 9,600). A sum of Rs. 9,000 (against Rs. 15,000) is transferred to dividend equalisation reserve. No amount is transferred to general reserve (against Rs. 50,000). Provision for the gratuity fund amounts to Rs. 5,000 (the same). The proposed dividend of 15 percent will absorb Rs. 1.50 lakhs (against Rs. 2 lakhs). The balance of Rs. 816 is carried forward.

The turnover remained almost the same as in the previous year, but the

CAPITAL, 13th June, 1963.

profits were lower due to the higher cost of production. The directors state that they have had to reduce the dividend due to higher taxation. The mill is working with 14,000 spindles at present. The Company is awaiting the Government's orders concerning its application for 6,000 additional spindles.

Radha Krishna Mills Pays Less

THE directors of Radha Krishna Mills Ltd have reduced the dividend to 10 percent for the year ended December 1962 from the previous year's 12½ percent, due to a decline in the net profit for the year. The net profit for 1962 amounts to Rs. 16.19 lakhs, after providing Rs. 5.70 lakhs for depreciation (against Rs. 5.38 lakhs). The previous year's net profit was Rs. 20.02 lakhs. With Rs. 3,497 brought forward the total comes to Rs. 16.22 lakhs. Out of this, Rs. 8.47 lakhs (against Rs. 11.52 lakhs) is transferred to contingency reserve and Rs. 1.41 lakhs (against Rs. 61,172) to development rebate reserve. The proposed dividend of 10 percent will absorb Rs. 6.30 lakhs. The balance of Rs. 4,908 is carried forward.

The directors say in their report that trading conditions were not encouraging during the year due to the steep rise in the price of cotton and a sluggish cloth market. Furthermore, there was no upward revision of yarn prices during the year, and this affected the profit of the Company. There was an increase in the surcharge on electricity and the bonus payment to staff. The number of operatives also increased. The gross block of the Company stands at Rs. 1.25 crores. After deducting depreciation amounting to Rs. 82.42 lakhs, the net block is Rs. 42.26 lakhs. Sales declined to Rs. 2.07 crores from the previous year's Rs. 2.26 crores.

Seshasayee Industries Makes Profit

SESHASAYEE Industries has earned a profit amounting to Rs. 12,742 for the year ended 31st December, 1962 after providing Rs. 3,91,784 for depreciation, as against the previous year's loss of Rs. 8,97,485, after providing Rs. 3,22,853 for depreciation. The value of production improved to Rs. 34.6 lakhs from the previous year's level of Rs. 14.7 lakhs. It is reported that the tempo of production in all the sections has considerably increased and it is expected that in 1963, production will be substantially higher. After adjusting the brought-forward loss of Rs. 14,23,660, the balance of loss carried forward amounts to Rs. 14,10,918.

On product development, the directors' report says that besides conventional I.T. and h.t. transmission line insulators, the factory is now producing and marketing 11, 22 and 33 kV post type insulators and bushings for 11 kV transformers. The directors add that prototypes for heavy duty disc insulators (18,000-lb and 25,000-lb varieties) for 22 and 33 kV transformer bushings as well as railway mer insulators are under development, and it is hoped that many of these items will come into regular production during 1963.

On the expansion project, the report says that the project is making good progress. The new foundry is expected to be completed by July 1963, and the tunnel kiln for the ceramic section by December 1963. Products of the Company are well received by all the users. Another line in which the Company has established itself fairly well is the manu-

facture of ni-hard cast iron material for the cement industry. About the expansion of the factory from a 1,200 ton unit to one of 3,000 ton unit, the directors refer to the issue of Rs. 40 lakhs share capital last year to meet part of the cost of expansion. The total cost of the expansion comes to Rs. 93 lakhs. The balance of Rs. 53 lakhs will be found through a further issue of Rs. 20 lakhs of share capital and by securing a loan of Rs. 33 lakhs. The share issue of Rs. 20 lakhs, it is proposed, will be made to only institutional investors.

Pankaja Mills Skips Again

DUE to a steep fall in the net profit for the year ended December 1962 largely because of the unremunerative prices realised for its yarn, the directors of Pankaja Mills have again passed the dividend for this year. The net profit for 1962 amounts to Rs. 2,35,217 after providing Rs. 1,94,909 for depreciation, compared with the previous year's net profit of Rs. 7,27,407 after providing Rs. 1,40,608 for depreciation. Out of this profit, bonus for the prior years amounted to Rs. 1,10,175, while sales tax for the prior years amounted to Rs. 827 and Income tax amounted to Rs. 17,114. After these appropriations, there is a balance of Rs. 95,263. Adding to this amount, a sum of Rs. 3,969 being refund of sales tax, and also a sum of Rs. 25,000 being donation in the previous year brought back to the account, the total comes to Rs. 1,24,232. After adjusting this amount against the brought forward loss of Rs. 19,14,583, the balance of loss of Rs. 17,90,351 is carried forward.

Andhra Cement Earns More

A MARKED rise in the profits, before taxation, and a substantial improvement in sales, feature the working results of the Andhra Cement Co. Ltd for the year ended December 1962. Provision for taxation is substantially higher at Rs. 7.88 lakhs (against Rs. 3.50 lakhs). The ordinary dividend for the year is reduced by 1 percent to 9 percent from the previous year's 10 percent. The net profit amounts to Rs. 14.43 lakhs, after providing Rs. 9.39 lakhs for depreciation. The previous year's net profit was Rs. 10.82 lakhs, after providing Rs. 9.85 lakhs for depreciation. With Rs. 2,498 brought forward and with Rs. 1.91 lakhs transferred from the rehabilitation fund, Rs. 1.05 lakhs transferred from general reserve, the total available for appropriation amounts to Rs. 17.41 lakhs. Out of this, the directors have provided Rs. 7.88 lakhs (against Rs. 3.50 lakhs) for taxation. Provision for development rebate reserve amounts to Rs. 54,750 (against Rs. 75,000). Expenses not relating to the year of account amounted to Rs. 23,994. Transfer to the rehabilitation fund, 1962, amounts to Rs. 1.62 lakhs. The preference dividend at 6 percent free of tax (gross 7.8 percent), amounts to Rs. 19,407. The proposed ordinary dividend at 9 percent (against 10 percent) will absorb Rs. 6.39 lakhs. The balance of Rs. 2,172 is carried forward.

The directors say in their report that although production during the year showed slight improvement over the previous years, it could not be maintained to full capacity due to the shortage of raw materials and transport. Coal was continuously in short supply and supplies had to be arranged at exorbitant cost by the sea-cum-rail routes as well as from other alternative sources. The report adds that after the price of cement was

fixed by the Government under the Tariff Commission's recommendations in 1961, there was a further increase in the cost of production. Representation has been made to the Government of India for an increase in the retention price due to the increase in the production cost. The directors think that the working results during the year have not been entirely satisfactory. They are taking steps to convert the coal firing kilns to oil firing ones as permitted by the Government of India, subject to a subsidy being allowed for the increased cost.

The Government of India has granted a licence to the Company for establishing a sponge iron plant in two stages, by making suitable modifications to the existing rotary kilns. The first stage will be for a production capacity of 40,000 tonnes a year and the second stage for an additional production capacity of 60,000 tonnes a year, making a total of 100,000 tonnes.

Aspinwall (Travancore) Loses

THE working of Aspinwall and Co. (Travancore) Ltd for the year ended December 1962 has resulted in a net loss of Rs. 55,217 after providing for depreciation and agricultural income tax, compared with the net loss of Rs. 58,702 in the previous year. In view of the loss incurred for the year and the impact of the super profits tax, the directors consider it not desirable to recommend any dividend for the year. The dividend for the previous year was 4 percent. The amount brought forward from the previous year was Rs. 299 and excess provision for taxation no longer required amounted to Rs. 2,961. In order to set off the net loss in working, the directors have transferred a sum of Rs. 52,000 from general reserve to profit and loss account. The above three items total Rs. 55,260, against which the net loss of Rs. 55,217 is adjusted. This leaves a small sum of Rs. 43, which is carried forward. The capital reserve now stands in the balance sheet at Rs. 1,52,870, while the general reserve stands at Rs. 1,50,205. The Rs. 10 paid-up share of the Company is now quoted at Rs. 5.85.

Premier Fertiliser Fares Well

WORKING results of the Premier Fertilisers Ltd for the year ended December 1962, are satisfactory. The civil construction of the factory buildings and the erection of the plant and machinery were completed during the year. The expenditure during construction up to 31st December, 1962, totalled Rs. 4,84,658, which is in addition to the sum of Rs. 1,08,209 spent under the same head in the previous period and included in the last balance sheet. This includes Rs. 2,20,281 incurred as machinery erection expenses. The income during the year, after providing Rs. 5,445 for depreciation, Rs. 7,600 for development rebate reserve, and Rs. 8,900 for taxation, is Rs. 7,069. The directors have decided to carry forward this surplus amount to the next year's account. The erection of the plant and machinery was completed about the end of 1962, and trial runs were taken.

After getting over a few initial mechanical difficulties, regular production began from January 1963. It has been established that the plant is capable of producing more than its rated capacity. The factory is situated near Cuddalore Old Town

railway station in Madras State with a manufacturing capacity of 40,000 tons of superphosphate and 16,500 tons of sulphuric acid a year. The directors state that the quality of the superphosphate is very good. The managing agents, Emecete and Sons Ltd, Madras, have agreed to waive their minimum remuneration of Rs. 25,000 and this is the second year in succession of their waiver.

Mahendra Electricals Starts Production

THE second annual report of Mahendra Electricals Ltd, which manufactures wires and cables in association with Johnson and Phillips Ltd, London, for the nine months ended December 1962, shows that the working of the Company during this period has resulted in a net loss of Rs. 58,964 (against Rs. 36,075) for the year ended 31st March, 1962. Referring to the progress on the project, the report says that during the year, structural and civil works of the main factory buildings, electric sub-station, water tower and pump house, stores buildings, etcetera, have been completed and bulk power has been made available to the Company. It is further reported that all the plant and machinery, both indigenous and imported, have been installed, and trial runs on various items have been taken and steady progress is being made. In the middle of January 1963, the Company commenced production of some of the items in the programme of manufacture.

Enfield India Does Well

CONSIDERABLY improved results over the previous year, and the maintenance of a 4 percent dividend on the increased capital highlight the working of the Enfield India Ltd for the year ended 31st December, 1962. The profit of the Company amounts to Rs. 7,03,362, after providing Rs. 8,56,986 for depreciation, compared with the previous year's profit of Rs. 4,30,462, after providing Rs. 6,83,364 for depreciation. With the amount of Rs. 2,414 brought forward, the total available for appropriation comes to Rs. 7,05,776. The reserve for development rebate gets Rs. 1,16,167 (against Rs. 69,847). Donations amounted to Rs. 16,191. The provision for taxation amounts to Rs. 2,93,000 (against Rs. 1,23,000). The dividend at 9.10 percent on 7 percent tax-free redeemable preference shares amounts to Rs. 91,000. The proposed dividend at 4 percent on equity shares on the increased capital (the same) will absorb Rs. 1,84,627. The balance of Rs. 4,791 is carried forward.

Sales during the year rose by 16 percent, while the net profit after depreciation rose by 60 percent. But for the developments in the last quarter of the year and the declaration of emergency, the directors state, working results would have been better still. Although the Company had been manufacturing two models of motor-cycles on a defined basis, only the heavier type of motor-cycle is now being made in order to meet the requirements of the Defence services. This necessarily resulted in a dislocation of the production facilities. As planning in the motor-vehicle industry has to be done considerably in advance, normally about a year ahead, this sudden implementation of the change in the pattern of production adversely affected the working of the last two months of the year. Besides, considerable expenditure was incurred in converting vehicles on

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hand and in varying stages of manufacture, to meet defence specifications.

On the scooter project, the directors' report says that the developments during the year affected the programme of making scooters, which had just got into stride. The equity capital raised for financing the scooter project could not, therefore, yield the anticipated return on investment. The Company has now reached a stage of normal operations concerning motor-cycle production on the basis of the revised pattern. Most of the machinery required for the second phase of the scooter project have been received and are being erected, with half of the additional loan of Rs. 14 lakhs which was sanctioned by the Industrial Finance Corporation.

The Company will be shortly introducing a new model lightweight motor-cycle in place of the existing model. It is reported that a considerable amount of planning and preparatory work in connection with the industrial engines project were

done during the year. In spite of the limitations caused by the change-over to the revised pattern of production and despite the fact that the manufacture of scooters during 1963 would be considerably less than what the Company should be producing under different conditions, the chairman says in his statement that an increase of about 40 percent can be achieved in sales during the current year.

A. V. Thomas Pays More

ALTHOUGH the net profit of A. V. Thomas and Co. Ltd for the year ended December 1962 is lower than in the previous year, the directors have recommended a higher dividend of 13 percent on ordinary shares, against 12½ percent in the previous year. The profit for 1962 before taxation amounts to Rs. 2,41,432.68, compared with Rs. 2,88,635 for the previous year. With the amount of Rs. 25,700.80 brought forward, the total available

surplus comes to Rs. 2,67,133.48. Out of this, the provision for taxation is Rs. 1,75,000 which includes Rs. 17,000 for super profits tax (against Rs. 1,30,000). The preference dividend at 7.8 percent, taxable, absorbs Rs. 9,453.60. The proposed dividend on equity shares at 13 percent will absorb Rs. 61,126. The balance of Rs. 21,553.88 is carried forward.

Palani Andavar Earns Less

A STEADY rise in the price of raw materials, increased cost of labour and working expenses and a surcharge on the consumption of electricity, without any corresponding increase in the selling prices of yarn have affected the working results of Palani Andavar Mills Ltd for the year ended December 1962. The net profit for the year has declined to Rs. 15.04 lakhs from Rs. 17.11 lakhs in the previous year, after providing Rs. 4.75 lakhs for depreciation (against Rs. 4.46 lakhs). With Rs. 26,544 brought forward from the previous year, the total amount

available for appropriation is Rs. 15.31 lakhs. Out of this, development rebate reserve gets Rs. 1.12 lakhs (against Rs. 42,000). Provision for taxation amounts to Rs. 9 lakhs (against Rs. 7.25 lakhs). The preference dividend at 9.1 percent amounts to Rs. 18,200. The proposed dividend on ordinary shares at 35 percent (against 50 percent) will absorb Rs. 3.50 lakhs. The balance of Rs. 3,755 is carried forward. Yarn sales for the year amounted to Rs. 1.34 crores (against Rs. 1.34 crores).

Thamarapally Rubber Pays Less

THE working of the Thamarapally Rubber Co. Ltd for the year ended December 1962 has resulted in a net profit of Rs. 1,00,060.69, after providing Rs. 7,642.73 for depreciation and Rs. 86,000 for taxation. The net profit for the previous year was Rs. 1,01,541 after providing Rs. 6,112 for depreciation and Rs. 90,000 for taxation. With the amount of Rs. 12,539.46 brought forward, the total comes to Rs. 1,12,600.15. Out of this, the dividend on preference shares at 6.54 percent (taxable) amounts to Rs. 4,905. The directors have recommended a dividend of 16 percent on the ordinary shares (against 18 percent). This will absorb Rs. 100,000. The balance of Rs. 7,695.15 is carried forward. The rubber crop for the year amounted to 1,88,085 kilograms, at an estate cost of Rs. 166.97 a kilogram. The average price realised was Rs. 3.06 a kilogram. The estimated crop for 1963 is 188,500 kilograms at a cost of Rs. 187.18 a kilogram.

New Capital Issues

FOUR companies, of which two are new, have been authorised to raise capital totalling Rs. 1.55 crores. All are issuing equity shares. The consent for three companies is valid for 12 months and for the fourth up to the end of August this year. The following are the details:

The International Computers and Tabulators Indian Manufacturing Company Ltd, a new company recently incorporated in the State of Maharashtra for the manufacture of data processing equipments in India in collaboration with the International Computers and Tabulators Ltd, London, has been allowed to issue capital of Rs. 50 lakhs divided into 50,000 equity shares of Rs. 100 each at par. Out of this, shares of the value of Rs. 30 lakhs will be offered to the U.K. Company against the import of machinery and plant, technical know-how and/or cash at par. The money will be used for financing the Company for the manufacture of the equipments mentioned above.

A. Stock and Company Ltd, Calcutta, a new company, will issue capital of Rs. 50 lakhs in equity shares of Rs. 10 each for cash at par. The capital will be used for the manufacture of steel structurals and steel storage tanks.

Tiwac Industries Ltd, Dharwar (Mysore State) is raising capital of Rs. 28,00,000 divided into 28,000 equity shares of Rs. 100 each, at par, of which 2,200 shares will be allotted to the foreign collaborators for consideration other than cash and balance will be offered in India for cash. The money will be used for setting up an industrial undertaking for the manufacture of "one-day alarm time-pieces".

Century Flour Mills Ltd has been given consent in supersession of the previous consent order of 11th May, 1962, to the issue of Rs. 27 lakhs of capital to be issued for cash at par. The money will be used for the establishment of a biscuit factory. The consent will be valid up to 31st August, 1963.

The Stock Markets

FORWARD TRADING MAY START NEXT WEEK IN CALCUTTA

Wednesday Evening.

THE Calcutta Stock Exchange has decided to accept the Government's terms and conditions for resuming forward trading in shares. Its request for modification has been turned down. It has also applied to the Government for permission to begin forward trading, which may be resumed next week. The Bombay, Madras, Ahmedabad and Delhi stock markets have already started forward trading because they accepted the terms and conditions of the Government earlier.

Dull conditions have prevailed during the past week. Turnover has largely been confined to clearing shares and fluctuations have been narrow. Operators have been inclined to keep their commitments light. Bulls, in particular, have been cautious and have tried to take their profit whenever possible. Hence the clearing passed off on Wednesday uneventfully. The carry-forward charges are more or less the same as in the previous settlement.

Investors have been very discriminating because of the discouraging outlook for dividends, despite bigger turnover and profits, after-tax profits have been substantially reduced by heavier taxation, including the super profits tax. Most of the companies have found it difficult even to repeat the dividends. This apart, the growing idle capacity, especially in the engineering industry, has been a discouraging factor. The working of several engineering units has been interrupted by the shortage of matching steel and electrodes.

The news that the Aid-India Club has sanctioned aid for the third year of the plan has created mixed feelings. Disappointment has been caused because the aid has fallen short of India's request. But the fact that a substantial portion of it is untied has been welcomed. This should facilitate bigger imports of raw materials and spare parts.

The stock market has been worried by the growing shortage of funds. A substantial amount has been mopped up by new issues. The flow of bank credit into stocks and shares is unlikely under present circumstances. Although the busy season has come to a close, money continues to be tight. Since the outlook for bank deposits is not very encouraging considering that a large volume of savings has been siphoned off by heavier taxation and compulsory savings, banks are not inclined to lend liberally.

Indian iron have moved within a narrow groove on alternate bouts of buying and selling. Engineering shares have been neglected. Except for scattered interest in Indian Standard Wagon because of a good report, investors have been cautious. Stray business has been transacted in Guest, Keen, Williams, Texmaco, Burn, Jessop and Kuniardhubi. Bhartiya Electric Steel have not responded to the increase in the dividend.

A smart rise in the price of Indian Copper has been an outstanding feature in an otherwise dull miscellaneous section. This Company has decided to issue bonus shares in the proportion of one share for every two proportion of capitalising reserves. Goodheld by capitalising reserves. Goodheld by capitalising reserves. Goodheld by capitalising reserves. Among tobacco shares, Imperial Tobacco have recovered but National Tobacco have

been easier. Managing agency shares have been quiet. Balmer Lawrie have nevertheless been maintained on repeating the dividend but Shaw Wallace have been sold on halving the dividend. The prices of new shares have fallen all-round. Isaac Holdens, Phillips Carbon Black and Dr. Paul Lohmann have lost on balance. Paper shares have been quiet. Orient, Titagur and Sirpur have slipped back.

The earlier support for jute shares has fizzled out. Champdany have reacted because the capital refund has been subjected to tax. Investors are also worried by the absence of foreign enquiries for jute goods. Birla have reacted but Barnagore have been supported. Scattered interest has been taken in Fort Gloster, Anglo-India, Ganges, Megna and India.

Coal shares have been neglected and stray business has been transacted in Burrakur, East Indian, Bengal and Central India. Interest has declined in cotton mill shares because the profit outlook has become uncertain. J. K. Rayon and Bharat Commerce have been sold. Sugar shares have been difficult to deal in because the prospect is considered far from bright. Bank shares have evoked no interest.

Stray business has been done in tea shares and prices have shown little change. Investors have been disturbed by developments along the northern border.

Government securities have been steady mainly because of official sup-

port. The 3 percent Conversion Loan 1986 has recovered to Rs. 63.20. Despite interest in short-dated securities, turnover has been small because of the shortage of sellers. Selected State Government loans have been bought.

Tata Steel Output

Messrs Tata Industries Private Ltd, managing agents for the Tata Iron and Steel Company Ltd, report that the approximate production of iron and steel at the steel works in Jamshedpur during May 1963 was: iron 168,400 metric tons; steel ingots 164,800 metric tons and salable steel 122,900 metric tons.

Bombay

FORWARD TRADING RESUMED

OPERATORS REMAIN HESITANT

Wednesday Evening.

THE Bombay stock market has been cheerful during the past week. It has resumed forward trading on a normal basis after an interval of more than six months. The trading ring is well filled by members, brokers and jobbers after a long time. Although stringent margin re-

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quirements have been imposed, the checking of speculation will depend greatly on the members themselves. At first, prices of forward shares in particular improved because of short-covering and replacement buying. Subsequently, prices have slipped back on profit-taking and absence of follow-up support. Operators have been hesitant to extend their commitments because of various uncertainties. The corporate news, on the whole, has not been encouraging in that the profits of cotton mills have been held down by rising production costs. Since the recommendations of the Tariff Commission on the prices of cloth and yarn will be published soon, investors are hesitant to extend their commitments. Attention has largely been concentrated on steel shares on the view that decontrol of steel may benefit the producers.

Tata Steel have closed around Rs. 138.75, but Indian Iron have been subdued on pressure from Lyons Range. Among engineering shares, interest has been taken in Tata Locomotive at Rs. 276.50, in Mukand Iron at Rs. 18.64 and in Larsen and Toubro at Rs. 22.56. Among motor-vehicle shares, Hindustan Motors have been steady at Rs. 16.72 and Premier Automobiles at Rs. 109.

Century have been prominent in the cotton mill section and have been bought up to Rs. 540.50 on prospects of expansion. Standard have reacted

towards the close after an earlier rise. Kohinoor, Svadeshi, Morarjee, Khatau and India United ordinary have been transacted. In the miscellaneous section, cement shares have been steady. Associated Cement have been done at Rs. 141.75 and Digvijay at Rs. 148.

Among sugar shares, Belapur and Walchandnagar Industries have attracted attention. Steamship company shares have been quiet, and stray business has passed in Scindia Steam and Great Eastern. Mining shares have been subdued, and Shivrampur Syndicate have been sold down to Rs. 16.20. Bombay Burmah have attracted attention at Rs. 61.50. Chemical shares have been quietly steady, and business has passed in Tata Chemical and Indian Dyestuff. Among rayon shares, National have fallen on adverse corporate rumours. Business has been slow in cash scrip, although Associated Bearings have recovered somewhat towards the close on replacement buying.

A small turnover has been seen in bank shares and fluctuations have been narrow. Bank of India, Central Bank and Bank of Baroda have been dealt in. In the insurance section, New India Assurance have been bought at Rs. 60.70. There has been less interest in electric company shares and prices have generally slipped back. Ahmedabad have been available at Rs. 92.20 and Tata Power at Rs. 1,061.25.

Madras

MARKET SENTIMENT IMPROVES

MORE INTEREST IN CLEARING SHARES

Tuesday Evening.

SENTIMENT has improved in the stock market during the past week on the resumption of forward trading. Better advices from Bombay have also been a helpful factor. After a long interval, interest has expanded in clearing shares. But operators have turned cautious towards the close because of developments along India's northern borders.

Government securities have been quietly steady and support has been extended to State Government loans. Bank shares have generally been neglected. Selected electric company shares have been bought on dividend considerations. Good tea and coffee shares have met with support at rising prices because of good crop prospects. It is generally believed that the coffee crop during the current year will be bigger since weather conditions have been favourable. Rubber shares have been sluggish. Although selected cotton mill shares have improved, the turnover has, on the whole, been limited. In the miscellaneous section, attention has been

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concentrated on cement and chemical shares.

Among banks, Indian Overseas have been done at Rs. 142 and Pandyan at Rs. 37. In electric companies, South Madras have been taken up to Rs. 10.22. In the sugar section, E.I.D. have reacted to Rs. 37 and Kothari to Rs. 7.40. Stray support has been extended to Deccan at Rs. 9.75 and to Andhra at Rs. 17.36.

Among planting shares, Blue Mountain have been steady at Rs. 2.37 and Consolidated Coffee at Rs. 18.35. Periakaramalai have been wanted at Rs. 3.03 and Thamarapalli at Rs. 15.62. Highland have declared a taxable ordinary dividend of 15 percent and Twyford a taxable ordinary dividend of 5 percent. Travancore Rubber have paid a taxable ordinary dividend of 12 percent and Nilambur a taxable ordinary dividend of 10 percent. Kalasa have declared an interim taxable dividend of 7.5 percent.

In the cotton mill section, Travancore Rayon have recovered to Rs. 24 and South India Viscose to Rs. 128.50. Madura have nevertheless been sluggish around Rs. 32.50 and Lakshmi at Rs. 134. Anglo-French have been bought at Rs. 127.60 and Ramakrishna at Rs. 233.90. Bangalore Woollen have been steady at Rs. 241.60 and Buckingham at Rs. 256.60.

In the miscellaneous section, Aluminium Industries have been quiet at Rs. 17 and Ashok Leyland at Rs. 7.50. Among cement shares, Dalmia have been steady at Rs. 13 and India Cement at Rs. 5.55. The former Company has decided to convert the deferred shares into ordinary shares in the proportion of one fully paid-up ordinary share for each deferred share held. Madras Rubber have been permitted by the Government to issue 625,000 ordinary shares of Rs. 10 each at par to the existing shareholders, in the proportion of one share for every two held. The Ruby Rubber Works Ltd have decided to sell its Bangalore factory to the Manimala Estates Ltd for a sum of Rs. 3.41 lakhs. Mettur Chemical have been bought at Rs. 12.20, but F.A.C.T. have been quiet at Rs. 7.15. Among paper shares, Seshasayee have reacted to Rs. 7.40 on profit-taking. Spencer have been bought at Rs. 21.50 on paying an interim taxable ordinary dividend of 6 percent. Business has passed in Textool at Rs. 154 and in Kirloskar Electric at Rs. 20.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs. 28/50—28/50—28/00—28/25—(34/81).
Dunlop Rubber—Rs. 31/62—31/62—31/31—31/50—(43/19).
Guest, Keen, Williams—Rs. 32/62—32/81—32/62—32/69—(39/81).
Hindustan Motors—Rs. 16/91—17/00—16/56—16/69—(19/75).
Howrah Jute—Rs. 19/62—19/75—19/56—19/75—(22/75).
Indian Aluminium—Rs. 33/69—34/12—33/69—33/81—(40/50).
Do. (New)—Rs. 13/44—13/44—13/44—13/44—(5/04).
Indian Copper—Rs. 4/40—4/91—4/38—4/78—(5/04).
Indian Iron & Steel—Rs. 22/68—22/75—22/42—22/54—(25/96).
Jaipur Udyog—Rs. 11/12—11/25—11/12—11/25—(13/81).
J. K. Cotton—Rs. 12/75—12/81—12/56—12/56—(19/62).
Kesoram Industries—Rs. 21/87—21/94—21/58—21/58—(30/06).
Orient Paper—Rs. 34/05—34/15—34/00—34/00—(43/13).

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Rohtas Industries—Rs. 11/31—11/31—11/06—11/19—(16/19).
Shree Gopal Paper—Rs. 23/25—23/25—23/25—23/25—(27/00).
Textile Machinery—Rs. 24/00—24/00—23/80—23/80—(25/50).

GOVERNMENT SECURITIES

3 % Loan (1986)—Rs. 63/25—63/60—63/25—63/50.
3 % " (1966-68)—Rs. 96/60—96/63—96/60—96/63.
3 % " (1970-75)—Rs. 86/69 S.T.—86/75—86/69—86/75.
3 1/2 % " (1964)—Rs. 99/75—99/75—99/65—99/70.
3 1/2 % " (1965)—Rs. 99/55—99/57—99/55—99/55.
3 1/2 % " (1974)—Rs. 95/60—95/60—95/60—95/60.
3 1/2 % " (1967)—Rs. 98/48—98/48—98/48—98/48.
4 % " (1969)—Rs. 99/50—99/50—99/50—99/50.
4 % " (1981)—Rs. 98/25—98/25—98/25—98/25.
4 % U.P. (1974)—Rs. 97/00—97/00—97/00—97/00.
4 1/2 % Loan (1986)—Rs. 100/00—100/00—100/00—100/00.
U.P. Zemindary Rehabilitation Grant Bonds (9 Collected)—Rs. 31/65—31/65—31/65—31/65.

BANKS

Allahabad—Rs. 268/00—268/00—268/00—268/00—(329/00).
Hindustan Commercial—Rs. 13/82—13/94—13/62—13/87—(18/00).
United Commercial—Rs. 64/50—64/50—64/50—64/50—(64/50).
United Bank of India (Rs. 10/- paid)—Rs. 7/25—7/31—7/25—7/25—(8/50).

COTTONS

Bowreah—Rs. 22/50—22/50—22/50—22/50—(29/62).
Dunbar—Rs. 27/00—27/00—27/00—27/00—(32/62).
Jay Shree—Rs. 14/19—14/25—14/19—14/25—(15/94).
New Victoria—Rs. 1/50—1/53—1/50—1/53—(1/72).
Do. (Pref.)—Rs. 2/87—2/87—2/87—2/87—7/06.
Swadeshi (P.O.)—Rs. 7/06—7/06—7/06—7/06—(7/06).

COALS

Bhalgora—Rs. 5/00—5/00—5/00—5/00—3/56.
Bharat Collieries—Rs. 3/44—3/56—3/44—3/56—(3/56).
Bengal—Rs. 280/00—280/00—280/00—280/00—(121/00).
Central India—Rs. 10/00—10/06—10/00—10/06—(25/62).
Equitable—Rs. 25/69—25/69—25/62—25/62—(28/50).
East Indian—Rs. 31/87—31/87—31/87—31/87—31/87.
Lakurka—Rs. 14/06—14/06—14/06—14/06—11/87.
Union—Rs. 11/00—11/87—11/00—11/87—9/00.
Western Bengal—Rs. 9/00—9/00—9/00—9/00—(10/37).

JUTES

Agarpara—Rs. 10/44—10/50—10/37—10/37—(11/51).
Alliance—Rs. 122/00—122/00—122/00—122/00—(121/00).
Barnagore—Rs. 203/00—205/00—199/00—199/00—(187/00).
Champdany—Rs. 22/75—23/25—20/25—20/25—x.d.
Cheviot (Pref.)—Rs. 92/00—92/00—92/00—92/00—(92/00).
Delta—Rs. 150/00—152/00—150/00—152/00—x.d.
Fort Gloster—Rs. 375/00—376/00—375/00—376/00—(470/00).
Ganges—Rs. 13/75—13/81—13/75—13/81—(14/81).
Hukumchand—Rs. 21/50—21/50—21/50—21/50—(24/94).
India—Rs. 18/19—18/25—18/19—18/25—(17/12).
Kamarhatti—Rs. 199/00—201/00—196/00—196/00—(193/00).
Kinnison—Rs. 148/00—148/00—148/00—148/00—(154/00).
Kelvin—Rs. 185/00—185/00—184/00—184/00—(184/00).
Megna—Rs. 13/06—13/06—13/06—13/06—(13/19).
New Central—Rs. 13/00—13/06—12/50—13/06—(16/37).
National—Rs. 23/50—23/50—23/50—23/50—(25/50).
Nuddea—Rs. 57/00—57/25—56/75—56/75—(65/20).
Presidency—Rs. 5/00—5/00—4/94—4/94—(5/37).
Reliance—Rs. 11/50—11/50—11/44—11/50—(7/81).
Do. (Pref.)—Rs. 115/50—116/00—115/50—115/50—(115/50).
Rameshwara—Rs. 9/62—9/69—9/62—9/69—(6/50).
Waverley—Rs. 8/00—8/00—7/75—7/75—(6/50).

MISCELLANEOUS

Aluminium Corp.—Rs. 12/75—12/81—12/75—12/75—(18/31).
Asian Refractories—Rs. 7/37—7/37—6/94—7/03.
Asiatic Oxygen—Rs. 9/31—9/31—9/12—9/25.
Birds Investment—Rs. 10/56—10/56—10/44—10/56—(12/50).
B. I. Corp.—Rs. 8/56—8/81—8/50—8/50—x.d.
Britannia Biscuit—Rs. 42/00—42/12—42/00—42/12.
Barrack Coke—Rs. 21/75—21/94—21/75—21/94.
Calcutta Gas—Rs. 5/25—5/25—5/25—5/25—10/81.
Calcutta Tramways—Rs. 10/81—10/87—10/62—10/87—(12/62).
Clive Row Investment—Rs. 8/62—8/75—8/62—8/62—(7/81).
Calcutta Silk Mfg.—Rs. 7/19—7/25—7/19—7/25—(7/15).
Dr. Paul Lohmann (Renunciation)—Rs. 0/31—0/50—0/09—0/12.
East Anglia Plastics—Rs. 9/19—9/19—9/06—9/12.
English Electric—Rs. 11/75—11/81—11/56—11/69.
Goodyear India—Rs. 33/00—33/00—31/25—32/00—(45/25).
General Tyres (Pref.)—Rs. 84/00—84/00—84/00—84/00—(84/00).
Hindustan Aluminium—Rs. 12/06—12/31—12/06—12/19—(17/50).
Hindustan Development—Rs. 3/87—4/08—3/87—3/94—(6/37).
Hindustan Wire Pro.—Rs. 16/31—16/37—16/31—16/37—(14/75).
Indian Oxygen—Rs. 25/62—25/62—25/50—25/50.
Ivan Jones—Rs. 0/97—1/00—0/97—1/00—(1/31).
Imperial Tobacco—Rs. 10/44—10/50—10/25—10/25—(11/37).
Indian Tack & Nail—Rs. 12/12—12/12—11/37—11/37—(17/69).
Isaac Holdens—Rs. 14/12—14/37—13/75—14/25—(16/81).
India Carbon—Rs. 20/00—20/12—20/00—20/12—(21/75).
Indian Wood Pro.—Rs. 28/75—28/87—28/75—28/87—(86/00).
J. K. Synthetics—Rs. 10/25—10/25—10/19—10/19—(15/00).

CHEMICALS

Alkali & Chemical—Rs. 31/25—31/37—31/19—31/37—(45/19).

Kanoria—Rs. 6/25—6/50—6/12—6/25—4/87.
Phosphate—Rs. 170/00—170/00—170/00—170/00.

MININGS

Karanpura Dev.—Rs. 11/50—11/50—11/50—11/50.
Metal Corp.—Rs. 8/00—8/06—8/00—8/00—(12/94).
Orissa Minerals—Rs. 26/87—27/00—26/87—27/00—(42/60).

CEMENTS

Ashoka—Rs. 7/34—7/34—7/31—7/31—(8/31).
Bengal Potteries—Rs. 5/50—5/50—5/50—5/50—(7/00).
Dalmia (Bharat)—Rs. 13/06—13/12—13/00—13/00—(13/19).
Do. (Pref.)—Rs. 8/62—8/69—8/62—8/69—(5/44).
Sone Valley—Rs. 4/56—4/56—4/56—4/56—(5/44).

ELECTRICS

Calcutta—Rs. 14/12—14/19—14/12—14/19—(15/19).
Do. (Pref.)—Rs. 8/03—8/12—8/03—8/09—(8/62 x.d.).
Patna—Rs. 10/62—10/62—10/62—10/62—(11/19).

ENGINEERING

Bharat Ball Bearing—Rs. 12/69—12/81—12/69—12/81—(14/75).
Braithwaite & Co.—Rs. 29/37—29/75—29/25—29/75—(37/12).
Bhartia Electric Steel—Rs. 14/56—14/56—14/44—14/50—(12/31).
Binani Metal—Rs. 10/31—10/62—10/25—10/62—(12/62).
Britannia Eng.—Rs. 9/75—9/81—9/75—9/81—(12/06).
Calcutta Steel—Rs. 13/00—13/00—12/75—12/75—(17/00).
Dalmia Iron—Rs. 10/62—10/62—10/56—10/56—(11/81).
Hindustan Wire—Rs. 10/06—10/06—10/06—10/06—(11/81).
Indian Tack & Nail—Rs. 31/75—31/75—31/75—31/75—(31/75).
Jesson & Co.—Rs. 21/75—23/06—21/75—23/06—(23/56).
Kumardhubi—Rs. 8/06—8/12—7/94—8/12—(7/94).
Marshalls—Rs. 2/75—2/78—2/72—2/75—(3/69).
Raymond—Rs. 4/00—4/00—4/00—4/00—(6/50).
Wellman Incandescent—Rs. 6/81—6/81—6/82—6/82.

INSURANCES

New Asiatic—Rs. 7/87—7/94—7/75—7/81—(7/37).
Ruby General—Rs. 9/44—9/44—9/31—9/31.

MISCELLANEOUS

Aluminium Corp.—Rs. 12/75—12/81—12/75—12/75—(18/31).
Asian Refractories—Rs. 7/37—7/37—6/94—7/03.
Asiatic Oxygen—Rs. 9/31—9/31—9/12—9/25.
Birds Investment—Rs. 10/56—10/56—10/44—10/56—(12/50).
B. I. Corp.—Rs. 8/56—8/81—8/50—8/50—x.d.
Britannia Biscuit—Rs. 42/00—42/12—42/00—42/12.
Barrack Coke—Rs. 21/75—21/94—21/75—21/94.
Calcutta Gas—Rs. 5/25—5/25—5/25—5/25—10/81.
Calcutta Tramways—Rs. 10/81—10/87—10/62—10/87—(12/62).
Clive Row Investment—Rs. 8/62—8/75—8/62—8/62—(7/81).
Calcutta Silk Mfg.—Rs. 7/19—7/25—7/19—7/25—(7/15).
Dr. Paul Lohmann (Renunciation)—Rs. 0/31—0/50—0/09—0/12.
East Anglia Plastics—Rs. 9/19—9/19—9/06—9/12.
English Electric—Rs. 11/75—11/81—11/56—11/69.
Goodyear India—Rs. 33/00—33/00—31/25—32/00—(45/25).
General Tyres (Pref.)—Rs. 84/00—84/00—84/00—84/00—(84/00).
Hindustan Aluminium—Rs. 12/06—12/31—12/06—12/19—(17/50).
Hindustan Development—Rs. 3/87—4/08—3/87—3/94—(6/37).
Hindustan Wire Pro.—Rs. 16/31—16/37—16/31—16/37—(14/75).
Indian Oxygen—Rs. 25/62—25/62—25/50—25/50.
Ivan Jones—Rs. 0/97—1/00—0/97—1/00—(1/31).
Imperial Tobacco—Rs. 10/44—10/50—10/25—10/25—(11/37).
Indian Tack & Nail—Rs. 12/12—12/12—11/37—11/37—(17/69).
Isaac Holdens—Rs. 14/12—14/37—13/75—14/25—(16/81).
India Carbon—Rs. 20/00—20/12—20/00—20/12—(21/75).
Indian Wood Pro.—Rs. 28/75—28/87—28/75—28/87—(86/00).
J. K. Synthetics—Rs. 10/25—10/25—10/19—10/19—(15/00).

Metal Distributors—Rs. 4/87—4/87—4/87—4/87—(4/87).
Martin Burn—Rs. 24/87—25/06—24/81—24/81—(28/75).
National Pipes & Tubes—Rs. 26/06—26/37—26/06—26/19—(32/37).
National Tobacco—Rs. 11/62—11/62—11/62—11/62—(15/94).
National Insulated Cable—Rs. 24/00—24/00—24/00—24/00—(49/25).
Phillips Carbon—Rs. 17/00—17/00—16/62—16/62—(16/62).
Phillips India—Rs. 26/50—26/56—26/50—26/56—(36/12).
Rohtas Industries (1st Pref.)—Rs. 95/00—95/00—95/00—95/00—(95/00).
Do. ("B" Pref.)—Rs. 56/50—56/50—56/50—56/50—(55/00).
Sen-Raleigh—Rs. 14/50—14/50—13/75—13/75—(19/00).
Sirsilk—Rs. 9/25—9/25—8/87—8/87—(10/25).
Shaw Wallace—Rs. 15/31—15/37—15/31—15/37—(23/75).
Universal Electric—Rs. 9/50—9/62—9/19—9/25—(5/75).
Universal Cables—Rs. 9/62—9/69—9/56—9/56—(12/56).
Walford Transport—Rs. 3/53—3/60—3/53—3/60—(3/75).
Window Glass—Rs. 8/00—8/06—8/00—8/00—(5/00).

OIL

Indo-Burma Petroleum (Pref.)—Rs. 76/00—76/00—76/00—76/00—(76/00).

PAPERS

Bengal—Rs. 29/12—29/12—28/56—28/62.
Ballapur—Rs. 16/75—16/94—16/75—16/94—(18/12).
India Paper Pulp—Rs. 17/25—17/25—17/25—17/25—(22/06).
Seshasayee—Rs. 7/56—7/62—7/56—7/62—(8/25).
Srirup—Rs. 11/81—11/94—11/81—11/87—(13/25).
Straw Products—Rs. 8/87—9/25—8/87—9/25—(10/34).
Do. (Pref.)—Rs. 85/00—85/00—84/50—84/50—(84/50).
Shree Gopal (7% Pref.)—Rs. 101/00—101/00—101/00—101/00—(101/00).
Titagur—Rs. 16/25—16/31—16/12—16/25—(42/06).

REAL PROPERTY

Midnapore Zemindary—Rs. 10/25—10/25—10/00—10/00—(9/56).

SHIPPINGS

India Steamship—Rs. 6/50—6/50—6/37—6/41—(7/12).
India General Navign.—Rs. 38/00—39/00—38/00—39/00—(64/50).

SUGARS

Balrampur—Rs. 2/00—2/00—2/00—2/00—(2/34).
Cawnpore (Pref.)—Rs. 108/75—108/75—108/75—108/75—(108/75).

TEAS

Bishnauth—Rs. 18/00—18/25—18/00—18/25—(18/81).
Banarhat—Rs. 232/00—233/00—232/00—233/00—(273/00 c.d.).
Deejoy Valley—Rs. 52/50—52/50—52/50—52/50—(52/50).
Dhelakhat—Rs. 19/87—20/00—19/87—20/00—(21/00).
Dessal & Purbuttia—Rs. 189/00—189/00—189/00—189/00—(189/00).
Grob—Rs. 7/50—7/50—7/50—7/50—(7/50).
Hantapara—Rs. 105/00—105/00—105/00—105/00—(105/00).
Hasimara—Rs. 12/37—12/44—12/37—12/44—(12/37).
Ledo—Rs. 13/62—13/75—13/62—13/75—(12/25).
Nagri Farm—Rs. 29/50—29/50—29/50—29/50—(29/50).
New Chumta—Rs. 20/25—20/37—20/25—20/37—(20/37).
Ranicherra—Rs. 15/37—15/37—15/37—15/37—(20/62).
Sungma—Rs. 15/25—15/25—15/25—15/25—(15/25).
Telojan—Rs. 22/00—22/00—22/00—22/00—(22/00).

DEBENTURES

5 % Macneill Barry—Rs. 85/00—85/00—85/00—85/00—(85/00).
6 1/2 % East India Coal—Rs. 96/75—96/75—96/75—96/75—(96/75).

London

SHARP FALL IN SHARE VALUES

POLITICAL UNCERTAINTY UPSETS SENTIMENT

London, 12th June.

THE past week was an unhappy one for the stock market. Prices deteriorated in most sections prior

to the week-end on nervousness concerning the possible political repercussions of Mr. Profumo's resignation from the Government, but it was not until Monday that the full weight of this affair fell upon the market. Prices tumbled as a fair amount of selling developed, and the market suffered their sharpest setback since last year's Cuba crisis. Somewhat steadied conditions developed after

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		7-6-63	31-5-63	8-6-62
Liabilities—				
Notes in Banking Dept.	...	21,49.34	37,05.97	19,10.81
Notes in Circulation	...	23,13.98.80	22,81.44.43	21,41.30.37
Total Notes issued	...	23,35,48.14	23,18,50.40	21,60,41.28
Assets—				
A Gold Coin and Bullion	...	1,17.76.10	1,17.76.10	1,17.76.10
Foreign Securities	...	1,09.08.43	1,09.08.43	92.68.17
Total of A	...	2,26.84.53	2,26.84.53	2,10.44.27
B Rupee Coin	...	1,11.20.03	1,14.22.29	1,11.77.75
Rupee Securities	...	16,97.43.58	19,77.43.58	18,38.19.28
Total	...	23,35,48.14	23,18,50.40	21,60,41.28

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	8,00.00	8,00.00	8,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	61,00.00	61,00.00	30,00.00
National Agricultural Credit (Stabilisation) Fund	...	7,00.00	7,00.00	6,00.00
Deposits—				
(a) Central Govt.	...	70,55.11	73,75.77	52,70.21
(b) State Govts.	...	7,11.41	11,60.84	8,30.88
(c) Banks—				
(i) Scheduled Banks	...	74,69.84	78,41.83	85,06.09
(ii) State Co-operative Banks	...	2,88.22	2,28.66	...
(iii) Other Banks	...	4.73	4.31	...
(d) Others	...	1,68.54.54	1,68,98.34	1,48,64.98
Bills Payable	...	28,91.84	34,41.52	33,25.42
Other Liabilities	...	81,12.02	81,64.71	70,28.02
Total	...	5,87,27.73	6,04,11.98	5,39,25.58
Assets—				
Notes	...	21,49.34	37,05.97	19,10.81
Rupee Coin	...	2.34	2.68	1.84
Small Coin	...	2.53	2.63	3.12
National Agricultural Credit (Long Term Operations) Fund	...	...	...	...
(a) Loans and Advances to—				
(i) State Govts.	...	27,17.01	27,17.01	...
(ii) State Co-operative Banks	...	9,04.87	8,50.16	...
(iii) Central Land Mortgage Banks	...	...	...	...
(d) Investment in Central Land Mortgage Bank Debentures	...	2,84.88	2,84.88	...
National Agricultural Credit (Stabilisation) Fund	...	...	...	...
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. Treasury Bills	...	50,59.37	47,80.45	56,18.52
Balances Held abroad	...	5,41.65	8,34.41	9,94.70
Loans and Advances to Govt.	...	49,40.88	45,64.27	1,11,31.56
(i) Scheduled Banks	...	24,53.02	17,60.00	1,29,66.49
(ii) State Co-operative Banks	...	1,14,43.30	1,12,86.88	...
(iii) Others	...	2,38.42	2,38.42	...
Investments	...	2,34,37.63	2,54,42.77	1,74,35.61
Other Assets	...	38,44.84	38,40.47	38,62.73
Total	...	5,87,27.73	6,04,11.98	5,39,25.58

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		31-5-63	24-5-63	1-6-62
(i) Demand Liabilities—				
(a) Demand Deposits	...	...	...	...
(b) From Banks	...	...	...	...
(c) From others	...	...	...	...
(d) Borrowing from Banks	...	...	...	...
(e) Others	...	...	...	...
(ii) Time Liabilities—				
(a) Time Deposits	...	...	...	...
(b) From Banks	...	...	...	...
(c) From others	...	...	...	...
(d) Borrowing from Banks	...	...	...	...
(e) Others	...	...	...	...
(iii) Borrowing from State Bank—				
(a) Demand Liabilities	...	...	...	...
(b) Time Liabilities	...	...	...	...
(iv) Borrowing from Reserve Bank	...	...	...	...
(v) Cash	...	...	...	...
(vi) Balances with the Reserve Bank	...	...	...	...
(vii) Balances with other Banks in current account	...	...	...	...
(viii) Money at call and short notice	...	...	...	...
(ix) Investments in Central and State Govt. Securities	...	...	...	...
(x) Loans Cash credits and Overdrafts	...	...	...	...
(xi) Due from Banks	...	...	...	...
(xii) Inland bills purchased and discounted	...	...	...	...
(xiii) Foreign Bills purchased and discounted	...	...	...	...
(xiv) Total of X, XI and XII	...	...	...	...

SOUTHERN BANK LTD.

(SCHEDULED BANK)

Head Office
24, NETAJI SUBHAS ROAD, CALCUTTA.
Phone 22-5988, 22-5989.BRANCHES:
BURRABAZAR, SHYAMBAZAR,
SHOWANGPORE, BASIRHAT & KHULNA.

LOAN GRANTED ON APPROVED

SECURITIES

All sorts of Banking Business Transacted

S. N. BANERJEE, M.A.,
General Manager.

Phone: 22-3279 Gram: KRISHNAKHA

THE BANK OF BANKURA LTD.

Central Office:

36, STRAND ROAD, CALCUTTA-1.
BANKING BUSINESS OF EVERY
DESCRIPTION TRANSACTED(a) INTEREST ON FIXED DEPOSITS
VARIES ACCORDING TO
PERIOD FROM 3% TO 5%.(b) ON SAVINGS DEPOSITS 3%
INTEREST ALLOWED.

Other Offices:

15, Shyamacharan De Street
(1st Floor), CALCUTTA.
(Phone: 34-3941)

& BANKURA. Phone: Bankura 240.

Money

THE CALCUTTA MONEY
MARKETFAIR DECREASE IN
ADVANCES

Wednesday, 12th June.

THE general level of advances has shown a fair decrease in the Calcutta money market during the past week. Most of the decrease is accounted for by the iron, steel and engineering industries, but the credit given to the cotton textile and sugar mills has also shrunk. Advances for jute, and for the storage of food-grains and seeds, are unchanged. In the interbank market, conditions are tight, and the call rate quotes 5½ percent.

The exchange market has been very dull, with few tea or gunny bills passing. The demand for remittance has been poor. Sterling has been stronger in relation to most of the major currencies except the deutschmark and the Swedish krona.

SILVER WAS QUIET IN CALCUTTA during the past week due to lack of support. The price fell from the previous week's level of Rs. 265 to Rs. 260.75, quoted today for ready delivery. There was no business in gold. The price of silver was quoted at 110½d in London and at 127.6 cents in New York.

DURING THE WEEK ENDED 7TH JUNE, Government of India Treasury bills for Rs. 25,39,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 11th June. The total amount offered was Rs. 2,10,00,000. Tenders at Rs. 99.415 percent were accepted in full, and those at Rs. 99.410 percent were allotted approximately 93 percent. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.354 percent a year. Tenders for Rs. 2 crore of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 17th June.

IT IS STATED THAT 91-DAY INTER-MEDIATE Treasury bills will be sold from 12th June to the 15th June at Rs. 99.426 percent, subject to the conditions previously announced that sales can be stopped at any time without notice, if the Government thinks it necessary. These bills sold from 5th June to 8th June amounted to Rs. 1,35,25,000.

THE RISE OF RS. 32.55 CRORES TO Rs. 2,313.99 crores in active notes was a prominent feature of the return of the Reserve Bank of India for the week ended 7th June, 1963. The total note issue was Rs. 16.98 crores larger at Rs. 2,335.48 crores. The currency expansion was adjusted by raising rupee securities by Rs. 20 crores to Rs. 1,997.44 crores, and reducing rupee coin from Rs. 114.22 crores to Rs. 111.20 crores in the paper currency reserve. These changes were made by transferring securities from the Banking Department in which investments fell by Rs. 20.05 crores to Rs. 234.38 crores. Deposits declined all-round. Deposits of the Government of India were Rs. 2.81 crores smaller at Rs. 70.95 crores and those of State Governments fell by Rs. 4.50 crores to Rs.

7.11 crores. Balances of scheduled banks were Rs. 3.72 crores smaller at Rs. 74.70 crores. Balances held abroad declined by Rs. 2.92 crores to Rs. 5.42 crores. Loans to scheduled banks rose from Rs. 17.60 crores to Rs. 24.53 crores, of which advances against usance bills were Rs. 9.35 crores (Rs. 8.70 crores). Ways and means advances were shown at Rs. 49.41 crores, against Rs. 45.64 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 31st May, 1963, shows a rise of Rs. 1.58 crores to Rs. 561.26 crores in total deposits. Investments in Government securities are down by Rs. 2.19 crores to Rs. 240.85 crores, while other authorised investments remain unchanged at 9.34 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have risen by Rs. 1.79 crores to Rs. 292.74 crores. Cash and balances are, in consequence, shown at Rs. 24.34 crores or Rs. 39 lakhs less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 31st May, 1963, shows Demand and Time liabilities at Rs. 1,026.24 crores (Rs. 31.72 crores on account of borrowings from banks) and Rs. 1,269.54 crores (Rs. 22.48 crores), compared with Rs. 1,033.94 crores (Rs. 34.47 crores) and Rs. 1,273.40 crores (Rs. 21.20 crores) in the previous week. Cash has increased by Rs. 9 lakhs to Rs. 52.74 crores, while balances with the Reserve Bank have decreased by Rs. 2.58 crores to Rs. 76.85 crores. There is a drop of Rs. 2.07 crores to Rs. 628.18 crores in investments. Advances and bills discounted at Rs. 1,563.30 crores show a rise of Rs. 1.78 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.6 percent and 68.1 percent, against 5.7 percent and 67.7 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 14-6-63.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
14-6-63	17-9-63	2,50.00	Rs. 2.354%
7-6-63	10-9-63	2,00.00	Rs. 2.350%
31-5-63	3-9-63	2,00.00	Rs. 2.350%
24-5-63	27-8-63	2,00.00	Rs. 2.355%
17-5-63	20-8-63	2,00.00	Rs. 2.380%
10-5-63	13-8-63	2,00.00	Rs. 2.354%
3-5-63	6-8-63	2,00.00	Rs. 2.350%
26-4-63	29-7-63	2,00.00	Rs. 2.349%
19-4-63	22-7-63	2,00.00	Rs. 2.354%
11-4-63	14-7-63	2,00.00	Rs. 2.360%
4-4-63	7-7-63	2,00.00	Rs. 2.370%
29-3-63	2-7-63	2,00.00	Rs. 2.370%
22-3-63	25-6-63	2,00.00	Rs. 2.370%
15-3-63	18-6-63	2,00.00	Rs. 2.370%

(Monthly Maturities 000's omitted)

Month	Amount (000's Rs.)
June 1963	4,00.00
July 1963	10,00.00
August 1963	8,00.00
September 1963	6,00.00
Total	28,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
7-6-63	95.50	46.47
31-5-63	1,00.22	...

THIS ANNOUNCEMENT IS NOT A PROSPECTUS and persons interested are requested to apply for a copy of the Prospectus for full details, copies whereof are available from the Company's Underwriters, Brokers and Bankers.

SOUTH INDIA STEEL AND SUGARS LIMITED

(Incorporated as a Public Limited Company under the Indian Companies Act VII of 1913 on 8th May, 1944, in the name of The Madras Circle Registered Stockholders' Association Limited. The name was changed on 21st September, 1961 with the approval of the Central Government).

REGISTERED OFFICE: No. 6, ARMENIAN STREET, MADRAS-1.

SHARE CAPITAL

	Rs.
AUTHORISED:	
5,00,000 Cumulative Redeemable Preference Shares of Rs. 10 each carrying fixed dividend @ 9.3% per annum free of Company's tax but subject to deduction of taxes at source at prescribed rates redeemable after the expiry of 10 years and not later than 15 years from the date of allotment: ...	50,00,000
15,00,000 Equity Shares of Rs. 10 each: ...	1,50,00,000
ISSUED:	
3,39,980 Equity Shares of Rs. 10 each: ...	33,99,800
SUBSCRIBED AND PAID UP:	
2,74,468 Equity Shares of Rs. 10 each fully paid up: ...	27,44,680
70 Forfeited Equity Shares of Rs. 10 each (Amount paid up) ...	525
PRESENT ISSUE:	
5,73,300 Equity Shares of Rs. 10 each to the face value of:	57,33,000
1,65,000 Cumulative Redeemable Preference Shares of Rs. 10 each carrying fixed dividend @ 9.3% per annum free of Company's Tax but subject to deduction of taxes at source at prescribed rates, to the face value of ...	16,50,000
	73,83,000

The entire issue is offered for cash at par.

Out of the present issue, 1,50,000 Equity Shares of Rs. 10 each are reserved for offer and allotment to Cane Growers and 13,300 Equity Shares of Rs. 10 each and 20,000 Cumulative Redeemable Preference Shares of Rs. 10 each for allotment to Directors and their friends. 5,000 Cumulative Redeemable Preference Shares of Rs. 10 each are reserved for allotment to The United India Fire & General Insurance Company Ltd.

The balance of 4,10,000 Equity Shares of Rs. 10 each and 1,40,000 Cumulative Redeemable Preference Shares of Rs. 10 each are offered to the Public.

The amount payable in respect of the present issue is as follows:—

With application: Rs. 5 per share

Rs. Nil on allotment

The balance of Rs. 5 per share is payable in one call of Rs. 5 to be made not earlier than three months from the date of allotment of shares. The calls on both equity and preference shares will be made simultaneously. Failure to pay any call when due will render the share liable to forfeiture.

No shares of the present issue are to be allotted for a consideration other than cash.

Pursuant to the provisions of Section 81 of the Companies Act, 1956, the Company in General Meeting has, by a Special Resolution, decided that the present issue of shares may be offered for subscription to the public without being offered to the existing shareholders.

The Equity Shares and Cumulative Redeemable Preference Shares offered for subscription to the public have been underwritten fully by the several underwriters named in the Prospectus as per details given herein. The Shares reserved for Cane Growers are offered to the Cane Growers.

In respect of the present issue of shares, all dividends will be apportioned and paid proportionately to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid and shall rank for dividend from their respective dates of allotment.

BOARD OF DIRECTORS

1. Sri M. A. Chidambaram, Chairman, Businessman, Adayar House, Madras-25. (S/o. Late Raja Sir Annamalai Chettiar).

Chairman:

(a) Tubes and Malleables Ltd. (b) South India Corporation (Agency) Private Ltd. (c) Southern Industrial Corporation Ltd. (d) South India Automotive Corporation Private Ltd. (e) Tube Suppliers Ltd. (f) Automobile Products of India Ltd.

Director:

(g) Indian Aluminium Co. Ltd. (h) East India Hotels Ltd. (i) Madras Local Board of State Bank of India. (j) South India Insurance Co. Ltd. (k) Hindustan Wires Ltd., Calcutta. (l) Ratnakar Shipping Co. Ltd., Calcutta. (m) The Kaleeswarar Mills Ltd., Coimbatore. (n) India Radiators Ltd.

2. Sri M. L. Khaitan, Attorney-at Law, 30, Theatre Road, Calcutta-16. (S/o. Late L. N. Khaitan).

Chairman:

(a) Bala Shoe Co. (Private) Ltd. (b) Associated Hotels of India Ltd. (c) East India Hotels Ltd. (d) South India Insurance Co. Ltd. (e) American Refrigerator Co. Ltd. (f) Indo-American Electricals Ltd.

Director:

(g) Indian Airlines Corporation. 3. Sri S. Jagan, Businessman, Dalhousie Square East, Calcutta-1. (S/o. Sri Babulal Jagan).

Director:

(a) Asiatic Oxygen Ltd. (b) The Asiatic Oxygen and Acetylene Co. Ltd.

(c) Atlas & Union Jute Press Co. Ltd.

(d) Bajoria Properties Ltd.

(e) Argent Engineers Ltd.

(f) P. S. S. Investments (P) Ltd., Madras.

(g) The Malabar Spg. & Wvg. Co. Ltd., Kallai, Calcutta.

(h) Somasundaram Corp. P. Ltd., Coimbatore.

(i) Great Eastern Shipping Co. Ltd., Bombay-1.

(j) The Bhopal Sugar Industries Ltd., Bombay-10.

(k) Western India Vegetable Products Ltd., Bombay-1.

(l) The Hyderabad Construction Co. Ltd., Hyderabad.

(m) Anil Hardware Ltd., Bombay-1.

(n) Great Eastern Shipping Co. Ltd., Bombay-1.

(o) Ceat Tyres of India Ltd., Bombay-1.

(p) The Andhra Cementa Ltd. Works Ltd.

(q) The Mysore Electric-Chemical Works Ltd.

(r) The Bhagat Estates (P) Ltd.

(s) The Andhra Cementa Ltd. Works Ltd.

(t) The Mysore Electric-Chemical Works Ltd.

(u) Tube Suppliers Ltd.

(v) Tube Agencies Private Ltd.

(w) Sri Abhashal Akberally, Merchant.

(x) Errabalu Chetty Street, Madras-1. (S/o Sri Akberally).

(y) Saraya Oil Mills, Sardarnagar P.O. U.P.

(z) Saraya P. S. S. Somasundaram Chettiar, Businessman, "Soma Vilas", Trichy Road, Coimbatore. (S/o Sri Sathappa Chettiar).

Managing Director:

(a) The Somasundaram Mills P. Ltd., Coimbatore.

(b) The Kaleeswarar Mills Ltd., Coimbatore.

(c) Sathappa Textiles (P) Ltd., Coimbatore.

(d) P. S. S. Investments (P) Ltd., Coimbatore.

(e) Sathappa Textiles (P) Ltd., Coimbatore.

(f) P. S. S. Investments (P) Ltd., Coimbatore.

(g) Sathappa Textiles (P) Ltd., Coimbatore.

(h) P. S. S. Investments (P) Ltd., Coimbatore.

(i) Sathappa Textiles (P) Ltd., Coimbatore.

(j) P. S. S. Investments (P) Ltd., Coimbatore.

(k) Sathappa Textiles (P) Ltd., Coimbatore.

(l) P. S. S. Investments (P) Ltd., Coimbatore.

SOUTH INDIA STEEL AND SUGARS LIMITED—Cont'd.

CAPITAL, 13th June, 1933.

Chairman:

(b) The South India Pipe Dealers' Syndicate, Madras.

13. Sri C. Mayuramatham, Madras.
56, Narayana Mudali Street, Madras-1.
(S/o Sri Subramaniam Chetty).

MANAGEMENT

The Management of the Company rests with the Board of Directors, of which Mr. M. A. Chidambaram is the Chairman.

OBJECTS

The Company was incorporated on 8th May 1944 under the name and style of The Madras Circle Registered Stockholders' Association Limited, for the purpose set forth in the Memorandum of Association. By a special resolution passed at the Extra-Ordinary General Meeting of the Shareholders, held on 14-6-1960 and confirmed by the order of the High Court, Madras, dated 20th June, 1961, in company petition No. 57, of 1960 the Memorandum of Association was amended so as to enable the Company to carry on the business of Steel rolling mills and re-rolling mills in all its branches and also to carry on the business as Manufacturers of Sugar in all its branches. The following are the main objects of the Company:

To acquire from the Deputy Iron and Steel Controller, Madras, the stocks of Iron & Steel materials now held by him and for such purpose to enter into and carry into effect with or without modification the agreement referred to in Article 3 of the Articles of Association of the Company. To enter into contracts with Central Government for the purpose of being appointed stockholders of controlled stock (which expression shall mean and include all such Iron & Steel materials as are declared to be controlled stock by the Central Government) of one or more categories of Iron and Steel specified in the Second Schedule of Iron & Steel (Control of Distribution) Order 1941.

To hold and handle such Iron and Steel materials as are placed in controlled stock by the Central Government on consignment or in transit.

To buy, sell and deal in such Iron and Steel materials as are placed in controlled stock by the Central Government in accordance with the terms and conditions of the contracts entered into with the Central Government as specified in Sub-clause 2 hereof.

To carry on the business of Steel Rolling Mills and Re-rolling Mills in all its branches.

To carry on business as manufacturers and traders and dealers in all goods manufactured of iron and steel including structural steel, beams, rafters, tubes and similar products, and all goods in

which iron and steel are used as components or otherwise incorporated.

To carry on the business of merchants, dealers, traders, exporters and importers, distributors and stockists and agents and commission agents of steel and iron and goods made of iron and steel of every kind.

To carry on the Business as Manufacturers of sugar in all its branches.

HISTORY AND BUSINESS

The Company was incorporated on 8th May 1944, under the direction of the Iron and Steel Controller, to deal in Iron and Steel of the controlled categories, the membership being restricted only to the Registered Stockholders within the meaning of the Iron and Steel (Control of Distribution) Order 1941. The Company soon commenced business after obtaining certificate of Commencement of business dated 2-6-1944 from the Registrar of Companies, Madras.

It has declared substantial dividends since the inception. We append herewith the particulars of dividends for the five years immediately preceding.

Year ending 30th June, of	Dividends Declared
1953	10% free of tax
1959	12% gross
1960	15% gross
1961	22% gross
1962	9% gross

As advised by the Deputy Iron and Steel Controller, it was decided to throw open the membership to non-registered stockholders also.

PROSPECTS

The Company has obtained a Licence under the Industries (Development and Regulation) Act, 1951 for establishing a Factory for the manufacture of Sugar in Villupuram Taluk in South Arcot District of Madras State. The South Arcot District is well known as a good sugar cane area next only to Maharashtra. The Company is fortunate in having most of the area in the belt as dry lands (garden lands) with lift irrigation facilities. The region selected is very well known for its plentiful supply of underground water. A large number of wells have been sunk by the agriculturists in the area to supplement the irrigation water from river sources and tanks. Electrically operated pumpsets are in use in the area to a very large extent and some are also using oil engine pumpsets. The area has, therefore, all the essential requirements for the cultivation of sugarcane, namely, good land and plenty of water, combined with good drainage facilities. The crops in the area have been growing cane for a long time and are capable of raising the crop efficiently. Another good feature is that most of the cane to be supplied to the Factory will come from an area within a radius of about

16 miles from the Factory so that the lapse of time between cutting the cane and crushing it can be reduced to the minimum which is a factor favourable for good recovery. The Factory will be at a distance of about 5 miles from the Municipal Town of Villupuram and about 97 miles from the City of Madras so that marketing will be easy.

The price of sugar is controlled and the Government can be expected to provide reasonable margin of profit to the manufacturers of Sugar. The future for the industry is bright.

LOCATION OF THE FACTORY AND FACILITIES AVAILABLE

The Factory will be at Mundiyampakkam, in Villupuram Taluk, South Arcot District. An ideal site with the Southern Trunk Road on one side and the Railway-line on the other side, has been selected. 95.43 acres of land has been acquired for the Factory. Seed Farm and Quarters. The Factory will be adjoining the Railway-line, thus facilitating the provision of a railway siding. There are about 10,000 acres suitable for Cane Cultivation with facility for water supply in the area. A Factory with a 1000-ton crushing capacity will require about 5000 to 6000 acres on the basis of an average yield of about 35 to 40 tons of cane per acre. There are six wells in the lands acquired for the Factory and Quarters and there will be abundant supply of water from them for the requirements of the Factory, Farm and Staff Quarters. There is facility for sinking a few more wells, if necessary.

BANKERS TO THE ISSUE

1. State Bank of India, 1st Line Beach, Madras-1.
2. The United Commercial Bank Ltd., 310/311, Linghi Chetty Street, Madras-1.
3. The Indian Bank Ltd., 32/33, Linghi Chetty Street, Madras-1.
4. The Indian Overseas Bank Ltd., 151, Mount Road, Madras-2.
5. The Canara Bank Ltd., 1/153, Mount Road, Madras-2.

UNDERWRITERS

The following institutions have agreed to underwrite the issue as under:

	Equity Preference (Rs. in lakhs)
1. The Madras Industrial Investment Corporation Limited, 23, Nungambakkam High Road, Madras-34.	20.00
2. Industrial Finance Corporation of India, Reserve Bank Building, Parliament Street, New Delhi.	10.00
3. Life Insurance Corporation of India,	5.00

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BROKERS

1. M/s. Macanochie & Co., Mercantile Bank Buildings, 1st Line Beach, Madras-1.
2. M/s. Chitra & Co., 322/323, Linghi Chetty Street, Madras-1.
3. M/s. P. R. Subramanyam, 70-A Stock Exchange Buildings, Apollo Street, Fort, Bombay-1.
4. M/s. Nanjappaiah Jahngir, 181, Cavelly Road, Bangalore-1.
5. M/s. Sohanlal Pachisia & Co., 9, India Exchange Place, Calcutta.
6. M/s. G. M. Pyne, Allahabad Bank Buildings, 14 India Exchange Place, Calcutta-1.
7. M/s. Rajpal Chadda & Co., Delhi Cinema Buildings, Asaf Ali Road, New Delhi.

LEGAL ADVISERS

1. Sri R. Narasimhaiah & Sri N. Varadarajan, 4, Dr. Ranghachari Road, Madras-4.
2. Sri S. Govind Swaminathan, Barrister-at-Law, High Court, Madras-1.

AUDITORS

Messrs. Fraser & Ross, Chartered Accountants, McLean Street, Madras-1.

Application forms along with copies of prospectus can be had from the above-mentioned underwriters, Brokers and Bankers.

The subscription list will open at the commencement of the Bidding hours on the 17th June, 1963 and will close on 27th June, 1963 at 2.00 P.M. or later at the discretion of the Board of Directors. Subscription for shares reserved for Cane Growers will be collected by the Company immediately after the issue of this Prospectus.

CAPITAL, 13th June, 1963.

KAMANI ENGINEERING CORPORATION LTD.

BOMBAY

CHAIRMAN, MR. R. H. KAMANI'S REVIEW

Following is the summary of the Speech of Mr. R. H. Kamani, Chairman, Kamani Engineering Corp. Ltd., delivered at the 17th Annual General Meeting of the Shareholders on the 7th June, 1963 at the Office of the Company at Bombay.

Extending a cordial welcome to the Shareholders of the Company, Shri R. H. Kamani, Chairman of the Kamani Engineering Corp. Ltd., Bombay presented the Directors' Report, Audited Profit & Loss Account and the Balance Sheet and proposed them to be adopted.

Referring to the attack on our country's territory by the Chinese as unprovoked and dastardly and their subsequent ceasefire as tricky, the Chairman assured those present that these tactics on the part of the invaders will not stop our country from contributing its mite towards building of national economy and bringing prosperity through industry. Sacrifice will have to be made all round, he said and added that all should be determined to face the situation bravely. He went on to inform the Shareholders that their firm has offered the industry's services to the Government and that the Company would be able to serve the country in many ways. He was happy to state that the workers, staff and the management together have contributed about Rs. 2 lakhs to the National Defence Fund.

Accounts

The working of the Company, Shri R. H. Kamani stated had shown satisfactory progress with sales and profits touching new heights viz., from Rs. 2.68 crores last year to Rs. 4.65 crores and from Rs. 24.60 lakhs before providing for depreciation and Managing Agents' remuneration, to Rs. 39.10 lakhs.

He then recounted the allocations. The lion's share in allocation had gone to taxation, viz. Rs. 15 lakhs as against the previous year's Rs. 9.25 lakhs while the Managing Agents' remuneration was Rs. 2.66 lakhs against Rs. 1.60 lakhs in the previous year. Depreciation rose from Rs. 5.85 lakhs to Rs. 8 lakhs. Reserve for Super Profit Tax was Rs. 5.35 lakhs and the figure for general development Reserve was reduced from Rs. 0.40 lakh to Rs. 0.35 lakh, the general reserve and gratuity absorbing Rs. 1.15 lakhs and Rs. 0.30 lakh respectively as against Rs. 1.30 lakh and Rs. 0.10 lakh respectively for the previous year.

Shri Kamani pointed out that the Directors in their report forwarded to the members of the Company had recommended a slightly higher dividend of 9.5% subject to tax deduction at source, despite the substantial burden imposed by Super Profit Tax and by the provision of Rs. 8 lakhs for depreciation: they had also declared dividend on Preference Shares. After providing Rs. 4,95,994/- for proposed dividend a sum of Rs. 4,403/- has been carried forward as against Rs. 5,162/- brought in.

Factory Working

The Chairman informed the Company that the production tempo has been maintained and the factory has crossed the production mark of 20,000 tons and the production for August 1962 reached over 2,500 tons, i.e. 25% higher than the previous record production of 2,100 tons achieved during December 1961.

The supply position of steel, Shri Kamani remarked, was positively improving but the lighter sections, especially steel plates still estimated to

be difficult and irregular. However special efforts were being made to cover up the requirements in order to maintain the tempo of production, he added.

While on the subject Shri Kamani mentioned that national emergency was bound to affect to a certain extent the industrial production in general and as a result import of raw materials would be reduced to the minimum which would have certain repercussions especially in galvanising activities.

The Company had under active study the schemes of expansion and diversification. As far as expansion was concerned Shri Kamani informed that the Company had received an industrial licence for substantial expansion of the existing capacity from 1,500 tons to 4,000 tons per month—2,500 tons more per month for towers and light structures and doubling the capacity of heavy structures to 1,000 tons per month, adding that this licence provided also for manufacture of new items of high tensile Bolts and Nuts up to 500 tons per month. Regarding diversification Shri Kamani said that the Company had under active consideration the participation in Ropeway installation and taking up the manufacture of certain categories of defence requirements.

Erection

Shri Kamani informed the Shareholders that their Company had successfully completed the construction of 110 miles of 132 kV Double Circuit Line in Bihar in a record time of 8 months, for which it had earned the praise of the Project Authorities. The Company had also received orders from Maharashtra, Assam, Andhra Pradesh and W. Bengal States for construction of further important transmission lines. Shri Kamani said and added that the work was in progress in various places and that the Erection Dept. had kept pace with the production by doubling the activities over last year's performance. He expected that the same tempo would be maintained during the current year also provided required equipments were received.

Railway Electrification

Shri Kamani was happy to report the completion of the first contract awarded to the Company for Electrification in the Eastern Zone and lines constructed had been put to commercial use satisfactorily. The Company intended to participate in future business of similar type also in South and West Zones, he declared.

"Tractamont" Road Rollers

An improved model of "Tractamont" Road Roller to work in conjunction with various types of tractors has been put in the market and research and experiments were being conducted so as to further improve the standard of performance, Shri Kamani said.

Export

Referring to the Company's effort towards export promotion Shri Kamani said that the Transmission Line Towers valued at over Rs. 40 lakhs had already been exported to various countries including New Zealand, West Africa and East Africa. He said great importance was being attached to the matter of export for earning the much-needed foreign exchange and added that to do that, great sacrifice will have to be made as competition in foreign markets was severe from internationally known manufacturers which could not be overcome without

adequate facilities and support from the Government, to whose notice the matter was being continuously brought. Shri Kamani hoped that the Government would give due and serious consideration to these difficulties which would greatly help our export business turnover.

Research

The Research and testing department had successfully tested several new and improved types of tower designs with a view to economising in weight and thereby saving steel so

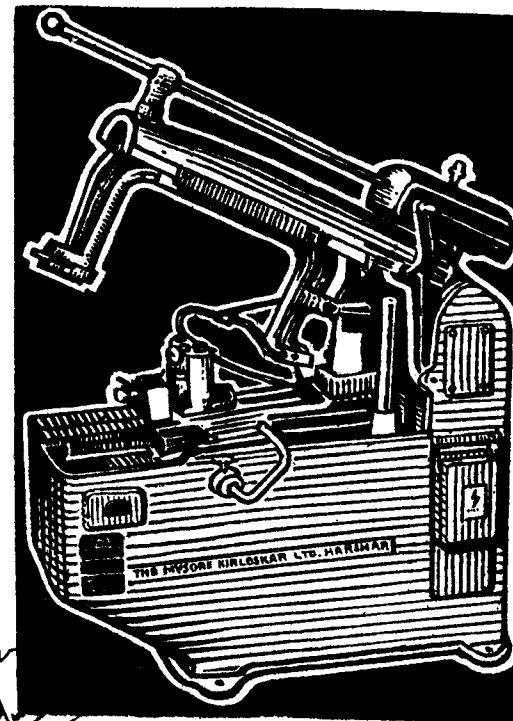
vital to the national economy, Shri Kamani informed the meeting.

Agency Business

Shri Kamani referred to the Agency business and said that the same has increased and the Company continued to receive large orders as for example, orders for large quantities of H.T. Insulators, underground telecommunication cables, and one more complete Thermal Power Plant for Bihar State Electricity Board and added that erection of two more similar power units was nearing completion.

He attributed the good results to the good efforts and co-operation of workers and the members of the staff as also to the encouragement and the backing of the Shareholders received from time to time and thanked them all for the same.

Note: This does not purport to be a report of the proceedings of the Annual General Meeting.



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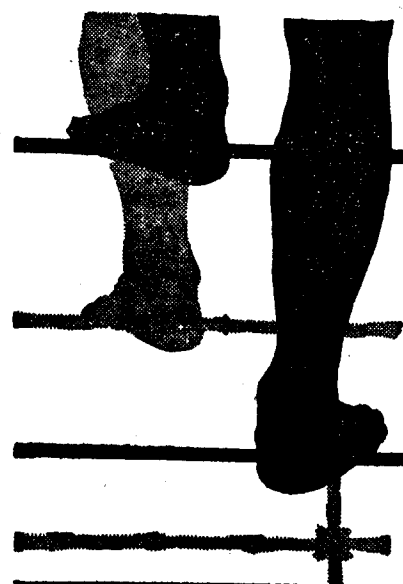
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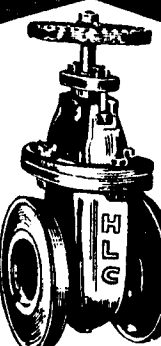
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EFFORTS TO PROMOTE INDO-E.C.M. TRADE

By Malcolm Subhan

BRUSSELS: THE visit of Mr. Manubhai Shah to Brussels gave both the Belgian Minister of Foreign Trade and Mr. Jean Rey, the Member of the Common Market Commission in charge of the Community's external relations, the opportunity to put into practice some of the precepts which they had been preaching in Geneva recently before the delegates to the Ministerial session of the G.A.T.T.

Early reports suggest that both acquitted themselves reasonably well, so that Mr. Shah could tell the Press on the eve of his departure for West Berlin that his talks with the Belgian Government and the Commission had gone well. The fact is, of course, that the visit paid by the Indian Minister of International Trade cannot be viewed in isolation. It was part of a continuous interchange of ideas and suggestions between top people on both sides, and, therefore, no precise balance-sheet can be drawn up at this stage.

To take the Common Market first. The basic difficulty here was mentioned by Mr. Shah himself. The Commission's approach to the developing countries must necessarily be a global one; it cannot consider Indian problems except in the wider context of the developing countries taken together. Mr. Shah was concerned, therefore, not only to demonstrate the need for rapid action in India's case, but also to outline a solution to them. Although he was listened to with sympathy by both President

Hallstein and Mr. Rey, it is apparent from the *communiqué* issued at the end of the talks that the Commission feels that its hands are tied.

While it has the power to make recommendations to the Council of Ministers, the Commission naturally tries to time them so that they may not be shelved by the latter. The fact that it has submitted no proposals so far suggests that in the Commission's view, the time is not yet ripe; and the fate of the recent Indian *aide-memoire* seems to bear this out. This four-page document was submitted to the Commission and the six member-States some five weeks ago. Since then, only two countries appear to have offered their comments on it, in spite of the fact that it contains a plea for urgent action. The Commission is reluctant to comment on the *aide-memoire* as long as the permanent representatives of the Six have not examined it in detail.

The Problem for India

The Six, however, feel that India's problems have lost their urgency now that the question of Britain's entry into the Common Market has been put off indefinitely. The *aide-memoire* tried to show how mistaken such a view is by demonstrating that India has a very real problem with the Community as it stands—the problem which is posed by her mounting trade deficit with the Six. The proposals contained in the *aide-memoire* are not radical; they were, in fact, put forward by the Six themselves

during the negotiations with the U.K. The first step in the Indian view is the suspension by the Community of the tariffs on 11 products as agreed to during the negotiations. The conclusion of a comprehensive trade agreement is thus seen as only the last of several stages.

These points were stressed by Mr. Shah when he met President Hallstein and Mr. Rey. The Indian Minister asked that as a sequel to the decision to suspend the tariff on tea and tropical woods, the Community suspended the tariffs on the ten remaining products. (They are: cashewnuts, curry powder, cardamoms, ginger, mango chutney, sandalwood, lemongrass and tobacco seed oils, handloom products and sports goods.) At the same time, Mr. Shah pointed out that a decision on the part of the Six to consider such measures only in the framework of the Kennedy round would result in a delay of up to two years, although it was evident that the Indian balance of payments problem cannot wait.

While the Commission's representatives "reaffirmed their willingness to pursue their efforts to promote economic co-operation between the E.E.C. and India and the E.E.C." to quote from the *communiqué*, they evidently were unwilling to give an assurance that such suspensions would, in fact, take place before the Kennedy round opens next May. Moreover, while the *communiqué* contains a reference to the removal of non-tariff barriers, this was included at Mr. Shah's request. The Germans, who have among the highest fiscal duties on products such as tea and coffee staunchly defended them in Geneva, and they are unlikely to renounce them easily.

Tariff on Tea

On the whole, therefore, despite the encouraging tone of the official *communiqué*, further action by the Six appears out of the question, at least until the negotiations with the British for the suspension of the tariff on tea have been concluded. The fact that there was no discussion of Indian problems at the latest session of the Council of Ministers bears this out. The difficulties encountered by the negotiators seem to have convinced the Six of the need to move cautiously concerning the suspension of other tariffs.

The problem of tea is as simple as it is intractable. While both the British and the Six have agreed to suspend their tariffs on tea in bulk, the latter have refused a British request to suspend the tariff on tea in small packets also. The common external tariff in this case amounts to 23 percent, against 18 percent on loose tea. The Six argue that as Britain is the largest supplier of tea packed for domestic consumption, a suspension of the second tariff would not benefit India directly, but would harm the interests of Dutch and Belgian packers. From the Indian point of view, a suspension of both tariffs is desirable as it would lead to increased consumption of tea.

It must be remembered that neither Mr. Rey nor President Hallstein could speak on behalf of the member-States. Mr. Shah did have the opportunity, however, to discuss these problems with the Ministers of the member-States also, first in Geneva, and later during his visits to Paris, Bonn and Brussels. But these talks seem to have been concerned principally with the possibility of expand-

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ing trade between India and each of the Six on a bilateral basis. The results of these talks were encouraging, according to Mr. Shah. The French plan to send a trade delegation to India in the near future, and an Indian trade delegation is expected to visit West Germany.

The results of Mr. Shah's talks with the Belgian Ministers of Foreign Trade and Finance were more immediate. When Belgium joined the Aid-India Club last year, she offered a long-term credit of \$10 million, and at the same time, promised a second credit for a similar amount once the first had been fully used. Progress, however, has been very slow in the 12 months or so which have elapsed since the credit was made available. One reason is that the Belgians have insisted that the funds be used principally for large installations. This is because such is the mechanism of the credit that it would lose its long-term character were it used for the purchase of spare parts or small machinery.

Mr. Shah was able to convince the Belgians, however, of India's urgent need for maintenance imports, certain raw materials and smaller pieces of equipment. It appears that the Belgian Trade and Finance Ministers have agreed to make at least half the credits available for the purchase of such items. A number of technical problems will have to be overcome on the Belgian side, but they are not expected to take long. At the same time, the Belgian Government agreed to make the second credit of \$10 million available without waiting for the first to be fully used.

The Indian Minister also discussed with both officials and business men the possibilities of expanding India's exports to Belgium. Last year, as a result of restrictions on imports, India's balance of trade with Belgium was in her favour for the first time in years. Exports to Belgium amounted to \$16 million, whereas imports were just over \$15.5 million.

Indian Ore Exports

Among the proposals examined was one for the export of iron and other ores from India. The Belgian steel industry, which produces roughly 6 million tons of finished steel a year, imports the bulk of its requirements of iron ore. Mr. Shah had talks with representatives of the industry, to whom he suggested that a study be made as to the feasibility of using Indian ores. The relatively high freight costs apparently make imports of Indian ores uneconomical, although it was pointed out that the problem could perhaps be overcome by means of a long-term contract. Linked transactions are another possibility: one has, in fact, just been concluded between the State Trading Corporation and a Belgian steel mill. According to available reports, India will supply 750,000 tons of ore over a three to five-year period, against finished steel products.

Speaking to the Belgo-Indian Chamber of Commerce, an organisation set up over ten years ago, Mr. Shah declared that India is in a position to export between 700 and 800 different items. He pointed to the enormous strides which she had made in industrial production since independence, and urged Belgian business men to establish links with Indian companies. One of the ideas stressed here a few months ago by a delegation from the Indian Engineering Export Promotion Council. Mr. Shah said that India, which today produces everything from a pin to a locomotive, could easily supply component parts for use in machinery and other equipment manufactured in Belgium. Although a number of Belgian firms have been examining the proposals first put to them by the delegation, no agreements have been concluded so far.

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New Delhi

MINISTER DEFENDS POLICY ON PRIVATE OIL REFINERIES

(FROM OUR NEW DELHI CORRESPONDENT)

THE Central Minister for Mines and Fuel, Mr. K. D. Malaviya, said last week that the Government would not allow the three oil refineries in the private sector to expand. While the official policy is to create a mixed economy and to realise the third plan production targets speedily, Mr. Malaviya is bent on enlarging the public sector at the expense of the private. His policy supposedly hinges on the Industrial Policy Resolution. Steel, aluminium and fertilisers, it may be added, are reserved for the public sector under the Resolution. Yet the Central Ministry of Steel has permitted the expansion of steel works in the private sector and proposes to allow their further expansion during the fourth plan period.

The Central Ministries of Heavy Industries and of Commerce and Industry have permitted the entry of the private sector in the field of fertilisers and aluminium. But Mr. Malaviya has advanced various arguments against the expansion of, in particular, against the expansion of the two refineries in Bombay although almost all the arguments have been rejected by the Planning Commission.

Soon after the Chinese aggression, the Central Home Minister, Mr. Lal Bahadur Shastri and the Central Minister for Economic and Defence Co-ordination, Mr. T. T. Krishnamachari, urged the immediate expansion of the three oil refineries in the private sector. Mr. Malaviya, however, succeeded in securing the approval of the Cabinet for expanding the three public sector refineries by 2.5 million tons as follows: the Barauni refinery by 1 million tons to 3 million tons, Koyali by 1 million tons to 3 million tons, and Nummati by 500,000 tons to 1.25 million tons.

New Refinery in Cochin

The Government has also entered into an agreement with Phillips Petroleum for setting up a 2.5-million-ton refinery in Cochin. The latter is expected to go on stream within 30 months. Assuming that all the estimates will materialise, the refining capacity in 1966 will be as follows:

	(In million tons a year)
Esso	2.40
Burmah-Shell	3.50
Caltex	1.05
Digboi	0.50
Total of the private sector	7.45
Nummati	1.25
Barauni	3.00
Koyali	3.00
Cochin	2.25
Total	16.95

The Indian Institute of Petroleum, on the other hand, has worked out the following projections of demand for petroleum products. These projections have been accepted by the Central Ministry of Mines and Fuel:

	(In million tons)
1966	17.69
1967	20.03
1968	22.58
1969	25.20
1970	27.70
1971	30.35

According to these accepted figures of demand in 1966, India should be short of supplies by 740,000 tons. The

shortage is expected on the assumption that the expansion programmes of the public sector refineries would not only be completed, but that they would also produce petroleum products as needed by India. There is, however, no magic attached to the year 1966. In 1967, the shortage will amount to 3.08 million tons, in 1968 to 6.55 million tons, in 1969 to 8.25 million tons, in 1970 to 10.75 million tons and in 1971 to 23.40 million tons. Incidentally, the productivity team which visited Russia, Rumania and Czechoslovakia recommended that India's refining capacity should always be 2 million tons in excess of the demand.

Appraisal of Demand

While agreeing to the expansion of the public sector oil refineries, the Central Cabinet directed the Planning Commission to make an appraisal of the demand for petroleum products in 1966 onwards. On the basis of its findings, the Commission was asked to suggest whether there was

any need for creating further refining capacity and if so in what sector.

The Commission has had to consider the problem in the context of the third plan as a whole. The main problem facing the Planning Commission and the Central Ministry of Finance is that of foreign exchange. Even at the time of finalising the third plan, there was a gap between the financial resources and the requirements of the physical programme included in the plan. Since then, various changes introduced in the plan have had the effect of widening the gap. After considering the overall position, the Commission had suggested the immediate expansion of the three private sector refineries by 1 million tons each.

The members of the Aid-India Club and the World Bank have been urging India to conserve her foreign exchange resources by making greater use of the private sector in oil exploration and refining. The announcement that no further expansion of

the private sector refineries shall be permitted was made when the Aid-India Club was in session in Paris.

Phillips Petroleum

Meanwhile, not much is known about the agreement Phillips Petroleum has signed recently. According to the Petroleum Press Service: "At first sight, it looks as though this U.S. independent has shouldered an onerous task without any commensurate benefit. But the new company, in which Phillips has a quarter share, is guaranteed a high process margin, \$1.35 a barrel for ten years, and \$1.30 for the next five. This is irrespective of the prices paid for crude imports, which Phillips is to obtain on the best terms possible, although how these are defined is not disclosed.

"Phillips, moreover, gets a 15-year outlet for its own crude or what it can exchange or buy. Unless much more oil is discovered in India, at least 2.5 million tons a year will be needed. In 1962, Phillips, through its 37-percent holding in Aminoil, drew 1.6 million tons from the neutral zone and nearly 200,000 tons from the Iranian consortium's output, while its Venezuelan production was 1.8 million tons. It had its first discovery in Libya last year, with a well yielding 2,285 barrels a day, although two outpost wells have been dry and the potential is not clear. However, outlets are lined up in advance today and the refinery will not be complete until 1965-66. After two or three



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years' operation, its expansion to 3.5 million tons is foreseen."

FOREIGN EXCHANGE

Outlay on Mines and Fuel

As far as the Central Ministry of Mines and Fuel is concerned, the following changes in the plan outlay in the context of foreign exchange are envisaged. The cost of expansion of the public sector refineries is estimated as follows:

(In million tons)

Barauni 1 Rs. 4 crores (foreign exchange Rs. 2 crores)

Koyali 1 Rs. 4 crores (foreign exchange Rs. 2 crores)

Nunmati 0.5 Rs. 1 crore (foreign exchange Rs. 50 lakhs)

The total cost of the refinery proposed to be set up by Phillips Petroleum is estimated at Rs. 26 crores. In 51-percent participation, the Government's share on this will be Rs. 13.26 crores. It may be assumed that the foreign exchange requirements of the refinery will be found by Phillips Petroleum. If another refinery is to be set up in the south, using the credit offered by E.N.I. of Italy, it will make a further demand on the Government's resources, since the entire cost, including foreign exchange, will have to be met by the Government.

The enlargement of the size of the Khetri copper project will involve a

total additional investment of Rs. 14 crores, including an additional Rs. 4 crores in foreign exchange.

The revised programme of oil exploration estimated the cost at Rs. 202 crores (foreign exchange Rs. 71 crores), against an outlay of Rs. 115 crores (foreign exchange Rs. 53 crores) envisaged in the plan. While a substantial part of the foreign exchange requirements have been tied against foreign credits, matching rupee resources will have to be provided.

The development programme of the Hutti gold mines will involve an additional outlay of Rs. 2 crores, about half of which will be in foreign exchange.

As a result of the revised agreement with Burmah Oil Company, the outlay required for the Government's contribution towards the share capital of Oil India will increase from the plan figure of Rs. 1.42 crores to Rs. 6 crores. In addition, the Government will have to subscribe to the debenture capital of Oil India to the extent of Rs. 13 crores.

The total cost of the coal programme, as estimated now, is substantially larger than that envisaged in the plan. Additional demands may also be made by the Central Ministry of Mines and Fuel for expanded programmes of limestone investigation and the base metals survey.

The Ministry is considering the following additional proposals for diver-

sification of the pattern of products of the public sector refineries:

1. An L.P.G. plant of 10,000 tons' capacity for the Nunmati refinery—cost Rs. 15 lakhs (foreign exchange Rs. 10 lakhs).

2. Facilities for the calculation of petroleum cokes—cost Rs. 1 crore (foreign exchange Rs. 60 lakhs).

3. Lubricating oil plant for Koyali—cost Rs. 12 crores (foreign exchange Rs. 7.2 crores).

AID-INDIA CLUB

Communique Issued

The following is the text of the Press communique issued at the end of the two-day meeting of the Aid-India Club in Paris:

"The consortium of Governments and institutions interested in development assistance to India held its eighth meeting in Paris on 4th and 5th June, 1963, under the chairmanship of the World Bank. The meeting was attended by representatives of the Governments of Austria, Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, the United Kingdom and the United States and by representatives of the World Bank and the International Development Association (I.D.A.). The International Monetary Fund sent an observer.

"The purpose of the meeting was to discuss aid for India during 1963-

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64, the third year of India's third five year plan. The consortium had held preliminary discussions on the same subject in Washington on 30th April and 1st May.

"At the beginning of the third plan, the Government of India assessed the total requirement of external assistance from all sources, including non-consortium countries and private foreign investment, at \$5,460 million. Against this, the members of the consortium have already pledged \$2,365 million of aid to India for the first two years of the third plan. At the meeting just concluded, they undertook to make additional aid available for commitment during the third year of the plan amounting to about \$915 million, subject, as appropriate, to legislative action or other necessary authorisation. The new pledges for 1963-64 are as follows:

(In \$ million)		
	1962-63	1963-64
Austria	5	3.85
Belgium	10	10.00
Canada	33	30.50
France	45	20.00
West Germany	139	65.35
Italy	53	35.00
Japan	55	60.00
Netherlands	11	11.10
Britain	84	84.00
U.S.A.	435	375.00
World Bank and the I.D.A.	200	220.00
Total	1,070	914.80

"Some members of the consortium said that they might be in a position to increase their pledges later in the year. On the initiative of the U.S. Government, it was accordingly agreed that the meeting should be reconvened in Washington in July to consider additional pledges for 1963-64. Depending on the amount of additional pledges forthcoming from other sources, the U.S. representative indicated that his Government would be prepared to raise its own pledge for the year up to a maximum of \$450 million.

"The consortium considered it to be of the greatest importance that the pledges announced at the meeting should be translated into firm commitments as soon as possible and that a substantial part of these commitments should be in the form of non-project aid which could be used to finance imports required for the maintenance of the Indian economy. The consortium also recognised the need to extend as much of the aid as possible in the form of grants or long-term loans at low rates of interest. Several members of the consortium announced that their aid for 1963-64 would be on more favourable terms than in previous years."

PRIMARY EDUCATION

More Funds Offered

The Government of India has decided in principle that accelerated Central assistance should be made available to the State Governments for the expansion and improvement of primary education during the current year. This assistance will be given outside the annual ceilings fixed for the States for 1963-64, and will be subject to the condition that the State Governments will not reduce or divert any provision that has now been made in their Budgets for primary education.

As a result of the additional Central taxation that is being levied during 1963-64, total resources amounting to about Rs. 64 crores are being made available to the State Governments to enable them to allocate a portion of these additional revenues for primary education in addition to the accelerated Central assistance that is now being made available to them.

Thus, within a month of the enactment of the Finance Bill, the appre-

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hensions expressed in these columns are coming true. It was pointed out that the Government of India would not be able to spend all the money it was collecting by way of taxes for building the defence potential, and that a tendency to squander would set in as soon as it found that it had more money than it actually needed. It may be added that there was no serious objection to the taxation programme. What was objected to was the incidence of certain levies. The country as a whole had willingly undertaken to shoulder the biggest burden of taxation since independence. It is not generally realised that, on the one hand, the cost of living has gone up by almost 25 percent. On the other hand, there is the additional burden of taxation. Side by side, people are being told to save compulsorily. This has already led to serious hardship among the people. But instead of reducing taxation, the Government has agreed to spend money on primary education, which under the Constitution is the sole responsibility of municipal committees and the district boards.

I. A. C.

Purchasing Caravelles

India is to sign a contract with Sud Aviation of France for the purchase of three Caravelle aircraft to be used on the trunk routes of the Indian Airlines Corporation. India will thus introduce jet aircraft in internal services for the first time. The first delivery of Caravelles is expected by the end of 1963. The agreement, it is expected, will shortly be signed in New Delhi. The present fleet of the airline is as follows:

Operating fleet	
Viscounts	13
Friendships	5
Skymasters	5
Dakotas	45
	68
Ground fleet	
Vikings	12
Hérons	7
	19

In October 1961, the I.A.C. signed an agreement for the purchase of five more Friendships on a barter basis.

OPHTHALMIC GLASS

New Factory to be Set Up

Arrangements have been finalised for the setting up of an ophthalmic glass factory with Russian assistance by the National Instruments Ltd. Russian credit for the project will be available from the 500-million roubles credit given to India in November 1957.

The factory is scheduled to go into production early in 1966 in Durgapur. When in full operation, it will produce 300 tons of ophthalmic glass a year. This will meet part of the demand for ophthalmic glass and help to save foreign exchange.

STOCK EXCHANGES

Forward Trading Resumed

In order to prevent undesirable speculation on the Stock Exchanges, the Central Government had, by a notification dated 29th November, 1962, banned forward trading in shares. The conditions in the stock markets are now relatively stable.

So the Stock Exchanges have represented to the Government to permit them to resume forward trading in shares.

The Government has considered these representations and decided to permit forward trading, subject to certain amendments to the bye-laws and the tightening of margin regulations. The conditions prescribed by the Government have been entirely accepted by the Bombay and Madras Stock Exchanges. So the Government has permitted them to resume forward trading.

IMPORTS

Policy Clarified

The Government of India has clarified the provisions of the Central Commerce and Industry Ministry's public notice of 18th March relating to the import of raw materials, components and spare parts against actual user licences granted to industries in the scheduled and non-scheduled sectors, including small industries. The clarifications which have been given following enquiries from importers are as follows:

Quantitative limit: Actual users are issued normally with value alone as the limiting factor, and in cases

where quantity is to be the limiting factor, it is shown in the licence both in value and quantity. The words "quantitative limit" have been used in para 2 of the public notice in the general sense to cover the value limits indicated in the licences for importing various items.

Scope of facilities allowed: The facility allowed in para 2 of the public notice will be applicable only to actual user licences for raw materials and components, and not to the licences granted for machinery and/or spare parts. Actual user licences for components would be those where certain components are allowed to be imported for assembling the finished product.

The facility to import permissible spare parts and small tools required for licence holders' factory up to 25 percent of the face value of actual user licences for raw materials and/or components, will be available even where the licence does not cover more than one item.

The permissible spare parts are those required for servicing, maintenance and replacement of the plant, machinery and equipment, installed in the licence holders' factory. But spare parts of machinery which are specified elsewhere in the Red Book, such as ball bearings, bolts and nuts,

etcetera, will not be allowed to be imported.

FERTILISER CORPORATION

Excise Duty Refund

Negotiations between the Central Ministry of Agriculture and the Fertiliser Corporation of India have resulted in an understanding that 75 percent of the excise duty paid by the Corporation on ammonia and other gases since April 1962 will be paid back to it. The Tariff Commission is being asked to recommend reasonable prices for the products of the Corporation as from 1st April, 1962.

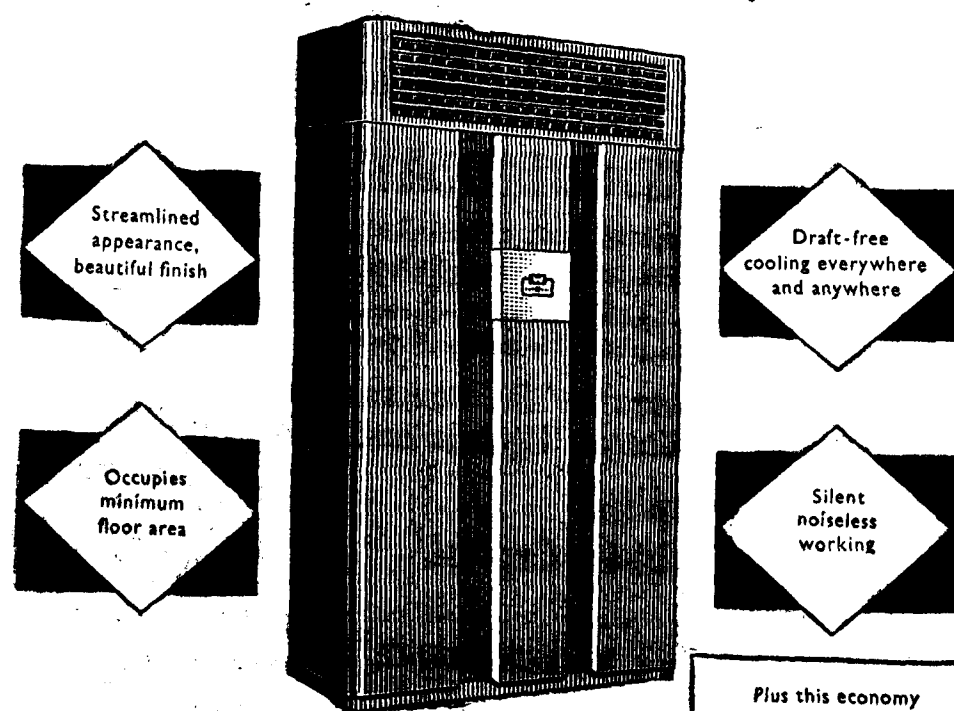
PETROCHEMICALS

U.S. Firm Shows Interest

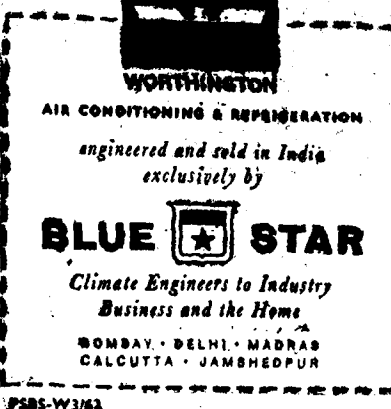
The representative of Daw Comma, well-known U.S. firm, recently met the Prime Minister to indicate his Company's interest in developing the petrochemical industry on the basis of the Henny report. It was disclosed that the firm would be willing to invest over \$6 million in the industry spread over ten years. The proposal is being examined by the Government.

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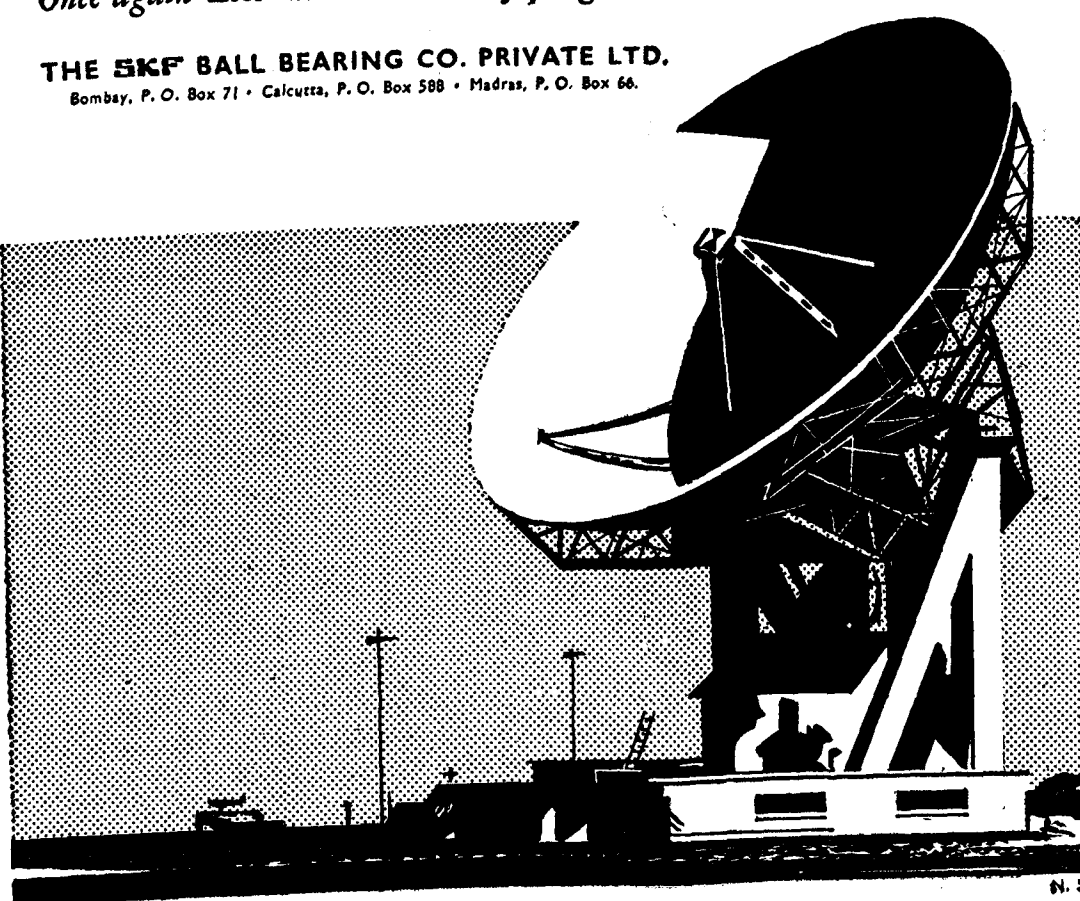
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London

U.K. BODY GETS TO WORK ON INCOMES RESTRAINT

(FROM OUR LONDON CORRESPONDENT)

THE monthly meeting of the National Economic Development Council (Neddy) dealt the other day with the most difficult problem on its agenda—incomes and prices. This was the first full discussion of the part which a national incomes policy must play in achieving faster economic growth without inflation. It arose from the decision, made public in the Council's interim report, to accept the subject of income restraint as part of Neddy's task. Only 14 members of the Council attended the meeting. The six absentees were Mr. Frank Cousins, who is recuperating after a mild heart attack, Mr. John Hare, the Minister of Labour, who had to have treatment for an injured knee, Mr. Frederick Erroll, the President of the Board of Trade, Sir Cyril Harrison, Dr. Beeching, and Mr. Douglass, all of whom are out of London.

No statement was issued after the meeting. One gathers that wide differences of view were frankly displayed. No one came away with any impression that a national incomes

agreement would be reached easily or quickly. On the other hand, the discussion was described by one of those present as being "very high-level." The fact that the meetings are secret and the members have already come to know each other well discourages any political speech-making. The debate on incomes and prices is to be continued in future sessions.

The Council also authorised the publication of a booklet entitled *Survey of Export Trends*. This is a new study prepared by the Neddy staff. It takes the place of a similar analysis of British export successes and failures which has been done regularly for many years by an inter-departmental working party in Whitehall. The N.E.D.C. is, of course, deeply concerned with the trend of exports. It has insisted that exports must grow at an annual rate of 5½ per cent if the economy as a whole is to have an annual rate of growth of 4 per cent.

The survey contains a warning that this expansion will not be forthcom-

ing unless exports are made more profitable relative to sales on the home market than they are at present. The booklet offers no suggestions how this should be done. It simply points out that exports will have to be increased faster than manufacturing output as a whole. Since export prices must be kept in line with those of the competitors, margins will have to be generally small and some other way must be found to make exports more attractive than home sales. The next meeting of the Council has been fixed for 3rd July. One of the subjects will be science and technology.

Export Trends

A fall in home prices of manufactures relative to foreign export prices may be needed if exports are to expand sufficiently. This is one of the main conclusions in the survey of "export trends" by the staff of the National Economic Development Council. At least, the survey says, the past relative increase in home prices of over 1 per cent a year must be eliminated. The N.E.D.C. staff believes that the expansion of world manufacturing production and prospective tariff changes may together increase demand by more than 5½ per cent a year. On the other hand, the U.K. may continue to lose through a lessening of discrimination in the U.K.'s favour in the sterling area and through some loss of Commonwealth preferences. There may be some slight adverse effect through the U.K.'s geographical pattern of trade. And the British quality, design, delivery dates and salesmanship may compare unfavourably with those of the competitors. It is also possible, the survey says, that the effects of past increases in the export prices of manufactures have not yet fully worked themselves out.

A more rapid rate of growth of output and productivity will, in the N.E.D.C.'s view, make it easier to provide the necessary expansion in export supplies. But it points out that the required increase in the British exports of manufactures of 5½ per cent a year is probably rather faster than manufacturing output can be expected to grow. Hence, "if exports are to expand faster than sales in the home market, it may be necessary to make them relatively more profitable."

British exports of manufactures increased by only 1 per cent in volume from 1961 to 1962, the survey says, and the U.K.'s share in world exports fell further. World trade in manufactures expanded by perhaps 6 per cent in volume in the same period and, according to some provisional estimates, the rate of expansion slowed down during 1962. This is the sombre background against which Sir Robert Shone and his staff have examined reasons for Britain's relative export failure. Two main reasons are offered for Britain's declining share in world trade:

(1) The ending of quota restrictions discriminating in the U.K.'s favour. This caused an especially large loss of the British share in the sterling area—from 57.8 per cent in 1954 to 43.4 per cent in 1961.

(2) The faster increase in costs and prices in Britain compared with other manufacturing countries. From 1953

CAPITAL, 13th June, 1963.

to 1961, productivity in manufacturing industry rose 1½ per cent to 2 per cent a year more slowly here than abroad and hourly earnings rose 1 to 1½ per cent a year faster.

Slow growth, rising costs, falling profitability, and in some cases inefficiency in design, quality, delivery or salesmanship have, the N.E.D.C. says, all reacted on each other.

On the other hand, the commodity pattern of the U.K.'s trade is thought not to have been, on balance, a significantly adverse factor. The regional pattern may have been—but only of a moderate extent. Both the commodity and geographical patterns of the U.K.'s exports are now probably more favourable than they were in the early 1950s, the survey says.

The survey also says that there may be several ways in which the provision of export finance in this country could be improved, and the N.E.D.C. office is now discussing the matter with the F.B.I. and the Associated British Chambers of Commerce. It says, however, that the provision of insurance for export credits is "probably better in this country than in most others."

Discussing the impact of aid to underdeveloped countries on the U.K.'s exports, the survey says that this has probably not been a major factor explaining the British loss of the share in world markets, although it has affected the British share in particular markets at different times. Aid represented a smaller fraction of the U.K.'s exports to underdeveloped countries in 1961 than was the case for other countries taken together.

Key to Growth

The key to economic growth in Britain may be management consultancy. This is the conclusion to be drawn from an article by Dr. J. Johnston, Professor of Econometrics at Manchester University, which is to appear in this month's issue of the *Journal of the Royal Statistical Society*. Professor Johnston's estimate is that management consultants have been responsible for at least a quarter of the annual productivity increase achieved in Britain in recent years. His figures, based on reports on more than 600 assignments, from the files of the four largest management consultancy firms in Britain, which employ some 1,500 of the 2,000 consultants, show that in 47 per cent of the jobs done by management consultants, a productivity increase was measured, the average increase being 53 per cent.

Whether or not the figures are precise, it is clear that management consultants can do a great deal to increase productivity. Big firms seem to think so; of British firms with issued capital of more than £10 million, 91 per cent have employed consultants, who are mostly men in their thirties with honours degrees or professional qualifications of degree standard. They have spent some years in management and have been selected by the management consultancy firms for their ability to apply rational standards of judgment to business problems. They often spend a year or two preparing a report, and are, in fact, a body of those fashionable people, technocrats.

The four big British firms have subsidiaries in many European capitals, where their jobs include advising the Italian Government agency on the development of Sardinia, and advising the Italian equivalent of the British National Productivity Council. The chairman of the Management Consultants Association in London, Mr. David Nicolson, described the management consultants of Britain as "a major national asset which is not being used." He thought the Board of Trade should employ consultants abroad to survey potential export markets.

CAPITAL, 13th June, 1963.

Jute

MOVE TO GRADE FIBRE ON MORE RATIONAL BASIS

THE reconstituted Central Supervisory Body for Jute has set up an expert committee to evolve a more scientific basis for classifying and grading jute. Mr. G. C. L. Joneja, Jute Commissioner, has been appointed chairman of the committee. Representatives of the Indian Central Jute Committee, the Indian Jute Mills Association and the National Agricultural Marketing Federation have been taken on the committee. It has been asked to submit its report within three months so that the revised classifications may be introduced soon.

Although no specific terms of reference have been drawn up, the committee is likely to devise methods of doing away with the present empirical or visual assessment of jute grades as well as price assessment on a zonal basis. It may suggest the introduction of mechanical tests with the aid of simple and inexpensive instruments in the primary and secondary markets through the Co-operative Marketing Federation.

Long-felt Need

The need for evolving a scientific basis for grading has been felt for a long time. From 1935, raw jute was classified on a crude basis as Grade I, Grade II and so on. In 1941, the classification of jute into Tops, Middles, Bottoms and Cross Bottoms was introduced. In 1950, the Indian Standards Institution investigated the matter and drew up two sets of standards for raw jute—I.S.S. 271 for pucca kutchra bales and I.S.S. 272 for pucca bales. The former was meant for internal consumption and the latter—drawn up on the lines of the London Jute Association standards—for exports.

According to I.S.S. 271, raw jute is classified into two broad categories, Tossa (*corchorus olitorius*) and white (*corchorus capsularis*). These are further divided into four subgrades, Tops, Middles, Bottoms and Cross. Besides, the growing areas are grouped into separate districts or zones. These classifications have been accepted by the trade, the industry and the Government. They have also been incorporated in the Transferable Specific Delivery contracts of the East India Jute and Hessian Exchange. In the event of any dispute, the matter is referred to the Bengal Chamber of Commerce Arbitration Committee. Almost all disputes are settled at this level.

Defects of Present System

But the empirical determination of grades and the zonal assessment of prices are the two great disadvantages of the existing classification. The farmer sends his produce to the market in a lump without sorting the fibre according to colour, length or other attributes. The *aratdar* or the *faria* judges the quality by the visual method and invariably pays the farmer the price of the lowest grade in the lot. A sort of crude assortment is made by the *faria* when he despatches the lots to the secondary markets. After collecting a sizable quantity, the wholesalers or the mill takers, separate the lots before sending them to the mills or the Cossipore market. It has been seen that the mills pay a reasonable price for the jute they buy; the producer of raw jute, however, gets much less because there is no clear and foolproof criteria for classification and the buyer seldom accepts the seller's

assortment in the primary market. There are also a host of intermediaries who take away a substantial portion of the value in the shape of price differentials for the upper grades.

The committee is likely to substitute some specific scientific qualities, such as spinning properties, fibre strength, etcetera, for the existing ambiguous descriptions like "sound fibre of good colour of the district" in I.S.S. 271. It will also have to see how far the zonal assessment in vogue at present is tenable. For, since the launching of intensive efforts for improving the quality of fibre, better-grade jute has been grown in districts described as "inferior". Furthermore, there is the difference in quality from place to place within the same zone.

Another anomaly in the present grading system is that the price varies for jute of the same grade depending on its origin. Thus Assam Top commands a premium ranging from Rs. 4 to Rs. 8 a maund over Orissa Top or Bihar Top, although there are some areas in Orissa and Bihar where almost comparable

grades are grown. These invariably act as a disincentive to the grower, for he knows that whatever expenditure he may incur to improve the quality of fibre, he will not get a higher price for his product.

The Technological Research Laboratory of the I.C.J.C. is reported to be examining the properties of various grades of jute from different areas in an effort to develop some scientific criteria for classifying it on the basis of spinning qualities, fibre strength, fibre length, fibre usability, colour, percentage of cuttings and so on. Simple instruments for determining these characteristics are being tried so that they may be introduced in the markets. The investigations are likely to assist the committee in evolving more precise and scientific terminology, which may enable the ultimate grower to get better value for his product and thus offer a positive inducement to improve the quality of fibre.

I.S.I. Standards for Jute Goods

The special committee appointed by the Indian Standards Institution has

already completed the task of drawing up standard specifications for various types of jute goods manufactured in India. Set up with Mr. G. C. L. Joneja, Jute Commissioner, as the convener, the committee consisted of representatives of various interests in the industry and trade. The industry was represented by the Indian Jute Mills Association. In drawing up the specifications, emphasis has been laid on the end-uses of the products. The approved standards are expected to be published soon. With their introduction, all ambiguities in their nomenclature and classification are likely to be removed. The consumer too will be able to know precisely the goods he buys.

It is felt that the greatest threat to the industry arises from substitutes, particularly synthetic substitutes. Their main advantages are they can be made to any specification and mass production lowers their cost of manufacture appreciably. But in the case of jute goods, raw materials and wages are the two inflexible elements, accounting for as much as 85 per cent to 90 per cent of the price of the end-product. Hence when the products are made strictly according to some precise specifications, there will be an economy in the prime costs, inducing the consumer to weigh the relative advantages of the competing products before making a final selection.

The Indian Jute Mills Association is reported to be considering a pro-

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

The Indian Jute Mills Association reports the stocks of jute goods at the end of May as follows:

Description	31st May, 1963		30th April, 1963		Increase over (+) or decrease from (-)		31st May, 1962	
	000 Metres (Lakh Yds.)	000 Metric Tons (000 Tons)	000 Metres (Lakh Yds.)	000 Metric Tons (000 Tons)	000 Metres (Lakh Yds.)	000 Metric Tons (000 Tons)	000 Metres (Lakh Yds.)	000 Metric Tons (000 Tons)
Hessian cloth and bag	10,36.01 (11.33)	32.3 (31.8)	9,54.96 (10.44)	29.0 (28.6)	+81.05 (+89)	+3.3 (+3.2)	8,94.89 (9.79)	27.1 (26.6)
Sacking cloth and bag	10,11.95 (11.07)	45.5 (44.8)	9,99.12 (10.93)	45.0 (44.3)	+12.83 (+14)	+0.5 (+0.5)	8,00.57 (8.74)	37.3 (36.7)
Others		18.0 (17.7)		16.9 (16.6)		+1.1 (+1.1)		19.7 (18.4)
Grand Total (000 Metric Tons/Tons)		95.8 (94.3)		90.9 (89.5)		+4.9 (+4.8)		24.1 (23.7)

N.B.—These figures are based on replies received and represent all members of the Association and Gagalbhal with estimates for two non-member mills. The figures in brackets are in British measures.

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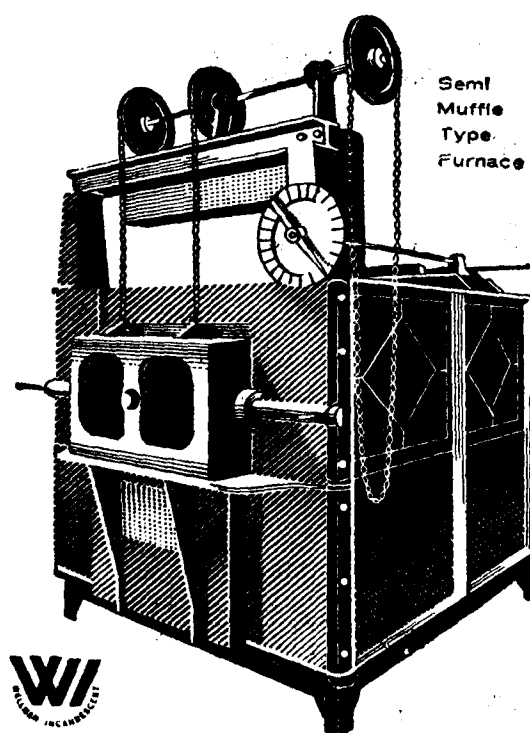
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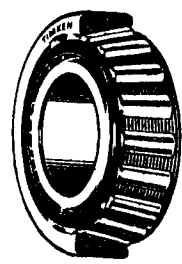
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posal for introducing a voluntary scheme of quality control and inspection soon. It seeks to assist mills in producing goods according to the rules and regulations which may be framed under the recently introduced Export (Quality Control and Inspection) Act by the Government of India. The Association has asked member-mills whether such a scheme is already in operation in their establishments. On receipt of information from the members, it proposes to draw up a phased programme for introducing quality control and inspection standards in the industry.

Increase in Acreage

Sitting in Calcutta recently, the re-constituted Central Supervisory Body for Jute announced that there has been a slight increase in the acreage under jute in West Bengal, Bihar and Orissa during the current season. Widespread rain has been reported all over the growing areas during the past week. The standing plants have been benefited and are thriving well. Some rivers in north Bengal and lower Assam are in spate because of heavy showers in the catchment areas. But the flood water is flowing smoothly. No damage to crops has been reported except in scattered pockets of Agartala. The situation is well under control there. In Gangetic West Bengal and in the canal areas of Orissa, the plants are well grown. No report of pest infestation has been received so far. The weather trend indicates that a week's sunshine would help the plants a good deal.

Maximum Output to Continue

At its meeting on Wednesday, the committee of the Indian Jute Mills Association considered the market situation in the light of the stocks of manufactured goods held by the mills at the end of May. It noted that the stocks had risen by 4,800 tons but agreed that the industry should continue to operate at the present maximum level of production for a further period of one month from the end of June to the end of July 1963.

THE JUTE MARKETS

Manufactured Goods: Quiet conditions prevailed in the manufactured goods market during the past week. Overseas buyers seemed to be hesitant to make any commitment at the current levels. But mills emerged as keen sellers for all positions. A number of enquires during the week-end tended to harden sentiment but the publication of the I.J.M.A. gunny stock figures for May reversed the trend on Monday. The only transactions reported were for 40,000 bales of Heavy Cees to Cuba, scattered lots of hessian to the U.S.A., and a few hundred bales of hessian cloth to Australia. Rumours of Pakistan getting an order for about 5,000 bales of Cornsacks for July-September from Australia, and for about 8,000 bales of heavy goods from Burma for the June-August positions, disturbed sentiment. Some freight bookings by North America, the U.K. and Australia for shipments in the near future were interpreted bullishly but failed to stimulate the market. The futures market moved in sympathy with the spot market on intermittent bull unloading and bear-covering. Turnover was moderate to small and the undertone hesitant at the close.

Quotations on Wednesday were as follows:

	June	July-Sept.	Oct.-Dec.	Jan.-March
40in. 7oz.	37.00	36.65	35.70	35.25
40in. 8oz.	39.25	—	—	—
40in. 10oz.	50.40	49.50	47.00	47.00
B Twills	111.95	113.00	112.90	112.40
Cornsacks	114.25	115.50	115.25	114.50
Heavy Cees (Plain)	111.75	112.75	112.75	112.40
A Twills	135.00	136.50	137.50	136.50
Liverpools	127.00	127.00	127.00	126.50

Raw Jute: The raw jute market lacked interest. Mills were conspicu-

ous by their absence. Holders sought to dispose of their stocks, mainly of poor quality, at a heavy discount. Routine transactions in marginal lots of selected grades were reported around the previous levels, basis Rs. 29 a maund, f.o.r. ready, Calcutta. The futures market was subdued with Upper Assam White Bottoms for June done in nominal lots around the minimum level of Rs. 30 a maund. For the September position, the market fluctuated narrowly between Rs. 30.70 and Rs. 30.50. Turnover was small and the undertone hesitant at the close.

Quotations on Wednesday were as follows:

	Landed at Mills (Basis Bottoms)	1962-63	1963-64
	Rs. a Md.	Rs. a Md.	
Assam-Agartala Jute	28.00	30.00	
Northern Jute	28.00	29.50	
Western Desal Jute	26.50	27.00	
Selected Daissee	33.50	33.00	
Assam-Agartala Tossa	32.00	32.00	
Mesta:			
Assam-Northern	25.50	27.00	
Local Daissee	25.50	27.00	
Bihar Dist.	22.50	24.00	
Pakistani N. C.	90.00 a bale	90.00 a bale	

I.J.M.A. PRODUCTION FIGURES FOR MAY

The Indian Jute Mills Association reports the total production of jute goods for May as follows:

Description	Quantity
1. Gunny Bags	
(a) Hessian	8,592 tonnes (8,456 tons)
2,25,17 thousand metres	(2,46,3 lakh yds.)
1,64,3 lakh nos.	
(b) Sacking	40,925 tonnes (40,160 tons)
8,86,10 thousand metres	(9,69,1 lakh yds.)
4,13,2 lakh nos.	

2. Gunny Cloth	
(a) Hessian	35,168 tonnes (34,613 tons)
12,13,94 thousand metres	(13,27,6 lakh yds.)
(b) Sacking	1,576 tonnes (1,551 tons)
31,36 thousand metres	(34,3 lakh yds.)
3. Other Manufactures	18,768 tonnes (18,472 tons)
4. Total Production (All Kinds)	1,04,909 tonnes (1,03,252 tons)

Summary				
(000 metres and 00,000 yds.)				
	May '63	Apr. '63	May '62	
Hessian	14,39.11	14,80.75	12,37.19	
	(15.74)	(16.19)	(13.53)	
Sacking	9,17.46	9,38.79	10,07.20	
	(10.03)	(10.27)	(11.01)	
(000 tonnes and (tons)				
	May '63	Apr. '63	May '62	
Hessian	43.7	43.8	37.3	
	(43.0)	(43.1)	(36.7)	
Sacking	42.4	43.2	47.0	
	(41.7)	(42.5)	(46.2)	
Others	18.8	18.4	15.4	
	(18.5)	(18.1)	(15.2)	
	1.01.9	1.03.4	99.7	
Grand Total	(1.03.2)	(1.03.7)	(98.1)	

Hours worked 216.0 208.0 208.0
N.B.—These statistics are based on replies received and represent all members of the Association and Gagalbhai with estimates for two non-member mills. The figures in brackets are in British units.

THE U.K. JUTE MARKETS FIBRE QUIETER

(FROM OUR DUNDEE CORRESPONDENT)
THE raw jute market in Dundee had a slightly quieter appearance last week, although the position in Pakistan was reported to be steady. Very little buying interest was shown here, and spinners generally were refusing to pay the rates asked. On

the other hand, bids being made at under the quoted rates were not being accepted by shippers.

With the new crop making good progress in Pakistan, spinners were looking for lower rates in the not-too-distant future despite the fact that it had already been stated that minimum export rates were not to be reduced. Dundee spinners are in the fortunate position that they are holding large stocks of raw material, and they can remain out of the market for some time yet.

The spot market in Dundee was quieter and some sellers were willing to accept less than previously. This brought out a little more buying interest, but only good quality parcels were being taken up. There was still a fair quantity of jute available ex warehouse Dundee.

Offers of old crop were being made at £111 for Mill Lightnings, at £94 for Mill Hearts and at £78 for Grade Hearts. Grade Tossa-2/3 was available at £121 10s and Grade Tosa-4 at £107 10s. Outport Tosa-2/3 was lowest at £95 and Outport Tossa-4 at £85, c.i.f. U.K., for June-July shipment. Cuttings were steady at £55 for S.N.C. and at £46 for N.C.

Some shippers were still remaining out of the new crop market, but offers were being quite freely made. Mill Lightnings were at £109 15s, Mill Hearts at £93 10s and Grade Hearts at £80 for August-September shipment. Grade Tossa-2/3 was named at £125 and Grade Tossa-4 at £107 10s. Outport Tossa-2/3 was at £97 15s for October-November shipment. The quantity of new crop jute bought by Dundee spinners was considerably less than normal by this time of year. However, imports during the present season were well above average.

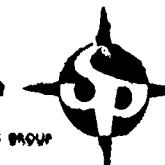


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"One of the first things we thought of from the early days of independence was...RESEARCH!"

In the field of research, as in many others, we can never repay our debt to Jawaharlal Nehru.



On 12th June 1963, the Prime Minister laid the foundation stone of a new, trail-blazing research project--**THE RUBBER RESEARCH CENTRE** sponsored by the **MADRAS RUBBER FACTORY**. The first of its kind in India, the Centre will work on research towards providing

the public with new and quality rubber products.

The Rubber Research Centre is to commemorate the full scale production of Mansfield tyres in record time at the Madras Rubber Factory.

MADRAS RUBBER FACTORY LIMITED
In collaboration with the Mansfield Tire & Rubber Company, U.S.A.



Commodity Markets

TEA PROSPECTS THIS YEAR CONSIDERED GOOD

(BY A SPECIAL CORRESPONDENT)

MESSRS J. Thomas and Co. Private Ltd have published their annual Calcutta tea market reviews for the 1962-63 season, together with a booklet of statistics relating to production, prices, sales and exports. This includes figures dealing with world absorption, stocks, etcetera. This firm states that the "final district averages for 1962 compare quite favourably with 1961".

It has been noted by brokers that there is a pronounced swing from orthodox to C.T.C. manufacture. It is, therefore, interesting to see that Messrs J. Thomas and Co. Private Ltd remark: "Perhaps the outstanding feature of the season's marketing was the excellent prices paid for orthodox teas, particularly from Darjeeling and Assam." The quotations given are:

	1960-61	1961-62	1962-63
	(Rs. a kilogram)		
Darjeeling	6.80	6.46	7.44
Assam	5.33	4.86	5.56

Although the north Indian crop was short, the proportion of Dust grades offered on the Calcutta market did not show a decrease corresponding with the 1962 crop shortfall. This resulted from the changeover to C.T.C. manufacture. Considering the supply of Dust teas on offer, prices were well maintained. Looking to this year's outturn of north India, Messrs J. Thomas and Co. Private Ltd point out "that progressively larger areas, which are new or have been replanted in recent years, are coming into bearing and these have, given normal growing conditions, considerably increased yield potential". On the other hand, difficulties in forwarding fertilisers have been reported so that normal manuring programmes may have been lost. Many districts again suffered from a prolonged dry spell and some lost from hail damage. Markets were seriously upset by the prolonged strike by R.S.N. boatmen and steps are in hand to improve communication with Assam. The new bridge at Pangu across the Brahmaputra is of considerable significance in this context. On the question of orthodox vs. C.T.C. teas the firm reports on the outlook for 1963: "Many good quality estates producing orthodox teas have had higher sale averages than those following the C.T.C. process."

"This should not be taken to indicate that there is a surfeit of C.T.C. teas, but that there may have been a shortage of good Assam orthodox types, and the mere conversion to the C.T.C. process will not, therefore, in the case of Assam, command the premium which it has done in the past", but it is also noted that C.T.C. manufacture is quicker brewing and has stronger liquoring qualities. The firm estimates that over 55 per cent of the north Indian production now consists of C.T.C. manufacture.

With reference to drought, the firm suggests that the cause may be the heavy deforestation in the north east, a course which is fraught with peril for an agricultural country like India. This unfortunately is true. Fifty years ago, good trees were being cut down for firewood in factories. In the Darjeeling district, the situation was positively sinful only a few years ago. This is a matter which requires the immediate attention of the authorities, for no rain means no tea in the long run and

irrigation alone can never take the place of the monsoon and its humidity.

All tea estates should be compelled to undertake afforestation of say 10 percent or more of open land. Trees for firewood should prove profitable as hardwoods take so long to mature, but a percentage of good timber should be grown. Surely, the authorities must be alive to the vital importance of this matter.

Messrs J. Thomas and Company think that "prospects for the coming season appear to be more favourable than at the same time last year, since there would appear to be no carry-over or surplus tea, at any rate in India". The course of the market in the second half of the season will naturally depend on the overall supply position.

A recent issue of *Tea and Rubber* reports as follows: "From a peak of just below 180 million lbs in March—even now they top 173 million lbs—the U.K. warehouses have a well filled look; in fact, there are sufficient supplies to keep the tea pots fully charged for some 17 weeks. The heavier weight of tea here means that as production and consumption are in near balance, smaller stocks are held in other countries, particularly India, where latest figures show there are 51 million lbs in stock against 67 million a year ago".

It is reported that the U.N. Food and Agricultural Organisation proposes to set up a tea study group, preliminary to a new international agreement to regulate crops for a proper balance between world supply and demand. There are about 20 different countries now producing tea, but if coffee growers succeeded in working together for mutual benefit, tea interests should be able to do likewise. The tea industry already has old formulas to work from. This seems to be a sound move, and it is to be hoped progress will be made before African low cost produce floods the tea markets.

World Coffee and Tea, a U.S. magazine, in its May issue says that 1962 was a good year. It predicts that 1963 "is going to be a whopper of an iced tea season." Last year, "instant" secured 46 percent of the trade. This year the percentage is expected to be far greater. The total consumption of tea in the U.S.A. was reported up by 7 percent in 1962, while iced tea demand moved up 9 percent in the U.S.A.

Exports to the U.S.A. from 1st July to 30th June were as follows:

	1961-62	1962-63
	(In metric tons)	
From north India	7,500	7,031
From Ceylon	19,029	20,597

Latest figures for Indonesia, east Africa, etcetera, are not available at the moment.

East Africa is noted as having had over 63,000 hectares (1 hectare=2.4710 acres) under tea in 1961. In 1953, the area was 38,500 only. So it would appear that about 60,000 acres of young tea will add its weight to forthcoming crops, say, at a modest estimate of 10 maunds for each acre or 600,000 maunds in the total or 48,000,000 lbs of output. Latest figures give yield from each hectare from east Africa as 488 kilograms in 1953 and 763 kilograms in 1961 with

the tendency still in the same direction.

At long last, there seems to have been a check to the downtrend in prices. At Sale No. 2 held in Calcutta on 4th June, Darjeeling offerings met with a limited demand, but others encountered useful competition and some of the poorer grades found ready buyers. Orthodox teas were well supported subject to some irregularity and C.T.C. grades were firm, particularly broken.

On 3rd June, Colombo again put up nearly 8 million lbs, which met with a good general enquiry with Dimbula and Dickoya in strong demand, but some B.O.P. and fanings from those areas were irregular to begin with, but prices firmed up latter.

At the 4th June sale in Cochin, 822,000 kilograms were offered. The market opened to a good demand which continued throughout the sale. Good mediums were reported lower, but the majority of offerings met with a firm demand.

There was a good demand for Dust teas on sale on 6th June. There was a good general demand for the 15,313 chests of old season's teas on offer at Sale No. 49, but prices continued to move lower. There were 5,255 packages of new season's teas at last week's sale. The small quantity of Assam C.T.C.'s generally sold at a drop of 20p, but other C.T.C. types after a quiet opening, came to a good market, and sold well. The new season's Darjeeling dusts came to a very strong market, and sold at much enhanced rates. This, at least, is some cheering news.

The reconstituted Tea Board held its first meeting in Calcutta on 5th June. Mr. N. K. Dutta, senior vice-chairman, Assam Tea Planters Asso-

ciation, was elected vice-chairman of the Board for 1963-64.

The Central Government, it is understood, is considering a scheme to promote the sale of Indian tea in European Common Market. Market conditions there are now being studied. Indian tea promotion machinery already functions in the U.K., the U.S.A. and Australia.

Rubber Research Centre in Madras

THE Prime Minister, Mr. Jawaharlal Nehru, laid the foundation stone of a rubber research centre at the Madras Rubber Factory on Wednesday. The centre will study the feasibility of using materials available in India for producing tyres and other rubber products.

Mr. James J. Hoffman, President of the Mansfield Tire and Rubber Co. who are the American collaborators of the Madras Rubber Factory explained to journalists on Monday the scope of the work to be done at the research centre. He said that as a result of research in petrochemicals, it would be possible to find out hitherto unknown products which might be useful to India's economy. The centre is estimated to cost Rs. 25 lakhs.

Mr. K. M. Mammen Mappillai, managing director of the Madras Rubber Factory, pointed out that in addition to the equipment worth Rs. 12.5 lakhs already acquired for the centre, new machinery valued at Rs. 10 lakhs would be imported from the U.S.A. It would start functioning with the pilot plant used by the rubber factory for manufacturing prototypes.

BBJ
CALCUTTA

**STRUCTURAL STEELWORK.
REINFORCED CONCRETE.
SCREWCRETE FOUNDATIONS.
FRANKI PILED FOUNDATIONS.**

**The Braithwaite Burn & Jessop Const.
Co., Ltd.**

P-13, MISSION ROW EXTENSION, CALCUTTA.

INSIST ON



CALCUTTA ELECTRIC LAMP
WORKS LTD., CALCUTTA-1.

COMPANY AND PUBLIC NOTICES

THE BENGAL PAPER MILL CO.
LTD.

Registered Office: 14, Netaji Subhas Road,
Calcutta-1.

Notice of Second Call

NOTICE is hereby given that by a resolution passed on 25th May, 1963 the Board of Directors of the Company have decided to make Second Call of Rs. 5/50 per share (inclusive of Rs. 3/- on account of premium) on 1,80,000 equity shares of Rs. 10/- each issued at Rs. 22/- per share. The Call Money is payable to the Company at its Registered Office on or before 31st July, 1963 by the Shareholders registered as on 28th June,

1963. Individual Notices to Shareholders will also be sent on 28th June, 1963.

The Transfer Books of the Company will remain closed from 13th June, 1963 to 28th June, 1963, both days inclusive as already notified.

By Order of the Board,

B. D. DAGA,

Secretary.

Calcutta, 4th June, 1963.

THE ALEXANDRA JUTE MILLS
LTD.

ANNUAL GENERAL MEETING
NOTICE

NOTICE is hereby given that the Share Transfer Books of the Company will be closed from 15th June, 1963 to 28th June, 1963, both days inclusive.

By Order of the Board,

McLEOD & CO. LTD.,

S. K. CHATTERJEE,

Acting Secretary,

Managing Agents.

3, Netaji Subhas Road,
Calcutta,
6th June, 1963.

EQUITABLE COAL COMPANY
LIMITED

NOTICE is hereby given that the payment of Interest for the period from 1st January, 1963 to 30th June, 1963 on the 5½% Registered Debenture Stock, 1963/68 of the Company will be made to those stockholders whose names appear on the Company's Register on the 30th June, 1963 or in accordance with their instructions.

For EQUITABLE COAL COMPANY,
LIMITED,

MACNEILL & BARRY LIMITED,

A. N. MITRA,

Secretary,

Managing Agents.

2, Fairlie Place,
Calcutta-1, 12th June, 1963.

THE CALCUTTA TRAMWAYS
COMPANY, LIMITED
(Incorporated in England)

NOTICE is hereby given that the Preference Shares Transfer Books will be closed from the 17th to 30th June, 1963 (both days inclusive) for the preparation of Dividend Warrants in respect of the Interim Dividend of 2½%, less Income-tax, payable on the 1st July, 1963, on account of the profits for the year ending 31st December, 1963.

By Order of the Board,

E. H. GASKELL,

Actg. Agent.

P4, Mission Row Extn.,
Calcutta-1.

6th June, 1963.

CAPITAL, 13th June, 1963.

STATE BANK OF INDIA

NOTICE

IN pursuance of Regulation 40(1) of the State Bank of India General Regulations, 1935, it is hereby notified that Shri Vinod Vrajilal Parekh of 52/4, Ballygunge Circular Road, Calcutta 19, being the only person validly nominated for election shall be deemed to be elected as a Member of the Calcutta Local Board of the State Bank of India on the 19th June, 1963, with effect on and from the 1st July, 1963, and that the Local Meeting of shareholders which was to be held on Wednesday, the 19th June, 1963, in terms of the Bank's Notice of the 10th April, 1963, solely for the purpose of the aforesaid election, stands cancelled.

B. K. KACKER,

Secretary,

Calcutta Local Board,

Calcutta, 5th June, 1963.

THE GANGES ROPE COMPANY,
LIMITED

NOTICE is hereby given that the Board of Directors of this Company has recommended payment of a Dividend at Rs. 20/- per share on the Share Capital of the Company for the year ended 31st December, 1962.

Payment of any dividend declared will be made to those Shareholders whose names appear on the Company's Register on the 25th June, 1963 or in accordance with their instructions. The Register of Members will be closed from 19th to 25th June, 1963, both days inclusive.

By Order of the Board,

MACNEILL & BARRY, LIMITED,

A. N. MITRA,

Secretary.

Managing Agents.

2, Fairlie Place,
Calcutta-1, 6th June, 1963.

The Company meetings and dividends table appears on page 861.

THE MYSORE KIRLOSKAR LTD.,
Regd. Office: YANTRAPUR, P.O. HARIHAR.

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held on Saturday the 29th June, 1963 at 4 P.M. (I.S.T.) at the Registered Office of the Company at Harihar to transact the business, the details of which have been made known to the shareholders separately by notice sent to them individually.

The Share Transfer Books and Membership Register shall remain closed from 22nd June, 1963 to 29th June, 1963 (both days inclusive).

For THE MYSORE KIRLOSKAR
LTD.,

V. K. BODAS,

Asst. Secretary.

Harihar,

27th May, 1963.

BOOKS RECEIVED

Plans and Prospects of Social Welfare in India, 1951-61. (Published by the Director, Publications Division, Old Secretariat, Delhi 6. Price Rs. 6.50, pages 254.)

Statistical Outline of India. (Compiled by Tata Industries Private Ltd, Department of Economics and Statistics, Bombay House, Bombay 1. Price Rs. 3, pages 110.)

Iron and Steel Review: Rourkela Number, 1962. (Published by R. N. Dhandharia for the Commercial Publishers (Private) Ltd, 10 Chowringhee Road, Calcutta 13. Pages 332.)

"CAPITAL" STOCK AND SHARE LIST
THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

BANKS

Wednesday, 12th June, 1963.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		12-6-63	5-6-63	A year ago		1959	1960	1961		12-6-63	5-6-63	A year ago
Allahabad Bank P.	18	18	18	100	268/00	267/00	329/00	Indian Overseas Bank	12	14	14-14*	100	145/00	145/00	168/00
Bank of Baroda	14	17	17	50	85/50	86/50	104/50	Industrial Finance Corpn.	"	"	"	50	"	"	"
Bank of India	16	20	20-20*	50	110/00	110/00	112/00	National & Grindlays Bank	12½	13½	14-16* sh	15	sh. 32/1½	sh. 31/9	sh. 36/3
Central Bank of India	17-1/5	20-2/5	20-20*	25	55/50	56/30	62/30	Punjab National Bank	20	20	20	10	18/87	18/87	20/81
Chartered Bank	15	15	15	£1	sh. 61/6	sh. 62/3	sh. 54/-	Union Bank of India	11 2/5	11 2/5	11 2/5	5	5/80	5/76	8/00
Hindustan Commercial	Nil	Nil	Nil-Nil*	60	13/87	13/94	15/82	United Bank of India	4.3	4.3	6-6*	10	7/25	7/31	7/56
Hindustan Mercantile	£3	£3½	£3½	HK\$25	£17½	£17	£15½	United Commercial Bank	11	12	12	50	64/50	68/00	91/50
Hong Kong & Shanghai	15	15	15-14*	100	162/00	162/00	177/00								
Indian Bank															

*1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		12-6-63	5-6-63	A year ago		1960	1961	1962		12-6-63	5-6-63	A year ago
Agarpara P.	10	2½	2½	10	10/37	10/62	11/62	Hukumchand P.	28½	28½	28½	7½	21/50	22/00	25/62
Alexandra P.	44	15	15	100	300/00	300/00	305/00	India	14	12	8	12½	18/25	18/19	17/75
Alliance P.	6	Nil	10	100	122/00	118/00	130/00	Kamarbhaty P.	6	Nil	100	100	196/00	203/00	198/00
Anglo-India P.	20	7	10	100	224/00	224/00	252/00	Kankarab P.	Nil	Nil	100	100	141/00	141/00	121/50
Auckland P.	27	12	25	100	265/00	265/00	180/00	Kelviz P.	15	15	5	100	184/00	185/00	206/00
Bally P.	25	25	10	100	189/00	192/00	310/00	Khardah P.	20	5	12½	10	18/87	18/87	17/31
Barnagore P.	30	10	10	25	10/06	10/06	10/69	Kinnison P.	Nil	7	Nil	100	148/00	148/00	160/00
Bengal P.	15	15	15	10	28/25	28/69	35/62	Lawrence P.	1	Nil	Nil	100	84/50	84/50	140/00
Birsa P.	10	Nil	100	155/00	155/00	164/00	164/00	Megha P.	12	15	10	100	100/00	100/00	171/00
Budge Budge P.	10	Nil	100	8/12	8/12	8/37	8/37	Nalhati P.	12½	12½	Nil	100	13/06	13/25	13/00
Calcutta P.	12	6	100	199/00	199/00	214/00	214/00	Naskarpara	10	10	100	100	81/00	81/00	115/00
Caledonian P.	20/25	5	Nil	10	23/75	23/75	25/12	National P.	7½	Nil	100	100	9/06	9/06	10/50
Chandpary P.	10	5	10	10/50	10/50	12/50	12/50	Nellimaria P.	6	6	15	10	11/31	11/31	12/00
Cheviot P.	Nil	5	10	8/00	8/00	9/00	9/00	New Central P.	15	15	Nil	10	13/06	13/12	16/50
Chitavalasab P.	6	Nil	5	100	145/00	145/00	130/00	Northbrook P.	30	30	20	10	28/25	28/25	30/50
Clive P.	12½	7½	12½	100	152/00	162/00	195/00	Nudes	6	6	5	60	56/75	57/25	72/50
Dalhousie P.	7½	Nil	10	10	14/69	14/69	19/12	Presidency	6	6	10	6	4/94	5/06	5/56
Delta P.	12½	7½	12½	100	376/00	376/00	470/00	Rameshwara P.	Nil	Nil	Nil	10	9/69	9/56	9/12
Empire P.	25	10	10	10	26/00	26/00	28/25	Reliance P.	Nil	Nil	Nil	10	11/50	11/50	8/25
Fort Gloster P.	22½	22½	10	10	13/81	13/75	14/37	Shree Ambica P.	6	6	Nil	£1	10/80	10/50	10/50
Ganges P.	40	10	10	10	15/44	15/44	55/00	Soorab P.	25	25	10	10	22/75	22/75	24/00
General Industrial	30	25	20	10	25/50	25/50	124/00	Union P.	25	6	Nil	100	155/00	155/00	185/00
Goudapore P.	6	6	6	100	20/00	20/00	27/25	Victoria P.	6	Nil	100	£1	10/50	10/50	10/40
Hastings P.	10	10	10	10	19/75	19/75	22/62	Waverley P.	30	30	60	1	7/75	8/06	6/50
Hoochly P.	12½	10	Nil	10											
Howrah P.															

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1960	1961	1962		Rs.	Rs.	Rs.	A year ago Rs.		1960	1961	1962		Rs.	Rs.	5-6-63	A year ago Rs.
Amalgamated	10	12½	15	10	22/69	22/69	24/00	Mundulpur	..	..	..	10	2/69	2/69	2/69		
Bengal P.	25	21	..	100	280/00	286/00	399/00	Nazira	..	..	..	10	5/00	5/00	7/62		
Bengal Bhatdee	..	..	..	10	3/48	3/48	4/48	New Beerbhoom P.	10	10	..	10	19/37	19/37	23/25		
Bengal Nagpur	10	26	..	10	22/00	22/00	20/18	New Manbhoom	7½	9	12	10	16/00	16/00	15/50		
Bhalgore	..	..	..	10	5/00	4/87	5/37										
Bharat Collieries P.	..	..	..	10	3/56	3/37	4/08										
Bhulanbararee	..	..	..	10	11/94	11/94	6/00	North West	20	20	..	10	19/75	19/75	19/75		
Bokarc & Rangur	..	..	..	10	11/18	11/19	13/25					7½	18/00	18/00	20/25		
Borree P.	15	15	..	10	23/87	23/87	26/87	Onal P.	6	7½	..	10	12/00	12/00	14/40		
Burrakur P.	13	13	13	10	16/50	16/50	20/12	Parasee P.	10	10	..	10	16/00	16/00	17/88		
Central India	6	10	10	10	10/06	9/87	12/81	Pench Valley	10	10	..	10	18/00	18/00	18/25		
Central Kurkend P.	..	..	..	10	3/87	3/87	7/00	Pure Sitapur	..	..	..	10	8/00	8/00	8/00		
Churulia	Nil	..	..	4	3/06	3/06	3/06	Raneegunge	15	17	17	10	16/00	16/00	16/56		
Dheme Main	Nil	Nil	..	5	5/75	5/75	7/50	Rewa	20	20	..	10	28/50	28/50	29/12		
East Indian	7½	15	20½	£1	31/87	31/87	55/50	Samla	10	..	..	10	10/03	10/03	8/87		
Equitable P.	15	10	..	10	25/62	26/50	30/25	Searsole	Nil	Nil	Nil	2½	1/22	1/22	2/03		
Ghosh & Musli	Nil	Nil	Nil	10	14/25	14/25	14/00	Seepore P.	42 8/7	42 8/7	..	7	45/00	45/00	47/75		
Guzdar Kajora	..	..	..	10	2/03	2/03	2/00	Sendra	5	5	..	10	5/75	5/75	7/69		
Hurriladib	..	..	..	10	8/12	8/12	8/12	South Karanpura Standard	24	Nil	Nil	10	8/87	8/87	9/84		
Karanpura Development	5	5	..	100	11/50	12/50	22/37		15	10	..	10	13/12	13/12	16/00		
Karanpura Collieries P.	7½	10	10	10	16/75	16/75	19/04	Union	..	..	..	10	11/87	10/37	10/44		
Katras Jheriab	95	40	25	10	37/75	37/75	48/37	Western Bengal	6	7½	9	10	9/00	9/00	11/09		
Khas Kajora P.	..	..	..	10	18/70	18/70	18/70	West Jamuria	Nil	Nil	..	10	4/12	4/12	9/37		

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		12-6-63	5-6-63	A year ago		1959	1960	1961		12-6-63	5-6-63	A year ago
Basant P.	..	..	..	10	11/50	11/50	7/87	Elgin P.	11 1/2	17 1/2	17 1/2	10	18/06	18/06	21/94
Banga Luxmi	..	..	..	40	28/14	28/00	28/00	J. & Cotton (Rayon) P.	12 1/2	..	..	10	12/56	12/75	20/69
Bengal Nappur P.	Nil	..	..	10	3/00	3/00	3/81	Jay Shree	10	..	..	10	14/25	14/25	15/37
Bharat Commerce	5	15	..	10	22/50	22/50	26/37	Muir &	..	..	..	100	106/00	106/00	146/00
Birla Cotton	10	20	20	10	26/75	26/75	27/00	New Victoria P.	Nil	..	..	2 1/2	1/53	1/62	1/75
Bowresh P.	10	20	..	10	22/50	23/19	32/50	Orissa Textiles P.	Nil	Nil	..	10	9/00	9/00	10/06
Cawnpore Textiles	7-1/2	10	..	5	6/31	6/31	8/56	Rampur Cotton	3	Nil	..	10	12/00	12/00	11/00
Dehi Cloth & Genl. P.	12	13	13	25	41/87	41/75	57/00	Swadeshi (Kanpur) P.	5	..	..	100	11/50	11/50	11/50
Dinbar	20	20	..	10	27/00	27/44	33/00		5.51	..	..	10PO	7/06	7/06	8/69

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		11-6-63	4-6-63	A year ago		1959	1960	1961		11-6-63	4-6-63	A year ago
Ahmedabad Advance P.	7	18	..	100	170/00	170/00	208/00	Indian	..	..	..	250	761/25	761/25	..
Anooli	..	..	..	1	1/80	2/00	2/14	Indore Malwa United	7	8 1/2	10	100	189/00	187/00	178/00
Benarasi Ramchandra	Nil	Nil	..	100	68/00	76/00	65/00	Khatav Vakkaji P.	16	32	..	100	432/50	427/50	470/00
Bombay Dyeing etc.	14	14	14	25	60/50	61/10	68/40	Kohinoor	9 1/2	15	18	100	308/00	312/00	302/50
Bradbury P.	10	10	25	50	150/00	150/00	192/50	Lakshmi Vishnu P.	Nil	5.7	6	100	91/00	95/00	143/00
Century	..	..	..	100	542/50	550/00	643/00	Morarjee Goculdas P.	21 1/2	21 1/2	24-24*	100	435/00	435/00	406/00
Central India P.	Nil	Nil	Nil	100	103/00	102/00	153/00	Worse Sp. & Mfg. P.	10	14	14	80	45/00	47/00	63/50
Corla	..	..	..	100	140/00	142/00	160/00	New City of Bombay	..	..	..	100	142/50	142/50	181/00
Dawn	20	30	30	50	102/00	100/00	135/00	New Great Eastern P.	..	..	..	100	270/00	270/00	306/00
Edward Textiles	9	9	..	200	325/00	325/00	372/50	Phoenix	..	..	..	100	200/00	200/00	250/00
Elphinstone P.	14	18	22	50	102/00	100/00	130/00	Sassoon & Alliance	Nil	Nil	..	10	11/76	11/76	14/00
Finlay	..	..	..	100	309/00	315/00	306/00	Sassoon Spinning	25	17	20	10	48/00	48/00	59/80
Gokak	..	..	..	100	164/00	164/00	214/00	Simplex	10	15	Nil	50	132/00	130/00	174/00
Hindooistan	..	..	..	250	810/00	810/00	..	Shree N. was P.	15	18	20	100	235/00	235/00	258/00
India United	..	..	..	10	22/00	23/00	21/56	Swadeshi P.	14	17	..	100	238/00	248/00	275/00
	..	..	..	1Dd	2/50	2/34	3/24	Swan	..	..	..	100	270/00	300/00	320/00
								Tata	10	20	..	25	57/70	58/50	71/00
								Western India	..	..	..	250	785/00	785/00	802/50

* 1962

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		Rs.	Rs.	A year ago Rs.		1959	1960	1961		Rs.	Rs.	A year ago Rs.
CEMENT ENGINEERING & METAL															
Associated Cement	11	12½	12-12*	100	142/25	140/75	160/75	British India General	..	..	..	10	11/52	11/52	11/02
ELECTRIC LTG. POWER															
Ahmedabad Electricity	6½	7	6	100	92/20	91/20	90/00	Jupiter General P.	..	..	..	15	9/00	9/00	11/76
Andhra Valley Power P.	5	5½	5-5*	1000	1,002/50	1,002/50	1,015/00	New India	38	..	..	15	60/70	61/00	71/00
Bombay Suburban Elec.	..	..	..	100	99/00	99/00	103/50	Vulcan	..	..	..	10	17/24	15/52	17/12
Tata Hydro Elec. Power P.	5	5½	5-5*	100	104/50	104/00	113/00	MISCELLANEOUS							
Tata Power P.	5	5½	5-5*	1000	1,061/25	1,041/25	1,107/50	Belapur Sugar	..	..	..	50	180/50	179/00	235/00
Alcock Ashdown	..	..	..	100	312/00	304/00	332/00	Bombay Surmah Trading	19	30	33-33*	100	62/00	64/00	..
Just's Engineering	10	8	10-10*	50	98/00	98/00	99/50	Hindustan Lever	24	26	26-26*	100	243/75	243/75	271/25
Larsen & Toubro P.	12½	12½	18-14*	10	22/56	21/88	33/50	Industrial Invt Trust	6	6½	8½	100	35/25	36/50	61/00
Mckenzie	12½	..	..	100	150/00	150/00	147/50	Nem (Chemists)	..	..	..	200	68/50	68/50	78/00
Premier Construction P.	..	..	..	300	140/00	136/50	167/50	National Rayon	22	22	..	100	305/00	305/00	325/00
Tata Eng. & Locomotive P.	9.9	12½	14½-14½*	100	279/00	273/50	373/00	Scindia Steam Navign.	6½	3	3-3*	20	332/50	343/00	551/50
Tata Iron & Steel P.	9.1	9.1	10.36-10.36*	750	139/25	132/75	150/00	Shivrajpur Synd.	50	80	Nil	10	9/96	9/80	12/92

TEA COMPANIES

* 1962

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		Rs	Rs	A year ago Rs		1959	1960	1961		Rs	Rs	A year ago Rs
ASSAM GARDENS															
Anandabag	15	Nil	10*	10	20/00	20/00	25/94	Brooke Bond P.	12 1/2	15	10-7 1/2	10	11/81	11/81	11/81
Amluckie P. Baghmari	17 1/2	30	32 1/2	10	33/25	33/25	30/87	Dejak Valley	40	15	20	10	52/50	49/25	49/25
Barduar Tea	Nil	Nil	15	10	18/56	18/56	22/25	Jessa & Purbutt's	Nil	Nil	10	100	189/00	140/00	146/00
Besmalia	30	35	25	10	8/50	8/50	8/50	Jharkhat	26	12 1/2	..	10	20/00	19/62	22/12
Betiao	30	30	..	10	27/25	27/25	27/25	Jharkhat P.	23	20	..	10	13/87	13/87	15/37
Bisnauth	25	40	45	10	17/25	17/25	19/00	Jharkhat P.	30	25	25	10	31/25	31/25	33/25
Borshat	13	13	13	10	30/56	30/56	30/50	Jharkhat P.	35	25	25	10	21/87	21/87	23/12
Borman Jan P.	12 1/2	15	15	10	18/25	18/19	19/12	Orissa India	35	25	25	10	27/00	27/00	29/50
Bor Pukhuri	Nil	Nil	Nil	10	13/70	13/70	13/71	Orissa India	25	25	25	10	14/25	14/25	20/06
					14/25	14/25	18/50	Orissa India	10	Nil	Nil	10	25/44	25/44	28/44
					11/75	11/75	10/87	Orissa India	10	Nil	Nil	10	16/56	16/56	18/56

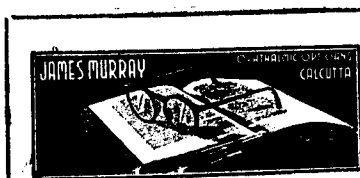
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TEA COMPANIES - Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		Rs.	Rs.	A year ago		1959	1960	1961		Rs.	Rs.	A year ago
Grob	14	6	6	5	7/50	7/97	10/00	Singell	Nil	Nil	Nil	100	36/75	36/75	37/25
Hoograjuli (Assam)	25	20	20	10	27/12	27/12	24/44	Singtom	5	2	..	100	3/50	3/50	4/62
Hoolungoree	20	10	7 1/2	100	195/00	195/00	172/00	Soom	30	50	40	10	35/00	35/00	50/25
Jutlibari	10	30	30	10	31/50	31/50	32/00	Sungma	Nil	15	15	10	15/25	15/06	14/62
Kingsley Golaghat P.	35	35	..	100	140/00	140/00	212/00	Teesta Valley	Nil	Nil	8 1/2	10	11/25	11/25	13/19
Kotamullai P.	Nil	Nil	Nil	5	10/31	10/31	10/37	Tukvar	..	..	..	10	7/12	7/12	7/06
Krishnabehari	10	15	8	10	10/50	10/50	10/12	DOOARS							
Kyang Tea	Nil	Nil	..	10	8/06	8/06	8/06	Banarhat P.	8 1/2	22 1/2	21	100	233/00	226/00	294/00
Ledo	Nil	Nil	Nil	10	13/75	17/25	17/75	Baradighi	25	30	25	10	23/25	23/25	26/00
Maud Tea & Seed	7 1/2	10	7 1/2	10	14/81	14/81	15/25	Bhatkawa	10	15	15	10	18/00	18/00	21/25
Methoni	15	5	14	10	17/31	17/31	21/25	Birpara P.	22 1/2	17 1/2	12 1/2	100	160/00	160/00	153/00
Moheema	10	Nil	..	10	11/50	11/50	11/50	Carron	15	20	5	100	145/00	145/00	145/00
Mothola	25	30	30	100	507/00	507/00	507/00	Choonabutti P.	30	32 1/2	20	100	210/00	210/00	282/00
Murphulan (Assam)	20	5	15	10	26/50	26/50	26/50	Ellenbarrie	5	5	5	100	184/00	184/00	176/00
	25	10.63	20.63	10	28/75	28/75	28/75	Ethelbari	Nil	6	30	100	136/00	136/00	136/00
Naga Hills	5	10	10	10	22/25	22/25	21/50	Gairkhata	Nil	5	5	10	13/12	13/12	8/37
Namburnadi	16	12	..	10	14/56	14/56	14/00	Gopalpur	9 1/2	12	2	10	21/50	21/50	25/12
New Cinnatollah	Nil	Nil	Nil	100	302/00	302/00	126/00	Hantapara P.	12 1/2	15	5	25	19/50	19/50	20/00
Rajgarh	35	40	13 1/2	10	21/37	21/37	22/50	Hasimara P.	12 1/2	17	18 1/2	100	105/00	104/00	124/00
Sapoi	20	22 1/2	20	10	19/37	19/37	18/44	Huldbari	22 1/2	32 1/2	19 1/2	10	12/44	12/31	31/56
Seajuli	17 1/2	22 1/2	15	10	21/12	21/12	22/50	Jaybirpara	5	10	Nil	10	12/62	12/62	30/37
Teloljan	25	25	25	10	22/00	27/75	27/25	Kilcott	17 1/2	25	15	10	11/75	11/75	13/60
Tengpani	17 1/2	30	30	10	35/00	35/00	35/00	Manabarrie	5	10	6	10	16/25	16/25	18/87
Tezpur P.	20	20	12 1/2	10	15/37	15/37	16/56	Nagaluree	17 1/2	25	15	100	140/00	140/00	169/50
Tongkani	Nil	Nil	..	10	7/00	7/00	6/25	New Dooars P.	32 1/2	35	20	100	230/00	230/00	296/00
Tyroon	30	10	15	10	34/37	34/37	37/87	Oodlabari	Nil	12 1/2	7 1/2	100	14/25	14/25	15/25
CACHAR								Rajabhat	Nil	Nil	Nil	100	129/00	129/00	127/00
Arcuttipore	Nil	Nil	..	10	7/00	7/00	7/00	Ranicherra	10	15	15	10	12/12	12/12	14/00
Baitakhal	5	2 1/2	..	10	8/08	8/06	6/69	Rydak	30	25	20	10	15/37	16/00	20/62
Central Cachar	5	5	7 1/2	100	72/00	72/00	74/75	Sarugaon	40	40	40	10	25/44	25/44	26/00
Eastern Cachar	Nil	Nil	..	10	4/12	4/12	2/37						36/25	36/25	36/00
Kallinugger Khoreel	6	6	..	100	87/00	87/00	86/00	TERAI							
Hattikhira	5	Nil	8	10	9/12	9/12	11/56	Atal	10	5	..	10	8/75	8/75	8/15
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00	Belgachl	20	20	..	10	20/50	20/50	21/62
Loobah	Nil	Nil	..	10	4/37	4/37	4/25	Gungaram	15	20	12 1/2	100	131/00	131/00	159/00
North Western	30	30	20	100	160/00	160/00	205/00	Hansqua	17 1/2	20	15	10	20/00	20/00	16/25
Patanchera	Nil	Nil	Nil	10	7/50	7/50	7/50	New Chumta	15	15	12 6/7 1/2	10	24/62	24/62	33/50
Roopacherra	Nil	Nil	10	10	13/62	13/62	13/62	New Terai	15	22 1/2	..	10	36/00	36/00	36/00
Rungamtee	7 1/2	5	5	50	53/50	53/50	58/50	Pahargoomiah	25	20	..	10	31/12	31/12	31/25
Soni River	Nil	Nil	..	10	9/12	9/12	9/12	Putinbaree	26	14	..	10	45/00	45/00	49/00
								Tirrihannah P.	40	..	..	10	49/00	49/00	49/00
DARJEELING								CHITTAGONG							
Bloomfield	Nil	Nil	..	10	3/00	3/00	3/25	Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Chamong	Nil	Nil	10	10	9/00	9/00	10/25	Kornafull	Nil	Nil	..	10	13/06	13/06	12/50
Darjeeling Tea & Chin	Nil	30	..	100	197/00	197/00	164/00	Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
Dilaram	5	8	..	100	102/50	102/50	102/50	SYLHET							
Gielle	Nil	Nil	8 1/2	10	11/00	11/00	11/44	Chundeecherra	15	22 1/2	22 1/2	10	26/00	26/00	24/37
Linga P.	12 1/2	15	10	10	14/56	14/56	14/56	Dauwecherra	Nil	Nil	Nil	10	7/56	7/56	6/94
Longview	14	12 1/2	15	10	11/00	11/00	11/00	Kaliu	Nil	Nil	Nil	10	10/00	10/00	9/25
Margaret's Hope	10	15	15	10	11/62	11/62	12/75	New Samanbagh P.	Nil	25	Nil	10	18/37	18/37	18/25
Mim	10	22 1/2	20	100	191/50	191/50	191/50	Patrakola	40	32 1/2	40	100	134/00	134/00	138/00
Nagri Farm	20	30	25	10	29/50	27/00	25/44	Rajnagar	Nil	Nil	..	10	9/56	9/56	9/56
Okhuti	32 1/2	25	25	100	600/00	600/00	600/00	Tellapara	17 1/2	22 1/2	32 1/2	10	99/00	99/00	112/00
Pashok	10	10	..	10	20/00	20/00	20/00								
Poobong	Nil	Nil	Nil	10	7/56	7/56	7/37								
Pussimbing P.	Nil	Nil	Nil	10	7/12	7/12	7/75								
Runglee Runglot	10	35	20	100	386/00	386/00	386/00								
Seeyok	15	15	..	10	8/50	8/50	8/50								

MISCELLANEOUS COMPANIES - Contd.

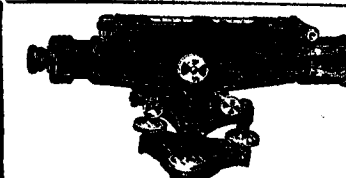
NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			ago a year
	1959	1960	1961		Rs.	Rs.	Rs.		1959	1960	1961		Rs.	Rs.	Rs.	
ENGINEERING & METAL																
Arthur Butler (Muzaffarpore) P.	..	..	..	10	14/94	14/94	12/94	J K Synthetics	..	..	8	10	10/19	10/31	..	..
Bharati Electric Steel	15	10	..	10	14/30	14/37	12/50	James Wright P.	..	..	..	50	44/45	41/43	2/75	..
Braithwaite India	22 1/2	25	25	10	29/75	29/50	36/75	Jardine Henderson Ltd P.	..	..	..	100	86/50	86/50	86/00	..
Bridge & Roof	30	30	30	10	52/25	52/25	62/25	Jay Shree Industries P.	14	14	12 1/2	10	15/75	15/75	18/15	..
Britannia Building & Iron P.	6	NIL	NIL-NIL*	10	3/65	3/65	3/65	Kesaran Industries P.	2 1/2	8	12-12 1/2	10	21/56	21/75	32/19	..
Britannia Engineering P.	10	10	10	10	9/81	9/87	10/00	Macfarlane & Co.	..	..	..	80	7/00	7/00	1/25	..
British India Electric Cons.	25	45	20	10	33/12	43/12	50/00	Macneil & Barry Ltd P.	..	..	..	100	2/31	2/31	2/53	..
Burn P. (Engineering)	28 1/2	28 1/2	28 1/2	100	463/00	463/00	735/00	Martin Burn Ltd P.	27 1/2	27 1/2	27 1/2	100	83/50	93/50	93/00	..
Calcutta Steel	6	15	15	10	12/75	13/00	..	McLeod & Co P.	15	15	15	100	210/00	210/00	215/00	..
Dalmia Iron	..	10	10-10*	10	10/56	10/62	12/00	Metals Box Co of India Ltd P.	17 1/2	25	25	10	49/87	49/87	61/62	..
Guest, Keen, Williams	24	18	14	10	32/69	33/00	41/69	National Insulated Cable P.	30	25	25	10	24/00	24/25	46/25	..
Hooghly Docking	12	NIL	NIL	50	108/00	108/00	143/00	National Pipe & Tube P.	15	20	20-20*	10	26/19	27/25	32/19	..
Indian Iron & Steel P.	10	15	15-16*	10	22/54	22/62	25/96	National Rolling & Steel Ropes	10	13	15-15*	10	18/87	18/87	22/50	..
Indian Malleable Casting	6	NIL	..	50	6/00	6/00	6/00	National Rubber P.	8 1/2	NIL	6 1/2	10	11/62	11/62	14/75	..
Indian Standard Wagon P.	28 1/2	28 1/2	28 1/2	10	2/50	2/50	3/12	National Tobacco P.	..	16	7	10	11/62	11/69	16/06	..
Indian Steel & Wire Products	16 1/2	23	24-23*	100	40/50	40/50	55/37	New India Investment Corpn.	6 1/2	6 1/2	..	75	65/00	65/00	70/00	..
Industrial Containers	..	NIL	..	10	21/37	21/37	15/19	Octavius Steel P.	12 1/2	10	..	100	..	..	..	..
Jay Engineering	12	17 3/20	17 1/2	15 1/2	21/75	21/75	..	Philips India	12	12	12	10	26/56	26/37	35/75	..
J. K. Steel P.	12 1/2	20	20-10*	10	14/06	14/06	19/00	Publicity Society	37 1/2	10	75-75*	4	22/62	26/62	27/00	..
Jessop & Co P.	8.58	8.58	8.58	10	23/06	22/00	24/06	Rallis India P.	NIL	..	8 1/2-8 1/2*	100	116/00	116/00	145/00	..
Kamachubi Engineering P.	10	10	11 1/2	8	8/12	7/87	8/31	Rohas Industries P.	15	20	10-8*	10	11/19	11/19	16/44	..
Marshall Sons (India)	10	NIL	NIL	2	2/75	2/84	3/87	Sir Silk P.	..	..	..	10	8/87	9/19	10/64	..
National Iron and Steel	6 1/2	NIL	NIL-NIL*	4	8/87	3/87	5/62	Sen Raleigh Industries P.	..	..	..	10	13/75	13/60	19/50	..
Saran Engineering	7 1/2	8 1/2	10-12 1/2*	4	8/00	8/00	10/00	Shaw Wallace P.	15	15	15	10	15/37	14/04	24/06	..
Steel Containers	..	30	20	10	29/50	29/50	22/00	Spencer's Hotel	14	21	21	8	0/94	0/94	1/50	..
Textile Machinery	30	10	10	10	23/80	23/35	25/70	Union Carbide	18	15	15	10	38/50	38/50	53/12	..
SUGAR BREWERIES ETC.																
Balrampur Sugar	8	8	8-4*	2 1/2	2/00	2/12	2/50	Walford Transport	15	30	30	10	2/37	2/37	2/67	..
Beausud Sugar	18 1/2	18 1/2	10	7 1/2	7/81	7/81	10/31	Concord of India	20	20	20	5	10/25	10/25	11/87	..
Bharati Sugar P.	..	..	..	10	13/00	13/00	13/00	Hercon	20	22 1/2	26 1/2	10	24/19	24/19	24/25	..
Carew (Sugar) P.	NIL	NIL	NIL-NIL*	10	12/50	12/50	12/44	Ruby General	10	10	18 1/2	8	9/31	9/31	9/50	..
Cawnpore Sugar P.	NIL	NIL	NIL-NIL*	10	10/08	10/08	13/50	Standard General	..	..	..	10	6/00	6/00	5/44	..
Champaran Sugar	15	15	12-NIL*	10	15/87	15/87	17/94	Triton	45	45	50	25	132/00	132/00	133/50	..
Durbhanga	90	4	NIL	10	7/94	7/94	10/00	Concord of India	20	20	20	5	10/25	10/25	11/87	..
Dyer Meskin (Breweries)	16	85	30	5	26/00	26/00	60/00	Ruby General	20	22 1/2	26 1/2	10	24/19	24/19	24/25	..
New Sajan Sugar and Jur	..	..	..	10	3/62	5/62	5/19	Standard General	10	10	18 1/2	8	9/31	9/31	9/50	..
Purbapuri Sugar P.	NIL	..	..	10	11/50	11/50	11/50	Triton	45	45	50	25	132/00	132/00	133/50	..
Ramnugger Cane & Sugar P.	213/7	30	35-30*	10	26/37	26/37	29/87	Bengal	45	40	25	10	34/25	34/25	38/62	..
Raza Guland	12 1/2	12 1/2	10	9/37	9/37	9/37	8/87	Deity P.	12 1/2	..	..	10	14/00	14/00	14/00	..
Sayan Sugar P.	..	..	..	10	5/20	5/20	8/06	Ganesh P.	27 1/2	..	..	12 1/2	15/75	15/75	18/75	..
Samaraspur Central Sugar	..	..	..	10	9/62	9/62	10/06	Hooghly	27 1/2	15	NIL	10	19/75	19/75	19/75	..
Shree Krishna Gyanoday Sugar P.	18	15	..	10	7/06	7/06	9/25	United	62 1/2	35	10	10	27/81	27/81	38/00	..
Shree Sitaram Sugar	..	..	..	10	7/12	7/12	7/12	Attack Oil	13 1/2	13 1/2	13 1/2	21	sh. 36/3 sh.	35/6 sh.	24/8	..
Sitalpore Sugar	NIL	4	NIL-NIL*	10	6/12	6/12	6/62	Burmab Oil P.	25	25	25	10	sh. 51/4 sh.	53/6 sh.	33/6	..
United Provinces	15	15	..	10	10/62	10/62	14/72	Tide Water Oil	25	30	25	10	21/87	21/87	28/69	..
Upper Ganges Sugar P.	72	72 1/2	72 1/2	10	65/00	65/00	77/08	Bengal P.	22	30	35	10	25/25	25/25	24/06	..
MISCELLANEOUS																
A Firpo (Restaurant)	3 1/2	7 1/2	..	10	5/90	5/90	5/90	India Paper Pulp	32	32	27 1/2	10	28/62	29/06	35/25	..
Aluminium Corporation P.	10	12	12-12*	10	12/75	12/75	19/12	Orient Paper P.	10	15	13-12*	10	17/25	16/94	22/19	..
Anderson Wright Ltd P.	10	11 1/2	..	10	11/50	11/50	28/75	Shree Gopal Paper P.	15	22 1/2	22 1/2	10	34/00	34/15	44/00	..
Anglo Bros	30	25	22 1/2-28*	10	21/12	21/12	22/50	Sirpur P.	17 6/7	61	61	10	23/25	23/87	37/75	..
Assam Match	18	18	20	10	28/75	28/75	25/25	Star Paper P.	6 1/2	6 1/2	6 1/2	10	11/87	11/87	14/19	..
Assam Tea Mills & Timber	NIL	NIL	NIL	3	2/87	2/87	2/44	Titaghar P.	10	10	13-13*	2 1/2 PO	3/78	3/78	3/87	..
Associated Battery	40	25	15-15*	10	23/31	23/31	31/25	West Coast P.	25	25	20-10*	10 AO	16/25	16/00	42/81	..
Associated Hotels of India P.	NIL	NIL	10-10*	10	10/31	10/31	10/31	Camperdown	NIL	6	7 1/2	100	160/50	160/50	188/50	..
Balmer Lawrie & Co.	25	25	25	100	239/00	239/00	278/00	Ganges Rope	17	17 1/2	20	100	104/00	104/00	100/00	..
Bararce Coke	NIL	NIL	NIL-15*	10	21/94	24/31	27/12	General Investments Trust P.	3 1/2	5	5-3*	75	..	..	..	..
Birds Investments P.	11	3 1/2	10-10*	10	10/56	9/94	12/50	Gilberts Arbuthnot & Co Ltd P.	10	10	11-11*	10	..	..	..	..
Britannia Biscuit P.	14	25	30-25*	10	42/12	41/62	46/12	Gladstone Lyall & Co Ltd P.	NIL	4 2/5	4	10	..	..	..	..
British India Corporation P.	NIL	4	7	8	8/50	8/75	9/69	Godfrey Phillips (India) Ltd P.	26	40	40	250	..	..	..	..
British Paints	10	12 1/2	12 1/2	10	18/75	18/75	25/12	Great Eastern Hotel	6	6	6	250	..	..	..	..
Calcutta Silk Manufacturing P.	NIL	NIL	NIL	10	7/25	7/15	7/15	Hindustan Aluminium P.	..	NIL	..	10	12/19	12/28	..	..
Clive Row Investment	10	8	7 1/2	100	8/69	8/50	8/45	Hindustan Motors P.	..	9	12-12 1/2*	10	16/69	16/78	20/00	..
Dunoon Brothers & Co Ltd P.	14	14	14	100	147/00	147/00	152/00	Hindustan Pilkington	12	..	..	10	14/50	14/50	23/00	..
Dunlop Rubber Co (India) P.	21 1/2	21 1/2	20-15*	10	31/50	31/56	44/25	Hindusthan Telford P.	..	NIL	NIL-NIL*	10	13/99	13/99	17/87	..
Eastern Investments Ltd P.	14	14	14-12*	100	129/00	129/00	138/00	Hoare Miller & Co Ltd	6	6	6	10	5/44	5/44	7/03	..
Electric Construction	15	10	10-10*	10	12/12	12/12	16/06	Imperial Tobacco	12	15	9-9*	10	10/25	10/44	11/12	..
French Motor Car	12 1/2	20	20	20	35/12	35/12	34/50	Indian Aluminium Co Ltd P.	12	15	15-17 1/2*	10	33/81	34/25	41/75	..
Ganges Rope	17	17 1/2	20	100	239/00	239/00	231/00	Indian Cable P.	15	22 1/2	..	10	30/50	30/50	37/12	..
General Investments Trust P.	3 1/2	5	5-3*	75	43/00	43/00	43/00	Indian Oxygen	15	15	15-12*	10	25/50	29/12	45/87	..
Gilberts Arbuthnot & Co Ltd P.	10	10	11-11*	10	13/50	13/50	15/12	Indian Rubber Manufacturers P.	15	20	30-38*	10	19/87	19/87	20/00	..
Gladstone Lyall & Co Ltd P.	NIL	4 2/5	4	10	33/25	33/25	35/44	Indian Wood Products	25	30	30-30*	10	28/87	29/12	32/37	..
Godfrey Phillips (India) Ltd P.	26	40	40	250	241/00	241/00	241/00	Isar Holdings	..	..	..	10	14/25	14/12	16/81	..
Great Eastern Hotel	6	6	6	250	241/00	241/00	241/00	Investments and Finance P.	3	7 1/2	7 1/2	100	55/00	55/00	55/00	..
Hindustan Aluminium P.	..	NIL	..	10	12/19	12/28	..	Attack Oil	13 1/2	13 1/2	13 1/2	21	sh. 36/3 sh.	35/6 sh.	24/8	..
Hindustan Motors P.	..	9	12-12 1/2*	10	16/69	16/78	20/00	Burmab Oil P.	25	25	25	10	sh. 51/4 sh.	53/6 sh.	33/6	..
Hindusthan Pilkington	12	..	..	10	14/50	14/50	23/00	Tide Water Oil	25	30	25	10	21/87	21/87	28/69	..
Hindusthan Telford P.	..	NIL	NIL-NIL*	10	13/99	13/99	17/87	Bengal P.	22	30	35	10	25/25	25/25	24/06	..
Hoare Miller & Co Ltd	6	6	6	10	5/44	5/44	7/03	India Paper Pulp	32	32	27 1/2	10	28/62	29/06	35/25	..
Imperial Tobacco	12	15	9-9*	10	10/25	10/44	11/12	Orient Paper P.	10	15	13-12*	10	17/25	16/94	22/19	..
Indian Aluminium Co Ltd P.	12	15	15-17 1/2*	10	33/81	34/25	41/75	Shree Gopal Paper P.	15	22 1/2	22 1/2	10	34/00	34/15	44/00	..
Indian Cable P.	15	22 1/2	..	10	30/50	30/50	37/12	Sirpur P.	17 6/7	61	61	10	23/25	23/87	37/75	..
Indian Oxygen	15	15	15-12*	10	25/50	29/12	45/87	Star Paper P.	6 1/2	6 1/2	6 1/2	10	11/87	11/87	14/19	..
Indian Rubber Manufacturers P.	15	20	30-38*	10	19/87	19/87	20/00	Titaghar P.	10	10	13-13*	2 1/2 PO	3/78	3/78	3/87	..
Indian Wood Products</																



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FOOD OUTPUT STAGNATES, PRICES RISE

FOODGRAIN prices in India have risen sharply over the past few months. At the beginning of this year, the all-India wholesale price index for food articles stood at 122.4 (base year 1952-53 equals 100); it is 131.1 now. The rise, to some extent, is seasonal: harvesting has been completed, and the pressure of supplies arriving in the markets until about three months ago has abated. But the disturbing fact remains that food prices in general, according to the Government's own statistics, are almost 5 percent higher than they were at this time last year. The increase in cereal prices has been somewhat sharper. Even so it disguises the fact that the price of the most important cereal, rice, in the eastern States has gone up by very nearly 12 percent. In the Calcutta markets, the commodity costs almost 25 percent more than it did a year ago. The Government has been proudly claiming that the increase in wheat prices has been fairly small. But that cannot offer much consolation to a country which consumes thrice as much rice as it does wheat.

Unlike in the case of wheat, the decline cannot be offset by the relatively small imports of rice coming under the P.L. 480 programme from the United States; and the foreign exchange situation being what it is, no sharp increase in commercial imports is possible either.

The third factor is that the economy has had the pleasure of, first, a heavy dose of deficit financing after the Chinese invasion, and, later, a thumping big Budget from Mr. Desai. The former has put more cash in the hands of the people, cash which has inevitably been spent mostly on food. The latter has sharply increased costs, especially transport costs, which are by no means a small element in the prices of commodities moving from distant rural areas to wholesale and retail markets. Fourthly, and finally, there remains the fact that too many Indians are producing too many Indians each year; the annual rate of population growth, estimated at an alarming 2.15 per cent over the past decade, shows no signs of declining.

Against this background, it is hardly surprising that the reassuring noises made by Government spokesmen over the past few weeks have had little effect. Addressing a Press conference in New Delhi a few days ago, Mr. Thomas implied that complaints about the rise in food prices were exaggerated, and that in any case the Government had enough stocks in hand to check the rise. On a visit to Calcutta last Friday, Mr. Shriman Narayan, member of the Planning Commission, took the liberty of announcing that the rice position was "comfortable" in most States, and even in the eastern States "there is no cause for alarm."

The factual basis for the pronouncements remains unknown. In his statement in New Delhi earlier, Mr. Thomas produced an imposing array of statistics showing how much rice lay in Central godowns, and how liberal the Centre had been in offering it to the deficit States. The question which apparently remained unasked, or unanswered, was why, if the Centre's stocks really were large, and if they had been liberally offered to the deficit States, prices were still showing no signs of coming down? Perhaps the clue lies in Mr. Thomas's reported estimate that the Centre's rice stocks really total no more than 800,000 tons. That quantity is but chicken-feed in comparison with simultaneous estimates that India's rice crop this year has fallen by anything between one million tons and three million tons. It may be true, as Mr. Shriram Narayan reminded his audience on Friday, that 150,000 tons will soon be coming from Burma and Thailand. Mr. S. K. Patil had already announced that a first batch of 150,000 tons would be shipped from the United States soon, and another batch of 200,000 tons before the end of the year. Simple arithmetic, however, suggests that rice supplies in the market, including all imports, may not reach anywhere near last year's already unsatisfactory level—unless the Government is prepared pretty nearly to empty its godowns as fast as it can.

Faced with the danger that the godowns might be emptied out this year, it is perhaps not wholly

Several explanations have been offered for the increase in food prices. The Food and Agriculture Ministry has pointed to the seasonal variations, but forgotten to mention that these cannot be of any significance if today's prices are compared with those of June last year or June the year before. The Deputy Minister for Food, Mr. A. M. Thomas, has reminded the people of the sales taxes some States have imposed on food articles—which taxes have, as was only to be expected, been added straight on to consumer prices. Dark references have been made to the scare created by speculators, hoarders and profiteers through "premature disclosures" concerning the decline in the rice harvest; no explanation has been given, however, as to what can be "premature" in disclosing a fact that has been known to both the Government and the trade for several months. Finally, refuge has been sought in the oldest ditty from the gramophone record of excuses patented by the Food and Agriculture Ministry—that last year's monsoon was unfavourable, leading to drought in some areas of the country and floods in others (as if any monsoon in the past 1,000 years has ever been adequately and evenly distributed).

The real factors responsible for the rise in foodgrain prices are four in number. The first and most important is that, ever since the last year of the second five year plan, foodgrains production has shown almost no improvement at all. In 1960-61, it amounted to 79.7 million tons; being well above the second plan target, it sent a thrill of joy through the Food and Agriculture Ministry and brought it a flood of congratulatory telegrams. In the following year, output declined, to 78.6 million tons. In 1962-63, the agricultural year now ending, a recovery is expected, but only a minor one—to around 80 million tons. The second factor is that, within the stagnant total, the rice harvest has been declining steadily. The decline last year was small. But the fall this year, as compared with last, is variously estimated as anything between one million tons and three million tons.

indigenous manufacture of man-made fibres. Besides, in the export markets, the consumer was said to be showing greater and greater preference for mixed fabrics and a similar tendency was noted in the home market also. Diversification of Indian mills' production by the use of man-made fibres, it was argued, would be helpful from the point of view of both local consumers and exports.

But when the Government arranged for the import of staple fibre, not many mills appeared willing to lift their quotas. Apparently, in recommending a switch-over from imported cotton to imported fibre, the Indian Cotton Mills Federation had not carefully examined the problem in all its aspects. But the Government also cannot escape the blame for accepting the Federation's recommendation without assessing all its implications. The staple fibre sub-committee makes no mention of what happened over the past 18 months to change the Federation's views, but since the sub-committee was actively assisted by the directors of the three textile research associations of Bombay, Ahmedabad and Coimbatore in studying the problem, its findings cannot be treated lightly. The Government will have to examine the sub-committee's findings thoroughly before taking any decision on its recommendations, which are of a far-reaching nature. The sub-committee has suggested that some investigation should be made about the possibility of extending the growth of medium and long-staple cotton in the country by investing in fertilisers and pesticides. It might be found that with the quantity of foreign exchange required for producing a pound of viscose staple, a much larger quantity of cotton could be grown in the country with far more beneficial results for the economy. The need for stepping up cotton production can scarcely be over-emphasised, but the sub-committee's excessive concern over the expansion of staple fibre production capacity is likely to arouse suspicion. All over the world, the use of staple fibre has become popular and in view of the continuing shortage of indigenous cotton production and the difficulty of securing cotton from abroad due to foreign exchange scarcity, the Indian textile industry will probably need to take on a good admixture of staple rayon fibre and man-made fibres.

Rayon and Synthetic Fabric Exports

Exports of rayon and synthetic fabrics from India in May are placed at 6.25 million metres, valued at Rs. 62.7 lakhs, compared with 7.99 million metres valued at Rs. 74.3 lakhs in the preceding month and 2.29 million metres worth Rs. 29.3 lakhs in May 1962. The May figure takes the total exports for the first five months of the current year to 27.77 million metres valued at Rs. 2.61 crores, compared with 25.17 million metres valued at Rs. 2.5 crores in the corresponding period of last year. Shipments to important destinations in metres (with value shown in brackets) during May were as follows: Singapore 852,349 metres (Rs. 905,418), Iraq 618,973 metres (Rs. 690,989), Aden 373,372 metres (Rs. 312,971), Ceylon 335,349 metres (Rs. 346,835), Rhodesia—north and south—437,927 metres (Rs. 418,661), Nyasaland 339,777 metres (Rs. 277,860), Canada 324,216 metres (Rs. 310,608), Belgium 297,149 metres (Rs. 238,671), Iran 267,670 metres (Rs. 316,749), the Sudan 208,788 metres (Rs. 123,797), Kenya 186,007 metres (Rs. 236,367), Malaya 159,964 metres (Rs. 124,582), Mauritius 158,852 metres (Rs. 164,125) and Fiji Island 163,310 metres (Rs. 148,883). Zonewise exports for the January-April 1963 period show that out of total shipments worth a little over Rs. 2 crores, the Asian zone took rayon and synthetic fabrics worth Rs. 12 crores to be followed by Africa with Rs. 45 lakhs, the U.S.A. Rs. 15.3 lakhs, Europe Rs. 12.8 lakhs and Oceania Rs. 4.9 lakhs.

The average price of exports realised in May works out to Re. 1 a metre, against 93p a metre in April which is also the average for the January-April period. The marked improvement in the prices realised, it is said, is due more to over-invoicing than to the strength in the overseas demand for Indian fabrics. Goods are being over-invoiced in order to earn export incentives. The Silk and Rayon Export Promotion Council, it is reported, has taken a serious view of the fantastic over-invoicing of rayon ready-made garments, and has suggested to the Government that the export

incentive scheme for ready-made garments and made-up articles should be suspended as it is damaging the reputation of the country in foreign markets.

Conserving Forest Resources

Inaugurating the third meeting of the standing committee of the Central Board of Forestry in Srinagar last week, the Central Minister for Agriculture, Dr. Ram Subhag Singh, said that instead of increasing the forest area since independence, or even since 1952, this country has gradually allowed it to decrease. Large blocks of forest have been lost because of the grow-more-food campaigns, river valley schemes and rehabilitation projects. The result has been that instead of one-third of the total land area in the country being under forests, which in the opinion of experts is necessary, only a little less than one-fourth is under forests. The third plan recognises the need for increasing the area of land under forests, but it has provided only Rs. 51 crores for this purpose, although forests yield to the Government an annual revenue exceeding this sum. What is worse, even the afforestation schemes drawn up under the third plan have not been properly implemented. Against the third plan target of extending plantations of industrial and economic importance to cover 700,000 acres, the achievement in 1961-62, according to the third five year plan Progress Report for 1961-62, was only 82,000 acres under different species—26,300 acres under teak, 10,500 acres under matchwood, 2,400 acres under wattle and 42,600 acres under miscellaneous varieties. It is, therefore, necessary to accelerate the rate of growth of plantations, especially in Madhya Pradesh, Madras, Rajasthan and Mysore, so that at least the third plan targets might be achieved.

The prices of all varieties of timber have considerably increased. This is one of the factors which is discouraging building activity. It is only through increasing the forest area that this difficulty can be effectively overcome. It is estimated that India's requirements of industrial wood, including pulp materials for paper and rayon industries, will increase from 4.5 million tons a year at present to some 9.5 million tons by 1975. But since new plantations take 25 to 30 years to develop, it is expected that the supply will not be more than 5.5 million tons by 1975. It is, therefore, necessary to devise some ways of overcoming the shortage of industrial timber more quickly. One of the ways, it has been suggested, is to increase the area of land under the fast-growing species, which take a much shorter time in maturing. Another step is to prevent wastage by devising better methods of cutting trees and by preventing heart rot, fungus diseases and the drying up of logs. The Wood Preservation Branch of the Forest Research Institute in Dehra Dun should be able to help in this important work. It is unfortunate that although the third plan recognises the need for making a comprehensive survey of India's forest resources with a view to formulating a 15-year plan for developing the forest-based industries, this has not been done so far.

New Indo-Soviet Trade Pact

Under the comprehensive five-year Indo-Russian trade agreement covering the period from 1964 to 1968, which was signed recently in Moscow, trade between the two countries is expected to double within the next three years to 400 million roubles a year. India imports from Russia machinery and equipment, oil and oil products, chemicals, refractories and newsprint, raw materials like wood-pulp and asbestos, metals like lead, zinc and alloy and special steels. She exports to Russia woollen and cotton fabrics, leather goods, coir and coir products, handicrafts, razor blades, rolled steel products, and linoleum. The new agreement does not disturb the trade in any of these commodities, but the quality of each has been determined, taking into account the needs and requirements of the two countries. In future about 40 percent to 45 percent of the trade will relate to manufactured or processed goods, against only 33 percent in the past. India, as was only to be expected, will supply Russia "less complex" manufactured goods in exchange for more complex heavy industrial pro-

ducts. This is calculated to help India's industrial development.

Another important feature of the agreement is that an effort has been made to balance Indian imports from Russia against Indian exports to that country on a more comprehensive basis. So India's exports to that country will be sufficient to pay not only for her current imports from Russia but also for the Soviet capital equipment installed during this period on credit. This, along with the fact that goods are to be traded in at specified international prices, will prevent the terms of trade from becoming unfavourable to India, as frequently happens in the trade of underdeveloped countries with industrially advanced countries.

Food Shortage and Population Growth

The deliberations of the World Food Congress, held recently in Washington under the auspices of the U.N. Food and Agriculture Organisation, show that, although the depressing conclusions of Malthus about the connection between population increase and food supply may not be altogether correct in modern times, the conditions in some parts of the world—especially in underdeveloped countries—conform to his theory. The third food survey of the F.A.O., based on studies of some 80 countries covering nearly 95 percent of the world's population, shows that half the world's population lives in the Far East on only one-quarter of the world's food resources. Furthermore, nearly 10 percent to 15 percent of the world's population, that is, 300 million to 450 million people, live below the margin of subsistence and from one-third to one-half of mankind suffers from either undernourishment or malnutrition or both. There is already an overall food shortage in the world. The future is still more gloomy. It is estimated that by the end of the century, world population will be doubled and to provide enough sustenance, the food supply in Asia and the Far East will have to be increased four-fold, in Latin America from three to four-fold, in the Near East three-fold and in Africa between two and three-fold. This poses a serious problem.

The problem is not only that people in some countries are so poor that they are not able to buy enough food but also that there is an overall shortage of food. Illustrating this point from Indian statistics, Dr. B. R. Sen, director-general of the F.A.O., said that 60 percent of the population in this country earned much less than the overall national average of Rs. 25 a month, while according to experts, at present prices, a man must eat food worth Rs. 35 a month to attain the minimum standards of health and nutrition. But even if each one in the world has the minimum monthly income required for a balanced diet, there will not be enough food to go round. In Europe, North America and Oceania, for example, food production exceeds the rate of population growth, so these countries have a food "surplus". But contrary to popular belief, even if it is physically possible to distribute these surpluses as outright grant or aid, the poor people in the food-deficient countries cannot be fed for more than a few weeks. It is, therefore, necessary for the developing countries to make more vigorous efforts than at present to increase their food production.

Dr. Radhakrishnan said in his address to the World Food Congress that modern science had devised methods for increasing food production. But in most countries, these methods have not yet been properly conveyed to the tiller of the soil. Farmers in the more advanced western countries are more readily using improved seeds, better manures and modern methods of cultivation than their opposite numbers in the less developed countries in Asia and the Far East. This is attributable partly to their ignorance and partly to their conservatism and long-established habits. But it should be possible to break these habits if proper efforts are made by the Governments concerned. For this purpose, as Dr. Sen pointed out, aid in cash, equipment and technical skill from the developed countries should play an important "catalytic rôle" in increasing food production in the underdeveloped countries.

In order to solve the food problem, efforts should also be made to control the population

growth. A number of speakers at the Congress emphasised this important aspect of the problem. But checking the growth of population poses a highly complex problem. According to demographic experts, with the best effort it may not be possible to reduce the rate of growth in the next 30 or 40 years below 1.7 percent a year. This emphasises that the main effort will have to be concentrated on increasing food production and productivity in all countries of the world.

Shortage of Managers

Some interesting points were discussed at a conference of senior executives in charge of personnel management held earlier this month under the auspices of the Bombay Management Association. In modern times, it was rightly said, the limiting factor in economic expansion is not so much the supply of steel, cement or labour, as the shortage of skilled managers. The problem is really two-fold, namely, to attract persons of the right calibre to managerial posts and to create conditions in which they are able to discharge their duties efficiently. The unit cost of production as also productivity in any enterprise depend considerably on the skill and efficiency of management. A skilled manager is able to keep an effective check on expenses and on the use of raw materials, plant and machinery, stores, labour, etcetera, which determine the quality of output and the unit cost of production.

The supply of trained managers in India has increased in recent years, thanks to the Indian Institute of Personnel Management, the management courses at some universities and the training schemes started by some progressive employers in the country. But there is still a shortage of managerial personnel. One of the speakers at the Bombay conference said that although promotion to higher posts in an organisation boosts the morale of employees, the infusion of fresh blood is necessary. The new entrants bring not only fresh enthusiasm to the work but are also trained in the latest management techniques. But a great disadvantage in having a high proportion of new entrants is that the existing employees are frustrated and lose interest in their work. A speaker said that the problem was not only to get the right man but to create in him the feeling that he was getting the right remuneration for his effort. He added that it was not only money which played a part in retaining good men. There are other things as well as direct encouragement which matter much.

Although some progressive firms have started advanced training courses for their managerial personnel and take great care in selecting the right men, the services of such persons are not always properly used. A speaker at the conference complained that in nine out of ten cases, right use was not made of the men so chosen. There is bound to be some human element in managerial functioning, but it should be possible to keep this element strictly within limits. What really matters more is that managers should be given sufficient initiative and enough discretionary powers to do their work efficiently. In this matter, the record of the private sector is much better than that of the public sector.

Voluntary Savings

Inaugurating a two-day session of the National Savings Central Advisory Board in New Delhi recently, Mr. Morarji Desai, Central Finance Minister, said that most of the savings in India were at present being made by some 6 million people paying income tax who earned Rs. 3,000 or more a year. The result is that total savings in India do not exceed 8 percent to 10 percent of the national income, against 20 percent in most other countries. But in order to finance the expenditure on defence and development, savings will have to be increased to 15 percent of the national income within the next five years, Mr. Desai said. About 80 percent of national savings, it has been estimated, come from individuals and only 5 percent from institutions. Therefore, in order to increase savings to the level of 15 percent of the national income, attention will have to be paid to individual savings. But in the past

few years, small savings have actually declined. After having increased from some Rs. 61.50 crores in 1956-57 to over Rs. 105 crores by 1960-61, small savings in the first year of the third plan declined to Rs. 87.50 crores.

Mrs. Tarakeshwari Sinha, chairman of the National Savings Central Advisory Board, recently said that in 1962-63, small savings further declined to a little above Rs. 79 crores in spite of an increase in the collections from the defence deposit certificates and the Treasury savings deposit certificates. It is necessary to examine why small savings have declined. It is not that the people have become less savings-minded or reckless in their spending habits. It is because of the ever-rising prices and the higher incidence of taxation that the people's capacity to save has been seriously impaired. The vast majority of people in the lower income groups, earning up to Rs. 3,000 a year, find it extremely difficult to make both ends meet.

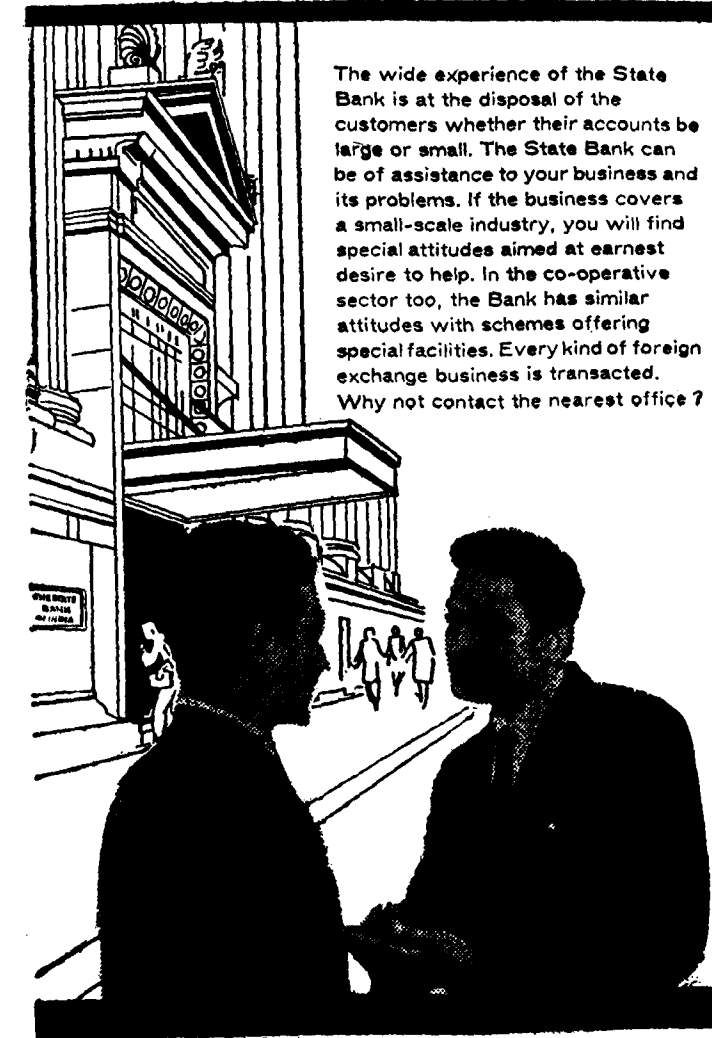
Mr. Desai said that unless the people in the lower income groups increased their savings, it would not be possible to increase national sav-

ings to 15 percent of the national income. It will not be possible even to achieve the third plan target of Rs. 600 crores, if the people in lower income groups are not able to save more. At present, nearly 50 percent of the outstanding amount under small savings originates from investments of provident funds, balances of co-operative institutions and savings of people in higher income groups. What has to be increased to make the lower income groups save more is not their willingness to save but their capacity, to do so. The Government should, therefore, reduce the incidence of taxation and the prices of essential commodities to enable them to save. If the inflationary rise in prices continues, the small man's savings will be lost.

Mr. Desai told the meeting that the compulsory savings scheme would not reduce voluntary savings, since its aim was to inculcate the habit of saving in the people. Although the scheme may cause great hardship to people in the lower income groups, it may increase their savings. But there is likely to be some reduction in voluntary savings as a result of the scheme, especially in

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cases where people are not able to increase the rate of savings in proportion to their incomes.

Progress of Land Mortgage Banks

Inaugurating the recent annual conference of primary land mortgage banks in Madras, the Central Finance Minister, Mr. Morarji Desai, said that the land mortgage banks, which are designed to supply long-term credit to agriculturists, have gradually come to play an important rôle in India's rural economy. While the outstanding loans of these banks amounted to Rs. 13 crores at the end of the first five year plan and to Rs. 38 crores at the end of the second plan, it is expected that they will amount to Rs. 150 crores at the end of the third plan. This shows that the land mortgage banks are playing an important rôle in providing long-term finance to agriculture. But one serious defect from which the land mortgage banks, like all co-operative institutions, suffer is that their own funds are much too small. Mr. Desai rightly told the conference that it would be disastrous for the banks to continue to depend for funds on other agencies to the same extent as at present. So

efforts should be made to increase the share capital and deposits of these banks. This will not only enable them to increase their loans but also to give them to the cultivator at cheaper rates.

At present, one of the important sources of finance for land mortgage banks is debentures which they issue in the market from time to time. Mr. Desai said that the outstanding amount of debentures issued by these banks had increased from Rs. 37 crores or Rs. 38 crores in the second plan to about Rs. 50 crores now. In 1963-64, these banks are to issue further debentures worth Rs. 29.50 crores. This is higher than the maximum amount issued in any single year in the past. The Life Insurance Corporation has agreed to take 30 percent of the land mortgage banks' debentures for the next three years with a ceiling of Rs. 6 crores a year. The Reserve Bank will take 20 percent of the debentures while the State Bank of India will take 10 percent, thus leaving only 40 percent for co-operatives and other institutions. There can, therefore, be no doubt that the full amount of debentures issued by these banks will be absorbed. But the difficulty is that after issuing the debentures at 4½ percent, these banks charge the borrower 7½ percent in-

CAPITAL, 20th June, 1963.

terest. It will not be possible for the land mortgage banks to raise debenture finance from the market at less than 4½ percent, but if they succeed in reducing their operational costs, it should be possible for them to supply finance to the cultivator at cheaper rates of interest. At present, the Reserve Bank provides finance to co-operative banks at concessional rates, but these land mortgage banks do not receive a similar concession. Mr. N. S. Ramalingam, who presided over the conference, suggested that the Reserve Bank should liberalise its policy in favour of these banks. Besides, they should be given representation on the Investment Committee of the L.I.C. These suggestions are basically sound and deserve consideration.

One of the more serious defects in the working of land mortgage banks at present is that a high proportion of their loans are granted for unproductive purposes. In 1962-63, out of Rs. 2.84 crores disbursed by these banks, nearly 60 percent were given for productive purposes and the rest for such unproductive purposes as the repayment of prior debts. Mr. Desai said that the land mortgage banks should issue a higher proportion of their loans for productive purposes than they have so far been doing so that the loans might help in increasing agricultural production. It is unfortunate that at present the organisational set-up of land mortgage banks is weak so they are not able to ensure that most of the loans advanced by them are used for productive purposes. Mr. Ramalingam told the conference that it has been decided to give 70 percent of the loans in 1963-64 for productive purposes and only 30 percent for unproductive purposes. But the main need is to effect an improvement in the organisation of the banks so that the loans granted by them are actually used for productive purposes.

FUTURE OF CALCUTTA PORT

IN resuming what we have to say on this subject, the scheme of connecting the Hughli and Mutlah comes again on the tapis, and though the Government official report on the navigable state of the latter river was unfavourable, the republication of an independent survey made some forty years ago throws a very different aspect on that matter. The main objection advanced by Captain Petley and his colleagues to the Mutlah was that it had silted up and that the ebb tide was never of sufficient strength to scour this out, but the official omitted to mention first that these accumulations were simple mud from sluggish khals and creeks, easily enough removed, and from the absence of all rush or connection with the Ganges the amount of silt brought down is quite infinitesimal; once dredged out very little attention would suffice to keep the channels open. A canal due east from Diamond Harbour creek would debouche on the Mutlah about half way between the inner and outer boat route through the Sunderbunds interfering with neither and would certainly cost far less than the first mooted one from Port Canning to Kidderpore, while no engineering difficulties are indicated and acquisition of the land required would amount to but a little of what it would in the former case. No one, we believe, questions that there is ample depth of water in the Mutlah, while the channels throughout are void of those sinuosities that render swirls and collisions so frequent in the upper reaches of the Hughli. It is puerile for the officials to rake up the loss of the "Eagle Speed" which led to the closing of the port; lamentable as that catastrophe was, the state of the river had nothing to do with it; insufficient power in the tug and utter incapacity on the part of all concerned caused the accident. We do not advocate the excavation of huge docks at Diamond Harbour, if ultimately decided on they can come hereafter, but for present requirements merely a tidal canal lined from end to end by wharves similar to the levees at New Orleans, the coaling station for colliers and all vessels to be at Port Canning, to which land access is already secured and can be much improved by doubling the present line between the Jubilee Bridge right through Calcutta would thus possess an exit and entrance to and from the sea, served by a circular railway ensuring immunity from the congestion that now takes place each fute season, and in all respects as advantageous to its trade as the metropolitan system enveloping London has for its enormous passenger traffic, with very little likelihood of a jam occurring at any point.

FROM

CAPITAL
25th June, 1903

CAPITAL, 20th June, 1963.

A Ditcher's Diary

IF THE RESIGNATION OF MR. K. D. MALAVIYA WERE only an answer to the oil industry's prayers, it would be welcome enough. But it's more; and several issues are involved. First, should he have been allowed to resign? I read somewhere the other day that a high British official in British India had been suspected of some grave impropriety whereupon he submitted his resignation. The Viceroy of the day rejected the resignation and sacked him instead. If Mr. Nehru is convinced that Mr. Malaviya was guilty of something, which he has not publicly said yet, he should have, in his opinion, acted like the Viceroy of old. The second point has already been made by Mr. Rajagopalachari, who has reminded the Government that there is such a thing as the Indian Penal Code for offences which, for all their political guise, may be actionable. My third point concerns the delay in disposing of Mr. Malaviya. Whether he willed it or not, Mr. Nehru has given the impression that he has parted with Mr. Malaviya with the utmost reluctance. It seems unlikely in the extreme that the assistance of the Attorney General and a Supreme Court Judge was needed to find out the truth; if it was, well, the Government should have been better informed. If, on the other hand, Mr. Malaviya has been the victim of a faction's pique, and an element of that has certainly have stood by his colleague. What seems probable is worse still, judging by Mr. Malaviya's statement that his resignation is only the end of a chapter but not the end of his political career. If the privileges enjoyed by Mr. Krishna Menon constitute the precedent to be followed, Mr. Malaviya only quits the Government under pressure that could not be resisted, but he will continue to belong to an inner circle the Prime Minister is believed to trust more than the Party and other colleagues. If this is the leader's way of getting his own back on the Party, it does not speak very well either of the Party or the leader. Perhaps both should do some rethinking on political principles as distinct from expediency.

AFTER THE COMMONS DEBATE ON THE PROFUMO affair, perhaps the best that can be said about Mr. Macmillan is that he was ignorant to the point almost of innocence; he was merely the victim of circumstances which he knew virtually nothing about, thanks to the astonishing lapse of the intelligence chiefs in not bringing their information about Mr. Profumo's activities to the attention of the Prime Minister. From his own personal point of view, this may no doubt be a source of satisfaction

to Mr. Macmillan; it absolves him of the charge of complacency, or worse, concerning the misdemeanour of a senior colleague. From the political and constitutional angle, however, a plea of ignorance has no validity; it was the duty of the secret services to keep the Prime Minister fully informed, and if they failed in their duty, the principle of ministerial responsibility cannot be abrogated, especially on an issue of such importance. India has had more than her fair share of ministers denying responsibility on the ground that they had no knowledge of what their underlings had or had not done; the Mundhra affair only a few years ago was the occasion for a memorable exercise in the shuffling off of blame. But the harm this sort of thing does in breeding cynicism, and accelerating a general decline in political morality, is incalculable. Mr. Macmillan's personal reputation, as a man of high integrity, will perhaps emerge untarnished even after the last, distant echoes of the Profumo scandal have been heard. But the main issue here is not one of personal reputation; it concerns the setting of proper standards by men in public life. Mr. Macmillan committed at least an error of judgment in accepting Mr. Profumo's word when the latter denied his illicit association with Miss Keeler. But errors of judgment are what we all pay for in our own different ways; if politicians in office are expected to pay for them more heavily, it is an inevitable risk which cannot be divorced from the plums of authority, status and responsibility. The private and political conscience of statesmen must not only be clean, but must be seen to be clean. To cling to office when it is not is to qualify for burial in the graveyard of public contempt.

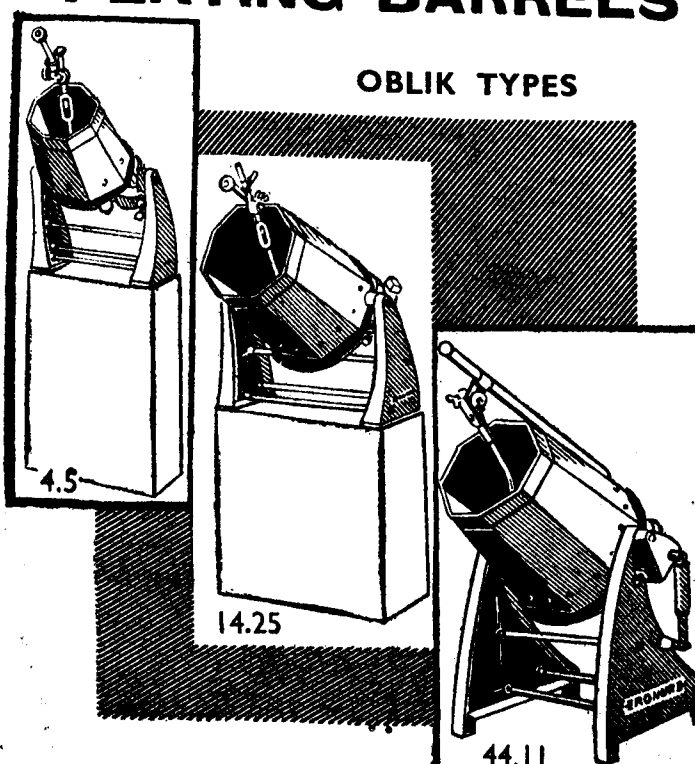
THE RECEPTION GIVEN TO DR. RADHAKRISHNAN IN Britain these past few days has, by all accounts, been most impressive. India's President is the first head of an independent Commonwealth country to be given the full ceremonial treatment; indeed, he is the first ever to pay a State visit to Britain. And much of the warmth with which he has been received is certainly due to his own international reputation as a great scholar and renowned intellect. But there is still an element in it all, perhaps, which can only be explained in terms of Britain's deep respect for India as the only one of her former possessions which has made anything like a success of democracy, and of her sympathy with this country's present difficulties. On a recent visit to London, I got the impression that Britain is particularly sensitive at the moment about the criticism she has been

attracting in India. She feels misjudged, and is apt to protest when the opportunity occurs that her motives in urging a solution to the Kashmir dispute are of the highest. The point most people abroad do not grasp, of course, is why there should be a dispute at all. The complications arising out of the religious factor are rarely analysed as closely as they are here, for instance. The tendency is to simplify the issue of who should have Kashmir into the straightforward one of self-determination for the inhabitants. The President's visit is likely to achieve more in the way of evoking British goodwill towards this country, and ensuring its eventual concomitants, military and economic aid, than any amount of visits from reigning politicians. Not all of these have in the past been as deserving of respect as is Dr. Radhakrishnan with his warmth, humanity and intelligence.

KHARASHO! AUCHIN KHARASHO, IF YOU LIKE. But feminists weaken their case by making such a fuss over Valentina Tereshkova's feat. If I were a woman—no, I wouldn't like to be in orbit—I would affect to be totally unsurprised in order to give the impression that I never had any doubt that anything a mere man could do a woman could do better. Pravda, I find, has made a pathetic effort to be funny about Miss Christine Keeler and Mr. Profumo. It all shows, you see, how corrupt and rotten bourgeois society is. And now a comparison will no doubt be made between Miss Tereshkova and Miss Keeler. I take the view that, in their own and very different ways, the two women are unusual specimens; and to regard either as the representative of the society that produced her is to get the whole thing out of focus. Another thing I don't understand is that by now routine despatch of greetings to the Communist Party after every performance. You will remember how the Chinese mountaineers who claimed to have climbed Everest announced their gratitude to the Party. The Americans have since climbed the highest peak; and for U.S.I.S. to claim that this proved the superiority of capitalism would be just too silly for words. But communism does something to you; and that "something" is what makes me uncomfortable. The photographs show clearly that Miss Valentina Tereshkova is an attractive woman; yet, I confess, I would be uncomfortable in her formidable presence. Colonel Bykovsky is said, by the American news agencies, to have had this "date in space" with Miss Tereshkova. "Dating" her is what would not come to me naturally. A colleague tells me that it was all summed up in Leningrad for him some years ago. His Intourist guide, a most competent woman, had gone to an official in the Foreign Ministry for getting something altered in the visa of a member of his party. She succeeded in getting the official to do it, when the latter said, "Madame, you are a

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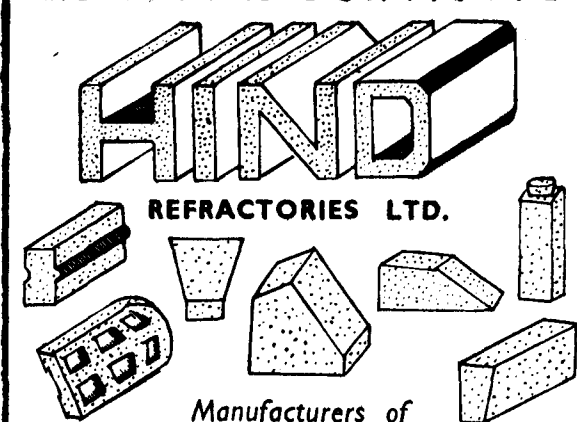

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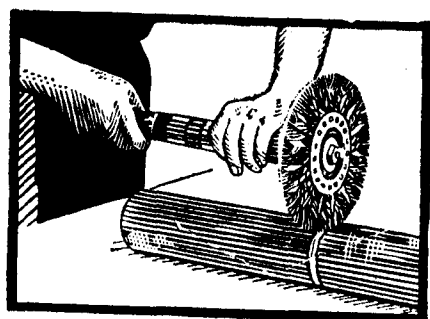


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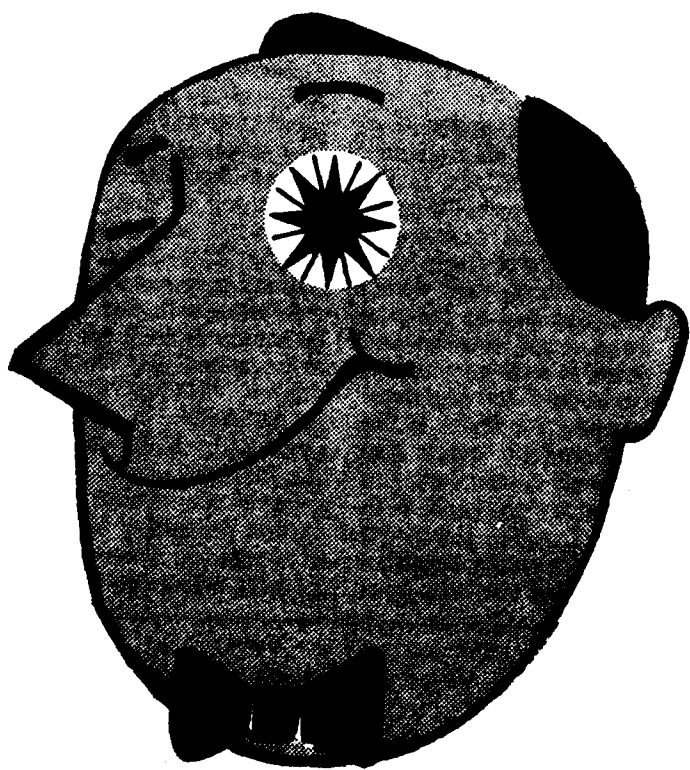


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most persistent and efficient woman; and I am very glad I am not married to you". She thought it was an excellent compliment.

TWO WINSTONS, I KNEW, HAD ALREADY MADE THEIR place in history: Winston Churchill of 1940 and Winston Smith of 1984. In between comes Winston Field of Southern Rhodesia, whom history may or may not remember. Although this Winston feels that Big Butler is watching him, he sometimes speaks like the other Winston who spoke of fighting on the beaches and the streets. Mr. Field says that he will not endorse any transfer of power to irresponsible hands. The short answer to it is that in Southern Rhodesia today power is in irresponsible, meaning unrepresentative, hands. While in Bulawayo and elsewhere there has been some evidence of violence, Big Butler in London gives the impression that he has all the time in the world to settle Central African affairs in his own way which he refuses to define. I recently heard from a friend in Salisbury who takes a less complacent view of things. With Joshua Nkomo and others away from Southern Rhodesia, the African nationalist movement is not indeed "overly strong"—you know now that my correspondent is an American—but that may be where the danger lies. Not even Sir Roy Welensky can any longer believe that the Federation has any future; Dr. Verwoerd must have told him in no uncertain terms that while he could do with another 225,000 whites he simply has no use for the three million Africans that would come with them if Southern Rhodesia merged with the Republic of South Africa. The closer one looks at Africa south of the Zambesi, the grimmer seem the prospects in the next few years. Afro-Asia is a not very funny joke; and even after Addis Ababa Africa is sadly divided. The threat, one fears, is within. The South African economy is booming; a visitor recently told me, "You see, we don't have to make any money; we just dig it up". In spite of crises, Southern Rhodesia is not bankrupt. But it will be a very different picture when the Federation breaks up.

VISITORS TO THIS CITY ALWAYS EXPRESS SURPRISE when I assure them that we do in fact have traffic rules; it is just that nobody enforces them, that's all. I am wondering whether the same fate might not eventually befall the new code of motoring regulations in Britain, because there is no doubt about its extreme severity and its frightening potential for choking the courts. Any of my British friends who are due for leave this hot weather would be well advised to acquaint themselves with its provisions. For one class of what it calls "serious" offences, an automatic disqualification from driving for at least a year is decreed. And what are these? Well, racing on the highway is one; dangerous driving within three years of a previous conviction for the same thing is another. Not too drastic, one might say. But surely both these offences depend to a remarkable degree on the personal judgment of the policeman who brings the charge, and in the traffic courts so far it has not been the practice to insist that this be corroborated by a second and independent witness. Another class of offences, some of which have not previously even been classified as such, now attract the "accumulator" provision. This lays down that three such charges within three years should automatically lead to disqualification for at least six months. Again what strikes one is the responsibility which must attach to the opinion of the person bringing the charge. Because the courts have always had a traditional reluctance to convict on unsupported evidence in cases which attract severe penalties—some will, of course, amount to loss of livelihood—it strikes me that these swingeing provisions may never be enforced in the rigorous way Mr. Marples, the Transport Minister, intends they should be. Mind you, before Mr. Marples is condemned for what appears to be an almost pathological urge to persecute the motorist, it is as well to remember that Britain's roads are now far and away the most congested in the world. On the basis of motor-vehicles per road mile, her figure of 38.5 compares strikingly with only 21.8 for the United States.

The revenue profit of the Phaskowa Tea Co. Ltd (a Doora's garden) has been Rs. 9,288, against a loss of Rs. 99,044 in 1961, after providing Rs. 15,275 (against Rs. 16,629) for depreciation. The taxable ordinary dividend has again been passed. Revenue reserve is allocated Rs. 30,000 (against Rs. 1.15 lakhs).

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THE DITCHER

Guide for Investors

DUNCAN GROUP OF TEA COMPANIES FARE WELL

THE results of the Duncan group of tea Companies for the year ended December 1962 have been published. The Hantapara Tea Co. Ltd (a Doora's garden) has doubled the taxable ordinary dividend to 10 percent, absorbing Rs. 3.60 lakhs. The yield works out to 9.5 percent at the present price of Rs. 105 a share of Rs. 100 each. The trading profit has improved from Rs. 2.83 lakhs in 1961 to Rs. 7.94 lakhs, after transferring Rs. 2.65 lakhs (against Rs. 2.48 lakhs) to depreciation. Taxation is allocated Rs. 3.51 lakhs (against Rs. 2.69 lakhs), revenue reserve Rs. 2 lakhs (against Rs. 21.50 lakhs) and development rebate reserve Rs. 5,500 (against Rs. 5,000). The crop was 1,374,053 kilograms, against 1,433,022 kilograms and the average sale price rose from Rs. 4.07 to Rs. 4.76 a kilogram. The 1963 crop estimate is for 1,390,000 kilograms at a cost of Rs. 57.85 lakhs.

The Carron Tea Co. Ltd (a Doora's garden) has made a revenue profit of Rs. 97,006, against Rs. 43,396, after providing Rs. 56,556 (against Rs. 37,213) for depreciation. The taxable ordinary dividend has been increased from 5 percent to 7.5 percent, absorbing Rs. 45,000. The yield is 5.2 percent at the present price of Rs. 145 a share of Rs. 100 each. Taxation is allocated Rs. 27,500 (against Rs. 2,700), revenue reserve Rs. 1 lakh (against Rs. 3.80 lakhs) and development rebate reserve Rs. 13,000 (against Rs. 500). The crop declined from 299,250 kilograms to 280,187 kilograms, but the average sale price rose from Rs. 4.17 to Rs. 4.70 a kilogram. A crop of 295,000 kilograms has been estimated for 1963 at a cost of Rs. 12.18 lakhs.

The Poobong Tea Co. Ltd (a Darjeeling garden) has earned a revenue profit of Rs. 1 lakh (against Rs. 30,841), after transferring Rs. 10,308 (against Rs. 8,744) to depreciation. A taxable ordinary dividend of 5 percent has been declared, absorbing Rs. 15,000 (against nil), the super profits tax Rs. 1,98 lakhs (against Rs. 1.82 lakhs), the super profits tax Rs. 4,599, development rebate reserve Rs. 12,631 (against Rs. 199) and general reserve Rs. 45,000. The crop declined from 311,077 kilograms to 301,064 kilograms, but the average sale price improved from Rs. 6.58 to Rs. 6.71 a kilogram.

The profit of the Betjan Tea Co. Ltd (an Assam garden) has increased from Rs. 5.37 lakhs to Rs. 5.57 lakhs, after providing Rs. 1.03 lakhs (against Rs. 97,198) for depreciation. The taxable ordinary dividend has been cut from 45 percent to 30 percent, absorbing Rs. 1.92 lakhs. The yield is 9.8 percent at the present price of Rs. 30.56 a share of Rs. 10 each. Income tax and super tax absorb Rs. 3.21 lakhs and the super profits tax Rs. 27,117. The crop was 408,929 kilograms, compared with 408,269 kilograms, and the average sale price rose from Rs. 6.56 to Rs. 6.66 a kilogram.

The Gairkhata Tea Co. Ltd (a Doora's garden) has made a profit of Rs. 3.65 lakhs, against Rs. 3.52 lakhs, after transferring Rs. 86,763 (against Rs. 75,866) to depreciation. The taxable ordinary dividend has been reduced from 20 percent to 11 percent, absorbing Rs. 82,500. It offers a yield of 5.1 percent at the present price of Rs. 21.50 a share of Rs. 10 each. Taxation is allocated Rs. 1.68 lakhs, including Rs. 3,753 for the super profits tax. The provision was Rs. 1.30 lakhs in 1961. Development rebate reserve is allocated Rs. 9,201 (against Rs. 42,663) and general reserve Rs. 1.40 lakhs

Sums of Rs. 3,500 and Rs. 6,000 have been transferred from development rebate reserve and tax provisions no longer required. The crop rose from 100,575 kilograms to 126,816 kilograms and the average sale price from Rs. 4.22 to Rs. 4.64 a kilogram. The estimate for 1963 provides for a crop of 130,000 kilograms at a cost of Rs. 6.15 lakhs.

Gillanders Tea Group Results

THE results of the Gillanders group of tea Companies for the year ended December 1962 have been published. The Tengpani Tea Co. Ltd (an Assam garden) has earned a profit of Rs. 4.20 lakhs, against Rs. 4.62 lakhs in 1961, after providing Rs. 91,873, against Rs. 93,042 for depreciation. The taxable ordinary dividend has been cut from 30 percent to 22.5 percent, absorbing Rs. 1.80 lakhs. At the present price of Rs. 35 lakhs, the yield is 6.4 percent. Income works out to 6.4 percent. The yield a share of Rs. 10 each, the yield tax and super tax absorb Rs. 2.27 lakhs, against Rs. 2.11 lakhs and the super profits tax Rs. 9,033. Development rebate reserve is allocated Rs. 10,174 (against Rs. 10,455) and general reserve Rs. 40,000. The crop was 338,378 kilograms, against 348,111 kilograms. The average sale price rose from Rs. 6.59 to Rs. 6.81 a kilogram.

The profit of the Ananda-Bag Tea Company Ltd (an Assam garden) has declined from Rs. 4 lakhs to Rs. 3.50 lakhs, after transferring Rs. 90,188 (against Rs. 86,880) to depreciation. The taxable ordinary dividend has been reduced from 32.5 percent to 20 percent, absorbing Rs. 1.40 lakhs. It offers a yield of 6 percent at the present price of Rs. 33.25 a share of Rs. 10 each. Income tax and super tax absorb Rs. 1.98 lakhs (against Rs. 1.82 lakhs), the super profits tax Rs. 4,599, development rebate reserve Rs. 12,631 (against Rs. 199) and general reserve Rs. 45,000. The crop declined from 311,077 kilograms to 301,064 kilograms, but the average sale price improved from Rs. 6.58 to Rs. 6.71 a kilogram.

The profit of the Betjan Tea Co. Ltd (an Assam garden) has increased from Rs. 5.37 lakhs to Rs. 5.57 lakhs, after providing Rs. 1.03 lakhs (against Rs. 97,198) for depreciation. The taxable ordinary dividend has been cut from 45 percent to 30 percent, absorbing Rs. 1.92 lakhs. The yield is 9.8 percent at the present price of Rs. 30.56 a share of Rs. 10 each. Income tax and super tax absorb Rs. 3.21 lakhs and the super profits tax Rs. 27,117. The crop was 408,929 kilograms, compared with 408,269 kilograms, and the average sale price rose from Rs. 6.56 to Rs. 6.66 a kilogram.

The Gairkhata Tea Co. Ltd (a Doora's garden) has made a profit of Rs. 3.65 lakhs, against Rs. 3.52 lakhs, after transferring Rs. 86,763 (against Rs. 75,866) to depreciation. The taxable ordinary dividend has been reduced from 20 percent to 11 percent, absorbing Rs. 82,500. It offers a yield of 5.1 percent at the present price of Rs. 21.50 a share of Rs. 10 each. Taxation is allocated Rs. 1.68 lakhs, including Rs. 3,753 for the super profits tax. The provision was Rs. 1.30 lakhs in 1961. Development rebate reserve is allocated Rs. 9,201 (against Rs. 42,663) and general reserve Rs. 1.40 lakhs

(against Rs. 50,000). The crop declined from 533,092 kilograms to 504,794 kilograms, but the average sale price was higher from Rs. 4.88 to Rs. 5.46 a kilogram.

The profit of the Jutlibari Tea Co. Ltd (an Assam garden) has risen from Rs. 5.83 lakhs to Rs. 6.32 lakhs, after increasing depreciation from Rs. 88,295 to Rs. 1.17 lakhs. The taxable ordinary dividend has been reduced from 30 percent to 20 percent, absorbing Rs. 1.80 lakhs. The yield is 6.3 percent at the present price of Rs. 31.50 a share of Rs. 10 each. Taxation is allocated Rs. 3.72 lakhs, of which the super profits tax is Rs. 27,989. Tax provision was Rs. 2.69 lakhs in 1961. Development rebate reserve absorbs Rs. 3,196 (against Rs. 2,121) and general reserve Rs. 60,000 (against Rs. 25,000). The crop was 533,423 kilograms, against 539,472 kilograms. The average sale price improved from Rs. 5.99 to Rs. 6.50 a kilogram.

Sone Valley Cement Pays More

ALTHOUGH the production, sales and despatches of the Sone Valley Portland Cement Co. Ltd improved substantially during the year ended December 1962, the profit has not proportionately risen due to increases in production costs. The current trends do not encourage the hope that these costs will be held down. In fact, the last Central Budget has increased the burden of taxation. Railway freight has also been raised. The war risks insurance scheme has placed a heavy financial burden on the Company. The present formula for fixing packing charges has added to costs. The directors do not think that the production incentive which has been given by the Government will be of any help because the ceiling of production after which bonus will accrue to the Company has been fixed at too high a level. The output of cement rose from 203,694 tons in 1961 to 234,640 tons in 1962.

The profit has risen from Rs. 16.29 lakhs to only Rs. 16.83 lakhs, after providing Rs. 4.50 lakhs (against Rs. 4.74 lakhs) for depreciation. The taxable ordinary dividend has been increased from 6 percent to 8 percent which is more than two-and-a-half times covered, and offers a yield of 8.4 percent at the present price of Rs. 4.75 a share of Rs. 5 each. Development rebate reserve is allocated Rs. 6,500 (against Rs. 25,000), general reserve Rs. 2.35 lakhs and taxation Rs. 8.80 lakhs, including Rs. 60,000 for as super profits tax. The tax provision was Rs. 3.70 lakhs in 1961. The carry-forward is Rs. 7,167, against Rs. 45,303 brought in.

Bridge and Roof Maintains Dividend

ALTHOUGH the turnover and profits of the Bridge and Roof Co. (India) Ltd have improved for the year ended December 1962, compared with 1961, the directors have not been able to recommend a higher dividend since the Company has had to provide large funds for the super profits tax and development rebate reserve. Sales rose from Rs. 2.58

crores to Rs. 3.86 crores. The profit has increased from Rs. 18.97 lakhs to Rs. 21.52 lakhs, after transferring Rs. 9.40 lakhs (against Rs. 9.30 lakhs) to depreciation. A taxable ordinary dividend of 30 percent has been maintained. It is more than five times covered and offers a yield of 5.7 percent at the present price of Rs. 52.25 a share of Rs. 10 each. Taxation is allocated Rs. 9.60 lakhs (against Rs. 10.66 lakhs), development rebate reserve Rs. 3.94 lakhs (against Rs. 1.14 lakhs) and general reserve Rs. 6.20 lakhs (against Rs. 3.62 lakhs).

Kumardhubi Fireclay Repeats

THE gross profit of the Kumardhubi Fireclay and Silica Works Ltd has been Rs. 39.98 lakhs for the year ended December 1962, against Rs. 39.03 lakhs in 1961. A taxable ordinary dividend of 18 percent has been maintained, absorbing Rs. 5.40 lakhs. Depreciation is allocated Rs. 9.63 lakhs (against Rs. 7.56 lakhs), taxation Rs. 11.50 lakhs (against Rs. 13 lakhs), the super profits tax Rs. 1.90 lakhs, development rebate reserve Rs. 4.28 lakhs (against Rs. 87,500), the debenture redemption reserve fund Rs. 1 lakh (the same), plant renovation reserve Rs. 1.75 lakhs (against Rs. 3.35 lakhs) and general reserve Rs. 1 lakh (against Rs. 2.35 lakhs). The carry-forward is Rs. 25,499, against Rs. 34,654 brought in.

The directors say that production was lower than in 1961 because of the interruption of work following the implementation of the modernisation programme in the firebrick section. The output of sillimanite and insulation has been substantially higher. So the turnover has risen from Rs. 2.11 crores to Rs. 2.26 crores. The Company has been making efforts to diversify production in view of the declining demand for silica, especially from the steel industry. The expansion and modernisation schemes, which have already been undertaken, are expected to be completed by the end of 1963.

Metal Distributors Expands Interests

METAL Distributors Ltd has earned a profit of Rs. 18.82 lakhs during the period from 6th November, 1961, to 31st December, 1962. The Company's financial year has been changed to the end of December. A taxable ordinary dividend of 10 percent has been declared, which absorbs Rs. 5.70 lakhs. The yield works out to 9.9 percent at the present price of Rs. 5.06 a share of Rs. 10 each on which only Rs. 5 is paid up. The dividend was 27.5 percent for the previous year. But the ordinary paid-up share capital has, meanwhile, been raised from Rs. 24.36 lakhs to Rs. 57.05 lakhs. A sum of Rs. 57,294 was provided for depreciation (against Rs. 42,556) before arriving at the profit figure. General reserve is allocated Rs. 36,240, taxation Rs. 10.97 lakhs (against Rs. 9.76 lakhs) and the super profits tax Rs. 1.23 lakhs. The carry-forward is Rs. 6,405, against Rs. 1.34 lakhs brought in.

The Company has decided to invest funds in the share capital of Multimetals Ltd and Cominco Binani Zinc Ltd. It has already paid a sum of Rs. 5.63 lakhs towards share subscription in Multimetals Ltd, which is building a factory in Kota; construction work will start in June 1963. Output may begin by the middle of 1964. The Cominco Binani Zinc Ltd will soon issue

shares and Metal Distributors will subscribe for 420,000 shares of Rs. 10 each.

Kettlewell Bullen Repeats

THE profit of Kettlewell Bullen and Co. Ltd is Rs. 14.50 lakhs for the year ended December 1962, against Rs. 14.87 lakhs in 1961, after providing Rs. 34,373 (against Rs. 35,631) for depreciation. A taxable ordinary dividend of 10 percent has been repeated. It is covered more than three-and-a-half times, and works out to a yield of 7.2 percent at the present price of Rs. 139 a share of Rs. 100 each. Taxation absorbs Rs. 5.50 lakhs (the same) and general reserve Rs. 7 lakhs (against Rs. 3.50 lakhs). The carry-forward is Rs. 86,447, against Rs. 2.36 lakhs brought in.

National Insurance Earns More

THE National Insurance Co. Ltd has declared a taxable ordinary dividend of 6 percent for the year ended December 1962, absorbing Rs. 1.50 lakhs. The yield is 3 percent at the present price of Rs. 200 a share of Rs. 100 each. The profit has amounted to Rs. 3.06 lakhs, against Rs. 1.76 lakhs in 1961, after transferring a loss of Rs. 3.08 lakhs from the miscellaneous department and making other adjustments. Taxation absorbs Rs. 78,000 (against Rs. 55,000) and general reserve Rs. 70,797. The carry-forward is Rs. 1.72 lakhs, against Rs. 1.14 lakhs brought in. The fire department earned a net premium of Rs. 19.54 lakhs (against Rs. 18.35 lakhs), the marine department Rs. 8.78 lakhs (against Rs. 10.43 lakhs) and the miscellaneous department Rs. 36.88 lakhs (against Rs. 35.6 lakhs).

Anderson Wright Pays Again

ANDERSON Wright Ltd has made a profit of Rs. 4.16 lakhs for the year ended December 1962, compared with Rs. 1.83 lakhs in 1961, after providing Rs. 4,428 (against

Rs. 5,213) for depreciation. A taxable ordinary dividend of 6 percent has been declared, against nil. It is covered more than thrice. Taxation is allocated Rs. 2.13 lakhs (against Rs. 80,567), leaving a carry-forward of Rs. 11,325, against Rs. 45,223 brought in.

General Industrial Society Fares Well

THE General Industrial Society Ltd has already installed 38 broad jute looms which have begun to operate. The remaining 48 looms will be installed during the current year. The Company has applied to the Government to install further 114 broad looms. These looms, it is expected, will improve the profits substantially. Despite the unsatisfactory supply of raw materials, the working of the cast iron foundry has improved. The cotton mill of the Company has been shifted to the former property of the Champdany Jute Co. Ltd. Some 9,240 spindles with ancillary machinery have already been installed. The target of installing 18,128 spindles should be completed during the current year. The directors state in their report for the year ended December 1962 that this cotton mill unit should contribute to the profits greatly.

The profit has improved from Rs. 6.51 lakhs in 1961 to Rs. 19.56 lakhs, after increasing depreciation from Rs. 6.01 lakhs to Rs. 9.86 lakhs because the jute mills have done very well. Sales rose from Rs. 2.58 crores to Rs. 2.96 crores. A taxable ordinary dividend of 13 percent has been declared on the increased capital. The ordinary share capital has been raised from Rs. 10.80 lakhs to Rs. 43.20 lakhs, divided into shares of Rs. 10 each. Some 216,000 rights ordinary shares have been issued at a premium of Rs. 3.50 a share. It is proposed to issue 12,500 cumulative redeemable preference shares in the near future. The dividend is more than thrice covered, and offers a yield of 8.3 percent at the present price of Rs. 15.62. Taxation absorbs Rs. 10 lakhs (against Rs. 2.50 lakhs), general reserve Rs. 2.30 lakhs and development rebate reserve Rs. 3.35 lakhs (against Rs. 1.20 lakhs). The carry-forward is Rs. 16,522, against Rs. 1.88 lakhs brought in. The directors say that the new jute crop

which is expected to be a bumper one, may present a serious problem to the industry as the price of fibre in Pakistan is much lower than in India. The Indian mills are already holding substantial stocks of raw jute. It is hoped that the world offtake of jute goods will continue to increase.

Bhartia Electric Steel Pays More

THE Bhartia Electric Steel Co. Ltd has produced satisfactory results for the year ended December 1962. The taxable ordinary dividend has been increased from 10 percent to 12.5 percent, which is more than five times covered and offers a yield of 8.7 percent at the present price of Rs. 14.37 a share of Rs. 10 each. The profit has improved from Rs. 10.12 lakhs in 1961 to Rs. 34.13 lakhs, after providing Rs. 5.69 lakhs (against Rs. 5.60 lakhs) for depreciation and Rs. 30,000 (against Rs. 2.74 lakhs) for development rebate reserve. Taxation provision is Rs. 22.30 lakhs (against Rs. 4.65 lakhs). As a result of the super profits tax, the tax burden has amounted to nearly 70 percent of the total profits. General reserve is allocated Rs. 12 lakhs, leaving a carry-forward of Rs. 5,246, against Rs. 46,999 brought in. Sales rose from Rs. 1.05 crores to Rs. 1.69 crores.

Commenting on the prospects, the directors mention that the steel foundry has a fairly well-filled order book. The demand for steel castings has been encouraging, and a large contract for the supply of centre buffer couplers is expected. The Company has applied to the Government for permission to increase the capacity for castings by 12,000 tons a year. It is proposed to set up a new works for the purpose, and the estimated cost is about Rs. 50 lakhs in fixed assets. The directors are considering ways and means to raise the necessary funds.

Expansion Projects of Mafatlal Mills

MR. Arvind N. Mafatlal, chairman of the Mafatlal group of mills—Mafatlal Fine, Standard Mills and Sassoon Spinning—disclosed at the

recent annual meeting of these Companies that the management proposed to set up a new textile unit exclusively for export purposes. The mill, which will be located in Dewa (Madhya Pradesh) will have 25,000 spindles and 500 automatic looms. The project is estimated to cost about Rs. 2.5 crores to Rs. 3 crores, and it will be implemented jointly by all the three mills. The Government of India has agreed to release the necessary foreign exchange required for the import of plant and machinery. This unit will help the mills to earn foreign exchange to buy more foreign cotton, dyes and chemicals under the export incentive scheme.

Mr. Mafatlal also disclosed at the annual meeting of the Standard Mills that the National Organic Chemical project has been almost finalised and that the new concern would come into being within a few months. He said that the original scheme has undergone certain changes, and that all these are for the better. The outlay on the project is likely to be considerably higher than that visualised earlier, but it will now be a more paying proposition. Mr. Mafatlal added that as soon as the scheme was cleared by the Government of India, he would be going abroad to finalise a collaboration agreement with a consortium of well-known foreign firms. He assured the shareholders of the Standard Mills, which has sponsored the scheme, that they will have a better chance of participation in the share capital of the project. The factory is likely to be located in Maharashtra.

Of the three textile Companies belonging to the Mafatlal group, only Mafatlal Fine has reported some improvement in its working results and is able to maintain the dividend for 1962. Standard Mills and Sassoon Mills have suffered a setback in profits despite larger sales and have reduced the dividends. Referring to the fall of Rs. 50 lakhs in the gross profit of Standard Mills from Rs. 1.76 crores to Rs. 1.26 crores, Mr. Mafatlal said that the fall was due to reasons beyond the control of the Company. Costs of production have risen while the selling prices of cloth have been controlled. The prices of Indian cotton and the wage bill have recorded sizable increases. The Company has had to pay extra bonus during the year and retrenchment compensation cost Rs. 5 lakhs.

Commenting on the current year's prospects, the chairman stated that

he did not see any bright future for the cotton textile industry in view of the marked increase in the manufacturing costs. But he assured shareholders that the management was trying its best to effect economies wherever possible and improve the efficiency of the mills. He hoped that the profits for 1963 would be around the previous year's level.

As for modernisation and rehabilitation, Mr. Mafatlal said that the spinning departments of the mills had already been modernised and the Company was embarking on the replacement of old looms. It was the intention of the Company gradually to plough sufficient funds for modernisation. Answering shareholders' criticism of the dividend cut in 1962, the chairman said that the cut had been made "very reluctantly" in order to present a realistic picture of the Company's position in the context of the super profits tax levy. The board could, of course, have maintained the dividend by drawing on the reserves, but the chairman added that if reserves were raided they would not be available for the investment programme of the Company. He assured shareholders that the dividend for 1963 would be maintained at the previous year's level. Referring to the Dewas unit, the chairman said that the acquisition of this unit had been a profitable investment.

Referring to the working of Mafatlal Fine, the chairman stated that the mills had sufficient stocks of cotton, both Indian and foreign, to meet the requirements for the whole year. However, the Company has had to change its pattern of production according to the supply of cotton following the reduction in its quota of imported cotton. The present stocks of cloth with the mills were quite reasonable, and the mills did not experience any difficulty in marketing their goods. The Company had received orders for defence. It was said to have successfully experimented with the manufacture of mixed fabrics, and it would go into that line when terylene is made available indigenously. The chairman disclosed that the Company had no liability for super profits tax for 1962, and that it might have to pay between Rs. 75,000 and Rs. 1 lakh for 1963 if the profits were maintained around the previous year's level.

Speaking to shareholders of Sassoon Mills, Mr. Mafatlal said that the management preferred to pursue a conservative dividend policy in view of the large rehabilitation and renovation programme that the Company had in mind, involving expenditure of more than Rs. 1 crore. He said it was not a wise policy to declare higher dividends and then ask the shareholders to subscribe to new shares for cash to meet the capital expenditure. Answering shareholders' enquiries, the chairman said that the management would think of diversification of activities only after it had completed its modernisation programme.

Amar Dye-Chem Rights Issue

AMAR Dye-Chem Ltd fared very badly in 1962, with sales down by about 16.5 percent from Rs. 1.70 crores to Rs. 1.42 crores, and the gross profit falling by as much as 42 percent from Rs. 64.06 lakhs to Rs. 36.59 lakhs. The directors have blamed the Company's disappointing performance on the change in the Government's policy concerning the assessment of Customs duty and heavy imports of naphthols and bases which created a strong pressure on prices. In his speech at the annual meeting on 12th June, the chairman, Mr. A. K. Doshi, stated that the Company's naph-

thol plant worked at 67 percent and base plant at 45 percent of their installed capacity. He criticised the Government's policy in not allowing the private sector to proceed with its plans to manufacture intermediates under apprehension that the output of the proposed public sector plant may not be easily marketed.

The Company's programme for the manufacture of intermediates has been delayed and its future appeared uncertain at present. The chairman's assessment of the outlook for the current year suggested that the Company is likely to fare better than last year. Its sales were expected to increase because of the additions of new items to the range of production. The Company's T.P.M. plant which was commissioned in March last, will be manufacturing all the items included in the first phase by the end of the current year. Amar Dye-Chem has already started manufacturing reactive dyes and has put in the market one item and three more items will be introduced soon. Production of methylene blue has commenced; malachite green and brilliant green units were cited and brilliant green units were put on stream last month. The pigment plant, it is expected, will go into production in the third quarter of this year. Mr. Doshi said that the cut in imports of dyes against the export incentive licences of textiles from 65 percent to 25 percent and from 65 percent to 25 percent in the import duty on naphthols and fast bases from 20 to 50 percent will help to improve the offtake of the Company's products.

However, the textile industry is buying its requirements in limited quantities because of the financial stringency. It will, therefore, be some time before the Company is able to revert to its normal production which had to be curtailed last year because of heavy imports. As for exports, the chairman said that the performance was satisfactory. In 1962, the Company exported 20 tons of dyes valued at Rs. 1.50 lakhs. And in the first five months of the current year, orders worth Rs. 1.90 lakhs have already been received.

In reply to shareholders' questions, the chairman stated that the production of T.P.M. series of dyes this year was expected to be around 50 tons, which was proposed to be stepped up to 300 tons next year. The output of reactive dyes this year would be around 15 tons and this is proposed to be increased to 250 tons next year. The Company also hopes to reach full production of 250 tons of pigments next year. The chairman added that since no decision had yet been taken on the Company's various applications for the manufacture of intermediates, it has been decided to restrict the issue of additional capital to Rs. 30 lakhs instead of Rs. 45 lakhs originally proposed to meet the immediate requirements. The shares are to be issued at a premium of Rs. 25 each.

National Rayon Disappoints

SHAREHOLDERS of the National Rayon Corporation made no secret of their extreme disappointment over the drastic cut in the dividend for 1962 from Rs. 22 to Rs. 16 a share, when they got together at their annual meeting on 13th June. They spoke in angry tones, and not without reason. The Company had not fared well last year, but certainly not so very badly as the dividend cut appeared to suggest. As against a fall of Rs. 19 lakhs in the Company's gross profit from Rs. 2.44 crores to Rs. 2.25 crores, the equity shareholders' share was reduced by as much as Rs. 14.48 lakhs from Rs. 53.05 lakhs to Rs. 38.57

lakhs. And that was not all. The shareholders have also suffered heavily as a result of depreciation in the value of their investments. Surely, the heavy fall in the shares of National Rayon from the 1962 high of Rs. 584 cannot be explained away in terms of the general slump in the stock market. For National Rayon scrip have continued to display pronounced weakness even when the rest of the market has been trying to put up a steady show recently.

Perhaps the market's reaction to the Company's poor performance in 1962 as also to the cut in the dividend, might not have been so bad but for the persistent rumours that all was not well with the Company's tyre cord plant. That National Rayon shares should have been marked down to a new low of Rs. 320 on 14th June—the day after the annual meeting—indicated that the market was not completely satisfied with the chairman, Mr. Kasturbhai Lalbhai's assurance that the quality of the tyre cord is good and up to the standard. He informed shareholders that two leading tyre manufacturers—Dunlop and Firestone—had placed bulk orders with the Company and had been using its yarn for some time; the third leading tyre manufacturer—Goodyear—has just placed a trial order and the fourth—Ceat Tyres—has approved the yarn and the Company expects its orders very shortly.

When pressed for more details about the working of the tyre cord plant which is expected to be a more profitable proposition than rayon yarn when it is able to work to full capacity, the chairman said that the plant had a rated capacity of 200 tons a month while the current production amounted to only 90 tons and of this also, the Company was able to sell only 50 percent for the present. The chairman refused to give the breakdown figures for closing stocks of yarn, chemicals, etcetera, which have recorded a steep rise from Rs. 11.06 lakhs to Rs. 1.15 crores, on the unconvincing plea that such information is against the interests of the Company. Mr. Kasturbhai Lalbhai conceded that the Company might not have experienced all the difficulties it has had to face in connection with the tyre cord plant if it had secured the requisite foreign collaboration, but he added that the Company had engaged the services of foreign technical experts.

While all is not yet well with the tyre cord plant, in that actual production is far short of the capacity and sales are still disappointingly poor, the Company has also been experiencing considerable difficulties concerning the disposal of its rayon yarn with the result that yarn stocks have been piling up with the Company. The Textile Commissioner has appointed a committee to go into the question of how best to avoid the accumulation of stocks, but the chairman has expressed the fear that this is likely to cause delay and give no relief in reducing the stocks with the spinnings. He has suggested that the card holder who does not lift his quota within a prescribed time unit should lose his right of obtaining the yarn. The Company, he added, has been successfully manufacturing finer deniers of yarn in sizable quantities for some time past, and these have been well received by the weaving industry.

In reply to shareholders' enquiries, however, the chairman conceded that the quality of bleached yarn of South India Viscose and Baroda Rayon was superior to that of National Rayon. But the Company had placed orders for the necessary machinery to improve the quality of its yarn. Mr. Kasturbhai Lalbhai stated that the Development Council for Rayon had recommended that the target for staple fibre industry should be in-

creased to 100 million kilograms during the third plan and that the Company had expressed a desire to get its share of this capacity. The installation of a 100-ton a day plant for the manufacture of sulphuric acid is said to be progressing satisfactorily and the plant is likely to be commissioned towards the beginning of next year. The bulk of the plant and machinery for expansion of the caustic soda plant has been received at the plant site.

The chairman was unable to say whether the Company would be able to fare better in the current than last year. National Rayon has lost one month's production due to the recent labour strike and the subsequent lock-out and the loss therefrom is estimated around Rs. 30 to Rs. 40 lakhs. The rayon plant is still suffering from the after-effects of the labour trouble, but it is hoped that the plant will reach its normal working soon. All the other plants of the Company, however, have reached normal working since the lifting of the lock-out. Referring to the dividend outlook, the chairman said that the management would try to maintain the dividend at least for a year or two. He defended the dividend cut and said that the dividend declared for the year was about the best that the management could have done. Out of the Rs. 16, only Rs. 6 a share is being paid out of the year's profit, and the balance is being met out of the transfer of funds from the reserves. The chairman disclosed that the arrears of depreciation amounted to Rs. 97 lakhs, and that the Life Insurance Corporation held 197 equity shares and 33,755 preference shares.

Colour-Chem Pays the Same

THE preliminary report on the working of Colour-Chem Ltd for the year ended March 1963 shows that the Company has done much better than in the previous year. The gross profit has risen by about 27.5 percent from Rs. 95.89 lakhs to Rs. 1.25 crores. In view of the substantially larger tax liability, the directors propose to maintain the dividend for 1962-63 at Rs. 12 a share. The net dividend, however, works out to 84p a share higher as the entire amount will be tax-free. In 1961-62, a sum of Rs. 9.20 a share was free of tax whereas for 1962-63, the whole dividend of Rs. 12 will be free of tax in the hands of shareholders.

The directors have been advised that out of the year's profits, a sum of Rs. 15.93 lakhs is expected to be exempt from tax under Section 84 of the Income Tax Act, 1961. This amount has been transferred to a separate reserve styled as "special reserve—profits exempt under Section 84", and it is proposed to transfer Rs. 15 lakhs out of this special reserve to a dividend reserve for payment of dividend. An application is being made to the income tax authorities to certify this figure for tax exemption.

From the year's profit of Rs. 123 crores, the directors have provided Rs. 10.79 lakhs (against Rs. 8.49 lakhs) for depreciation, Rs. 4,782 (against Rs. 3,805) for development rebate reserve, Rs. 64.29 lakhs (against Rs. 41.50 lakhs) for taxation, Rs. 26 lakhs (the same) for general reserve, Rs. 42,700 (against nil) for gratuity reserve and Rs. 6 lakhs (against Rs. 2 lakhs) for dividend equalisation reserve. After providing for the payment of the proposed dividend, there remains a small surplus of Rs. 1.134 to be carried forward, against Rs. 91.291 brought in. At its current price of Rs. 325 cum-dividend, the share of Colour-Chem offers a net return of



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83 percent. Out of the increase of Rs. 22.79 lakhs in the taxation provision, super profits tax is said to account for over Rs. 14 lakhs.

Polychem Commissions Styrene Monomer Plant

MR. Ramdas Kilachand, chairman of Polychem Ltd, performed on 4th June the muhurat ceremony to mark the commissioning of the Company's styrene monomer plant on the Chembur near Bombay. Polychem is the first and only manufacturer of polystyrene in India and the styrene manufactured at the Chembur plant will be used mainly for its polystyrene plant in Goregaon (Bombay), which is already in production. With the regular production of styrene monomer some time in August, the Company's licensed capacity of the polystyrene plant will be raised from 12 million lbs to 15 million lbs a year. The capacity of the Chembur plant is 15 million lbs a year.

When the plant goes into full production, it will save foreign exchange worth about Rs. 1 crore now spent annually on imports. The project has been undertaken in collaboration with the well-known Dow Chemical Company of the U.S.A., and the erection contract for the plant is being executed by H. K. Ferguson Co. of the U.S.A. The Company's alcohol distillery in Nira, near Poona, which will supply alcohol, one of the main raw materials for the manufacture of styrene monomer, is expected to go into production some time next month. The distillery would involve a capital outlay of about Rs. 45 lakhs. The styrene monomer project in Chembur is estimated to cost about Rs. 2.55 crores, of which the foreign exchange cost is around Rs. 1 crore.

New Victoria Mills Disappoints

THE New Victoria Mills Co. Ltd of Kanpur reports extremely disappointing results for 1962. While sales are down by only 13.2 percent from Rs. 3.71 crores to Rs. 3.22 crores, the gross profit has shrunk from Rs. 24.50 lakhs to a mere Rs. 1.29 lakhs. And after providing Rs. 7.85 lakhs (against Rs. 6.67 lakhs) for depreciation, the year's working shows a loss of Rs. 6.56 lakhs, against a profit of Rs. 17.83 lakhs in the preceding year. Adding to the year's loss Rs. 2.60 lakhs concerning items relating to previous years and Rs. 4,000 written off deferred revenue from Rs. 4.44 lakhs being development rebate reserve written back, there is a debit balance of Rs. 4.76 lakhs.

Together with the previous outstanding losses of Rs. 46.24 lakhs, the total loss to be carried forward to the balance sheet amounts to Rs. 51 lakhs. Besides, the Company has a contingent liability of Rs. 28.45 lakhs on account of accumulated arrears of preference dividends for 14 years up to the end of 1961. The Company has a subscribed capital of Rs. 61.17 lakhs, and it has no reserves. The Rs. 2.50-paid share of New Victoria Mills is quoted nominally around Rs. 1.53.

Particle Boards to Enter Market Soon

PARTICLE Boards of India Ltd which proposes to set up an up-to-date factory in Bhandup (Bombay) for the manufacture of particle boards and its bye-products out of

firewood, logging and forest management wastes, industrial woods, etcetera, is entering the market to raise funds through public subscription to meet part of the cost of the project. The Company has been licensed to manufacture 6,000 tons a year of particle boards on a single shift basis, but the layout of the factory is stated to have been arranged for subsequent expansion also. Most of the raw materials to be used by the Company are waste materials which have low economic value, but can be profitably converted into particle board. Because of its varied uses, the manufacture of particle board has developed at a very fast pace in advanced countries.

The immediate minimum demand for particle board in India is estimated around 30,000 tons a year, and this is expected to increase rapidly as indigenous supplies become available. The construction work of the factory buildings has already been taken up on hand. Major portion of the imported machinery, it is said, will be ready for shipment. Erection of the machinery, it is expected, will begin in August, and will be completed by October. If all goes well, the factory is likely to be commissioned by October-end.

The Company has an authorised capital of Rs. 1 crore, made up of Rs. 60 lakhs in equity shares of Rs. 100 each and Rs. 40 lakhs in 9.3 percent taxable redeemable cumulative preference shares of Rs. 100 each. The issued capital will be Rs. 30 lakhs, consisting of Rs. 25 lakhs in equity shares and Rs. 5 lakhs in preference shares. Out of this, the promoters have already taken up five equity shares of the value of Rs. 5 lakhs. The directors, their friends and associates have agreed to subscribe for 4,344 equity shares. Equity shares worth Rs. 6,65,600 are being reserved for allotment to G. Siempelkamp and Company of Krefeld, West Germany, which is collaborating in the venture, against 30 percent of the net value of the machinery payable to the firm. The remaining 5,000 preference shares and 9,000 equity shares are being offered for public subscription. The board of directors includes Mr. N. K. Petigara (chairman), Mr. A. N. Kilachand, Mr. G. R. Jolly, Mr. K. L. Jolly, Mr. M. P. Shah, Mr. R. B. F. Kuka and Mr. Dieter Siempelkamp.

New India to Issue Bonus Shares

THE New India Assurance Co. Ltd reports satisfactory progress during 1962. The aggregate net premium income of all the departments shows an increase of about 8 percent from Rs. 12.65 crores to Rs. 13.67 crores—a new all-time record. In his chairman's statement, Mr. A. D. Shroff says that the increase in the premium income would have been more marked but for several factors beyond the control of the Company. The reduction in the fire premium rates in July 1962, the general setback in business following the Chinese aggression and disturbed conditions of business abroad, including restrictive legislation in a number of countries, adversely affected the Company's business. The total claims paid and outstanding rose from Rs. Rs. 6.30 crores (50 percent of the premium income) to Rs. 7.35 crores (53.7 percent). The bulk of the increase in the premium income accrued from the miscellaneous and marine departments.

The net premium income of the fire department is up by only Rs. 5 lakhs from Rs. 4.42 crores to Rs. 4.47 crores, while that of the marine department has risen from Rs. 2.44 crores to Rs. 2.93 crores and that of the miscellaneous department from

Rs. 5.79 crores to Rs. 6.27 crores. The claims cost of the fire department has gone up from 37.3 percent to 44.5 percent and that of the miscellaneous department has risen from 50.2 percent to 57.4 percent. The claims cost of the marine department, however, shows an impressive improvement from 74.1 percent to 60 percent. The expense ratio of the fire department shows a slight improvement from 44.5 percent to 44.1 percent. The expense ratio of the miscellaneous department is higher at 35.2 percent, against 33.6 percent, and that of the marine department is up from 24.8 percent to 25.3 percent. Commission, expenses of management and other charges of all the departments have increased from Rs. 4.52 crores (35.7 percent) to Rs. 4.92 crores (36 percent).

After adding Rs. 76 lakhs to the departmental reserve, the Company's profits from the various departments amount to Rs. 1.04 crores, against Rs. 1.02 crores in 1961. The fire department earned a profit of Rs. 59.9 lakhs (against Rs. 72.3 lakhs) and miscellaneous department Rs. 37.4 lakhs (against Rs. 51.1 lakhs). But the marine department which had incurred a loss of Rs. 20.9 lakhs in 1961, has made a profit of Rs. 6.9 lakhs in 1962. In addition to the departmental profits, the Company earned Rs. 19.3 lakhs (against Rs. 17 lakhs) by way of investment income and Rs. 24 lakhs (against Rs. 14.3 lakhs) by way of net profit on sale of investments. After making some adjustments, the Company's gross profit amounts to Rs. 1.4 crores, compared with Rs. 1.28 crores in 1961. The provision for taxation has been increased from Rs. 53.65 lakhs to Rs. 67.34 lakhs. Allocation to the general reserve has been drastically reduced from Rs. 20.60 lakhs to Rs. 3.50 lakhs, but the provision for exchange reserve has been stepped up from Rs. 5.50 lakhs to Rs. 15 lakhs. A sum of Rs. 10 lakhs (against nil) has been set aside for dividend equalisation reserve, and gratuity reserve receives Rs. 4.69 lakhs, against nil in the previous year.

The dividend has been maintained at Rs. 4.50 a share of Rs. 15, and it will absorb Rs. 42.72 lakhs which is to be paid out of the dividend reserve to which a sum of Rs. 43.65 lakhs has been transferred from the year's profit. The bonus of Rs. 1.20 a share is recommended for payment out of the capital reserve. As a result of the year's operations, the Company's total funds have been augmented by Rs. 93 lakhs to Rs. 13.49 crores. The Company proposes to issue bonus shares of Rs. 15 each (fully paid-up) in the proportion of one bonus share for every five existing shares held. These bonus shares will participate in the dividend to be declared for 1963. The book value and market value of the Company's investments amount to Rs. 11.42 crores and Rs. 11.91 crores, respectively. The Company has contributed Rs. 5.58 lakhs to the National Defence Fund.

Polson Pays Less, but Interim May Follow

DESPITE satisfactory improvement in both sales and gross profit, the directors of Polson Ltd have reduced the dividend for 1962 from Rs. 17 to Rs. 14 a share mainly because of the substantially larger provision for taxation. Mr. Morarji J. Vaidya, who presided over the Company's annual meeting in the absence of the chairman, Mr. D. M. Khatau, assured shareholders that the board would sympathetically consider their plea for an interim dividend in view of the reduction in the Company's liability concerning the super profits tax to around Rs. 97,000, against a provision of Rs. 2.19 lakhs in the year's accounts. Mr. Vaidya

added that the Company's progress in the current year so far was quite satisfactory. Considerable progress has been made in the experimental production of cheese at the Patna factory and most of the difficulties have been overcome. The product will be put on the market when the management is satisfied about maintaining the quality.

The Company's experiments on the cultivation of chicory on a commercial scale are stated to have met with very good success. But unfortunately, the Company's application for the import of chicory processing machinery has been turned down by the Government in spite of the recommendations by the Coffee Board and the Director of Industries, Bombay. The management is, however, pursuing the matter. Complaining about the acute shortage of tinplates, Mr. Vaidya said that the management was examining alternate modes of packing. He also said that the production of ghee had been discontinued as the specifications laid down by the Government were unattainable in the Kaira district. The production would be resumed as soon as the necessary modification of the specifications is announced.

South India Insurance Fares Well

THE South India Insurance Co. Ltd reports satisfactory results for 1962, mainly because of the improved performance of the marine and miscellaneous departments. The premium income of the fire department is slightly lower at Rs. 48.48 lakhs, against Rs. 50.42 lakhs. After providing 40 percent of the premium income as reserve for unexpected risks, additional reserve has been reduced from Rs. 7.25 lakhs to Rs. 4.85 lakhs. The profit of the fire department is down from Rs. 11.25 lakhs to Rs. 9.19 lakhs. The premium income of the miscellaneous department is lower at Rs. 49.78 lakhs, against Rs. 51.64 lakhs. After maintaining the reserve for unexpected risks at 40 percent and reducing the additional reserve from Rs. 5.69 lakhs to Rs. 4.98 lakhs, the loss on the miscellaneous department has come down appreciably from Rs. 5.34 lakhs to a mere Rs. 51,697.

The premium income of the marine department shows a rise from Rs. 21.24 lakhs to Rs. 25.18 lakhs. The reserve for unexpired risks has been maintained at 100 percent and the loss in this department has come down from Rs. 6.30 lakhs to Rs. 4.70 lakhs. The combined net premium income of all the three departments is slightly higher at Rs. 1.24 crores, compared with Rs. 1.23 crores in 1961. But there has been a rise in the net claims paid and outstanding from Rs. 55.28 lakhs to Rs. 60.40 lakhs, that is, from 44.8 percent to 48.9 percent of the premium income. Commission and expenses of management are higher at Rs. 59.45 lakhs (48.1 percent), against Rs. 54.04 lakhs (43.8 percent). The Company's profit for 1962 amounts to Rs. 7.15 lakhs, against Rs. 2.59 lakhs in the preceding year. The provision for taxation amounts to Rs. 1.63 lakhs, against Rs. 82,500. A sum of Rs. 59,000 (against Rs. 19,500) has been set aside for reserve for bad and doubtful debts, and general reserve receives Rs. 50,631 against nil. Allocation to gratuity reserve has been increased from Rs. 24,992 to Rs. 60,421.

The directors have transferred Rs. 4 lakhs to the dividend reserve out of which Rs. 3.71 lakhs is being drawn for the payment of the proposed dividend of 15 percent. The year 1962 was the first year of the Company's working after its amalgamation with the Bombay Fire and General Insurance Co. Ltd and the Sentinel Assur-

ance Company Ltd with effect from 1st January, 1962. The comparative figures for 1961 are the combined results of the three companies. The directors are confident that considerable saving in expenses will be effected during the current year.

Usha Refrigeration Share Offer

USHA Refrigeration Industries Ltd—a Shri Ram Group enterprise—which is setting up a factory in Hyderabad (Andhra Pradesh) for the manufacture of hermetically sealed compressor units for air-conditioners and refrigerators is entering the market on 24th June to raise Rs. 24.50 lakhs through public subscription. The list will close on 3rd July or earlier, but not before 27th June. A sum of Rs. 2.58 a share is payable on application and an equal amount on allotment. The balance of Rs. 5 a share will be called later.

The well-known U.S. firm of Westinghouse Corporation is collaborating in the venture. The company will take over the export business of the American firm in the adjoining countries. When in full production, the Company will save foreign exchange to the extent of about Rs. 1.5 crores a year, which is now being spent on the import of sealed compressors for air-conditioners and refrigerators. Sealed compressor units are being manufactured in India at present only in very small quantities and this has been hampering the development of the domestic refrigeration appliances industry.

The Government has estimated the demand for air-conditioners and refrigerators around 120,000 units by 1965. Besides, export prospects are considered to be fairly promising. The Company has an authorised capital of Rs. 2 crores made up of Rs. 1.50 crores in equity shares of Rs. 10 each and Rs. 50 lakhs in preference shares of Rs. 100 each. The issued capital is Rs. 50 lakhs in equity shares. Shares worth Rs. 7.50 lakhs have already been subscribed and paid-up. Shares of the value of Rs. 18 lakhs are being reserved for promoters, directors and their friends. The balance of Rs. 24.50 lakhs is being offered for public subscription.

In addition to the share capital of Rs. 50 lakhs, the Company will raise Rs. 66 lakhs by way of long-term loans. The Industrial Credit and Investment Corporation of India has agreed, in principle, to make a loan of Rs. 40 lakhs to the Company for this project. The factory building is being constructed. The board of directors consists of Lala Bharat Ram (chairman), Lala Charat Ram, Mr. B. S. Agarwal, Mr. T. R. Gupta, Mr. D. N. Mitra, Mr. K. L. Poddar, Mr. P. S. Rau, Mr. Shri Dhar and Mr. S. P. Virmani.

Ferro Alloys Corporation Cuts Dividend

ALTHOUGH the Ferro Alloys Corporation Ltd has reduced the dividend for 1962 from 11 percent to 9 percent, less tax, its working results cannot be considered unsatisfactory. Despite a 22 percent decline in the gross sales from Rs. 2.91 crores to Rs. 2.26 crores, the gross profit shows only a slight setback from Rs. 55.12 lakhs to Rs. 34.87 lakhs. After providing Rs. 10.69 lakhs (against Rs. 8.47 lakhs) for depreciation, Rs. 24,702 (against Rs. 54,602) for development rebate reserve and Rs. 8.16 lakhs (against Rs. 5.50 lakhs) for taxation, the net profit amounts to Rs. 15.77 lakhs (against Rs. 20.80 lakhs). With

Rs. 29,996 brought forward from the previous year, the disposable surplus amounts to Rs. 16.07 lakhs. The directors have provided Rs. 5.50 lakhs (against Rs. 3.50 lakhs) for general reserve and a sum of Rs. 75,000 (against Rs. 90,000) has been set aside for bonus to staff. The preference dividend absorbs Rs. 1.56 lakhs and ordinary dividend Rs. 7.20 lakhs (against Rs. 8.80 lakhs).

After making various appropriations and some minor adjustments, there remains a surplus of Rs. 1.20 lakhs to be carried forward. The directors state in their report that the trial production of ferro-silicon has been very satisfactory and an application has been made to the Government for permission to manufacture the same on a commercial scale. The Government, it is said, is negotiating another barter deal with the U.S.A. through the State Trading Corporation of India for exports of ferro-manganese against imports of cotton. The Company, it is expected, will get the largest quota for supply of ferro-manganese under the proposed barter. Since the close of the year, the Company has received on account payments from the S.T.C. aggregating Rs. 51.85 lakhs, against hypothecation of ferro-manganese stocks. A final decision on the proposal for the installation of electrolytic manganese and manganese sulphate plant is expected to be taken shortly.

Hyderabad Asbestos Cement Issue

HYDERABAD Asbestos Cement Products Ltd reports excellent results for 1962, which have enabled the directors to declare a maiden dividend of 40 percent, subject to tax. The Company's production has gone up by 50 percent and its turnover has increased by nearly 43 percent from Rs. 1.40 crores to Rs. 2 crores. After providing Rs. 5.55 lakhs for depreciation, Rs. 3.32 lakhs for development rebate reserve and Rs. 12 lakhs for taxation, the net profit is shown at Rs. 18.44 lakhs, against Rs. 7.29 lakhs in 1961. The directors have set aside Rs. 5 lakhs for general reserve and the proposed dividend absorbs Rs. 1.18 lakhs. After wiping off the accumulated losses of Rs. 11.66 lakhs, there remains a balance of Rs. 60,000 to be carried forward. The directors state that the Company has made substantial progress in its modernisation and rehabilitation programme.

New India Investment Pays Less

THE New India Investment Corporation Ltd has suffered a setback in its results for 1962. Its gross profit is down by about 41 percent from Rs. 6.83 lakhs to Rs. 4.01 lakhs, and the dividend has been reduced from Rs. 6.50 to Rs. 5 a share, less tax. Appropriations include Rs. 37,838 (against Rs. 58,990) for commission to secretaries and treasurers, Rs. 80,000 (against Rs. 2.25 lakhs) for taxation and Rs. 2.25 lakhs (against Rs. 2 lakhs) for general reserve. A sum of Rs. 1.08 lakhs has been transferred from the taxation reserve to provide for the payment of the proposed dividend, which absorbs Rs. 1.55 lakhs, against Rs. 2.02 lakhs, leaving a sum of Rs. 46,930 to be carried forward, against Rs. 36,902 brought in.

Devashola (Nilgiri) Tea Does Well

▲ **RECORD** tea crop and a higher price realisation provide some encouraging features of the working

of the Devashola Tea Estates for the year ended December 1962. Although the total sale proceeds of tea exceeded the previous year's figure by Rs. 1,12,889, this appreciable increase in gross revenue was entirely absorbed by cost increases. The net profit for 1962 amounts to Rs. 1.09 lakhs, after providing Rs. 1.40 lakhs for taxation including super profits tax; against the previous year's net profit of Rs. 1.29 lakhs after providing Rs. 1.12 lakhs for taxation. Adding to the year's net profit, Rs. 1,973 brought forward, Rs. 12,000 transferred from dividend equalisation reserve, Rs. 1,490 transferred from fluctuation in investment reserve, and Rs. 6,989 transferred from development rebate reserve, the total available for appropriation comes to Rs. 1.31 lakhs. Out of this, miscellaneous provisions amount to Rs. 1,749. The interim dividend at 7½ percent has absorbed Rs. 63,000. The proposed final dividend of 7½ percent will absorb Rs. 63,000. The total dividend for the year is 15 percent on the increased capital (against 20 percent). The balance of Rs. 3,300 is carried forward to the next year.

A record crop of 188,643 kilograms of made tea was secured during the year, exceeding the previous record in 1960 by 14,272 kilograms. The all-in-cost of production was Rs. 4.79 a kilogram, against Rs. 4.36 a kilogram in the previous year. The income a kilogram of tea was Rs. 5.30, against Rs. 5.11 in 1961, resulting in a net profit of 51p a kilogram. The estimated crop for 1963 is 175,000 kilograms of made tea, at an estate cost at Rs. 3.50 a kilogram.

Travancore Electro-Chemical Industries

TRAVANCORE Electro-Chemical Industries Ltd has incurred a net loss of Rs. 64,641 for the year ended December 1962. The balance-sheet, therefore, shows a total loss of Rs. 6,73,288 including the brought forward loss of Rs. 6,08,646. This is carried forward to the next year. The directors' report says that the major portion of the machinery has already arrived at the factory site. The balance is expected to arrive shortly. The Company's factory buildings are being constructed, and it is expecting to start the erection of machinery by July 1963. As for the subscribed capital, the directors state that it was Rs. 24,25,500 according to the last balance-sheet. Further capital of Rs. 10 lakhs was offered to shareholders in the first instance, and subsequently, the unsubscribed capital was offered to other interested parties. So far, Rs. 7.02 lakhs worth of shares have already been subscribed. The directors are making arrangements for getting subscribed the balance of the issued capital as also for getting the necessary funds for additional requirements inclusive of working capital.

Udayagiri Rubber Skips Again

NO dividend is recommended on the ordinary shares by the directors of the Udayagiri Rubber Co. Ltd for the year ended December 1962, as the working of the Company has resulted in a net loss of Rs. 42,641. This is the second successive year for the dividend to be skipped. The working loss is attributed to the fall in the market price of tea; the average sale price declined from Rs. 3.97 a kilogram in 1961 to Rs. 3.54 in 1962. The balance brought forward from the previous year was Rs. 13,440, and there was an excess

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provision for income tax amounting to Rs. 3,217. Adding to these amounts, a transfer of Rs. 32,254 from general reserve, there is a total of Rs. 48,913. Out of this, the preference dividend for the year at 7.84 percent, subject to tax, amounts to Rs. 6,272. The balance is adjusted against the carried forward loss of Rs. 42,641. The tea crop harvested during the year was 132,852 kilograms at Rs. 3.20 a kilogram, against an estimate of 133,900 kilograms at Rs. 3.17 a kilogram. The estimated crop for 1963 is 133,900 kilograms at a cost of Rs. 3.09 a kilogram. The average price realised for tea in 1962 is Rs. 3.54 a kilogram.

New Capital Issues

SIX companies have been authorised by the Controller of Capital Issues to raise fresh capital totalling over Rs. 1.83 crores. Two companies are issuing bonus shares and one cumulative preference shares plus equity. Two companies are public sector enterprises. Two companies in the private sector are issuing part of their capital to their foreign collaborators. The consent in all cases is valid for 12 months. The following are the details:

The New India Industries Ltd, Baroda, has been allowed to issue further capital of Rs. 3,99,800 divided into 3,998 equity shares of Rs. 100 each as bonus shares on capitalisation of the Company's reserves to a like extent. Out of this, bonus shares of the approximate value of Rs. 1,03,070 will be allotted to the Company's three non-resident shareholders.

The A. P. V. Engineering Company Private Ltd is issuing capital of Rs. 24,49,000 divided into (i) Rs. 7,94,000 as fully paid up bonus shares, (ii) Rs. 3,50,000 in equity shares to be issued to Messrs A. P. V. Holdings Ltd of Sussex, England, partly for cash and partly against supply of plant and machinery, and (iii) Rs. 13,50,000 in equity shares for cash at a premium of Rs. 2 a share to be issued in India.

Associated Iron and Steel Industries Ltd, Ramganjmandi, Rajasthan, is issuing fresh capital of Rs. 40 lakhs divided into 30,000 equity and 10,000 9 percent cumulative redeemable preference shares of Rs. 100 each for cash at par. The money is needed for financing the manufacture of malleable iron castings, etcetera.

Assam Gas Company Ltd, Shillong, a State Government undertaking, is to issue further capital of Rs. 9,00,000 divided into 9,000 equity shares of Rs. 100 each, to be subscribed privately by the Government of Assam. The proceeds will be used in connection with the Naharkatiya-Namrup gas pipeline.

Hindustan Photo Films Manufacturing Company Ltd, Ootacamund, wholly owned by the Central Government, has been given consent to issue further capital of Rs. 90 lakhs, divided into 9,000 equity shares of Rs. 1,000 each, to be subscribed by the Central Government in cash at par. The capital will be used for the manufacture of raw films for the cinema industry, X-ray and roll films.

John Fowler (India) Ltd, Bombay, is to issue Rs. 15,97,000 in equity shares of Rs. 10 each, of which 53,000 shares will be issued to Vokes Group Ltd, U.K., and Streamline Filters Ltd, U.K., and the balance of 106,700 shares will be offered to the public for cash at par. The capital is required for the manufacture of Filters and Elements and tobacco processing machinery.

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The Stock Markets

TURNOVER CONFINED MOSTLY TO CLEARING SHARES

Wednesday Evening.

THERE has been a temporary flutter in Indian Iron shares in the Calcutta stock market during the past week. At first the price was boosted by short-covering, combined with replacement purchases, on the news of an increase in the retention price of steel and pig iron. Later there has been a reaction due to profit-taking in the absence of follow-up support. The announcement of the increase in retention prices has been welcomed because it will help steel companies to finalise their accounts for the year ended March 1963.

The increase has been granted by the Government to cover rises in production costs arising from two factors. The first is that the producers are entitled, under the escalation clause, to a rise in the price of steel if the production costs go higher due to increases in the price of coal, freight, royalty and wages. Secondly the cost of the emergency risks insurance scheme has to be offset. But there has been some disappointment because the increase to cover the latter item of cost will be effective only from 1st July, 1963, while the emergency risks insurance scheme has been enforced much earlier. In any case, there is no justification to interpret the present increase in the retention price bullishly as it had been done earlier, since it will not give any windfall income to the companies. It merely aims at compensating the producers for rises in the production costs. There is no doubt that but for the increase, the steel companies would have suffered.

In other shares, turnover has been sluggish and has largely been confined to clearing scrip. There has been a general inclination to take profit whenever possible because operators are restrained by various uncertainties. The political situation has, meanwhile, taken a turn for the worse. The possibility of a reshuffle of the Central Cabinet due to the resignation of two Ministers has called for caution. There is little evidence that Indo-Chinese relations will improve in the near future, although an imminent attack by the Chinese is thought unlikely.

The stock market has felt the shortage of funds caused by subscriptions to the new issues. The corporate news too has not been very helpful in that several companies have been obliged to prune dividends because of heavier taxation, including the super profits tax. The reiteration by Mr. Morarji Desai, Central Finance Minister, that the super profits tax should not be regarded as a temporary measure has chilled enthusiasm. Operators have preferred to await the resumption of forward trading, which is likely early next week.

Among engineering shares, Indian Standard Wagon, Braithwaite, Burn and Texmaco have met with scattered support. Coal shares have been subdued and small business has passed over in Burrakur, Bengal and East Indian. Cotton mill shares have been hesitant because of uncertainties concerning the prices of cloth and yarn. The prices of Bowreah, Dunbar, Bharat Commerce and J. K. Rayon have been softer.

Miscellaneous shares have fluctuated narrowly and turnover has been small. Among clearing shares, attention has largely been concentrated on Hindustan Motors, Indian Aluminium, Dunlop Rubber, Rohtas and

Indian Cable. Alkali Chemical, Angelo Brothers and Britannia Biscuit have been bought. Goodyear India and Union Carbide have been neglected. New shares have generally weakened. Dr. Paul Lohmann and Isaac Holden have been easier. Among electric company shares, Calcutta Electric have been sluggish. Interest has declined in managing agency shares. Martin Burn, Shaw Wallace and Jardine Henderson have been freely available. Paper shares have been idle and routine business has passed in Orient, Titagur and Sirpur. Sugar shares have been difficult to deal in in the absence of buyers; investors have been disappointed by the discouraging outlook. Stray business has been transacted in tea shares and prices have shown little change. Bank shares have been neglected. There has been support for selected jute shares, although the slow offtake of jute goods by foreign countries has caused some concern. Champdany, Barnagore, Fort Gloster and Birla have been taken. Government securities have been steady. Support has been extended to short and medium-dated securities but there are few sellers. The 3-percent Conversion loan 1986 has been quoted around Rs. 63.60.

Bombay

SUPPORT FOR STEEL SHARES RISE IN RETENTION PRICES WELCOMED

Wednesday Evening.

THE support for steel shares has been a prominent feature of the Bombay stock market during the past week. Operators have been cheered by the rise in the retention price of steel and pig iron. It is prices of steel believed that the Tata Iron and Steel Company would show improved results for the year ended March 1963 because of bigger production and the increase in the retention price of steel. Whether the Company will be able to improve on its previous dividend remains to be seen.

Turnover has been fairly large in other forward shares, although the trend has generally been downwards towards the close. The earlier buying spree due to resumption of forward trading seems to have fizzled out. Most of the bulls have preferred to take profit since they had bought several scrip at cheaper prices on cash account earlier. The absence of follow-up support has been a major restraining factor. Investors and operators have been rather cautious in view of the fact that the after-tax profits of several companies have been squeezed by heavier taxation and the super profits tax. Dalal Street has been disappointed by the statement of the Central Finance Minister that the super profits tax is not a temporary fiscal measure.

Tata Steel ordinary have closed at Rs. 139.50, but Indian Iron have been subdued at Rs. 22.92 because of pressure from Lyons Range. In the engineering section, Tata Locomotive have been steady on hopes of improved working. Scattered support has been extended to Premier Construction, Mukand Iron and Larsen and Toubro. Motor-vehicle shares

have met with selective support. Hindustan Motors and Premier Automobiles have been taken at current prices.

The prices of cotton mill shares have generally drifted downwards on account of profit-taking. Bombay Dyeing have nevertheless been steady on knowledgeable support. Standard have met with selective buying on the news that the Company has been going ahead with its programme to diversify activity. Century, Kohinoor, Simplex, Svadeshi and India United ordinary have been quoted lower. Gokak and Morarjee have been quietly steady.

Miscellaneous shares have shown mixed trends. In the chemical section, Tata Chemical have gained on hopes of improved results during the current year. Indian Dyestuff have reacted on profit-taking. Sugar shares have been quietly steady. Belapur have been taken at Rs. 175 and Walchandnagar Industries at Rs. 141.50. Mining shares have been subdued, and Shivrampur Syndicate have been offered without attracting support. Among steamship company shares, Scindia Steam have recovered on replacement buying. Great Eastern Shipping have been neglected. In the cement section, Associated Cement and Digvijay have been supported. Bombay Burmah have reacted on profit-taking. Voltas and Tata Oil have lost in the absence of buyers. Rayon shares have been quiet. National Rayon have reacted on the discouraging statement made by the chairman of the Company at its annual general meeting. Synthetics and Chemicals have reacted on a predominance of sellers.

Nominal business has been done in bank shares. Bank of India and Central Bank have been transacted. Among electric supply companies, Ahmedabad have been steady. Interest has also been taken in Bombay Suburban and Tata Hydro.

Madras

SHORTAGE OF FUNDS LIMITS ACTIVITY INVESTORS REMAIN HESITANT

Tuesday Evening.

THE Madras stock market has been steady during the past week. Turnover has increased in clearing shares because of the resumption of forward trading. Operators have, nevertheless, turned cautious towards the close on account of lack of support from outside sources. Activity has been restrained by the shortage of funds. Investors have been hesitant to buy shares considering that several companies have been forced to cut their dividends as a result of the super profits tax. In view of the smaller dividend yields, it is thought that there may be a further downward adjustment of prices.

Government securities have been steady and scattered support has been extended to selected State Government loans. Sugar shares have generally been neglected. Good tea and coffee shares have been fairly steady because of good crop reports. There is little interest in rubber shares. Textile shares have gene-

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rally weakened on fears that the prices of cloth and yarn might be further reduced. In the miscellaneous section, interest has largely been confined to selected cement and chemical shares.

Among banks, Canara have been quoted at Rs. 80. This Bank proposes to issue 50,000 ordinary shares of Rs. 50 each at a premium of Rs. 15 a share. Of these, 41,000 will be offered as rights shares in the proportion of one new share for every three held, 3,000 will be offered to the employees of the bank and the remaining 6,000 will be offered to its constituents. Among electric supply companies, West Coast have been steady at Rs. 18.37.

Among sugar shares, E.I.D. have recovered to Rs. 37.12 and Deccan to Rs. 9.80. Mysore have been quiet at Rs. 47.75. In the planting section, Blue Mountain have been taken at Rs. 2.35 and Cochin Malabar at

Rs. 5.95. Consolidated Coffee have been transacted at Rs. 18.65 and Periakaramalai at Rs. 3.08. Ouchterlony have been taken at Rs. 3.70. Karikode have been sold at Rs. 7.69 on declaring a taxable ordinary dividend of 7.5 percent. Manar have been transacted at Rs. 2 on declaring a taxable ordinary dividend of 5 percent. Kalasa have been sold at Rs. 3.83 on declaring an interim taxable ordinary dividend of 7.5 percent.

Among textile shares, South India Viscose have been quiet at Rs. 128, as have been Travancore Rayon at Rs. 24. Lakshmi have fallen to Rs. 135 on cutting the taxable ordinary dividend from 25 percent to 20 percent. Premier Mills have been bought up to Rs. 300 on declaring a taxable ordinary dividend of 20 percent. Janardana have been sold at Rs. 69.50 on paying a taxable ordinary dividend of 6 percent. Cambodia have been steady at Rs. 13 on paying

a taxable ordinary dividend of 9 percent. Tirumurti have been offered down to Rs. 127 on declaring a taxable ordinary dividend of 6 percent. Buckingham and Bangalore Woollen have been steady on reports that the strike in the mills would be called off soon.

In the miscellaneous section, Aluminium Industries have been steady at Rs. 17.25 and Ashok Leyland at Rs. 7.55. Among cement shares, Dalmia have been bought up to Rs. 13.15 and India Cement at Rs. 5.60. Among chemical shares, Mettur Chemical have been wanted at Rs. 12.30 and F.A.C.T. at Rs. 7.20. Seshasayee Paper have been steady at Rs. 7.55, but Enfield have been quiet at Rs. 9.25 on declaring a taxable ordinary dividend of 4 percent. Business has passed in Kirloskar Electric at Rs. 20 and in Madras Rubber at Rs. 16.75. Spencer have been steady at Rs. 21.50 and Textool at Rs. 152.

CAPITAL, 20th June, 1963.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla—Rs. 29/12—29/44—28/87—29/12—(34/56).
Dunlop Rubber—Rs. 31/50—32/00—31/37—(31/37) (41/75).
Guest, Keen, Williams—Rs. 31/75—33/00—31/75—32/44—(40/25).
Hindustan Motors—Rs. 16/69—17/19—16/69—16/81—(19/78).
Hovrah Jute—Rs. 20/00—20/00—20/00—20/00—(22/00).
Indian Copper—Rs. 4/90—4/94—4/70—4/74—(3/00).
Indian Iron & Steel—Rs. 22/62—23/14—22/60—22/98—(25/64).
Indian Aluminium—Rs. 33/69 S.T.—34/12—33/69—34/12.
Do. (New)—Rs. 15/25—15/31—15/12—15/31.
Indian Cable—Rs. 31/12—31/12—31/12—31/12—(36/75).
Jaipur Udyog—Rs. 11/12—11/31—11/06—11/06—(13/56).
J. K. Cotton—Rs. 12/44—12/50—12/25—12/50—(20/00).
Kesoram Industries—Rs. 22/06—22/62—22/06—22/37—(29/87).
Orient Paper—Rs. 34/35—35/70—34/15—35/40—(43/25).
Rohit Industries—Rs. 11/25—11/37—11/12—11/12—(15/94).
Shree Gopal Paper—Rs. 23/75—23/81—23/69—23/81—(27/23).
Textile Machinery—Rs. 23/75—24/00—23/60—23/60—(25/35).

GOVERNMENT SECURITIES

3% Govt. Paper—Rs. 62/45—62/45—62/45—62/45.
3% Loan (1966)—Rs. 63/70 S.T.—63/75—63/50—63/70.
3% " (1966-68)—Rs. 96/66—96/66—96/66—96/66.
3% " (1970-75)—Rs. 86/90—86/90—86/90—86/90.
3% M.P. (1964)—Rs. 98/00—98/00—98/00—98/00.
3 1/2% Loan (1974)—Rs. 95/63—95/63—95/63—95/63.
3 1/2% " (1964)—Rs. 99/60—99/60—99/60—99/60.
3 1/2% " (1967)—Rs. 98/42—98/42—98/42—98/42.
3 1/2% " (1968)—Rs. 99/00—99/05—99/00—99/00.
3 1/2% " (1965)—Rs. 99/50—99/50—99/50—99/50.
4% " (1969)—Rs. 99/50—99/55—99/50—99/55.
4% " (1972)—Rs. 98/10—98/10—98/10—98/10.
U.P. Zemindary Rehabilitation Grant Bonds (8 collected)—Rs. 33/50—33/50—33/50—33/50.
4 1/2% Loan (1972)—Rs. 100/13—100/13—100/13—100/13.
4 1/2% Kerala (1974)—Rs. 97/25—97/25—97/25—97/25.
4 1/2% U.P. (1974)—Rs. 97/45—98/16—97/45—98/16.
4 1/2% Loan (1986)—Rs. 100/05—100/05—1100/05—100/05.

BANKS

Punjab National—Rs. 18/81—19/00—18/69—18/81—(20/62).
United Bank of India—(Rs. 10 paid)—Rs. 7/37—7/37—7/25—7/31—(8/44).
United Commercial—Rs. 65/00—65/00—64/00—64/25.

COTTONS

Bharat Commerce—Rs. 19/62 x.d.—19/62—19/62—19/62—(25/69).
Birla—Rs. 33/00—33/00—33/00—33/00—(27/00).
Dunbar—Rs. 27/56—27/62—27/50—27/50.
Elgin—Rs. 17/87—18/00—17/81—18/00—(20/31).
Muir—Rs. 93/00—96/00—90/00—90/75—(114/00).
New Victoria—Rs. 1/34—1/50—1/31—1/30—(1/50).
Swadeshi (P.O.)—Rs. 7/31—7/31—7/25—7/25—(8/72).

COALS

Bharat—Rs. 3/25—3/44—3/25—3/44—(4/06).
Central India—Rs. 10/00—10/06—9/87—9/87—(11/87).
Dhemo Maln—Rs. 4/69—4/69—4/28—4/31—(5/75).
Jogta—Rs. 1/19—1/19—1/19—1/19.
Oriental—Rs. 8/50—9/00—8/50—9/00.

CAPITAL, 20th June, 1963.

Western Bengal—Rs. 8/87—9/00—8/87—9/00—(9/87).

JUTES

Agarpara—Rs. 10/31—10/31—10/25—10/25—(10/94).
Auckland—Rs. 146/00—146/00—146/00—146/00—(171/00).
Bally (Pref.)—Rs. 103/00—105/50—103/00—105/50.
Bengal—Rs. 9/62—9/69—9/62—9/69—(10/31).
Birla (1st Pref.)—Rs. 77/50—78/50—77/50—78/50.
Champdany—Rs. 20/94—20/94—20/94—20/94—(195/50).
Delta—Rs. 154/50—159/00—150/50—159/00—377/00.
Fort Gloster—Rs. 377/00—377/00—377/00—377/00.
Ganges—Rs. 14/00—14/00—13/81—13/87—(14/56).
Gondalpara—Rs. 15/44—15/69—15/44—15/62.
Hooghly (Pref.)—Rs. 10/62—11/00—10/62—11/00—(10/87).
Kamarhaty—Rs. 194/50—197/00—194/50—196/00—(193/00).
Kinnison—Rs. 148/00—148/00—148/00—148/00—(154/00).
Kankannarrah (Pref.)—Rs. 72/00 x.d.—72/00—72/00—72/00.
Lansdowne—Rs. 86/00—86/00—86/00—86/00—(86/00).
New Central—Rs. 13/00—13/00—12/69—12/87—(15/87).
Northbrook—Rs. 28/00—28/00—28/00—28/00—(39/50).
Presidency—Rs. 4/87—5/00—4/87—4/87—(5/37).
Rameshwara—Rs. 9/37—9/44—9/37—9/44—(9/19).
Reliance (Pref.)—Rs. 115/50—115/50—115/00—115/00—(115/00).
Do. (Ord.)—Rs. 10/37—10/44—10/37—10/44.

CEMENTS

Dalmia (Bharat)—Rs. 13/31—13/31—13/19—13/31—(13/62).
Valley—Rs. 4/75—4/75—4/56—4/75—(5/25).
Sone—Rs. 4/06—3/87—4/06.

CHEMICALS

Alkali & Chemical—Rs. 31/37—32/25—31/37—32/25—(46/00).
Do. (Pref.)—Rs. 88/50—88/75—87/50—87/50.
Bengal Chemical (7 1/2 Pref.)—Rs. 11/87—11/87—11/87—11/87—(11/62).
Phosphate Co.—Rs. 160/00—160/00—160/00—160/00.

MINING

Metal Corp.—Rs. 7/81—7/94—7/81—7/94—(12/56).

ELECTRICS

Benares—Rs. 12/44—12/50—12/31—12/37—(12/00).
Calcutta—Rs. 14/12—14/31—14/12—14/19—(15/19).

ENGINEERINGS

Bhartia Electric Steel—Rs. 14/37—14/50—14/37—14/50—(12/06).
Binani Metal—Rs. 10/50—10/87—10/50—10/50—(12/03).
Britannia Eng.—Rs. 9/75—9/75—9/25—9/25—(12/19).
Burn & Co.—Rs. 510/00—510/00—505/00—506/00—(699/00).
Bharat Ball Bearing—Rs. 13/00—13/12—13/00—13/12.
Braithwaite & Co.—Rs. 30/87—31/25—30/87—31/19—(35/75).
Calcutta Steel—Rs. 12/75—13/06—12/75—13/06—(16/69).
Dalmia Iron—Rs. 10/50—10/75—10/50—10/56—(11/87).
Escorts—Rs. 16/50—16/50—16/50—16/50.
Hindustan Wire—Rs. 9/94—10/00—9/94—10/00.
Indian Steel & Wire—Rs. 40/25—40/37—40/25—40/37—(55/75).
Indian Iron & Steel (Pref.)—Rs. 84/50—85/00—84/00—85/00—(84/50).
Indian St. Wagon—Rs. 32/37—33/25—32/00—32/87.
Do. (Pref.)—Rs. 118/00—118/00—118/00—118/00.
Jay Eng.—Rs. 20/94—21/06—20/94—21/06—(28/39).
Jessop & Co.—Rs. 23/00—24/25—23/00—24/00—(23/50).
Kumardhubi—Rs. 8/06—8/31—8/06—8/19—(7/69).
Marshall's—Rs. 2/75—2/75—2/66—2/72—(3/69).
National Screw & Wire Pro.—Rs. 10/44 S.T.—10/69—10/00—10/69.
Raymon Eng.—Rs. 3/75—3/94—3/69—3/94—(6/35).
Saran—Rs. 8/75—8/81—8/75—8/81.
Textile Machinery (6 1/2 Pref.)—Rs. 103/00—103/00—103/00—103/00.

Wellman Incandescent—Rs. 6/62—6/69—6/50—6/69.

INSURANCES

New Asiatic—Rs. 7/70—7/70—7/70—7/70.
Ruby General—Rs. 9/44—9/44—9/31—9/31—(8/94).

MISCELLANEOUS

Aluminium Corp.—Rs. 12/75—12/75—12/44—12/50—(18/25).
Angelo Brothers—Rs. 21/94—21/94—21/81—21/87—(23/12).
Asiatic Oxygen—Rs. 9/19—9/19—8/81—9/00.
Assam Hardboard—Rs. 4/87—5/00—4/87—4/94—(5/56).
Asian Refractories—Rs. 7/00—7/12—7/00—7/12.
Airways India—Rs. 4/19—4/19—4/00—4/00.
B. I. Corp.—Rs. 8/28—8/31—8/25—8/31.
Do. (Pref.)—Rs. 105/00—107/00 x.d.—105/00—107/00 x.d.—(103/00).
Bharat Nidhi—Rs. 5/28—5/35—5/25—5/25.
Calcutta Silk—Rs. 6/94—6/94—6/94—6/94.
Clive Row—Rs. 8/56—8/60—8/56—8/60.
Darjeeling Ropeway—Rs. 9/00—9/00—9/00—9/00—(8/00).
Dr. Paul Lohmann—Rs. 10/25—10/25—10/25—10/25.
Do. (Renunciation)—Rs. 0/10—0/12—0/06—0/12.
Dunlop Rubber (1st Pref.)—Rs. 107/00—108/50—108/00—108/50—(106/25).
Do. (2nd Pref.)—Rs. 73/00—73/00—73/00—73/00—(71/00).
Dyer Meakin Breweries—Rs. 26/00—26/00—26/00—26/00.
East Anglia—Rs. 9/37—9/37—9/37—9/37.
Electric Construction—Rs. 12/44—12/44—12/25—12/31—(14/37).
English Electric—Rs. 11/87—12/19—11/75—12/06.
Eastern Investment—Rs. 109/00—109/00—107/00—107/00—(138/00).
General Tyres—Rs. 8/25—8/31—8/25—8/31—(6/19).
Goodyear India—Rs. 32/00—32/00—31/87—31/87—(45/37).
Great Eastern Hotel—Rs. 225/00 s.t.—225/00—225/00—225/00.
Hindustan Development—Rs. 3/87—4/06—3/87—4/06.
Hindustan Pilkington Glass—Rs. 14/44—16/12—14/25—15/87—(23/00).
Hindustan Aluminium—Rs. 12/37—12/69—12/31—12/69—(17/37).
Hilla Tea Estate & Ind. Rs. 5/80—5/91—5/80—5/91.
India Carbon—Rs. 19/87—19/87—19/62—19/62—(22/00).
Indian Oxygen—Rs. 25/25—25/25—25/00—25/00—(45/62).
Indian Tack & Nail—Rs. 11/37—11/37—11/25—11/25—(17/00).
Isaac Holdens—Rs. 14/25—14/31—14/25—14/31.
Imperial Tobacco—Rs. 10/34—10/34—10/31—10/31.
Indian Wood Pro.—Rs. 28/75—28/75—28/75—28/75.
Jardine Henderson—Rs. 88/00—88/00—86/00—86/50—(79/50).
Jay Shree Industries—Rs. 15/62—15/62—15/50—15/50—(17/75).
J. K. Synthetics—Rs. 10/06—10/12—10/06—10/12.

Kusum Products—Rs. 29/00—29/00—29/00—29/00.
Martin Burn—Rs. 25/00—25/50—25/00—25/50—(28/94).
Do. (Pref.)—Rs. 85/00—85/50—84/00—84/00—(83/50).
Metal Distributors—Rs. 4/94—5/06—4/87—4/94.
Madhya Pradesh—Rs. 8/34—8/50—8/12—8/50—(10/19).
National Pipes & Tubes—Rs. 26/37—26/37—26/31—26/31—(32/37).
Phillips India—Rs. 26/50—26/62—26/50—26/62—(33/62 x.d.).
Phillips Carbon—Rs. 16/31—16/75—16/31—16/75—(25/12).
Sen-Raleigh—Rs. 14/00—14/06—14/00—14/06.
Sirsilk—Rs. 8/87—9/37—8/87—9/37—(9/87).
Tungabhadra—Rs. 5/90—5/90—5/90—5/90.
Universal Cables—Rs. 9/50—9/56—9/50—9/56.
Universal Electric—Rs. 9/25—9/25—9/19—9/19—(5/62).
Union Carbide—Rs. 38/87—39/25—38/75—39/25.
Walford Transport—Rs. 3/56—3/62—3/50—3/50—(3/75).
Do. (P.O.)—Rs. 2/31—2/34—2/31—2/34.

REAL PROPERTY

Regent Estates (Pref.)—Rs. 34/00—34/00—34/00—34/00.

TEAS

Gloomfield—Rs. 3/00—3/12—3/00—3/12—(3/25).
Baghmari—Rs. 12/00—12/00—12/00—12/00—(22/25).
Bateli—Rs. 18/50—18/50—18/50—18/50—(19/00).
Belgachi—Rs. 21/50—21/50—21/50—21/50—21/50.
Dufflaghur—Rs. 27/50—27/50—27/50—27/50—(28/75).
Dhelakhat—Rs. 19/75 s.t.—19/75—19/75—19/75—(21/06).
Eastern Cachar—Rs. 4/12—4/19—4/12—4/19—(3/58).
Grob—Rs. 6/94—7/00—6/94—7/00.
Hasimara—Rs. 12/44—13/00—12/44—12/87—(31/56).
Kingsley Golaghat (Bonus)—Rs. 115/00—115/00—115/00—115/00.
Nagri Farm—Rs. 29/50—29/50—29/12—29/19—(25/44).

Sirpur—Rs. 11/75—11/90—11/62—11/87—(13/06).
Star (3rd Pref.)—Rs. 78/00—80/00—78/00—80/00—(79/00).
Straw Products—Rs. 9/00—9/25—9/00—9/25—(10/37).
Seshasayee—Rs. 7/50—7/56—7/25—7/37—(8/06).
Shree Gopal Paper (2nd Pref.)—Rs. 102/00—102/50—102/00—103/00—(98/00).
Titaghur—Rs. 16/19—16/25—16/06—16/12.
West Coast—Rs. 137/00—137/00—137/00—137/00—(176/00).

SHIPPING

India Steamship—Rs. 6/31—6/44—6/31—6/44—(7/06).

SUGARS

Bharat—Rs. 11/25—11/25—11/25—11/25.
Cawnpore (Pref.)—Rs. 104/00—104/50—104/00—104/50—(118/00).
Darbhanga—Rs. 8/00—8/06—7/94—8/06—(10/00).
Raza Buland—Rs. 9/25—9/37—9/25—9/31—(9/12).
Upper Ganges—Rs. 68/00—68/00—68/00—68/00.
Tulsipore—Rs. 4/37—4/37—4/37—4/37.

PRESSING

Camperdown—Rs. 95/00 s.t.—95/00—95/00—95/00.

UNDER TONE STEADIER AT CLOSE

London

BUSINESS AT LOW LEVEL

UNDER TONE STEADIER AT CLOSE

London, 19th June.

THE stock market was completely dominated by the Profumo affair last week, and this kept business at a low level. Actual selling was light, but on most days, buyers were inactive resulting in prices drifting. More recently, however, selective buying developed on the view that the Government will have time to straighten things out prior to the general election. There was a distinctly more confident atmosphere immediately in front of the Commons debate, and although the market resumed cautiously afterwards, the cheap buyers reappeared. Equities recouped lost ground, and from an economic point of view, there is everything to push prices higher. The latest survey of the F.B.I. was particularly encouraging and the Chancellor of the Exchequer was optimistic in his views of the future.

Gilt-edged were uncertain and prices were lower. Dollar stocks followed the wake of Wall Street, and in the main, the trend was towards lower levels. Gold shares were quiet, but a comparatively steady, with the tendency improving in the last day or so in response to Cape support. Finance issues made good showing. Oils moved narrowly and indecisively, but rubbers met with quiet selective buying.



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under
all conditions

Rain, mud or rough, broken ground—however dangerous or difficult the road surface, you can trust Dunlop Truck and Bus tyres to give you the maximum in safety and long service. Sturdy casing—deep, safety-pattern tread—and more re-treads per tyre—add up to the lowest cost per mile for the operator.

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TRUCK AND BUS TYRES
lowest cost per mile

DUNLOP—LONGEST MANUFACTURING EXPERIENCE IN INDIA

SAVE TODAY

SPEND TOMORROW

A thrifty person saves today and saves his tomorrows while a spendthrift spends today and spends away his tomorrows as well.

United Bank of India Ltd.
HEAD OFFICE: 4, CLIVE GHAT STREET, CALCUTTA

A SYMBOL OF SERVICE

OFFERS COMPLETE BANKING SERVICE

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(in 1000s of Rupees)		14-6-63	7-6-63	15-6-62
Liabilities—				
Notes in Banking Dept. ...		28,98.45	21,49.34	30,02.70
Notes in Circulation ...		23,07,07.66	23,13,98.80	21,37,04.40
Total Notes Issued ...		23,36,06.11	23,35,48.14	21,67,07.10
Assets—				
A Gold Coin and Bullion ...		1,17,76.0	1,17,76.10	1,17,76.10
Foreign Securities ...		1,09,08.43	1,09,08.43	92,68.17
Total of A ...		2,26,84.53	2,26,84.53	2,10,44.27
B Rupee Coin ...		1,11,78.00	1,11,20.73	1,12,41.07
Rupee Securities ...		19,97,43.58	19,97,43.58	18,39,21.76
Total ...		23,36,06.11	23,35,48.14	21,67,07.10

BANKING DEPARTMENT		Week Ended		
(in 1000s of Rupees)		14-6-63	7-6-63	15-6-62
Liabilities—				
Capital: Paid-up ...		5,00.00	5,00.00	5,00.00
Reserve Fund ...		89,00.00	89,00.00	89,00.00
National Agricultural Credit (Long Term Operations) Fund ...		61,00.00	61,00.00	30,00.00
National Agricultural Credit (Stabilization) Fund ...		7,00.00	7,00.00	6,00.00
Deposits—				
(a) Central Govt. ...		58,94.10	70,95.11	57,49.90
(b) State Govts. ...		7,96.37	7,11.41	5,16.73
(c) Banks—				
(i) Scheduled Banks ...		79,73.82	74,62.84	87,13.56
(ii) State Co-operative Banks ...		2,71.25	2,66.22	—
(iii) Other Banks ...		4.02	4.75	—
(d) Others ...		1,53,66.05	1,53,34.54	1,38,65.04
Bills Payable ...		32,89.30	28,91.84	39,13.27
Other Liabilities ...		82,86.57	81,12.02	71,16.87
Total ...		5,86,14.57	5,87,27.73	5,50,21.07
Assets—				
Notes ...		28,98.45	21,49.34	30,02.70
Rupee Coin ...		2.13	2.54	1.81
Small Coin ...		2.20	2.33	2.24
National Agricultural Credit (Long Term Operations) Fund ...		—	—	—
(a) Loans and Advances to—				
(i) State Govts. ...		27,17.51	27,17.01	—
(ii) State Co-operative banks ...		9,08.90	9,04.87	—
(iii) Central Land Mortgage Banks ...		—	—	—
(b) Investment in Central Land Mortgage Banks ...		2,84.88	2,84.88	—
National Agricultural Credit (Stabilization) Fund ...		—	—	—
Loans and Advances to State Co-operative banks ...		—	—	—
Bills Purchased and Discounted—				
(a) Internal ...		—	—	—
(b) External ...		—	—	—
(c) Govt. Treasury Bills ...		92,60.25	92,69.37	56,79.33
Balances Held abroad ...		6,65.60	5,41.63	6,01.99
Loans and Advances to Govt. ...		50,78.48	49,40.88	1,18,96.66
Loans and Advances to—				
(i) Scheduled banks ...		6,91.12	24,53.02	—
(ii) State Co-operative Banks ...		1,45,50.08	1,14,43.30	—
(iii) Others ...		3,25.37	3,05.67	—
Investments ...		2,34,24.54	2,34,37.63	1,71,92.28
Other Assets ...		38,50.56	38,14.84	39,22.73
Total ...		5,86,14.57	5,87,27.73	5,50,21.07

SCHEDULED BANKS

(in 1000s of Rupees)		Week Ended		
(in 1000s of Rupees)		7-6-63	31-5-63	8-6-62
(I) Demand Liabilities—				
(a) Demand Deposits ...		81,20.65	51,89.58	50,91.45
(b) From others ...		8,86,00.61	8,85,25.34	7,06,20.19
(c) Borrowing from Banks ...		32,33.69	31,72.38	27,63.13
(d) Others ...		16,39.25	27,36.40	57,99.92
(II) Time Liabilities—				
(a) Time Deposits ...		27,21.34	26,32.06	17,03.11
(b) From others ...		12,13,83.47	12,11,05.04	12,17,79.48
(c) Borrowing from Banks ...		33,85.40	22,47.92	13,05.32
(d) Others ...		10,72.77	10,68.83	10,40.05
(III) Borrowing from State Bank—				
(a) Demand Liabilities ...		8,11.10	5,44.33	4,50.70
(b) Time Liabilities ...		10,98.00	10,89.30	12,53.00
(c) From others ...		24,18.37	16,37.20	12,71.15
(d) Borrowing from Reserve Bank ...		54,32.03	52,74.20	50,76.10
(e) Cash ...		76,09.72	76,84.71	76,90.48
(f) Balances with the Reserve Bank ...		20,84.35	20,33.56	18,11.95
(g) Balances with other banks in current account ...		49,59.35	45,19.15	54,34.12
(h) Money at call and short notice ...		6,37,32.11	6,28,16.50	5,71,43.45
(i) Investments in Central and State Govt. Securities ...		13,23,91.57	13,11,86.26	12,29,84.77
(j) Loans, cash credits and overdrafts ...		10,61.02	10,26.47	5,75.22
(k) Advances from banks ...		1,85,73.76	1,87,11.80	1,62,78.78
(l) Advances from others and discounted ...		51,37.03	53,71.12	44,61.49
(m) Foreign bills purchased and discounted ...		15,71.63.33	15,63,29.65	14,43,26.26
(n) Total of (a) to (m) ...		—	—	—

Money

THE CALCUTTA MONEY MARKET

DECREASE IN ADVANCES CONTINUES

Wednesday, 19th June.

THERE has been a fair decrease in the general level of advances in the Calcutta money market during the past week. The credit given to the cotton, woollen and jute mills is almost unchanged. But there has been a decline in the requirements of the sugar mills, as well as the iron, steel and engineering industries. Advances for foodgrains and seeds are also slightly smaller. In the inter-bank market, conditions are noticeably easier and the call rate is down to 4½ percent.

The exchange market has been dull, with a meagre supply of tea and gunny bills. The demand for remittance has been poor. The tendency in sterling has been mixed, gains and losses being fractional in most cases.

SILVER WAS STEADY IN CALCUTTA during the week. The price rose from the previous week's level of Rs. 260.75 to Rs. 261.75 quoted today for ready delivery. The London and New York prices were 110½d and 127.4 cents. There was no trading in forward silver and gold.

DURING THE WEEK ENDED 14TH JUNE, Government of India Treasury bills for Rs. 110,86,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 18th June. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.410 percent and above were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.350 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 24th June.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 19th June to 22nd June at Rs. 99.431 percent, subject to the conditions previously announced that sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 12th June to 15th June amounted to Rs. 1.35 crores.

THERE WAS A FALL OF RS. 6.91 CRORES to Rs. 2,307.08 crores in active notes, according to the return of the Reserve Bank of India for the week ended 14th June, 1963, while the total note issue was Rs. 58 lakhs bigger at Rs. 2,336.06 crores. Notes held in the Banking Department consequently rose by Rs. 7.59 crores to Rs. 28.98 crores. Deposits of the Government of India fell by Rs. 12.01 crores to Rs. 58.94 crores, but those of other Governments rose by Rs. 85 lakhs to Rs. 7.96 crores. Balances of scheduled banks were Rs. 4.24 crores larger at Rs. 79.04 crores. Balances held abroad increased by Rs. 1.64 crores to Rs. 6.96 crores. Investments were Rs. 13 lakhs smaller at Rs. 234.25 crores. Loans given to scheduled banks declined from Rs. 24.53 crores to Rs. 6.91 crores, of which advances against usance bills were Rs. 2.86

CAPITAL, 20th June, 1963.

CAPITAL, 20th June, 1963.

HINDUSTAN LEVER LIMITED

CHAIRMAN, MR. P. L. TANDON'S ADDRESS

The following speech was delivered by Mr. P. L. Tandon, Chairman, at the Annual General Meeting of Hindustan Lever Limited held at Bombay on Wednesday, 12th June, 1963.

It gives me great pleasure to welcome you to this Annual General Meeting of the Company. The Report and Accounts for the year 1962, in which is incorporated the Report of the Directors on our activities, has been with you for some time. May I therefore take it as read, except perhaps to say that your Company has had the good fortune of experiencing a year of record sales and profits before tax. Our performance in the nationally vital field of exports, where there has been a big jump from Rs. 71 lakhs to Rs. 201 lakhs in 1962, has also given us much satisfaction. Later in the proceedings I shall be happy to answer any questions you may wish to ask.

Continuing our past practice of choosing a particular aspect of your Company, I shall today talk to you about the management of Hindustan Lever.

Hindustan Lever is a concern whose main activities in the past have had to do with oils and fats, though it is now branching out more widely in the field of foods, both human and animal. The primary purpose is to manufacture and sell a wide variety of products, mainly consumer goods to be used by the housewife, including cooking oils and fats, soaps and non-soapy detergents, toilet preparations and dehydrated vegetables. The extent of our business is largely governed by the standard of living of the average household; as the standard rises, the wider the range of the products becomes and the more we sell of them. The organisation of the Company is designed to fulfil this purpose to the best advantage.

Ancillary to the manufacture and sale of goods is the side of the business which is concerned with the procurement of materials. We purchase oils and fats and other basic commodities mostly within the country and partly, though decreasingly, in world markets. Part of our local purchases is in the form of oilseed to be crushed in our own oil mill.

All our activities are carried out in a highly competitive environment.

A Public Company

Ours is today what we call an integrated Company. All its activities, ramifications and products, including buying, production and marketing are contained within the one Company. But this was not always so. Up to 1944 we operated as three main companies, each with its own managing director and its own set of services such as buying, accounts and transport. At that time, although the three companies continued as separate statutory entities, their entire operations were combined under a single control at the top to obviate the overlapping and duplication of services. While a common pool of all services was formed, marketing still continued in three separate groups, each known by the name of one of the three companies. The Hindustan Vanaspathi Company Ltd. handled vanaspathi, Lever Brothers (India) Ltd. soaps and United Traders Ltd. toilet preparations. The head office and the main branches in Bombay, Calcutta, Delhi and Madras offered to each of the three marketing companies all services from the common pool.

1956 was a historic year for us. We became a public limited company and placed a part of our share capital on the market. The operations of the three

private companies, named above, were amalgamated into one under the name of Hindustan Lever Limited. This made our integration complete, for now all our activities and products were grouped under the single new name, which is our image to the public.

In the running of the Company we have always been guided by our responsibilities to the parent company, the employees, the consumers and the community. When we became a public company, to these responsibilities was added yet another, namely, to the Indian shareholders. This introduced a new influence on our thinking insofar as we had to ensure a balance between the current interests of the shareholders and their future interest in the development of the Company. And out of the public shareholding arises the duty to conform with the utmost care to the elaborate Company Law with its meticulous but understanding administration. We have much appreciated the opinions, criticisms and advice which we have received at our Annual General Meetings, and the integration of Unilever with Indian shareholders has been a happy and stimulating one.

History and purpose therefore define the job of managing Hindustan Lever. The task never remains constant. People and economies are always changing, more so in a developing country like ours. There are constantly arising new leads and pressures, in response to which changes in our organisation are also necessary. These changes are seldom radical, but they must be made as we meet new problems. This is therefore a description of the organisation just as it is at the present moment.

Before describing the organisation, may I give you a few figures to illustrate the size of the operation. We have 6,521 employees, of whom 363 are managers, 717 office staff, 538 engaged in the field, 554 service staff, 347 technical and 4,002 general operatives in the factories. Of the managers, 55 per cent have risen from within the ranks while 45 per cent were recruited either directly as managers or as management trainees. There are only 13 expatriates, mainly in technical specialist functions and training Indians to take over. It is possibly true to say that Hindustan Lever is foremost today among the large Indian companies forming part of international groups, in having vested its management and control in the hands of Indian managers.

Moreover, our Company was among the first of the many overseas companies within the Unilever group to start this process and today has probably gone further along this road than any. The process itself is so well known inside Unilever and is progressing, at differing rates, in so many countries that a new word "Isation" has been coined as a generic term of reference.

The Board

The number of Board members has varied up to a maximum of eight. They are all in the whole-time employment of the Company and have risen from within. They have no stake in the Company other than the very important one that as professional managers they are wedded to their jobs. They do not participate in the profits, nor invest in the Company; they are subject to the same terms and conditions as other managers, perhaps with added self-restraint. I would not like to venture any generalisations about working directors, against outside advisory directors, an oft-discussed issue in India. It is argued that a working director is so immersed

on occasions requires a delicate balancing.

Ad-hoc Committees

A further and typical part of our method of management is the periodic setting up of small committees on an ad-hoc basis to investigate and report upon some major problem that the business faces. These committees are small but high-powered with experts on each of the fields impinging on the problem; usually not more than three or four people in all—sometimes including Directors, sometimes not. We find this device a very useful one. The members of the committee take some time off from the normal pressure of business to consider calmly and dispassionately the particular problem. The problem is always of sufficient magnitude that it is clear to all concerned that the best decision is important to the Company as a whole. We value these committees also because they provide an opportunity for the younger executives for training and development and for participating in the overall management of the Company at a high level and as part of a team in such a way that it will help them to take on ever more important duties of management.

Advisory Departments

As I have already explained to you, our main purpose is the manufacture and sale of consumer goods, and the departments responsible for these are termed operating. All other functions of the Company exist to assist manufacture and sale, and are called service and/or advisory. The aim of the technical and marketing departments is straightforward, but I would like to say a little more about the role of the service and advisory departments. These are departments like economics, operational statistics, planning, marketing research, organisation and methods, legal, who are primarily advisory; and others like transport, accounts, buying and personnel, who both advise and give service.

The quality of decisions in the Company rests primarily on the quality of top management, but can be enormously improved by the effectiveness of its advisory services. Their whole purpose is to offer experience and knowledge of a specialised quality in specialised fields. As the name suggests, the advisory and service departments do not give orders, they can only suggest, recommend or persuade. Whether their advice or service should be accepted or not must always rest with the operating units, who have the ultimate responsibility for their results. To be successful, the advisory and service departments should have a broad understanding of the different operations of the Company, for their opinions are unlikely to impress with theory alone. Also necessary is complete intellectual integrity. To make their advice acceptable, tact is a primary qualification. As advisers never have the satisfaction of personally putting their ideas into practice, and indeed sometimes the chagrin of seeing things going wrong because their advice was not accepted, to tact must be added considerable self-control. Ultimately success depends as much on those who advise as on those who do the job.

Control of the Company rests basically on four devices:

1. The operating plan
2. The capital expenditure budget
3. The overheads budget
4. The review of top management.

Annual Operating Plan

In September each year, marketing plans with clearly defined objectives for the ensuing year are fully discussed with the Board. At this meeting, advertising, distribution, establishment, sales tonnages, margins and estimated profits for the coming year are put forward. It should be mentioned that, although the detailed plans apply to one year only, the long term objectives of the Company are forcefully kept in mind and discussed. Once these plans

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1971, at 7 percent, have given indications that the tax effort, needed for their next exercise, will make this year's collection pale into insignificance.

Meanwhile, the Planning Commission has developed into an organisation which wields power without responsibility. Its members have no fixed tenure of office, and they are neither subject to Government servants' rules nor answerable to Parliament. The Gresham's Law is now in operation within the Commission, the law being that bad money drives out good money from the market. A civilian specially brought here from Uttar Pradesh, Mr. A. N. Jha, found it impossible to function. He went on leave and has now been given another assignment. An unprecedented step followed as the Deputy Chairman appointed one Joint Secretary, Dr. S. R. Sen, as the Secretary of the Commission.

As for the fourth plan, on the assumption that the third plan targets will be reached in full, the food target has been fixed at 120 million tons, cotton at 9 million tons, coal at 180 million tons, fertilisers at 16 million tons in terms of nitrogen, steel at 18 million tons, including 3 million tons of pig iron, electricity generation at 25 million kilowatts and the production of industrial and agricultural machinery at two and a half times more than in the third plan targets. The target for crude oil is raised from 6 million tons to 14 million tons.

It is indicated that while the poorer sections of the population should be allowed to raise their consumption levels rapidly, presumably through pumping money, the rich and the relatively well-to-do should be asked to restrain further increases in consumption. There are, however, two snags in this paper exercise. The first snag is that the targets fixed for the third plan, on the basis of which projections are made, may not be reached. The second snag is that in a democracy under a state of emergency, there is a limit to keeping men and women in strait-jackets. The recent election reverses of the Congress in three places are a case in point. It is wrong to attribute these reverses to India's policy of non-alignment or to Mr. Nehru's China policy. It was a verdict against the Government's policy on high taxation, the steady rise in the cost of living, and the gold policy.

By 1966, it was claimed, India will reach the take-off stage. The Chinese

aggression could provide no explanation for any shortfall in the plan, because the plan is being fully implemented. The basic issue before the country is whether the Planning Commission has been making realistic plans, capable of being fully implemented. Masses are getting tired of big plans followed by begging delegations going abroad for financing the plans.

COAL

Developing Karanpura Field

After an extended study of the technical problems involved, a project agreement has recently been signed here between the Governments of India and France. Its purpose is to exploit the thick coal seams of the Karanpura coalfield in Bihar State by methods widely used in France. The aim is to recover a greater percentage of the coal present in the mines, using, in particular, the roof caving method and working the mines from top to bottom, without substantially increasing the capital cost. But these methods call for considerable engineering skill and mining experience which the French will share with the National Coal Development Corporation miners. On account of the project, the French Government will bear the foreign exchange cost worth Rs. 10 lakhs for personnel, depreciation of the equipment used, detailed plans and know-how, etcetera.

The project will be implemented by the National Coal Development Corporation and the Charbonnages de France, the State-owned undertaking operating all coal mines in France. An integrated team of French miners will be despatched to India. They will act as operators and demonstrators along with an Indian team of fully-trained miners and engineers in the mine selected for pilot experiment. The French mission is expected in November. It will stay in this country for about a year.

FRANCE

Pacts on Indian Imports

France signed an agreement for the supply of three *Caravelles* to the Indian Airlines Corporation last week. Another contract is envisaged between the Indian railways and Societe Nationale des Chemins de Fer for supplying electric locomotives. Renault of France has signed several agreements last week. They include a 9,000-ton forge plant in

Calcutta, a 7,000-ton forge plant in Orissa, a 9,000-ton forge plant in Hyderabad, an electric cable plant of 3,600 tons' capacity in Orissa and a tool and dies plant of 370 tons' capacity in Faridabad.

CANADA

Orders for Durgapur Plant

Canada has secured orders for three heat-treating furnaces for the alloy steel plant to be set up in Durgapur, largely in collaboration with Japan. The estimated cost of the three furnaces is placed at Rs. 1.55 crores, out of which Rs. 65.10 lakhs will be in foreign exchange. The order was awarded to Amco Furnace Construction, Ltd. Negotiations are being carried on for the fourth furnace costing Rs. 65.25 lakhs, including Rs. 55.70 lakhs in foreign exchange.

FOODGRAINS

Imports under Indo-U.S. Pact

The following is the text of the joint *communiqué* recently signed in Washington by Mr. S. K. Patil, Central Food and Agriculture Minister, and Mr. Orville L. Freeman, Secretary to the U.S. Department of Agriculture:

"When the present agreement comes to an end in June 1964, India will require a much smaller P.L. 480 agreement, possibly of the order of 10 million tons in four years. Because of increased production, India has taken less wheat than anticipated and it may, therefore, be possible to extend the period of time for wheat shipments under the current agreement for another year beyond 30th June, 1964. Since rice is the main staple food of India, Mr. Patil indicated his intention of building a stockpile of rice of nearly 2 million tons during the next four years.

"It was agreed that detailed discussions of measures which could be taken to meet India's future needs under P.L. 480 would take place later in the year since the current P.L. 480 agreement will have a year to run and may be extended. To meet India's immediate needs for rice, it was agreed that shipments of about 150,000 tons under the current agreement would be made available, with shipments to begin soon."

ROAD TRANSPORT

New Company to be Formed

The Government of India has decided to convert its departmental road

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transport organisation which was set up in November last to provide goods transport services in the Assam-north Bengal area, into a limited liability company. The latter, which may eventually have a fleet of 200 vehicles, will start with a paid-up capital of Rs. 50 lakhs. Provision will be made for enabling the State Governments to be served by the company, namely, Assam, West Bengal and Bihar, to join it later as shareholders, if they so desire.

The company, which is to be registered in Delhi, will have its head office in Siliguri—the centre of its operation. It will have a small board of directors, including a chairman, a managing director and a representative each of the Central Ministries of Finance and Railways. The association of a representative of the Central Ministry of Railways with the board of directors, it is expected, will facilitate rail-road co-ordination. A procedure will also be evolved to enable the company to function as out-agents of the railways and to have through-booking arrangements wherever necessary.

TELEX SERVICE

Charges for Messages

The national telex service will make its debut in India with the commissioning of the new exchanges installed in Calcutta, New Delhi, Bombay and Madras. The new exchanges will start operating from 24th June. The new services will enable teleprinter subscribers at these stations to communicate with each other, the calls being established by automatic dialling. The annual rental for the telex connection will be Rs. 800. Charges for the transmission of messages will be levied at the rates depending on the distance and duration of the call. For instance, a call from Delhi to Bombay will cost 40nP for a unit period of 12 seconds. Local call charges are 40nP for every three minutes. The same is the charge for booking telegrams to the local telegraph office. Any telegram intended for a telex subscriber will be transmitted on his teleprinter line, free of cost.

The existing Bombay-Ahmedabad service will continue, and Ahmedabad subscribers will also shortly have the facility of inter-connection to other stations.

I. T. I.

Sales Rise

The sales of goods manufactured by the Indian Telephone Industries, Bangalore, during 1962-63 exceeded Rs. 7.50 crores, against the original sales budget of Rs. 6.2 crores. The products of the Indian Telephone Industries have been in demand from outside India. Equipment worth about Rs. 4 lakhs is awaiting either inspection or shipment. The I.T.I. is scheduled to participate in the Indian exhibition in Moscow and at the Budapest fair during the current year.

The I.T.I. manufactures various types of equipment ranging from monitoring equipment for the All India Radio to line relays for the railways. While the "Priyadarshini" telephone—once developed by I.T.I. with improved efficiency and a pleasing appearance—manufactured during the year was three times the figure for the previous year.

Orders worth about Rs. 45 lakhs are now being executed to meet the requirements of the Indian railways for the supervisory remote control equipment. This type of equipment has been manufactured for the first time in India and is being used on a large scale in the railways.

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the Southern and South-eastern Railways.

The manufacture of co-axial equipment has also been taken up for the first time by the I. T. I. The equipment, designed in collaboration with the Tele-Communication Research Centre of the Posts and Telegraphs department, is now being manufactured to meet the requirements of the Patna-Sasaram section and the Bangalore-Poona section.

WOOL

Training at Grading Centres

On 10th June, a team of five wool experts from Australia started a school in Jodhpur to train 150 Indians in wool grading, classing and the management of wool grading sheds. The seven-month course comprises three-month theoretical and four-month practical training at Churu-Ganganagar, Jhunjhunu-Sikar, Bikaner and Nagaur grading centres.

The wool growers and their operatives as well as the wool trade will be encouraged to bring raw wool to the four grading centres for classing and grading by the trainees. This will enable the State to supply 10 million to 12 million lbs of wool to the textile industry.

If this pilot project proves a success, the Indian Council of Agricultural Research might start similar courses in wool grading in other wool growing areas of the country.

POWER

Contract for Swedish Firm

The Stockholm firm of civil engineers and contractors, S.E.N.T.A.B., has been awarded a £2-million contract by the Government of Rajasthan for the tunnelling work of a large power plant project. The assignment includes the driving and concrete lining of a 1.5-kilometre discharge tunnel for the power-station to be built under Chambal river, 50 kilometres from the city of Kotah. Of horse-shoe shape, the tunnel will be 12 metre high and 13 metre wide. The work will also comprise blasting operations for the power-station canal and for an open tail-race canal between the plant and the tunnel opening and from the tunnel outlet to the river bed. Swedish engineers and technical staff will conduct the work, which will start this summer and take more than three years. Swedish equipment will also be used to a large extent.

WHEAT

Research on Storage

Wheat-producing countries like India, which are faced with the storage problems, will be interested in a research work on the storage of the grain in Australia. It is being carried out by the Australian Commonwealth Scientific and Industrial Research Organisation (C.S.I.R.O.). Storage silos in the State of Victoria were kept under observation for a long period, and the scientists engaged in the work made tests of temperature, moisture content of the wheat, and of insect infestation down to depths of 35 feet.

These tests have shown that there is a relationship between the temperature and moisture content of the deterioration of the surface wheat. High temperature and high moisture content give rise to rapid deterioration. The reduction of either slows down the rate of deterioration. The C.S.I.R.O. says that it appears that cooling of the wheat by aeration is a very practical way of reducing sto-

rage losses. Equipment to study the resistance of wheat to low air flow is at present under construction for use in the tests.

AGRICULTURE

Refinance Corporation

An Agricultural Refinance Corporation is proposed to be established on 1st July, 1963. It will be mainly a refinancing agency for concerning itself with major agricultural development projects which cannot be satisfactorily financed either by central land mortgage banks or apex co-operative banks within their existing framework either on account of the amount of finance involved, or the terms of repayment. The schemes to be considered by the Corporation will be compact ones; assistance may be available for such schemes as (a) the financing of the reclamation and preparation of land so that, in particular, the irrigation facilities are fully used, (b) financing the development of special crops like arecanut, coconut, cashewnut, cardamom, orchards, vineyards, tea, and coffee; (c) development of mechanised farming, use of electricity through tubewells, pumping sets, etcetera, and (d) the development of animal husbandry, dairy

The authorised capital of the Corporation is Rs. 25 crores divided into 25,000 shares of Rs. 10,000 each, of which 5,000 shares of the value of Rs. 5 crores will be issued in the first instance. Out of these, 2,500 shares will be subscribed by the Reserve Bank, 1,500 by central land mortgage banks and State co-operative banks and 1,000 by scheduled banks, the Life Insurance Corporation and insurance and investment companies.

The shares of the Corporation will be guaranteed by the Central Government concerning both repayment of the principal and the payment of a minimum annual dividend. The shares of the Corporation will be deemed to be trustee securities for the purpose of the Insurance Act, 1938, and the Banking Companies' Act, 1949. The Government of India will provide an interest-free loan of Rs. 5 crores, the repayment of which will commence after 15 years from the date of the loan. The Corporation is also authorised to raise resources by accepting deposits for periods exceeding 12 months and by issuing bonds and debentures.

The management of the Corporation will vest in a board of directors, consisting of nine persons including the managing director. A Deputy Governor of the Reserve Bank of India will be the chairman of the board. Other directors will include three representatives of the Government of India, a representative of the Reserve Bank, a representative each of central land mortgage banks and State co-operative banks and one from scheduled banks, the Life Insurance Corporation, insurance and investment companies.



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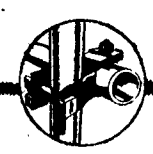
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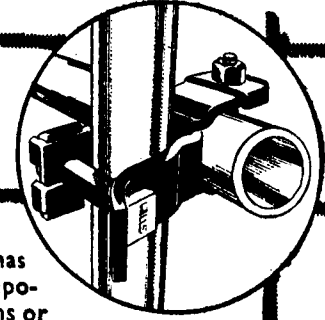


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A NEW APPROACH TO INDUSTRIAL RELATIONS IN BRITAIN

(FROM OUR LONDON CORRESPONDENT)

IF effective action, resulting in a happier "family", produced only one minute more work in every hour paid for, there would be a resultant 2½ percent increase in productivity. It is a striking thought for National Productivity Year, but the U.K. is still left with the old problem of what action can be taken which will really prove effective in dealing with industrial disputes and their resultant complications. Is it possible that the Marlow Declaration will provide the answer?

This document was inspired by a meeting of 18 men in Marlow, Buckinghamshire, from the churches, the board rooms, the trade unions and the teaching profession, who came together because of their common conviction that the present generation has within its grasp a great opportunity to shape a new society sustained by the rightness of its purpose, and based on the justice of its institutions. They believe that the cardinal emphasis of the British way of life must be on individual responsibility, established on a framework of high moral values and integrity. This is the stuff of success and international respect. British people should be proud to be citizens of a nation which has given so much to mankind.

Seventeen years ago, a war ended in which Britain's contribution to the effort for human freedom was second to none. Seventeen years later it is sometimes heard—possibly in certain quarters believed—that her golden age is past. The Marlow signatories reject this notion. They have faith in the courage, ability and integrity of their countrymen. Yet all is not well in British society. Now is the moment, therefore, to launch an endeavour to reinspire traditional national attitudes. The winds of change have created widespread uncertainty and old ideals and personal standards no longer control opinion and action as once they did. Every continuing human effort, if it is to succeed, needs understanding, a clear picture of what is to be done, the reasons for doing it and the methods

to be employed. In a stable world, this may be achieved by custom and practice. In the present changing world, there is a singular need for man's actions to be based firmly on clear and acceptable principles. The first concern must be for the community. The signatories recognise an urgent need for greater acceptance of responsibility by the individual to society. They believe human beings are in a state of constant development; that today they are mature enough to understand and bear such increased responsibilities asked of them.

Effort of Individual

Society, particularly a democratic society, can be sustained only by the considered and continuing effort of the individual. If the individual will give the best of his abilities and energies both he and society will be greatly enriched. Society is created by man for man. One cannot take from society without giving in return. To live in a society such as the present one provides advantages which must always be earned. The function of society is complex, but above all, it is designed to ensure the provision of man's wants along with security and opportunity: security in the assurance of a livelihood and such services necessary to maintain the dignity of his being and opportunity enabling him to realise his innate potential abilities.

The signatories hold that progress along the wide front of social advance depends on the harvest of the whole field of human effort; the manufacturing and agricultural industries, commerce, finance and the public services. British society may seem to be affluent, but the future of the nation is uncertain. The industrial body is not as healthy as it should be and if industry fails, there is unemployment, impoverishment, frustration, conflict and loss of self-respect. The importance of industry to the nation and the large part which it plays in the life of the individual are such that no stability can be assured as long as two distinct

ethical and social standards continue to co-exist. Standards of behaviour in industry and in private life should be equally high. A way must be found to improve the industrial climate, enabling man to play his full part in industry and the community. Just as the strength and resilience of industry is of high importance to a nation, so the conduct of industry affects the moral welfare of those engaged in it.

Therefore, the second concern is for industry and associated fields of human activity. The signatories seek:

(1) To direct public opinion towards a better understanding of the vital importance of industry to the nation and to the individual and of the economic realities within which it has to function.

(2) To induce a realistic attitude to economic situations, on which the success of industry depends.

(3) To remind those concerned with industry, and the general public, that the most valuable asset of a company or other organisation is measured, not in financial terms, nor in capital equipment, but in the skill, knowledge, loyalty, enthusiasm and goodwill of the people whom it employs and with whom it does business.

(4) To focus attention on matters of such great social and industrial importance as education, technical training, the proper induction of youth into industry; industrial safety; problems of the industrially unfit, industrial stress and redundancy. There are also the problems of increased leisure, and earlier retirement resulting from industrial change.

(5) To improve the day-to-day relationship between management and labour and to seek to replace the habit of regarding those employed in industry as composed of "two sides" by a feeling of being responsible partners in a common effort.

Climate of Work

They are convinced there should be recognised standards by which

CAPITAL, 20th June, 1963.

those engaged in industry should judge their conduct, for without a foundation of self-discipline and a profound regard for human values, the creation of a new spirit in industry is impossible. The British people are responsive to trust and to high moral standards. On the other hand, if people are consistently not trusted, they become untrustworthy. A man's life is a unity and cannot be subdivided, for the frustrations and tensions both of work and of home are carried over from one to the other. The climate of work has, therefore, a direct and important effect on the mental and moral health of the nation as a whole.

Challenge to Industry

British industry is facing a great challenge. Much remains to be done, if the U.K.'s industrial effort is to reach the pitch of excellence of which, it is believed, it is capable. It is not enough to achieve faster economic growth than before the war. The U.K. needs to achieve the still faster rates which the experience of other west European countries, to say nothing of new developing countries, is showing to be reasonable and practical. It is not sufficient to provide a job of some kind for everyone. The relationship of the job to the individual is important. It should be one that uses each person's capacity to the full and encourages him or her to grow and develop as a human being and to seek all the education and training available. The wage and salary structures are not in every instance logical and contain anomalies and injustices. Too many of the pensioners and sick people still depend on the voluntary benevolences of an employer and on a state benefit designed to prevent destitution, but not to promote a fruitful and happy life.

They recognise, in conclusion, that merely to identify governing principles is insufficient. They must be constantly tested and developed by experience. This will need the full support of all men of faiths and understanding. They look to the churches, the trade unions, employers and teachers to be in the van of a new movement. Unquestionably, the ultimate answer must lie in the hearts and minds of British men and women. If they wish it to be so, they can confirm by action now that they are a people richly endowed by a thousand years of unifying experience and are capable of justifying the aspirations of their forefathers and the respect of those to come.

Case histories have shown time and time again that where communications are good between top management and the humblest worker, industrial relations are of a much higher standard than in those enterprises where a wide gap exists. Lord Robens, one of the signatories, writing on the subject recently, said he believed by far the heaviest responsibility for improving communications lies with the employer. Union leaders everywhere are usually willing to help, but their resources are limited and their opportunities too few. The employer has at his command all the machinery and the opportunities to do a thorough job.

Too many employers step back from this responsibility and feel that it is a task only for the trade unions. They assume that having provided consultation at the top level, they can leave it to the union machinery to carry the news back. This assumption has never been justified, and never will be. An employer cannot be absolved from his duty—and should always exercise his right—to communicate properly with all the people on his payroll. What he can do in this field, added to the work of the trade unions in informing their members, will all help to fill the gap.

CAPITAL, 20th June, 1963.

Jute

SELF-SUFFICIENCY IN JUTE MILL MACHINERY

THE remarkable resiliency of the Indian jute industry is reflected in the recovery it has staged during the past few years in the face of fresh threats confronting it from time to time. First came the challenge posed by the serious shortage of raw jute after partition. It was followed by the setting up of a modern jute industry in Pakistan. The competition from substitutes and the postwar rehabilitation and modernisation of the industry in Europe were some of the other threats. Fluctuating export demand, soaring production costs, obsolete machinery and equipment, rising labour charges and high fibre prices hit the industry further. Thus "modernise or perish" was the alternative before it. The shortage of foreign exchange and the difficulty in getting machinery and replacements from abroad presented major problems.

Faced with this situation, the industry fought hard. The Government liberalised imports of jute mill machinery and granted licences for manufacturing it within the country. Foreign collaboration helped the ventures. Special-purpose institutions were set up to grant long-term loans to the industry for rehabilitation and development. Thus about 88 percent of the preparatory and spinning sections of the mills were modernised by 1962.

With production continuing at the maximum level, the jute industry is facing the problem of maintaining supplies of yarn, particularly fine yarn, for hessian warp and weft and sacking weft for the looms. The shortage of spinning capacity is becoming more acute with the installation of more and more broad looms for weaving carpet backing cloth. About 1,000 such broad looms commenced production during the past year, raising the total complement at work to 1,300. In about six months' time, with the installation of further capacity, the total number of such looms will be around 2,000. To provide the fine yarn for this extra loomage alone, about 1,000 more silver spinning frames of the latest design have to be set up.

Range of Manufacture

Thanks to the development of a well-planned machinery industry over the past decade, the Indian jute industry has been able to attain virtual self-sufficiency in these highly specialised lines. The entire lot of about 1,000 silver frames for spinning fine yarn, which were installed during the second plan period, was supplied by Indian producers, one single unit supplying as many as 850. The factory has since supplied 663 more such frames and has also raised its annual capacity to 300 frames on a multi-shift basis. Another unit was recently commissioned for manufacturing roll winders; it will also produce 144 broad looms a year on double-shift working. A third unit has taken up the manufacture of broad looms, thus raising their annual output to 840.

On the heavy yarn side, up to the end of March 1961, 455 imported silver spinning frames had been installed for producing sacking warp. The first factory has been licensed to produce 48 such frames on a single-shift basis. Work is expected to commence from September. Early next year, the company will also undertake the manufacture of finisher drawing frames on the fine side, producing 24 finisher heavy yarn drawing frames, 24 second light yarn drawing frames and 48 finisher light yarn drawing frames. Another firm proposes to take up the production of prebeamers and dressing machines soon.

Judged by the present rate of progress, practically the entire range of machinery needed for modernising and diversifying the jute industry may be available from indigenous sources. Besides producing the complete equipment, the factories should be capable of meeting replacement needs. The order-book position of the two leading manufacturers is comfortable and they are optimistic about a continued demand for their products.

Fall in Jute Goods Offtake

An I.J.M.A. statement shows a decline of 4,900 tonnes in jute goods despatches, from 104,800 tonnes in April to 99,900 tonnes in May 1963. Of this, hessian fell by 4,200 tonnes to 40,900 tonnes, sacking by 100 tonnes to 42,000 tonnes and other goods by 600 tonnes to 17,000 tonnes. Exports of hessian declined from 41,600 tonnes to 37,700 tonnes, but the loss was almost offset by a rise of 3,700 tonnes in sacking to 23,200 tonnes. Miscellaneous goods fell by 600 tonnes to 14,400 tonnes. Total export offtake was 75,300 tonnes—lower by 800 tonnes. Internal consumption of both sacking and hessian declined. The hessian offtake in May was 3,200 tonnes, against 3,500 tonnes in April, and the sacking offtake was 18,800 tonnes, against 22,600 tonnes. Miscellaneous goods were unchanged at 2,600 tonnes. Total internal consumption fell by 4,100 tonnes to 24,600 tonnes. The total fall in offtake was reflected in a rise of 4,900 tonnes in jute goods stocks at the end of the month.

In May 1962, the total despatches were 90,000 tonnes—33,500 tonnes of hessian, 42,800 tonnes of sacking and

13,700 tonnes of miscellaneous goods. Exports amounted to 66,200 tonnes—29,500 tonnes of hessian, 25,700 tonnes of sacking and 11,000 tonnes of other goods. Internal consumption was reported at 23,800 tonnes—4,000 tonnes of hessian, 17,100 tonnes of sacking and 2,700 tonnes of miscellaneous varieties.

Crop Prospects Improve

Widespread showers all over the jute-growing areas in Bihar, Assam, northern Bengal, Gangetic West Bengal, Agartala, Orissa and Andhra during the past week have improved the prospects for the jute crop during the coming season. Although the northern, Orissa and Agartala rivers are in spate, so far no damage has been reported to the standing crop. Crop-cutting has already commenced in the early-sown areas and there is an ample supply of retting water. In other areas, the second round of racking, interculture and fertiliser-spraying is in full swing. Pest contamination has been held in check. In some places, insecticide sprays are being applied.

In East Pakistan, the cyclone and floods in the coastal districts followed by heavy downpours caused some damage to the crop in Feni, Noakhali and Comilla. Heavy showers in other districts are reported to have helped the crop and crop-cutting has commenced in some zones.

Pakistani Export Earnings

Pakistan's foreign exchange earnings from raw jute exports recorded a sharp decline from \$61.7 million for the 11-month period ended May 1962 to \$50.72 million for the corresponding period of 1963. Exports to India fetched an additional Rs. 2.88 crores, against Rs. 4.62 crores for the previous period. Total shipments from July 1962 to May 1963 were 3.61 million bales, including 270,000 bales to India.

905

According to the Economic Survey of Pakistan, the acreage under jute during 1962-63 fell from 2.06 million to 1.72 million. The total crop was estimated at 5.77 million bales, against 6.97 million bales. The decline in output was primarily due to floods and a shrinkage in area. The total output during the 1963-64 season is likely to decline further because of the restrictions imposed on the cultivation of jute in certain border areas and the low level of prices prevailing during 1962-63. Besides, some damage has been caused to the crop in the coastal districts by the recent cyclone and floods.

Fall in U.S. Burlap Consumption

A small decline in U.S. burlap consumption, from 77 million yards in April to 76.2 million yards in May, has been reported. Although the latter figure compares favourably with the total of 72 million yards for May 1962, the fall has had a bearish effect on sentiment, especially since little interest has been shown by the U.S.A. during the past week. Taking into account the May consumption, the January-May figure is higher at 394.9 million yards this year, against 382.7 million yards for the corresponding period of 1962. The monthly average works out to 78.9 million yards and 76.5 million yards, respectively. U.S. stocks at the end of May showed a decline of 3.7 million yards to 296.5 million yards. At the May rate of consumption, they will last for about four months. At this time last year, the stock duration was 3.25 months on the same basis.

THE JUTE MARKETS

Manufactured Goods: Easy conditions prevailed in the manufactured goods market in Calcutta during the past week. Sentiment was disturbed by a quick succession of adverse news which accentuated the bearish trend. The first was the I.J.M.A. statistics of jute goods production which showed only a fractional decline in output, from 105,400 tonnes in April to 104,900 tonnes in May. The decision of the I.J.M.A. to continue the maximum level of production up to the end of July dampened enthusiasm. On Tuesday, the publication of the I.J.M.A. statement of despatches showing a decline of 4,900 tonnes in

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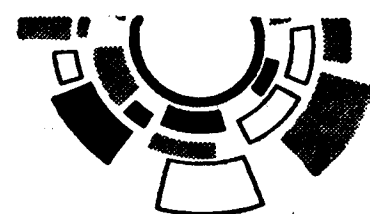
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the May offtake induced the mills to become keen sellers for all positions. Bulls were seized with panic in the futures market and sought to reduce their commitments; buyers were shy. Scattered covering by bears at the lower levels and stray foreign business did not help sentiment and prices drifted downwards. Turnover was small and the undertone hesitant at the close.

Quotations on Wednesday were as follows:

	June	July	July-Sept.	Oct.-Dec.	Jan.-March
40in. 7oz.	36.25	36.25	36.00	35.25	35.00
40in. 8oz.	39.00	—	—	—	—
40in. 10oz.	49.20	48.90	48.55	47.25	46.60
B Twills	110.20	110.80	111.30	111.45	111.15
Cornsacks	113.00	113.75	114.25	114.00	113.35
Heavy Cees					
(Plain)	110.00	110.65	111.00	111.45	111.15
A Twills	131.00	131.50	135.00	136.00	135.50
Liverpools	126.00	125.75	125.50	125.50	125.00

Raw Jute: The Calcutta raw jute market was subdued during the past week. Mills showed little interest in purchasing the off-grade jute offered by holders at a discount. Jute were reported to have taken small quantities of selected grade fibre around the minimum levels, basis Rs. 30 a maund, Assam Bottoms f.o.r. Calcutta, June-July delivery for new crop and Rs. 29 a maund for ready delivery. They were also turning over the J.B.S.A. stocks lying with them. Interest was lacking in the futures market. Business in Upper Assam White Bottoms for June was

closed from 14th June. For the September position, the market opened at Rs. 39.50 and fluctuated within a narrow range between Rs. 30.50 and Rs. 30.24 to close at Rs. 30.26. Turnover was small and the undertone hesitant at the close.

Quotations on Wednesday were as follows:

	Landed at Mills (Basis Bottoms)	1962-63 Rs. a Md.	1963-64 Rs. a Md.
Assam-Agartala Jute	27.50	29.50	
Northern Jute	27.50	29.00	
Western Desai Jute	26.00	27.00	
Selected Daissee	33.00	33.00	
Assam-Agartala Tossa	31.50	31.50	
Mesta:			
Assam-Northern	25.00	26.50	
Local Daissee	25.00	26.50	
Bihar Dist.	22.50	24.00	
Pakistani N. C.	58.00 a bale	88.00 a bale	

THE U.K. JUTE MARKETS FIBRE QUIET

(FROM OUR DUNDEE CORRESPONDENT)

The raw jute market in Pakistan was steady, and little change took place in prices during the past week. Offers became a little irregular, possibly due to lack of demand from most consuming countries. Reports concerning the new crop continue to be satisfactory, and although the outturn is expected to be less than last season's, there should be sufficient

fibre to meet all requirements. It is expected that quality will be much improved this season, and the price margins between higher and lower grades should be back to normal. The question now is, will there be any real demand for the higher qualities?

The spot market in Dundee was quiet, and there were instances where sellers were prepared to discount the generally quoted rates. However, spinners were still very difficult to interest and very little movement was taking place. The reason for the irregularity in new crop offers was that some sellers were offering groups, and others were naming prices for single marks. The lowest quoted rates were at £107 for Mill Lightnings, at £93 10s for Mill Hearts and at £80 for Grade Hearts for August-September shipment. Grade Tossa-3 was available at £118, Grade Tossa-4 at £106, Outport Tossa-3 at £97 15s and Outport Tossa-4 at £86 10s, October-November.

There were sellers of old crop at £111 for Mill Lightnings at £94 for Mill Hearts and at £78 for Grade Hearts. Grade Tossa-3 ranged from £121 10s and Grade Tossa-4 from £107 10s. Outport Tossa-3 was at £94 and Outport Tossa-4 at £84 10s c.i.f. U.K. for June-July shipment. It is not expected that much change will take place in raw jute prices in the near future.

CAPITAL, 20th June, 1963.

THE PAKISTANI JUTE MARKETS

SOWINGS IN ARREARS

(FROM OUR Dacca CORRESPONDENT)

THIS correspondent has recently returned from a tour of Europe where he found everywhere heavy stocks of unsold warehoused goods, which have undoubtedly been responsible for the market being remarkably low. When warning was given last June that E.P.C.s would be raised, both balers and merchants registered unsold bales in large quantities and some of these contracts had not been sold to ultimate buyers when eventually, according to local regulations, they had to be shipped. The goods, therefore, were warehoused in such places as Dundee, Antwerp and Bremen, which put balers for the rest of the season at buyers' mercy. Buyers still bitter about the high prices and defaults of 1960-61, took full advantage and, in fact, it is quite possible that mills in most countries are not so very well bought. They have fair stocks, but are merely buying their monthly requirements ex warehouse, keeping a safe margin in their own warehouse.

The result has been regular depressed sales at well below E.P.C. prices creating an atmosphere, which has enabled the mills to make fairly large purchases even of the new crop as far forward as November-December at prices below minimum. Sowings of the 1963-64 crop appears to have been some 10 to 15 percent below the last crop with every indication of a slightly better outturn. There is talk of the midland crop in the jat areas having germinated poorly. If this is correct, there will be a tendency to shortness among jat Mill Hearts and Mill Lightnings generally, since this is the largest jat area.

It would also appear that the white crop in proportion to the tossa crop is smaller than last year, from which one can assume that Mill Hearts and Mill Lightnings will be a little bit more expensive than at present and may maintain a level at or above minima. As for tossa, it is still a bit early to talk about the quality outturn of the season, but there is no doubt that the tossa crop will be hampered by the very large carry-over of the good Outport Tossa 3s from the last season.

Fortunately, at this time of year, there are not many shipments pending because the cyclone has done considerable damage to the Chittagong port so that far more is being shipped in and out of Chalna. The result is that whereas the slack seasons should have enabled Chalna port to clear this congestion, this has not happened. There is no doubt that communications of all types in this country are in a bad way and have worsened due to the cyclone.

In the local pucca bale market, there have been a few transactions at very low prices, but there has been slightly more interest at slightly better prices in cuttings since India came in to buy recently. It would appear that the heavy stockholders of cuttings have disposed of most of their goods so that there is a chance that the price of this grade may improve. There is still, however, a large carryover of Export Hearts and Outport Tossa 4s, not to mention Outport Tossa 3s.

Imports of loose jute continue and in spite of the dull market there are still a few buyers. Compared with the pucca bale prices, the sellers of loose jute are getting fairly good prices. New crop jute will be coming in to the market shortly, but this will be mainly weddings.

CAPITAL, 20th June, 1963.

Books

BALANCE OF PAYMENTS: AN ANALYSIS

India's Balance of Payments. By Arun Kumar Banerji. (Published by Asia Publishing House, Calicut Street, Ballard Estate, Bombay 1. Price Rs. 22.50, pages 255.)

Increasing interest is nowadays shown in the problems of India's balance of payments. In order to realise the aims of the successive five year plans, India has asked for assistance from abroad in the form of interest-bearing loans, both short-term and long-term, to enable her to import essential raw materials, spare parts and machinery. Meanwhile, the postwar developments in the structure of world trade have affected India's balance of trade, and concern has been expressed over her dwindling foreign exchange reserves. The want of statistics has always been a major hindrance to a comprehensive study of India's balance of payments. Until recently, figures relating to non-commercial and "service" transactions (such as remittances made by foreign shipping companies operating on the Indian coast, exchange banks, etcetera) were not methodically recorded or published, although they have considerable bearing on India's balance of payments position.

In this publication, the author has attempted to present a comprehensive treatment of the current and capital accounts of India's balance of payments during the interwar period (i.e., from 1921-22 to 1938-39, and has made every possible attempt to search for the relevant materials to enable him to compile reliable data. So meticulous is his analysis that even the foreign trade of the French and Portuguese possessions in India, although small in volume, has not escaped his attention, nor has he ignored the imports and exports made by private individuals for personal purposes. One cannot but appreciate the author's knowledge, resourcefulness and insight into the problem.

The method applied by Professor Viner in his work entitled *Canada's Balance of International Indebtedness, 1900-13*, has been broadly accepted by the author, but he has chosen to abandon it for some plausible reasons, when estimating the investment of foreign capital in India. The characteristic feature of India's current account during the interwar period was a large favourable balance of trade in merchandise, a small part of which averaging 6 percent of the balance being used to finance the import of bullion. The major part of the balance was, however, needed to pay for India's large debts on various services and non-commercial transactions such as the payment of interest on sterling debts, remittances of dividend on foreign capital invested, "home charges", payment of pension to British civil and military personnel and so on. The annual outward remittance of interest and dividend on foreign investments was the largest individual item in magnitude, the annual average of which, according to the author, was Rs. 32.21 crores during the interwar period. Next in importance was interest payment on sterling public debts to the order of Rs. 18.07 crores on average a year. Compared with these figures, the receipts under all headings on the balance of "service" transactions amounted to an annual average of Rs. 8.82 crores only which was not certainly encouraging.

A considerable part of the book has been devoted to estimating

foreign investments in India. An exhaustive analysis has been made with the detailed industrywise breakdown. Previous estimates made from time to time by noted economists like Lord Keynes, Mr. Beaumont, and Lord Kindersley have been discussed. The concluding chapter deals with India's wartime payments and the repatriation of sterling debt.

The book is an invaluable addition to the literature on India's economic history and should provide adequate inspiration and guidance for young

economists to analyse and discuss the shape of this country's balance of payments in future.

STATISTICAL GUIDE

Statistical Outline of India, 1963. (Compiled by Tata Industries Private Ltd., Department of Economics and Statistics, Bombay House, Bombay 1. Price Rs. 3, pages 110.)

Like *Tata Quarterly*, the *Statistical Outline of India* published by Tatas enjoys much popularity as a dependable statistical guide for the Indian economy. The publication used to be brought out every alternate year. But due to the increasing demand, the 1963 edition, the compilers say, has made its appearance barely a year after the publication of the 1961 edition. Although it is a pocket-size handbook, the publication contains a

wealth of statistical data on every aspect of the Indian economy, namely, national income, population, agriculture, industry, foreign trade, public finance, planning and social services. A special section has been devoted to international comparisons. The collection of statistics of a varied nature indicates the painstaking efforts made by the compilers.

BOOKS RECEIVED

Southern Economist, First Anniversary Number. (Edited and published by Mrs. Susheela Subrahmanya, 45-88 Silver Jubilee Park Road, Bangalore 2. Price Re. 1, pages 52.)

Job Security of Industrial Workers in India. (Published by N. M. Vakil of the Employers Federation of India, 148 Mahatma Gandhi Road, Fort, Bombay. Price Rs. 2, pages 48.)

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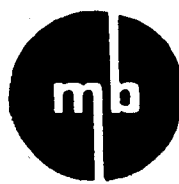
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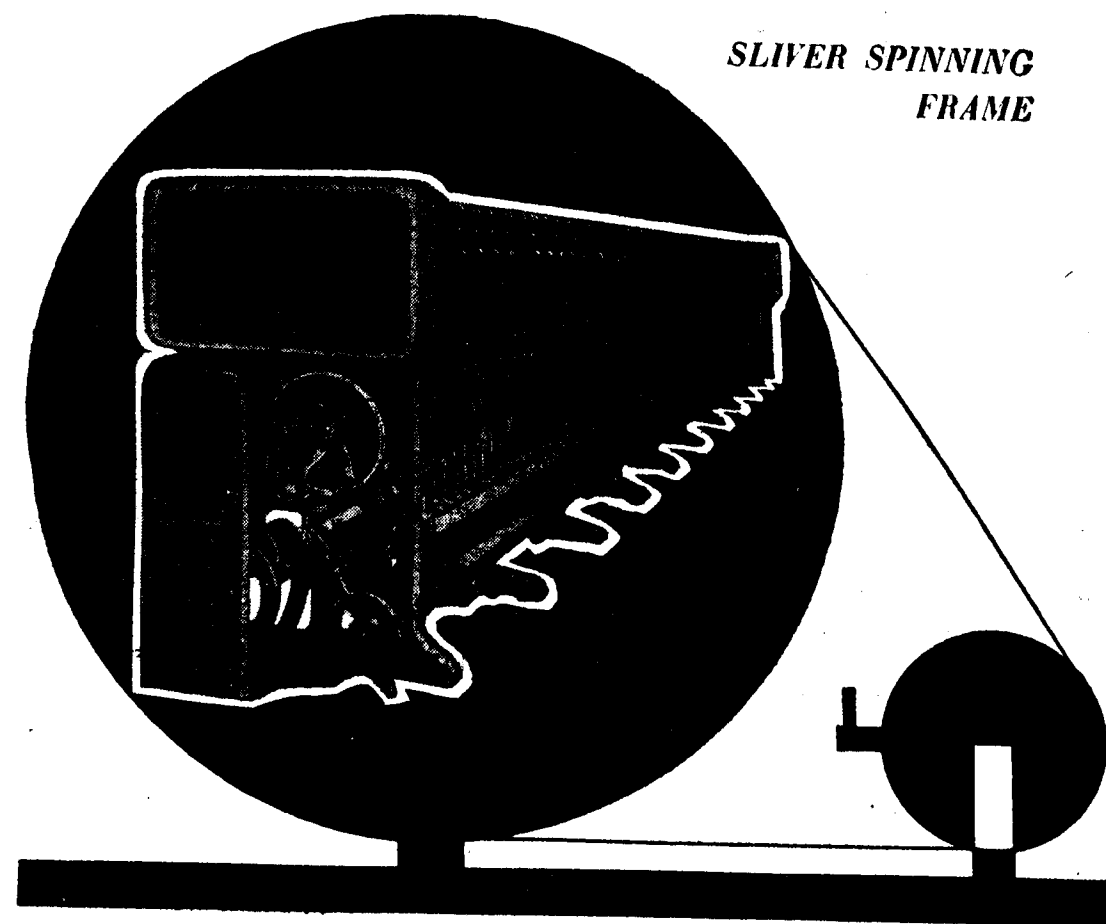
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(FROM OUR SOUTH INDIAN CORRESPONDENTS)

IF the problem of a surplus was the worry of the Indian coffee industry until a couple of years ago, the industry's anxiety today is that it may not be able to fulfil the target laid for it under the third plan, and take advantage of the export quota provided under the International Coffee Agreement. The coffee crop after rising above 67,600 tonnes in 1960-61, fell back to 45,688 tonnes in 1961-62. Although production has been slowly picking up since then, it does not appear that the third plan target of 80,000 tons will be realised. The latest estimate of the current year's crop is 54,000 tonnes and the next year's is 60,000 tonnes. With extensive areas of coffee cultivation in the country affected by the new malady which it is feared may reduce the crop substantially, production is not likely to jump from 60,000 tonnes to 80,000 tonnes within the one year that is left between

next year and the end of the third plan period.

The internal market consumed as much as 34,651 tonnes of coffee in 1962. Exports amounted to very nearly 20,000 tonnes, and the difference of about 10,000 tonnes was made good by the carry-over from the 1960-61 crop. The crop prospects for the 1962-63 season may be round about 54,000 tonnes. This output must allow not only for the export of 21,600 tonnes under the International Coffee Agreement, but also for meeting the rising requirements of internal consumption. Presuming that the export quota is fulfilled, the remainder of the crop with the small carry-over of 3,806 tonnes from the 1961-62 season may be just sufficient for the home demand. It is very unlikely that there will be any substantial carry-over at the end of 1963, and consequently, the advantage that was available during the past eight

years for the Coffee Board to adjust its export sales with some flexibility with the buffer stock available, will be lost.

Internal consumption has been rising at the rate of 2,100 tonnes a year in the past nine years, except last year when the increase was limited to 682 tonnes, and this was probably due to lower offerings or a readjustment of buying by the dealers. If the country has to provide for the increasing home demand and to take advantage of the export quota provided under the International Coffee Agreement, production will have to be increased.

It is pointed out that the most important matter to which the industry and the Government must give attention now is the long-term development of the industry. The Coffee Board has a development scheme for small growers. As the chairman of the Coorg Planters Association has pointed out in his address to the recent annual general meeting of his Association, what is required today is an "overall coffee plan taking all sectors into account and not leaving out the expansion and improvement of handling, transporting and processing facilities".

Coffee has to fight for its share of the beverage market. It cannot afford to put up its price, as that may

help its competitors. Both to improve the field assets and to raise the standard of production, a carefully thought-out development plan is urgently necessary. According to a recent estimate, the coffee industry in India would require about Rs. 30 crores over a 15-year period to rehabilitate and modernise its field assets and processing and handling facilities. It is said that some 40 per cent of the present stand of coffee in the country is in need of replacement, rehabilitation and improvement. As in the case of tea and rubber, coffee growers need assistance. With a tax burden which leaves nothing for saving and reinvestment and with prospects of cost increases, the coffee growers do not have the means of rehabilitating their properties on their own.

The Coorg Planters Association chief, Mr. A. C. Thimailah, emphasised the need for export promotion work in his speech at the recent annual general meeting of his Association. He said that the quota secured under the International Coffee Agreement would not ensure exports. It would be a major folly if it was taken for granted that Indian coffee exports were safe just because this country has been given an export quota of 21,600 tons a year. "An export quota does not guarantee that the buying country is left with no choice but to buy our coffee. Our coffee should be in demand. That means that we should popularise our coffee in the world market", he added. Before 1929, Plantation A coffee of India was fetching a premium over Kenya coffees in the European markets. Today, Kenya coffees fetch a premium even over India's best grades. In his view, the ideas on India's export promotion machinery require drastic changes.

Mr. Thimaiah voiced his disapproval of the Coffee Board's decision to give up the system of open auctions for the sale of export coffee. It was after much agitation by the producers that this system was introduced in January 1962. By December 1962, the Coffee Board secured a voted decision to go back to the old system of the sealed tender system. Mr. Thimaiah said that open auctions were more beneficial to the producers because they served the purpose of getting better prices. Since December in the sales under closed bids, prices fetched had steadily fell, although the international market for coffee from other countries had been good. In addition, the number of exporters to the bilateral quota countries continued to be small with no fresh exporter entering the field as had been hoped by the Board in reverting to the old system.

He disclosed that the Coor-
Planters Association had already
made representations against this
decision of the Coffee Board and at
its instance, the Mysore State
Planters Association and the United
Planters Association of Southern
India were also seized of the matter.
He felt that unless this decision of
the board was not revised, the
future of the coffee planting indus-
try would be in jeopardy.

A factory for the manufacture of reclaimed rubber, it is proposed, will be set up in Ernakulam in the private sector with American collaboration. This will be one of the ten units which will come up in different States in the country for which the Central Government has granted industrial licences. The Ernakulam unit will have a capacity to produce 1,800 tons of reclaimed rubber annually. Production, it is expected, will start by the end of next year.

Instant Tea Factory

Tata-Finlay has started building a new factory in Nullatanni Estate in

the Munnar area for the manufacture of instant tea. They have obtained a licence from the Government of India recently for starting instant tea manufacture in this country. Munnar is the premier tea-growing area of Kerala, and most of the estates there belong to Kanara Devan Hill Produce Company under the management of James Finlay.

The State Trading Corporation will soon start buying lemongrass oil with a view to stabilising the price of this essential oil, which has been falling for some time now to the distress of its producers in Kerala. The present price of Rs. 120 for 10 kilograms is considered very uneconomical by the producers, and they have been pleading for help.

Cardamom Market Stabilised

The latest market report confirms the view that the stalemate which developed in the cardamom market following the fixing of the floor and ceiling prices for the commodity recently was only transitory. The report is that the market is getting stabilised with overseas buying interest getting revived.

The export dealers of cardamom, especially those in Bombay, were complaining that the floor price fixed by the Central Government on 15th May on the recommendation of the recently-constituted Cardamom Development and Marketing Committee was "unworkable", as the controlled prices for the commodity were higher than the market price. It was said that this had put the shippers in great difficulty. Representations were made to the authorities that contracts made prior to the fixing of prices might be exempted from the operation of the Export Control Order of 15th May, 1963. The authorities were also requested to postpone the implemen-

tation of the control on export prices.

The chairman of the Cardamom Development and Marketing Committee, Mr. Sitarama Reddy, announced at the fourth meeting of the committee on 17th June in Kodaikanal that the Government's position was that the implementation of the control order could not be postponed, but that the export control authorities could examine *bona fide* cases of any firm commitments, provided evidence was furnished to their satisfaction for the existence of an order, acceptance by the foreign authorities and an irrevocable letter of credit to the effect that the transaction had been opened. This was a fair decision, and it would be in the interest of all, Mr. Reddy claimed.

The chairman of Cardamom Development and Marketing had discussions with the exporters in Bombay on 31st May, concerning certain difficulties in cardamom exports to the Persian Gulf and the Middle East at the minimum prices fixed by the Government. The floor prices fixed by the Government were lower compared with the export prices prevailing in previous years, and it seemed that there should be little or no difficulty in disposing of a small quantity of about 125 tonnes with the exporters in Bombay, the chairman said. Mr. Reddy claimed that the promulgation of the Export Control Order seemed to have had a salutary effect on the market. Since the last meeting of the committee, prices had been steady.

In justification of Government intervention, Mr. Reddy said that the exports of cardamom had been steadily increasing during recent years, but foreign exchange earnings had unfortunately not kept pace with this. On the other hand, the earnings showed a fall. The ex-

port figures for the past three years were as follows: 2,304 tonnes valued at Rs. 1.44 crores in 1960-61, 2,365 tonnes valued at Rs. 3.58 crores in 1961-62, 2,259 tonnes valued at Rs. 2.61 crores, in 1962-63. The chairman attributed this sorry state of affairs to the indiscriminate trading in cardamom, shipment of cardamom of uncertain quality and the inability of the growers, particularly small growers, to hold on to their stocks even for short periods, resulting in distress sales.

Cardamom has been grown and exported from India from ancient times. Although India cannot be said to enjoy an absolute monopoly the bulk of this spice in the world market comes from India. Ceylon, the Congo, Guatemala and Malagasy are the other producers, but their combined influence on the world market even now is very marginal. The high prices prevailing for cardamom in the postwar years has helped stimulate the development of cardamom cultivation. Although the total area under cardamom has increased from under 100,000 acres in 1950-51 to 132,000 acres by 1960-61, production as evident from exports increased from 1,393,616 lbs to 5,210,912 lbs during this period. Export earnings increased from Rs. 1.48 crores to Rs. 3.58 crores. For the volume of export achieved, the fall in price a lb would appear to have been remarkably gentle, although prices have dropped more sharply in 1962 and have hardly recovered since then.

Even a section of growers in India hold the view that an artificial price stimulation cannot be in the long-term interest of the industry as it might have the effect of curtailing consumption, stimulating efforts at substitution and in encouraging development in other producing countries. The *Planters Chronicle*, official organ of the United Planters

Association of Southern India, says in a recent editorial that a fancy price for cardamom cannot last for long and the industry has to be helped towards reaching viability at reasonable prices. "Scientific research and experiments to improve cultural practices, field management, the prevention or treatment of pests and diseases, the breeding of higher yielding varieties, better preservation and processing of the crop, quality grading and marketing require careful planning, organisation and necessarily slow development. Whether these various tasks can be better accomplished by a centralised body on the lines of the Coffee Board or by growers voluntarily with reasonable assistance or by decentralised organisations, are matters which require to be carefully considered before firm decisions are taken".

The original estimates concerning India's cardamom crop for 1963-64 are being revised in the light of the reports that due to hailstorms in the growing areas in the Kottayam district and the delay in the outbreak of monsoon, the crop in some parts had been adversely affected. The present feeling is that the new crop will not be as big as the original estimate of 3,255 tonnes. The last year's crop was placed at 2,850 tonnes.

Tea Output in Africa Increasing

(BY A SPECIAL CORRESPONDENT)

THE old producing areas may be expected to add to the supply, and some old consumers such as Russia are trying to produce a part of their own requirements, but the main danger now facing the Indian tea export trade is the increasing quantity of ordinary tea from Africa. The extensive additions to the planted areas throughout tropical Africa will henceforth yield unwanted sup-

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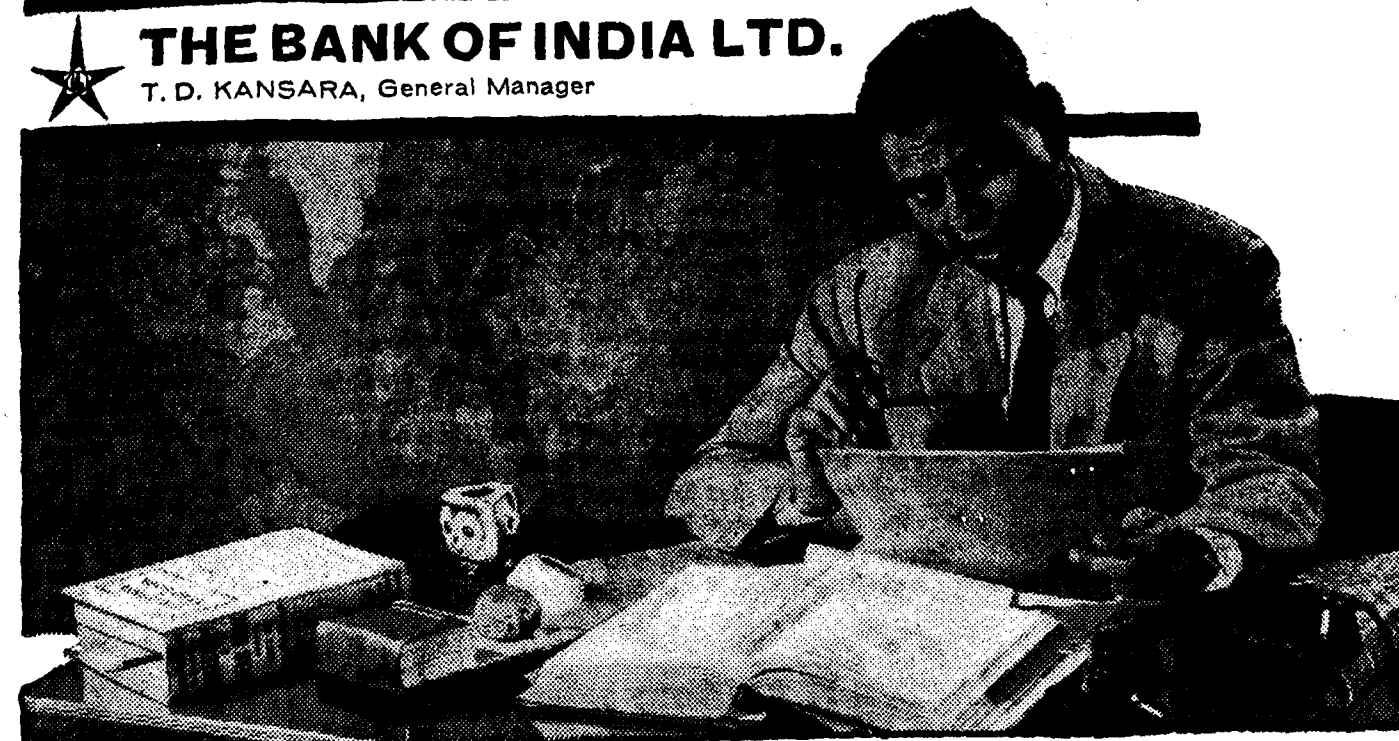
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T. D. KANSARA, General Manager



plies of common tea. Here are some figures: (Area under tea in acres).

	1950	1960	1961
Kenya	18,800	39,300	43,800
Uganda	6,400	16,800	
Tanganyika	9,000	18,000	
Nyasaland	23,500	30,000	
S. Rhodesia	1,600	3,600	
Mozambique and Portuguese East Africa	23,800	37,000	
	83,100	144,700	
		Revised figures now due	

Further new planting is reported from Ruanda Urundi and Nigeria. The above areas produced (thousands of lbs):

	1950	1960
Kenya	15,000	28,000
Uganda	4,100	11,200
Tanganyika	1,750	9,800
Nyasaland	15,400	31,500
S. Rhodesia	810	2,380
Mozambique and Portuguese East Africa	6,950	23,300
	43,940	106,180

It will be seen that whereas planting increased by approximately 75 percent in the period 1950-60, production from the same areas more thaned.

doubled, being an increase of approximately 118 percent. This tempo is increasing.

The latest statistics available in Calcutta are furnished by Messrs J. Thomas and Co. Private Ltd. These show the advance in east Africa to be from 18.8 million kilograms of tea in 1950 to 49.8 million kilograms in 1962, say, an increase of about 160 percent. Except for 1957, the expansion has been without a check and the supply of ordinary teas from Africa must continue to increase. The fact that the addition in 1962 moved from 48.2 million kilograms to 49.8 million kilograms only, is probably an indication that the current year will witness an unwelcome jump in African output.

Recent tea sale averages in London were: Indian teas 5s a lb, Ceylon 4s 5d a lb, Indonesia 2s 8d a lb, Africa 3s 2d a lb. It is worth noting that the African product sells at a profit. With costs caught in a never ending upward spiral, India's place in world export markets can be maintained only if the Government imposes reduced or other concession allowance from the same areas more thaned.

COMPANY AND PUBLIC NOTICES

TENDER CALL NOTICE

COMPLETE hoisting gear mechanism are needed for 4 nos of Head Regulator gates (45'x12'), 4 nos pocket sluice gates (60'x26') and 6 nos of under sluice gates (60'x14'). Parties with previous experiences may apply for detail drawings to the undersigned. Drawings and specifications can be obtained from the Office of the undersigned on payment of Rs. 10/- per set.

The last date of receiving tenders is fixed at 3-00 P.M. on 25.7.63.

Sd/- B. Misra,
Superintending Engineer,
Delta Irrigation Circle,
Keshari Nagar,
Bhubaneswar 1.

TENDER CALL NOTICE

SEALED tenders are invited for supply of the following machineries, detailed specifications of which can be had from the office of the undersigned on payment of Rs. 5/-.

Tender will be received up to 3 P.M. on 1.8.63 and will be opened on the same date.

1. Punching and Shearing machine ... One
2. Radial Drill ... One
3. Welding Transformer ... 6 nos.
4. Automatic submerged arc welding machine ... 1 no.
5. Automatic Gas Cutting machine ... 2 nos.
6. Hand operated Gas cutting torch with Regulators ... 12 sets
7. Metal band saw & filing machine ... 1 no.
8. Power hack saw 18" ... One
9. Power Hammer ... One
10. Electric Driven Compressor ... One
11. Pneumatic Chipper ... 2 nos.
12. -do Riveters ... 6 nos.
13. Portable electric driven hand grinder ... 6 nos.
14. Portable electric driven drill ... 6 nos.

Sd/- B. Misra,
Superintending Engineer,
Delta Irrigation Circle,
Keshari Nagar,
Bhubaneswar 1.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S. Hours
Braithwaite & Co. (India) Ltd.	20-6-63	11 a.m.
Indo-Burmah Petroleum Co. Ltd.	21-6-63	11 a.m.
Triton Insurance Co. Ltd.	21-6-63	3 p.m.
Duncan Bros. & Co. Ltd.	21-6-63	11 a.m.
Dhunsari Tea Co. Ltd.	24-6-63	2-30 p.m.
Naga Hills Tea Co. Ltd.	24-6-63	3-30 p.m.
Octavius Steel & Co. Ltd.	25-6-63	12 noon
British Paints (India) Ltd.	26-6-63	11 a.m.
Soorah Jute Mills Co. Ltd.	26-6-63	2-30 p.m.
Shree Gopal Paper Mills Ltd.	26-6-63	3 p.m.
Capital Ltd.	27-6-63	10-25 a.m.
Karanpura Development Co. Ltd.	27-6-63	11 a.m.
Borrea Coal Co. Ltd.	27-6-63	10-45 a.m.
Tezpur Tea Co. Ltd.	27-6-63	3-30 p.m.
Ondal Coal Co. Ltd.	27-6-63	10-30 a.m.
Dhulakhata Tea Co. Ltd.	27-6-63	9-30 a.m.

DIVIDENDS DECLARED OR PROPOSED—Octavius Steel & Co. Ltd.—7½ p.c. subject to tax; Bridge & Roof Co. (India) Ltd.—30 p.c. subject to tax; Grob Tea Co. Ltd.—6 p.c. subject to tax; Methoni Tea Co. Ltd.—20 p.c. subject to tax; Beljan Tea Co. Ltd.—30 p.c. subject to tax; Jullibari Tea Co. Ltd.—20 p.c. subject to tax; Dimakusi Tea Co. Ltd.—25 p.c. subject to tax; Tengpani Tea Co. Ltd.—22½ p.c. subject to tax; Rajabhat Tea Co. Ltd.—6 p.c. (a), subject to tax; Ranicherra Tea Co. Ltd.—7½ p.c. (a), subject to tax; Baghmari Tea Co. Ltd.—7½ p.c. (a), subject to tax; Sungma Tea Co. Ltd.—20 p.c. (a), subject to tax; Kumardhubi Fireclay & Silica Works, Ltd.—Rs. 1/80 per share (a), subject to tax; Alexandra Jute Mills Ltd.—22½ p.c. (a) (b), subject to tax; Usha Martin Black (Wire Ropes) Ltd.—Nil; Pearl Investment Co. Ltd.—Nil; Indore Malwa United Mills Ltd.—Rs. 7.50 per share, subject to tax; Sassoon Spinning and Weaving Co. Ltd.—Rs. 1 per share, subject to tax.

"CAPITAL" STOCK AND SHARE LIST THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

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

Exchange Associations and other sources.

Figures given after stroke (/) mean Naye Paise.

Wednesday, 19th June, 1963.

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GOVERNMENTS LOANS

PORT TRUST LOANS

IMPROVEMENT TRUST LOANS

Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations Ra.	Amount Ra.	Interest per cent	Year of issue	Repayable	Market quotations Ra.	Amount Ra.	Interest per cent	Year of issue	Repayable	Market quotations Ra.
GOVERNMENT OF INDIA														
2,48,91,07,000	8	1946	1986 or later	63/70	90,24,300	4	1914	1974	98/25	36,50,000	4	1904	1964	99/25
					78,90,100	4	1915	1975	98/25	35,00,000	4	1905	1965	96/00
8,93,33,000	3	1886-97	{ At the option of the Government of India after a months notice	62/45	68,02,300	3	1921	2nd 1981	82/00	15,00,000	4	1906	1967	98/00
					1,50,00,000	6	1921	2nd 1981	144/00N	44,00,000	4	1907	1968	96/00
					2892,600	5	1923	1953-53	281	75,00,000	4	1908	1968	96/00
					2901,000	5	1924	1954-54	281	40,00,000	4	1909	1970	92/00
1,16,17,46,000	3	1938	1963-65	99/90	2,892,600	5	1923	1953-53	281	75,00,000	4	1908	1968	96/00
1,10,11,78,000	3	1943	1966-68	96/68	2,901,000	5	1924	1954-54	281	40,00,000	4	1909	1970	92/00
					1,24,00,000	4	1957	1987	99/50	56,00,000	4	1910	1971	92/00
						4	1958	1988	99/00	75,00,000	4	1911	1972	92/00
						4	1959	1989	99/00					
30,33,10,000	3	1950	1964	98/90	50,00,000	4	1961	1971	98/75					
14,77,48,000	2½	1946	1976	83/50	50,00,000	4	1961	1971	98/75					
1,15,06,83,000	3	1948	1970-75	86/90	30,00,000	4	1931	1981	93/00					
1,58,17,94,000	3½	1954	1965	99/60	50,00,000	3½	1955	1965	93/00					
1,53,67,92,000	3½	1955	1965	99/50	50,00,000	3	1946	1976	83/50	2,892,600	5	1923	1953-53	281
										2,901,000	5	1924	1954-54	281
58,05,92,000	3½	1958	1963	99/90	50,00,000	3	1945	1-2-2005	72/00	2,892,600	5	1923	1953-53	281
88,63,53,000	3½	1958	1974	95/63	50,00,000	3	1945	1-2-1975	83/75	2,901,000	5	1924	1954-54	281
56,99,30,000	3½	1957	1967	99/00	50,00,000	4	1958	1968	93/00	2,892,600	5	1924	1954-54	281
1,54,59,21,000	4	1957	1972	99/41	25,00,000	3	1938	1963-68	93/00					
74,51,44,000	4	1958	1973	99/00	50,00,000	3	1946	2006	72/00	28,48,275	3½	1947	1977	A
1,97,40,92,000	3½	1958	1967	98/42	50,00,000	2½	1947	1977	78/50	9,88,000	3	1947	1977	A
1,56,58,41,000	3½	1958	1968	97/65	50,00,000	3	1948	1978	83/00	8,00,000	3	1949	1978	A
1,90,85,42,000	3½	1959	1969	97/00	50,00,000	3	1950	1980	81/00					
81,06,39,000	4	1959	1979	98/20	50,00,000	3	1951	1981	80/50					
82,65,41,000	3	1960	1968	99/30	50,00,000	4	1953	1963	97/50					
98,50,17,000	4	1960	1980	98/20	50,00,000	4	1955	1965	97/25					
65,96,55,000	4	1961	1981	98/00	50,00,000	4	1956	1966	97/25					
					50,00,000	4	1957	1967	97/25					
					50,00,000	4	1958	1968	97/25					
3,40,34,300	4	1962	1964	99/75	90,00,000	4	1958	1968	97/25					
5,10,79,800	4	1963	1963	99/75	77,00,000	4	1959	1969	99/50					
6,57,22,800	4½	1967	1970	98/00	1,00,00,000	4	1959	1969	99/50					
6,58,20,700	4½	1968	1971	98/00										
4,35,25,000	4½	1968	1971	98/00										
BOMBAY														
2,03,28,800	3	1948	1964	98/00										
MADHYA PRADESH														
MADRAS														
5,24,81,200	4	1952	1964	99/65										
10,33,70,800	4	1953	1963	99/75										
5,55,57,300	4½	1958	1970	96/75										
UTTAR PRADESH														
1,55,31,200	3	1936	1961	93/25										
5,89,13,900	4	1952	1964	99/65										
5,58,25,400	4	1953	1963	99/75										
7,65,58,900	4½	1958	1970	96/75										
WEST BENGAL														
2,00,00,000	4	1952	1964	99/75										
2,80,23,300	4	1953	1963	99/75										
7,58,72,200	4	1955	1968	97/75										
7,11,46,100	4	1956	1970	98/50										
5,10,49,700	4½	1958	1971	97/60										
7,69,69,400	4	1959	1969	97/60										
7,00,00,000	4	1960	1972	98/00										
73,07,21,000	4½	1961	1972	98/00										
MYSORE														
2,95,85,200	4	1953	1953-63	100/50										
3,83,47,200	4	1953	1963	99/75										
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30,33,10,000	3	1950	1964	98/90	50,00,000	4	1961	1971	98/75					
14,77,48,000	2½	1946	1976	83/50	50,00,000	4	1961	1971	98/75					
1,15,06,83,000	3	1948	1970-75	86/90	30,00,000	4	1931	1981	93/00					
1,58,17,94,000	3½	1954	1965	99/60	50,00,000	3½	1955	1965	93/00					
1,53,67,92,000	3½	1955	1965	99/50	50,00,000	3	1946	1976	83/50	2,892,600	5	1923	1953-53	281
										2,901,000	5	1924	1954-54	281
58,05,92,000	3½	1958	1963	99/90	50,00,000	3	1945	1-2-2005	72/00	2,892,600	5	1923	1953-53	281
88,63,53,000	3½	1958	1974	95/63	50,00,000	3	1945	1-2-1975	83/75	2,901,000	5	1924	1954-54	281
56,99,30,000	3½	1957	1967	99/00	50,00,000	4	1958	1968	93/00	2,892,600	5	1924	1954-54	281
1,54,59,21,000	4	1957	1972	99/41	25,00,000	3	1938	1963-68	93/00					
74,51,44,000	4	1958	1973	99/00	50,00,000	3	1946	2006	72/00	28,48,275	3½	1947	1977	A
1,97,40,92,000	3½	1958	1967	98/42	50,00,000	2½	1947	1977	78/50	9,88,000	3	1947	1977	A
1,56,58,41,000	3½	1958	1968	97/65	50,00,000	3	1948	1978	83/00	8,00,000	3	1949	1978	A
1,90,85,42,000	3½	1959	1969	97/00	50,00,000	3	1950	1980	81/00					
81,06,39,000	4	1959	1979	98/20	50,00,000	3	1951	1981	80/50					
82,65,41,000	3	1960	1968	99/30	50,00,000	4	1953	1963	97/50					
98,50,17,000	4	1960	1980	98/20	50,00,000	4	1955	1965	97/25					
65,96,55,000	4	1961	1981	98/00	50,00,000	4	1956	1966	97/25					
					50,00,000	4	1957	1967	97/25					
					50,00,000	4	1958	1968	97/25					
3,40,34,300	4	1962	1964	99/75	90,00,000	4	1958	1968	97/25					
5,10,79,800	4	1963	1963	99/75	77,00,000	4	1959	1969	99/50					
6,57,22,800	4½	1967	1970	98/00	1,00,00,000	4	1959	1969	99/50					
6,58,20,700	4½	1968	1971	98/00										
4,35,25,000	4½	1968	1971	98/00										
MADRAS														
2,03,28,800	3	1948	1964	98/00										
MADRAS														
5,24,81,200	4	1952	1964	99/65										
10,33,70,800	4	1953	1963	99/75										
5,55,57,300	4½	1958	1970	96/75										
UTTAR PRADESH														
1,55,31,200	3	1936	1961	93/25										
5,89,13,900	4	1952	1964	99/65										
5,58,25,400	4	1953	1963	99/75										
7,65,58,900	4½	1958	1970	96/75										
WEST BENGAL														
2,00,00,000	4	1952	1964	99/75										
2,80,23,300	4	1953	1963	99/75										

BANKS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		19-6-63	12-6-63	A year ago		1959	1960	1961		19-6-63	12-6-63	A year ago
Allahabad Bank P.	18	18	18	100	268/00	268/00	396/00	Indian Overseas Bank	12	14	14-14*	100	142/00	145/00	162/00
Bank of Baroda	14	17	17	50	85/50	85/50	102/50	Industrial Finance Corp.	..	..	..	50	..	..	..
Bank of India	16	20	20-20*	50	111/00	110/00	111/50	National & Grindlays Bank	12½	13½	14-16* sh	15	sh. 32/6	sh. 32/1½	sh. 33/3
Central Bank of India	17-1/5	20 2/5	20-20*	25	55/80	55/50	61/50	Punjab National Bank	20	20	20	10	18/81	18/87	20/62
Chartered Bank	15	15	15	£1	sh. 61/2	sh. 61/6	sh. 54/6	Union Bank of India	11 2/5	11 2/5	11 2/5	5	5/84	5/80	7/83
Hindustan Commercial	Nil	Nil	Nil-Nil*	50	15/87	15/87	18/00	United Bank of India	4.3	4.3	6-6*	10	7/31	7/25	8/44
Hindustan Mercantile	Nil	Nil	Nil	50	15/46	15/62	17/62	United Commercial Bank	11	12	12	50	64/25	64/50	87/00
Hong Kong & Shanghai	23	23½	23½	HK\$25	£17½	£17½	£16½								
Indian Bank	15	15	15-14*	100	160/00	162/00	177/00								

*1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		19-6-63	12-6-63	A year ago		1959	1960	1961		19-6-63	12-6-63	A year ago
Agarpara P.	10	2½	2½	10	10/25	10/37	10/94	Hukumchand P.	28½	28½	28½	7½	21/50	21/50	24/94
Alexandra P.	44	15	..	100	300/00	300/00	305/00	India	14	12	8	12½	18/25	18/25	17/00
Alibade P.	6	Nil	..	100	122/00	122/00	124/50	Kamarhaty P.	6	Nil	..	100	196/00	196/00	193/00
Anglo-India P.	20	7	10	100	224/00	224/00	232/00	Kankannar P.	Nil	Nil	..	100	141/00	141/00	118/00
Auckland P.	27	12	Nil	100	146/00	144/00	171/00	Kelvin P.	15	15	5	100	184/00	184/00	206/00
Bailly P.	25	25	25	100	265/00	265/00	309/00	Khardah P.	20	5	12½	10	18/87	18/87	17/31
Baranagore P.	30	10	10	100	199/00	199/00	185/00	Kinnison P.	20	7	Nil	100	148/00	148/00	154/00
Bengal P.	6	..	..	25	9/69	10/06	10/31	Lanadowne P.	Nil	Nil	..	100	86/00	84/50	143/00
Birla P.	15	15	15	10	29/12	28/25	34/56	Lawrence P.	12	15	10	100	100/00	100/00	171/00
Budge Budge P.	10	Nil	..	100	155/00	155/00	162/00	Magna P.	12	12½	Nil	10	13/06	13/06	13/06
Caleutta P.	..	..	..	10	8/12	8/12	8/06	Nalhati P.	..	..	..	100	81/00	81/00	115/00
Caledonian P.	12	5	..	100	199/00	199/00	225/00	Naskarpara	..	..	..	10	9/06	9/06	10/50
Champdany P.	10	5	Nil	10	20/94	20/25	21/50	National P.	7½	Nil	..	10	23/50	23/50	24/00
Cheviot P.	Nil	5	..	10	24/37	24/37	24/50	Nellimarla P.	3	6	15	10	11/31	11/31	11/81
Chitavalah P.	5	Nil	5	10	10/50	10/50	12/00	New Central P.	15	15	Nil	10	12/00	13/06	15/87
Clive P.	..	..	..	100	8/00	8/00	9/00	Northbrook P.	30	30	20	10	28/00	28/25	39/50
Dalhousie P.	..	..	..	100	145/00	145/00	129/00	Nuddea	8	6	5	50	56/75	56/75	65/00
Delta P.	7½	Nil	..	100	159/00	152/00	195/00	Presidency	8	6	10	5	4/87	4/94	5/37
Empire P.	12½	7½	12½	10	14/69	14/69	17/37	Rameshwara P.	Nil	Nil	..	10	9/44	9/69	9/19
Fort Gloster P.	25	10	12½	100	377/00	376/00	470/00	Reliance P.	Nil	Nil	..	10	10/44	11/50	7/94
Fort William P.	22½	22½	10	10	28/00	26/00	27/00	Sammugger P.	5	6	Nil	10	10/50	10/50	10/50
Ganges P.	10	10	15	10	13/87	13/81	14/56	Shree Ambica P.	5	25	..	10	22/75	22/75	24/00
General Industrial	40	10	..	10	15/62	15/44	55/12	Sitapur P.	5	Nil	..	10	10/50	10/50	10/50
Goutapore P.	80	25	20	10	25/50	25/50	..	Union P.	25	6	Nil	100	155/00	155/00	166/00
Hastings P.	6	6	6	100	128/00	128/00	124/00	Victoria P.	5	..	..	10	10/50	10/50	10/50
Hoochly P.	10	..	..	10	20/00	20/00	27/25	Waverley P.	30	30	60	1	7/75	7/75	5/82
Howrah P.	12½	10	Nil	10	20/00	19/75	22/00								

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		19-6-63	12-6-63	A year ago		1959	1960	1961		19-6-63	12-6-63	A year ago
Amalgamated	10	12½	15	10	22/69	22/69	21/94	Mundulpur	..	..	..	10	2/69	2/69	2/69
Bengal P.	25	21	..	100	280/00	280/00	384/00	Nazra	..	..	..	10	5/00	5/00	6/31
Bengal Bhatdee	..	..	..	10	3/40	4/40	5/40	New Beerbhoom P.	16	10	..	10	19/37	19/37	22/50
Bengal Nagpur	10	26	..	10	22/00	22/00	20/25	New Manbhoom	7½	9	12	10	16/00	16/00	15/50
Bhaigora	..	..	..	10	5/00	5/00	5/25								
Bharat Collieries P.	..	..	..	100	3/44	3/56	4/08								
Bhulanbararee	..	..	..	10	11/94	11/94	12/06	North West	20	20	..	10	19/75	19/75	19/75
Bokaro & Ramgur	..	..	..	10	11/19	11/19	13/25								
Borras P.	15	15	..	10	23/87	23/87	25/68	Undal P.	6	7½	..	10	12/00	12/00	15/00
Burrahar P.	13	13	15	10	16/50	16/50	18/87	Parasas P.	11	11	..	10	18/00	18/00	16/00
Central India	6	10	10	10	9/87	10/06	11/87	Panch Valley	10	10	10	10	18/00	18/00	18/31
Central Kurind P.	..	..	..	10	3/87	3/87	7/00	Pure Sitapur	10	..	..	10	8/00	8/00	8/00
Churulia	..	..	..	10	4/31	5/75	6/87	Raneegunge	15	17	17	10	16/00	16/00	16/12
Dhemo Main	Nil	Nil	..	10	3/06	3/06	3/06	Rewa	80	30	..	10	28/50	28/50	29/12
East Indian	7½	13	20½	21	31/87	31/87	49/62	Samia	10	..	..	10	10/08	10/08	9/87
Equitable P.	15	10	..	10	25/62	25/62	29/00	Searsole	Nil	Nil	..	10	1/22	1/22	1/84
Ghusik & Muslia	Nil	Nil	..	10	14/25	14/25	14/00	Seepore P.	42 6/7	42 6/7	..	10	45/00	45/00	45/00
Guzdar Rajora	..	..	..	10	2/03	2/03	2/03	Sendra	6	8½	..	10	5/75	5/75	7/69
Hurrliadih	..	..	..	10	6/12	6/12	8/12	South Karanpura	2½	Nil	..	10	8/87	8/87	9/50
								Standard	15	10	..	10	13/12	13/12	16/00
Karanpura Development	5	5	..	100	11/50	11/50	16/31	Union	..	..	..	10	11/87	11/87	10/87
Karanpura Collieries P.	7½	10	10	10	16/75	16/75	21/00	Western Bengal	..	..	..	10	9/00	9/00	9/87
Katras Jheriah	66	40	25	10	37/75	37/75	48/75	West Jamuria	Nil	Nil	..	10	4/12	4/12	9/87
Khas Kalora P.	..	..	..	10	18/70	18/70	18/70								

*1962

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		19-6-63	12-6-63	A year ago		1959	1960	1961		19-6-63	12-6-63	A year ago
Basanti P.	..	..	..	10	11/50	11/50	7/87	Elgin P.	11½	17½	17½	10	18/00	18/06	20/31
Banga Luxmi	..	..	..	10	28/00	28/00	28/00	J. K. Cotton (Rayon) P.	12½	..	..	10	12/50	12/56	20/00
Bengal Nagpur P.	Nil	..	..	10	3/00	3/00	3/77	Jay Shree	10	10	..	10	14/25	14/25	15/44
Bharat Commerce	5	15	..	10	19/62	22/50	25/69	Muir P.	..	..	..	100	90/75	108/00	114/00
Birla Cotton	10	20	20	10	33/00	26/75	27/00	New Victoria P.	Nil	..	..	10	9/00	9/00	10/06
Bowrah P.	10	20	..	10	22/50	22/50	27/75	Orissa Textiles P.	Nil	..	..	24	12/00	12/00	10/06
Cawnpore Textiles	7-1/5	10	..	5	6/31	6/31	7/62	Ramporia Cotton	3	Nil	..	10	2/00	2/00	2/00
Delhi Cloth & Genl. P.	12	13	13	25	41/75	41/87	57/00	Swadeshi (Kanpur) P.	5.51	..	..	100	7/25	7/06	8/72
Dunbar	20	20	..	10	27/50	27/00	30/12								

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		18-6-63	11-6-63	A year ago		1959	1960	1961		18-6-63	11-6-63	A year ago
				Ra.	Ra.	Ra.	Ra.					Ra.	Ra.	Ra.	
Ahmedabad Advance P.	7	16	..	100	130/00	170/00	189/00	Indian	..	..	..	250	761/25	761/25	
Apollo	..	..	..	2	2/02	1/90	2/26	Indore Malwa United	7	2 3/4	..	100	189/00	189/00	
Beharilal Ramcharan	Nil	Nil	..	100	68/00	68/00	68/00	Khatav Mankaji P.	16	3 1/2	10	100	428/75	432/50	
Bombay Dyeing, etc.	14	14	14	25	60/00	60/50	67/90	Koninor	10	15	18	100	307/00	308/00	
Bradbury P.	10	10	25	50	150/00	150/00	189/00	Lakshmi-Vishnu P.	Nil	5.7	6	100	92/00	91/00	
Century	..	..	..	100	533/50	542/50	625/00	Morarjee Goculdas P.	21 1/2	21 1/2	24-29 1/2	100	370/00	45/00	
Central India P.	Nil	Nil	Nil	100	103/00	99/50	150/00	Mysore Spg & Mfg P.	10	14	14	50	370/00	435/00	
Coorla	..	..	..	100	140/00	140/00	180/00	New City of Bombay	..	..	..	100	220/00	45/00	
Dawn	20	30	30	50	132/50	135/00	151/00	Phoenix	..	..	..	100	127/50	181/00	
Edward Textiles	9	9	..	200	325/00	325/00	365/00	Sassoon & Alliance	Nil	Nil	..	100	189/00	200/00	
Elphinstone P.	14	18	22	50	100/00	102/00	122/00	Sassoon Spinning	25	17	20	10	11/76	11/76	
Finlay	..	..	..	100	303/00	300/00	304/00	Simplex	10	15	Nil	50	48/00	48/00	
Gokak	..	..	..	100	162/00	164/00	199/00	Shree Niwas P.	15	18	20	100	128/00	132/00	
Hindostan	..	..	..	250	810/00	810/00	..	Sureshi P.	14	17	..	100	231/00	235/00	
India United	..	..	..	10	22/00	22/00	21/32	Swan	..	..	..	100	236/00	236/00	
	..	..	..	100	2/54	2/50	3/28	Tata	..	..	..	100	272/50	274/25	
	..	..	..	100	22/00	22/00	21/32	Western India	10	20	..	100	275/00	275/00	
	..	..	..	100	22/00	22/00	21/32		..	..	..	250	785/00	785/00	

TEA COMPANIES—Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1959	1960	1961		Rs.	Rs.	A year ago		1959	1960	1961		Rs.	Rs.	A year ago	
Grob	14	6	6	5	7/00	7/50	10/00	Singell	Nil	Nil	Nil	100	36/75	36/75	37/25	
Hoograjuli (Assam)	25	20	20	10	27/12	27/12	24/44	Singtom	5	2	..	10	3/50	3/50	4/50	
Hoologoree	20	10	7	100	195/00	195/00	172/00	Socm	30	50	40	17	35/00	35/00	50/25	
Jutibari	10	30	30	10	31/50	31/50	32/00	Sungma	10	15	15	10	15/31	15/25	14/62	
Kingsley Golaghat P.	35	35	..	100	140/00	140/00	212/00	Teesta Valley	Nil	Nil	84/71	10	11/25	11/25	13/06	
Kotamullai P.	Nil	Nil	Nil	5	10/31	10/31	10/44	Tukvar	..	..	..	10	7/31	7/12	7/06	
Krishnabehari	10	15	8	10	10/50	10/50	10/12	DOOARS								
Kyang Tea	Nil	Nil	..	10	8/06	8/06	8/06	Banarhat P.	32	22	21	100	233/00	233/00	273/00	
Ledo	Nil	Nil	Nil	10	13/75	13/75	17/25	Baradighi	25	30	25	10	23/25	23/25	26/06	
Maud Tea & Seed	7	10	7	10	14/81	14/81	15/00	Bhatkawa	10	15	15	10	18/00	18/00	17/37	
Methoni	15	5	14	10	17/31	17/31	21/25	Birpara P.	22	17	12	100	160/00	160/00	160/00	
Mohema	10	Nil	..	10	11/50	11/50	11/50	Caron	15	20	5	100	145/00	145/00	145/00	
Mothola	25	30	30	100	507/00	507/00	507/00	Choonabhati P.	30	32	20	100	210/00	210/00	202/00	
Murphulani (Assam)	20	5	15	10	26/50	26/50	26/50	Ellenbarrie	5	5	5	100	184/00	184/00	179/00	
	25	10	63	20	28/75	28/75	28/75	Enga	Nil	6	5	10	136/00	136/00	136/00	
Naga Hills	5	10	10	10	22/25	22/25	24/25	Ethelbari	Nil	5	5	10	13/12	13/12	8/37	
Namburnadi	16	12	10	10	14/56	14/56	14/56	Gairkhat	12	25	20	10	21/50	21/50	25/12	
New Chinnatollah	Nil	Nil	Nil	100	302/00	302/00	120/00	Gopalpur	92	12	2	25	19/50	19/50	20/00	
Rajgarh	35	40	10	10	21/37	21/37	22/87	Hantapara P.	12	15	5	100	105/00	105/00	125/00	
Sapoi	20	22	20	10	18/06	18/06	18/31	Hasimara P.	12	17	18	10	12/87	12/44	31/56	
Seaiull	17	22	15	10	21/12	21/12	22/50	Hulibari	22	22	19	27	12/62	12/62	30/37	
Telohan	25	25	25	10	22/00	22/00	27/50	Jaybirpara	5	10	Nil	10	11/75	11/75	13/50	
Tengpani	17	30	30	10	35/00	35/00	35/00	Killeot	17	25	15	10	16/25	16/25	18/50	
Tenzore P.	20	20	12	10	15/37	15/37	15/94	Manabbarrie	5	10	6	10	59/50	59/50	58/37	
Tongari	Nil	Nil	..	10	7/00	7/00	6/25	Nagaisuree	17	25	15	100	140/00	140/00	169/50	
Tyoon	30	10	15	10	33/00	34/37	36/62	New Doonars P.	32	35	20	100	230/00	230/00	206/00	
CACHAR								Phaskowa	Nil	12	7	100	14/25	14/25	14/00	
Arcuttipore	Nil	Nil	..	10	7/00	7/00	7/00	Rajbhat	Nil	Nil	Nil	10	12/12	12/12	14/00	
Baltakhal	5	5	..	10	8/06	8/06	6/59	Ranicherra	10	15	15	10	15/37	15/37	18/00	
Central Cachar	5	6	7	100	72/00	72/00	77/50	Rvndk	30	25	20	10	23/44	25/44	28/25	
Eastern Cachar	Nil	Nil	..	10	4/19	4/12	3/56	Sarugaon	40	40	40	10	36/25	36/25	36/25	
Kalinugger Khoreel	6	6	..	100	87/00	87/00	87/00	TERAI								
Hattikhira	5	Nil	8	10	9/12	9/12	11/37	Atal	10	4	..	10	8/75	8/75	8/15	
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00	Belgachi	20	20	..	10	21/50	20/50	21/62	
Loobah	Nil	Nil	Nil	10	4/37	4/37	4/25	Gungaram	15	20	12	100	131/00	131/00	158/00	
North Western	30	30	20	100	160/00	160/00	205/00	Hansqua	17	20	15	10	20/00	20/00	17/06	
Patnemara	Nil	Nil	Nil	10	7/50	7/50	7/50	New Chumta	15	15	12	6/77	10	24/62	24/62	33/50
Roopacherra	Nil	Nil	10	10	13/62	13/62	13/62	New Terai	15	22	..	10	36/00	36/00	36/00	
Rungamatie	7	5	5	50	53/50	53/50	50/00	Pahargoomiah	25	20	..	10	31/12	31/12	31/12	
Sonal River	Nil	Nil	..	10	9/12	9/12	9/12	Putinbarree	26	14	..	10	45/00	45/00	45/00	
DAJEEELING								Tiribannan P.	40	..	..	10	49/00	49/00	49/00	
Bloomfield	Nil	Nil	..	10	3/12	3/00	3/25	CHITTAGONG								
Chamone	Nil	Nil	10	10	9/00	9/00	10/25	Kodala	Nil	Nil	..	10	9/25	9/25	9/25	
Darjeeling Tea & Chin	Nil	30	..	100	197/00	197/00	180/00	Kornafuli	Nil	Nil	..	10	13/06	13/06	13/06	
Dilaram	5	5	..	100	102/50	102/50	102/50	Oodalan	Nil	Nil	..	10	8/00	8/00	8/00	
Gietle	Nil	Nil	84/77	10	11/60	11/60	11/75	SVLHET								
Linga P.	12	15	10	10	14/56	14/56	14/56	Chundeecherra	15	22	22	10	26/00	26/00	23/50	
Longview	14	12	..	10	11/00	11/00	11/00	Kaliti	10	7/56	7/56	7/37				
Margaret's Hope	10	15	15	10	11/62	11/62	12/19	Daurcherra	Nil	Nil	Nil	10	10/00	10/00	9/25	
Mim	10	22	20	100	191/50	191/50	191/50	New Samanbagh P.	Nil	25	Nil	10	18/37	18/37	18/25	
Nagri Farm	20	30	25	10	29/19	29/50	25/43	Patrakola	40	32	40	100	120/00	134/00	137/50	
Okavii	32	25	25	10	600/00	600/00	65/44	Rainagar	Nil	Nil	..	10	9/56	9/56	9/56	
Pashok	10	10	..	10	20/00	20/00	20/00	Teliapara	17	22	32	100	99/00	99/00	99/00	
Poonong	Nil	Nil	Nil	10	7/56	7/56	7/37	CHEMICAL INDUSTRIES								
Pusumbing P.	Nil	Nil	Nil	10	7/17	7/12	7/25	Agra Electric Supply	10	11	11	100	120/00	120/00	125/00	
Rungler Rungliot	10	35	20	100	386/00	386/00	386/00	Bareilly Electric Supply	10	11	11	100	14/37	14/37	11/75	
Seevok	15	15	..	10	8/50	8/50	8/50	Benares Electric Supply	5	8	10	100	11/87	11/87	12/82	
								1/12 Alcutta Electric Supply	7	7	7	10	14/19	14/19	15/19	
								4/84 Jutcher Electric Supply	6	7	10	100	11/00	11/00	11/00	
								13/62 Dubouppore Electric Supply	91/5	10	10	100	11/50	11/50	11/75	
								Muzaffer Electric Supply	5	10	10	100	12/00	12/00	7/56	
								11/25	11/25	11/25	100	11/50	11/50	11/75		
								18/45	18/45	18/45	100	11/12	11/12	10/37		
								13/94	13/94	13/94	100	10/62	10/62	11/37		
								22/75	22/75	22/75	100	7/00	7/00	7/00		
								4/36	4/36	4/36	100	8/25	8/25	9/08		
								3/28	3/28	3/28	100	11/50	11/50	12/00		
								37/00	37/00	37/00	100	16/00	16/00	15/25		

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1959	1960	1961		19-6-63	12-6-63	A year ago		1959	1960	1961		19-6-63	12-6-63	A year ago	
MININGS								CHEMICAL INDUSTRIES								
Burma Mines	241/42	23/5	Nil	315	0/44	0/44	0/44	Alkali & Chemical Corpn of (I)	94	1	15-15*	10	32/25	31/37	46/00	
Chrestien Mica Industries P.	15	15	12	100	10/12	10/12	11/37	Sainigat & Co Ltd P.	Nil	Nil	..	5	9/84	9/84	9/87	
Indian Copper Corporation	25	25	20	500	4/85	4/85	4/82	Bengal Chemical & Pharm. P.	7	10	100	97/00	97/00	105/00		
Metal Corporation P.	27	27	27	25	4/74	4/74	5/00	Calcutta Chemical P.	18	1	18-18*	10	17/85	17/87	17/81	
Orissa Mineral Development	Nil	Nil	100	100	8/00	8/00	12/50	Frank Ross P.	1	1	1	10	3/25	3/25	8/25	
	36	36	28	20*	10	27/00	27/00	42/37	Smith Stanistreet P.	25	25	25-25*	5	12/25	12/25	16/44
CEMENT LIME SLATE ETC.								ELECTRIC LIGHTING POWERS								
Ashoka Cement	4	7	7-7*	10	7/51	7/31	8/44	Agra Electric Supply	10	11	11-11*	100	120/00	120/00	125/00	
Assam Bengal Cement	..	..	..	100	3/00	3/00	2/94	Bareilly Electric Supply	10	11	11-11*	100	14/37	14/37	11/75	
Bengal Potteries	14 28/00	15	..	100	0/45	0/45	1/12	Benares Electric Supply	10	11	11-11*	100	12/37	12/44	12/00	
Bisra Stone Lime	18.7	30	31-10*	..	5/50	5/50	4/84	Bhagpur Electric Supply	5	8	10-8*	10	8/00	8/00	6/08	
								Calcutta Electric Supply	7	7	7-7*	100	14/19	14/19	15/19	
								Jutcher Electric Supply	6	7	10-10	100	11/87	11/87	12/82	
								Durgamur Power Supply P.	7	10	10-10*	100	38/00	38/00	94/00	
Dalmia Cement (Bharat) P.	12	12	12	100	13/31	13/00	13/62	Chennai Electric Supply	6 1/5	5	..	100	9/96	9/96	9/00	
				110	2/15	2/15	2/37	Hubbupore Electric Supply	9 1/5	10	10-10*	10	11/00	11/00	11/00	
								Wazapur Electric Supply	5	..	..	100	12/00	12/00	7/58	
								Muzaffarpore Electric Supply	10	12	12	12*	10	11/50	11/50	11/75
Jaipur Udyog P.	Nil	6	8-8.36*	10	11/06	11/25	13/36	Amritsar Electric Supply	7	10	10-10*	10	10/02	10/62	11/37	
Kumardhobi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45	Patna Electric Supply	7	10	10	10	11/12	11/12	10/37	
Orissa Cement P.	11	15	15	10	13/94	13/94	20/19	Shahjahanpur Electric P.	5	8	9	10	7/00	7/00	7/00	
Reliance Firebricks & Pottery	40	22	15-10*	5	22/75	22/75	22/75	Singh (Jharkhand) Electric	7	10	7	10	6/25	6/25	6/25	
Sona Valley Portland Cement	Nil	4	..	10	4/75	4/56	5/25	Upper Provinces Electric	10	11	11-11*	100	115/50	115/50	127/00	
Sutta Stone & Lime	20	37	30	10	35/00	35/00	37/00	United Juma Valley Electric	12	13	13	13	10	13/00	13/00	15/25

SOUTH INDIA PLANTATION COMPANIES

NAMES	Dividend per cent			Paid-up Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
	1959	1960	1961		18-6-63	11-6-63	A year ago		1959	1960	1961		18-6-63	11-6-63	A year ago
Amalgamated P.	7 1/2	10	..	10	10/38	10/38	11/06	Malankara	18	15	..	10	15/44	15/56	16/90
Anandam P.	15	15	..	10	15/24	15/24	16/50	Midland Rub. & Prod. P.	10	12 1/2	12 1/2	10	10/55	10/65	11/20
Atimattam	Nil	Nil	..	2	0/78	0/78	0/80	Vilgiri P.	5	5	..	10	8/80	8/90	9/10
Balanor P.	15	15	12	10	12/00	12/00	13/75	Vonsuch	20	20	20	10	21/50	21/50	22/25
Balmadies P.	7 1/2	7 1/2	..	2	1/90	1/90	1/90	Jasoor	15	15	..	8	2/48	2/52	2/70
Be Be P.	5	Nil	..	5	2/15	2/15	2/53	Juchterlony	15	13	12	8	3/70	3/65	3/73
Blue Mountain	12 1/2	12 1/2	10-10*	2	2/35	2/40	2/40	Jarkside Neilgherry	27 1/2	27 1/2	22 1/2	10	23/47	24/00	23/00
Chemra Peak	15	20	20-20*	2	3/92	3/73	3/40	Jermade P.	22 1/2	22 1/2	25	10	20/77	21/65	20/45
Cochin Malabar P.	15	17 1/2	20-20*	3	6/00	5/85	7/00	Jeninsular	20	20	..	10	20/70	20/70	22/10
Coffee Lands P.	25	6	..	10	13/50	13/50	15/25	Jerlakaramalai	12 1/2	13 1/2	20	2	3/08	3/06	3/30
Consolidated Coffee P.	25	20	..	10	18/65	17/75	18/44	Rajagiri Rub. & Prod. P.	20	20	20	10	18/25	18/25	20/75
Coonoor P.	20	17 1/2	..	10	13/50	18/50	23/00	Rajendra P.	50	25	..	5	9/80	9/80	11/12
								Swinton	7 1/2	12 1/2	..	2	2/82	2/82	2/82
Coorg P.	20	20	..	2	4/85	4/85	4/95								
Cottanad Plantation P.	15	10	..	10	9/31	9/31	10/10	Teekoy P.	6	Nil	..	10	6/45	6/45	5/45
Devashola (Nilgiri)	25	20	..	10	24/92	24/92	26/05	Thirumbadi	7	7	12	1	1/67	1/60	1/55
Devon P.	15	15	12	10	12/66	12/66	13/50	Travancore Rubber	10	13	..	10	10/50	10/50	12/25
Emerald Valley	8	..	..	5	6/35	6/35	5/55	Travancore Rub. & Tea P.	7 1/2	8	10	10	9/10	9/10	10/85
Gokul	9	10	..	2	1/90	1/90	1/92	Tropical Plantations	8	8	..	25	19/75	19/75	9/23
Halliburton P.	12 1/2	15	..	10	12/50	12/50	13/12	Uwyford	10	10	..	10	8/75	8/75	9/23
Kallias	20	22 1/2	..	2	5/35	5/30	5/00	United Nilgiri	19 1/2	21	22	10	20/34	20/34	20/75
Kalasa Tea Produce	15	20	25	2	3/83	3/45	3/55	Vaikundam	25	30	..	10	29/45	29/45	31/70
Kil Kotagiri P.	35	25	25	2	3/70	5/60	4/95	Waterfall Estates P.	12 1/2	12 1/2	..	2	2/25	2/25	2/23
Lucky Valley	10	10	10	10	10/30	10/30	10/40	Woodland P.	5	10	..	10	7/85	7/85	7/85

SOUTH INDIA COTTON MILLS

NAMES	Dividend per cent			Paid-up Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
	1959	1960	1961		18-6-63	11-6-63	A year ago		1959	1960	1961		18-6-63	11-6-63	A year ago
Bangalore W. C. Silk P.	10	10	18	100	238/00	250/00	245/00	Lakshmi	12	20	30	50	135/00	134/50	132/00
Buckingham & Carnatic P.	10	10	18	100	260/00	265/00	265/00								
Cambridge P.	Nil	9	..	10	13/00	13/00	13/00	Madura	12 1/2	15	15	15	31/50	32/00	36/00
Coimbatore Cotton	6	12	18	100	158/00	156/00	186/00	Mettur Industries	25	30	30-22 1/2*	100	324/00	324/00	400/00
Coimbatore Sp. & Wvg	..	..	..	40	68/00	68/00	76/00	Palani Andavar P.	..	..	..	10	215/00	215/00	215/00
Kothari Textiles P.	10	10	9	10	9/99	10/55	10/87	Vasanta P.	18	20	..	100	274/00	276/00	290/00

SOUTH INDIA SUGAR MILLS

NAMES	Dividend per cent			Paid-up Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
	1959	1960	1961		18-6-63	11-6-63	A year ago		1959	1960	1961		18-6-63	11-6-63	A year ago
Andhra P.	20	..	..	10	17/56	17/56	21/00	K. C. P.	15	..	..	10	24/50	24/50	22/00
Cauvery P.	Nil	6	8	100	109/00	106/00	99/50	Kothari	..	..	Nil	10	7/40	7/40	6/00
Deccan Sugar	25 1/2	25 1/2	12-18*	5	9/80	10/10	10/00	Mysore	30	30	30-30*	10	47/75	46/75	53/40
E. I. D. - Parry	28 1/2	21 3/4	21 3/4*	21	37/00	37/00	39/50	Mysore P.	10	10	..	10	7/31	7/31	7/20
Indian Sugar P.	12 1/2	14	10	10	9/09	9/69	9/55	United Breweries	60	60	60-25*	10	95/00	95/00	82/00
Jeyvare P.	10	8	..	10	15/00	15/00	14/75								

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividend per cent			Paid-up Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
	1959	1960	1961		18-6-63	11-6-63	A year ago		1959	1960	1961		18-6-63	11-6-63	A year ago
Aluminium Industries	12 1/2	18	..	10	17/12	17/65	23/75	Mysore Chemical Mfgs. P.	6	40	..	10	17/75	17/75	21/75
Andhra Cement P.	10	..	..	10	10/30	10/40	10/50	Mysore Lami P.	16	40	..	10	34/10	34/10	33/25
Ashok Leyland	8	8	..	5	7/50	7/80	8/40	Mysore Paper	12 1/2	15	15	10	13/80	13/80	13/80
Bahy	10	12 1/2	..	100	327/17	327/07	364/85	Mysore Tobacco	12 1/2	10	..	10	9/85	9/85	8/62
Brunton & Co.	Nil	..	..	10	5/10	5/10	5/27	Parry Cons.	20	30	..	1	3/20	3/24	5/30
Canfield P.	5	5	..	10	9/25	9/25	12/10	Spencer (Provisions)	18	18	13-18*	10	21/50	21/50	23/80
India Cement P.	9	11	9-12*	5	5/60	5/70	6/20	Standard Motors P.	..	..	..	10	11/87	11/87	16/62
Indian Steel Rolling P.	7	..	..	10	10/50	10/50	12/40	T. Stanes P.	27 1/2	32 1/2	..	10	29/05	29/05	31/00
Mettur Chemical Industrial P.	8 1/2	12 1/2	12 1/2-13 1/2*	10	12/30	12/30	13/05	Textool	15	15	..	100	149/00	154/00	153/33
Mysore Chem. & Fert.	5	10	10	10	7/75	9/75	10/25	Tube Investments	10	10	10	100	235/00	235/00	280/00

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
	1959	1960	1961		18-6-63	11-6-63	A year ago		1959	1960	1961		18-6-63	11-6-63	A year ago
Ahmedpur Katwa	1.80	1.80	1.75	100	29/00	29/00	29/50	Darjeeling Ropeway	..	..	..	10	9/00	4/00	8/00
Arrer, Assam	5	5	5	5	27/00	27/00	30/50	Jehru Ropay	17	20	15	10	13/75	13/75	18/81
Banikura Damodar	1.80	1.80	1.75	100	27/25	27/25	29/00	Kutwah Islampur	1.80	1.80	1.80	100	28/75	28/75	28/75
Burundi Jute	1.80	1.80	1.75	100	29/00	29/00	29/00	Kowrah Amta (P)	5	5	4 1/2	100	40/50	40/50	48/00
Chaparrak Shikhar	2.80	2.80	2.80	100	35/00	35/00	35/00	Kowrah Shekhar	5	5	4 1/2	100	45/00	45/00	40/00
Cherra Jhatak Ropeway	9	12	12	10	6/75	6/75	6/31	Katakha Lais Jatar	3.50	3.10	1.00	100	41/00	41/00	41/00
								Shabara (Delhi)	5	5	..	100	40/50	40/50	50/75



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75th YEAR OF ISSUE

CALCUTTA, 27th JUNE, 1963.

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CURRENCY AND FINANCE: THE ART OF SAYING NOTHING

THE Report on Currency and Finance issued by the Reserve Bank each year has traditionally been a product of pusillanimity. The one just published, covering the year 1962-63, is no exception; for insipidity and cowardice, it sets a record which has rarely been equalled before and which is not likely to be broken easily in the future. Running to more than 300 pages, it contains a mass of information, descriptive and statistical. But throughout the long and turgid narrative dropping from the quills of a tired bureaucracy, there is hardly a hint of dissent or criticism to suggest that India's central bankers could conceive for themselves a rôle more purposive than that of silent slaves stationed at the feet of the Finance Ministry. Trends are duly noted: the production of A

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A SURVEY OF INDIAN INDUSTRIES 1963

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Problems of Confectionery Makers

In addition, there will be articles on industries such as structural engineering, refractories, machine tools, fertilisers, inorganic chemicals, vanaspathi, footwear, air conditioning and rayon.

The Survey will be published along with CAPITAL of 4th July and will be available at Rs. 5 a copy (postage extra). Registered subscribers will receive their copies free, but others should write for their copies immediately to the Commercial Manager, CAPITAL, 5, Mission Row, Calcutta-1. No copies can be sent by V. P. Post.

in Delhi should effectively help in solving these problems.

Worries of Paper Traders

Since the state of emergency was declared in India, the demand for paper has increased but its production has not risen to the same extent, so the supply position has become extremely difficult. The recent conference of the Federation of Paper Traders Associations of India, held in Ahmedabad discussed the problems facing paper traders. One of the causes of the paper shortage in India, it was suggested, was that manufacturers did not stick to the Tariff Commission's formula that 67 per cent of paper production should be printing and writing varieties, 14 per cent packing and wrapping paper, 16 per cent paper boards and 3 per cent special types of paper. Since the proportion of the special types to total production has considerably increased in recent years, a shortage of the common varieties of paper has inevitably been created. As a result, their market prices are higher than the fixed rates. Another cause of the paper shortage is the Government's defective import policy under which most of the import licences are granted to actual users. Established importers have not been given import quotas which they need to obtain in the past, so a shortage has developed in the market.

The conference urged the Government to restore the established importers' quota of printing, packing and wrapping paper to what it was when the import policy for April-September 1962 was announced. It also requested the Government to give at least a token quota to established importers for writing paper and boards since many of these varieties were not being produced in the country. It is difficult to understand the argument of Mr. Morarji Desai, Central Finance Minister, who attended the Federation's meeting, that established importers cannot be allowed a greater share in imports as the indigenous production of paper has increased. In fact, it is because the indigenous output of all varieties of paper has not increased that there is a shortage in the market and paper prices are ruling higher than the fixed rates. Moreover, the distribution of the available supplies is defective, so all markets are not served properly. If established importers get a greater share in imports, the supply position will definitely improve.

From the long-term point of view, the only effective method of increasing the supply is to raise production. The third plan aimed at increasing the production capacity of the industry from 410,000 tons to 820,000 tons with a view to meeting the estimated demand of 700,000 tons by the end of the plan period. But although new licences were granted some of them have since been cancelled. Meanwhile, it is unlikely that the industry's installed capacity will exceed 680,000 tons by the end of the plan period. This is partly due to the fact that the price-cost structure of the industry is such as not to leave a sufficient margin of profit to the producers. It is because fresh capital is difficult to attract that the installed capacity is not rising rapidly.

Evils of Controls

A tragic aspect of planning in India is the increasing use of controls. Nobody denies that there is scope for some controls in a planned economy with a view to making the best possible use of scarce resources. But more often than not controls have been introduced in India for achieving ideological objectives, and where they were employed for strictly economic reasons, they were administered in such a way as to hinder production and penalise efficiency. In a pamphlet entitled *Who Gains by Controls?* published by the Society for the Propagation of Democratic Thought, a "student of economic affairs" has analysed the effects of controls on the Indian economy. Such countries as West Germany having free market economies, it is argued have made amazing progress in a short time. "This is in striking contrast to the situation in India where, in spite of over a decade of planning, the country is faced with an acute shortage of almost everything that is needed for civilised existence. Apart from perpetuating scarcities, controls generally have crippled enter-

prise and initiative, bred corruption, bloated the bureaucracy and placed the citizens increasingly at the mercy of the Government."

The facts cited in the pamphlet justify the author's scathing criticisms against controls. Steel prices have been controlled in such a way as to prevent the industry from functioning efficiently and obtaining the funds required for implementing the expansion schemes. The profit margin of steel producers has been fixed at an uneconomic level, so they have been unable to obtain adequate capital from investors. As a result, they have had to rely on borrowings. After persistent representations, the Government has increased the steel retention prices. But the Central Steel Minister's assurance to producers that the Government would lift controls has not still materialised. Meanwhile, the administration of steel distribution has led to avoidable difficulties and confusion. Cement is another industry whose growth and development has been retarded on account of rigid controls on price and distribution. The demand for the commodity has risen sharply while there has been an acute shortage of supplies. But instead of giving an incentive to producers to increase output, the Government has arbitrarily reduced the price which the Tariff Commission had recommended.

The growth of the sugar industry has also been retarded by the imposition of unimaginative controls which have seriously affected production. This has led to the disruption of the normal trade channels and created chaotic conditions in the system of distribution in many parts of the country. The fall in rice production, the study points out, has been caused not so much by adverse weather conditions as by the ineffective implementation of various agricultural development programmes. The zonal restrictions on the movement of foodgrains also appear to have contributed to scarcity and consequent rise in prices in some parts of the country. Since State trading in foodgrains in India during 1944-53 led to a loss of about Rs. 277 crores, it is argued, the country should refrain from adopting ill-conceived measures which may harm the economy.

The pamphlet does not state, although it is implicit in its analysis, that controls lead to a condition of "suppressed inflation" in the economy. Controls are no panacea for shortages: they do not increase output but only restrict it by removing the price incentive. Controls also pose many administrative problems with the result that corruption becomes rampant, efficiency declines and the delays in getting the much-needed supplies inevitably affect production schedules. No wonder, a condition of "suppressed inflation" created by ill-conceived controls is a dread to economists and planners in all countries. But not so in India where controls are getting a fresh lease of life. The economy, therefore, continues to be plagued with recurrent shortages of one commodity or another.

THE JUTE FORECAST

THE first forecast of the jute crop in Bengal, for the season 1963, has just been issued, and its full text is given in the usual column. Briefly put, the Officiating Director of Agriculture intimates that "having regard to the marked tendency to under estimate" he has added 5 per cent to the acreage returns and thinks "it is safe to assume that the area under jute this year is not less than 2,100,000 acres". He further observes that "notwithstanding the smaller area, the estimates for outturn given by the District Officers are on the whole more favourable than last year," and again, "the outturns for some districts appear to be unduly low". Taking the normal area as 2,350,000 acres, and a normal crop (3 bales per acre) as 70½ lakhs of bales, the Director sums up his first guess thus: "As the area is less by 10 per cent. than the normal area, an outturn of 85 per cent. in that area represents 70½ per cent. of a normal outturn, or nearly 54 lakhs of bales." Last season, Mr. Maddox says, the Director in his final forecast gave the area under jute as being 2,200,000 acres with an outturn of 80 per cent. producing nearly 53 lakhs of bales. He adds "the outturn of the crop of 1962 was not less than 58 lakhs of bales."

FROM

CAPITAL
1st July, 1963

A Ditcher's Diary

IT IS NO SECRET THAT NEW DELHI WAS NOT OVERJOYED when six non-aligned countries, since called the Colombo Powers, took the initiative to bring India and China round the conference table. Some were quite rude about Mrs. Bandaranaike and Dr. Nkrumah. I have seen less criticism of the efforts, to the same end, of India's communist leaders—Mr. Dange last year and now, I gather, a party of four who will be going to Moscow shortly. "Informal contacts between them and Chinese communist leaders", I read, "are not ruled out". This, surely, is undesirable, to say the least. I would normally welcome any effort, almost by anybody, which could lead to India and China resuming their dialogue in a civilised manner rather than fighting; but I see no reason to believe that Messrs Dange & Co. are likely to achieve anything of the sort. The Chinese communists have to all appearances very little respect for their Russian comrades; for the Indian communists, for Mr. Dange and his friends in particular, Peking's contempt must be fathomless. If the Indian communists try to converse at all with the Chinese communists the latter will quite correctly say, "Who on earth are you to discuss these things? You represent no Government; and even if you do fully represented the Indian Party, which you do not, your Party has no authority to implement anything agreed to. Go home and read your text-books more carefully". The truth, of course, is that both the Russians and the Chinese will need all the time at their disposal to sort out their own differences. While I can understand official efforts to persuade the Russian Government to make the Chinese see reason, there is no rôle at all for Indian communists to play. To give the impression that the Government of India somehow blesses these efforts is to mislead internal opinion as well as external. The point is that there would be no need for mediators if New Delhi and Peking were on speaking terms. Only the Government, however, can decide when to send other things to the Peking besides protests, for none else has the necessary information. Any contact between Indian and Chinese communists may have several undesirable consequences.

WHEN CHINA PILED SURPRISE UPON SURPRISE by declaring a unilateral cease-fire, releasing Indian prisoners of war and, finally, returning captured equipment, several Indian missions were visiting various countries to seek military aid. A visiting various countries to seek military aid. A somewhat cynical friend then said, "China's next move will be to offer India arms for our defence; and an Indian mission should go to Peking". It has not come quite to that yet; but I find that Mr.

S. Bhoothalingam is to visit Moscow next month to explore possibilities of acquiring Russian equipment for the Indian Armed Forces. With a few M.I.G.s already here, as reported, this is not altogether surprising; yet it says something for India's strict impartiality that Mr. Bhoothalingam is said to have been selected for Moscow because he had earlier gone to London and Washington on a similar mission. There is nothing wrong in receiving arms aid from any country that is prepared to give it; and, in terms of non-alignment, there may be political advantages in getting arms from both the West and the East. What, it must be asked, do the Armed Forces think of this mix-up? As far as I know, there are significant differences between British and U.S. equipment; somebody must be busy sorting these out. Now to introduce another, very different, kind of equipment is to import further difficulties. We are, of course, never told anything about military matters; this country is the least informed on its own defence affairs; Mr. Nath Pai brilliantly showed in Parliament how the White Paper on defence in Britain, not excessively revealing, at least said something about defence while the Indian Defence Ministry's annual report spoke only of schools and hospitals opened for jawans or their children. I have a suspicion that in receiving arms from all and sundry the Government of India tends to subordinate technical, military, considerations to those political. Not everybody may have forgotten that India once placed an order for some *Ilyushins* and then had second thoughts. To civil aviation in India the error would not have been fatal, perhaps. It is far more serious with military equipment. Modern weapons are terribly complicated; training takes time. India should not be dependent on any one or two countries, admitted; but equipment is not much use if you don't know how to use it.

THE BRITISH PRESS MUST BE FEELING GRATIFIED that after all the reputations which have suffered in the Profumo scandal, its own has remained intact. It may even have been enhanced, because without the behind-the-scenes efforts of some newspapers to keep the matter alive, Mr. Profumo might never have been forced to admit his lies. The only blame appears to have been attracted by a certain Sunday paper which has undoubtedly strengthened Miss Christine Keeler's personal finances by paying an outrageous sum of money for her memoirs. But when the other aspects of the affair have passed into history, there would seem to be every excuse for a public enquiry into the part the Press has played. And this is not because of anything

the newspapers did, only what they were prevented from doing. Under the English law of libel, as amended in the early 1950's, truth is a valid defence. Why, then, was the Press so effectively silenced—despite the virtually universal conviction among the reporters concerned of the veracity of their allegations against Mr. Profumo—when the Minister of War threatened in the House of Commons to sue anybody who persisted in linking his name with that of Miss Keeler? One newspaper, an Italian, actually paid damages rather than be taken to court, and Time magazine, so I have been told, scrapped an entire British edition to avoid running the risk of legal action. But was this threat in fact the whole reason? Personally I do not think so. After the drubbing it received over its part in the Vassal scandal, the Press in Britain has been understandably sensitive about the impression it is creating with the general public. That is why no newspaper cared to face the publicity attendant on an action instituted by Mr. Profumo, despite the knowledge that the allegations were substantially correct and despite the fact that the damages paid over in a libel case are sometimes more than compensated for by an increase in circulation. And that too, more or less, is what prompted the distinguished editor of *The Times*, immediately after the Profumo scandal broke, to emphasise in public that it is a newspaper's job to "probe, and go on probing". So it is; and exactly what made the major part of the British Press forget this at a time when the public interest demanded that it should remember it, is something which, in my opinion, would make an excellent excuse for yet another tribunal. The British Press has always set an example for fearlessness in revealing what goes on in the country. If any circumstances, or combination of circumstances, now inhibits it from doing just this, then it is time they were investigated and put right. The world still needs that example.

A COLLEAGUE ON A VISIT TO NEW DELHI WRITES: "You might remember I told you last week that it might be interesting to be in London now that the Profumo affair had broken. Foreign exchange regulations make a journey thither just about impossible; but here in Delhi I see Mr. Morarji Desai's point. He can well say that if one is so perverse as to be interested in Profumo, anti-Fumo or any other form of official indiscretion, corruption or worse, there is no reason at all why an Indian should go abroad and spend scarce foreign exchange. All he has to do is to come to New Delhi. I haven't been in the capital for more than 36 hours yet; and, without being too inquisitive, I have already had my fill and more on people in high places and their goings-on. I have not the slightest doubt that most of the stories, none of which I can repeat in print, are grossly exaggerated. The significant point is that they should have been told at all. Officials are the more active retailers of scandal; and none is spared. They

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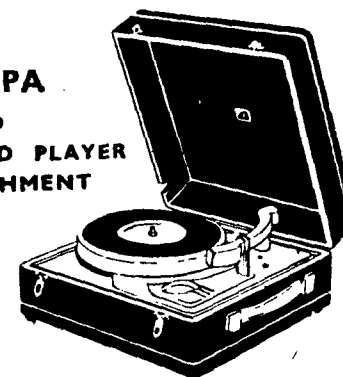
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will tell you where Shri So-and-so, a dedicated moralist, was seen last with Shrimati So-and-so, the wife of a stenographer in such-and-such department where he may soon be section officer, if not assistant secretary. Sex is, of course, the most prolific source of hypocrisy in most countries; but I did not know until I came to Delhi how enormous the distance can be between precept and practice. The capital has been experiencing strong dust-raising winds lately; the heat is unspeakable; and on Friday morning an earth tremor was felt, according to the Meteorological Office. All this seems symbolic. There is nothing on which a film of dust has not settled. Wind is the main produce of New Delhi, even in the national emergency. There is no revolution in the offing; only tremors of low intrigue; epicentre not so unknown. It is quite impossible to be in Delhi without sensing that there is something inherently corrupt in the soul of this place. Or, am I being unduly harsh? One who lives and works in Calcutta most of the time is apt to think that no place could be worse. All I will say is that I may be back sooner than you think. All I have to say by way of comment is that my friend has tremendous bouts of depression but, somehow, he generally gets over them.

WHEN PRESIDENT KENNEDY LEAVES WASHINGTON things, at best, tick over, but could in fact come to a complete standstill if some major decision had to be made. That is why so many people were saying that the President would have been well advised to cancel his current trip to Europe. I am inclined to agree with them. If there was ever a time when the internal situation in the United States required his personal attention, this is surely it. Eventually that country's claim to the leadership of the non-communist world will stand or fall on the issue whether or not racial segregation is to continue in the southern States, and at present only the influence of Mr. Kennedy seems to be standing in the way of its being settled in a welter of violence and bloodshed. It would be worth postponing a visit to Europe to avoid that. Indeed, there seems no particular reason at the moment why such a trip should be considered to hold out any hope of substantial benefit. There have been too many changes there recently. In Italy Signor Fanfani is out of office, and at the Vatican Pope Paul is still settling down. In Germany Dr. Adenauer has only a few weeks to go before his enforced retirement, and in Britain Mr. Macmillan can scarcely postpone his resignation much longer. So who of importance would Mr. Kennedy be able to talk to on a State visit? Only President de Gaulle, presumably; and it was not planned to see him anyway. President Kennedy's speech in Cologne on Sunday indicates that he is anxious to embark on the next stage of his plans for a European deterrent and for a stronger N.A.T.O. In other words, what he has in mind is the constant struggle against communism. It seems to me, however, that the greatest threat to the western cause is not, at present, located in Europe. Unless and until organised racial segregation can be rooted out in the United States itself, and the image of western freedom suitably repaired, there is little chance of winning support from the substantial proportion of non-communist mankind located in Asia and Africa. Compared with this threat to the western cause, I should have thought the prospects of allowing Europe's problems to fester for another month or two were not all that difficult to face.

"Dacca, June 24.—BREAKING MONOTONY OF THE marathon budget debate, which lasted till midnight, an Opposition member suggested in the East Pakistan Assembly yesterday that a resolution be moved by the Leader of the House to invite Miss Christine Keeler of Profumo scandal to East Pakistan so that members of the House and the public may have a glimpse of the sex queen.

"The member was referring to a newspaper report which quoted Pakistan's Foreign Minister, Mr. Bhutto, as blaming Pakistani missions abroad for their inability to introduce him to an important figure like Keeler when he was in Great Britain. —News agency despatch, published in the Hindustan Standard.

THE DITCHER

Guide for Investors

METAL BOX EARNS MORE BUT PAYS LESS

THE observations on the current prospects for the Metal Box Co. of India Ltd made by Mr. M. K. Vellodi, chairman, in his statement which has been circulated along with the report and accounts for the year ended March 1963, constitute the main point of interest in the review. (The details are printed on a later page in this week's issue of Capital.) It is not easy to forecast the trends. But direct supplies for defence are likely to form a substantial part of the Company's activity. The steady increase in the sales of non-tinplate products has been an encouraging feature. The demand for the Company's products continues to be buoyant, although the impact of the Central Budget is likely to be reflected on consumer spending in the coming months. Heavier taxation has been imposed to cut expenditure on consumer goods but to what extent it will succeed in doing so remains to be seen.

Considering the import restrictions, the Company's performance in 1962-63 has been impressive. Although direct export sales have declined somewhat, the Company has indirectly helped raise exports by providing exporters with containers and packaging materials, conforming to international standards of quality. Metal Box has found it difficult to obtain the required quantity of tinplate, aluminium sheet, aluminium foil and sheet steel. In spite of the foreign exchange shortage, the Government, it is hoped, will provide the Company with an adequate supply of imported tinplate, if required. Rourkela's new tinplate mill is not expected to achieve full production until 1965-66. Mr. Vellodi points to the rise in the costs of raw materials and ancillary materials following the increased duties and excises. The Company has started producing treated and laminated papers and boards and containers made from them. The construction of the No. 2 factory in Bombay has made satisfactory progress and production should begin next month. The should begin next month. The Cochin factory has been expanded. The Company has also made efforts to develop its range of packages. New plants have been commissioned to supply printed polyethylene bottles and a variety of printed and laminated flexible packages and flexible packaging materials. The plant modernisation programme has progressed satisfactorily with the emphasis on material economy and higher manufacturing speeds. The activity of the machinery building department has been extended.

Sales rose by Rs. 1.37 crores to Rs. 12.08 crores, compared with those in 1961-62. The profit has risen from Rs. 1.14 crores to Rs. 1.24 crores, but the shareholders have not been able to participate in the increased prosperity because of heavier taxation which has absorbed nearly 74 percent of the total profit. The taxable ordinary dividend has been reduced from 25 percent to 19 percent, including an interim of 9 percent. It is covered more than four times and offers a yield of 3.8 percent at the present price of Rs. 49.87 a share of Rs. 10 each. Taxation is allocated Rs. 79 lakhs, of which the super profits tax accounts for Rs. 16 lakhs. Tax provision was Rs. 58.10 lakhs in 1961-62. Development rebate reserve absorbs Rs. 2.50 lakhs (against Rs. 4.20 lakhs) and general reserve Rs. 39.50 lakhs (against Rs. 10 lakhs). The carry-forward is Rs. 38,785,

against Rs. 29.83 lakhs brought in. Expenditure on fixed assets was Rs. 49.34 lakhs, of which Rs. 26.25 lakhs was spent on machinery and plant. The Bombay factory will shortly commence the production of cartons.

Andrew Yule Tea Group Results

THE results of the Andrew Yule group of tea Companies for the year ended December 1962 have been published. The Banarhat Tea Co. Ltd (a Dooars garden) against Rs. profit of Rs. 11.19 lakhs, against Rs. 11.55 lakhs in 1961, after providing Rs. 3.74 lakhs (against Rs. 3.19 lakhs) for depreciation. A taxable ordinary dividend of 21 percent has been maintained, absorbing Rs. 5.67 lakhs. The yield is 9 percent at the present price of Rs. 233 a share of Rs. 100 each. Taxation absorbs Rs. 4.95 lakhs, of which the super profits tax is Rs. 12,000. Tax provision was Rs. 4.35 lakhs in 1961. Development rebate reserve is allocated Rs. 500 (against Rs. 35,680) and general reserve Rs. 50,000 (against Rs. 1 lakh). The carry-forward is Rs. 41,581, against Rs. 70,081 brought in. The crop declined from 15,515 quintals to 14,844 quintals. The average sale price rose from Rs. 4.50 to Rs. 4.86 a kilogram. The 1963 crop has been estimated at 15,250 quintals.

The profit of the New Dooars Tea Co. Ltd has declined from Rs. 4.53 lakhs to Rs. 2.31 lakhs, after providing Rs. 2.19 lakhs (against Rs. 1.73 lakhs) for depreciation. The taxable ordinary dividend has been cut from 20 percent to 14.5 percent, absorbing Rs. 2.03 lakhs. The yield is 6.3 percent at the present price of Rs. 230 a share of Rs. 100 each. Taxation is allocated Rs. 24,000 (against Rs. 1.63 lakhs). Development rebate reserve Rs. 36,000 (against Rs. 143) and investment realisation surplus Rs. 2,030. The carry-forward is Rs. 6,049, against Rs. 55,177 brought in. The crop was only 6,409 quintals, against 7,847 quintals. The average sale price improved from Rs. 4.31 to Rs. 5.10 a kilogram. A crop of 7,500 quintals has been estimated for 1963. The garden has switched over to C.T.C. manufacture.

The Jaybirpara (Dooars) Tea Co. Ltd has incurred a loss of Rs. 61,500, compared with one of Rs. 1.53 lakhs, after transferring Rs. 51,162 (against Rs. 29,327) to depreciation. The dividend has again been passed. Bringing in a debit balance of Rs. 1.25 lakhs, one of Rs. 1.87 lakhs has been carried forward. Steps have been taken to improve the manufacturing procedure which has started yielding good results. The average sale price rose from Rs. 4.48 to Rs. 5.59 a kilogram. Besides, a satisfactory standard of C.T.C. manufacture has been achieved. The disappointing results have largely been due to a decline in the crop from 1,903 quintals to 1,889 quintals following an unfavourable weather.

Burn to Issue Bonus Shares

THE ordinary shares of Burn and Co. Ltd have smartly risen from Rs. 510 to Rs. 580. The rise is due to the Company's decision to issue bonus shares. It has already

applied to the Government for sanction to issue bonus shares by capitalising reserves. These shares will be issued in the proportion of one bonus share for every one held. The Company's present ordinary share capital is Rs. 84 lakhs divided into shares of Rs. 100 each. Reserves are more than Rs. 2.78 crores.

The Company's preliminary results for the year ended April 1963 have been published. The net profit has amounted to Rs. 1.43 crores, against Rs. 1.40 crores in 1961-62, after increasing depreciation from Rs. 24.26 lakhs to Rs. 32.46 lakhs. The taxable ordinary dividend has been pruned from 28.5 percent to 25 percent presumably due to heavier taxation. At the present price, the yield works out to 4.3 percent. Taxation absorbs Rs. 98.25 lakhs (against Rs. 92.50 lakhs) and reserves Rs. 22.18 lakhs (against Rs. 20.99 lakhs).

Jardine Henderson Tea Group Fares Well

THE Jardine Henderson group of tea Companies have done well during the year ended December 1962. The Rydak Tea Syndicate Ltd (a Dooars garden) has increased the taxable ordinary dividend from 20 percent to 25 percent, absorbing Rs. 3.73 lakhs. At the present price of Rs. 25.44 a share of Rs. 10 each, the yield is 9.8 percent. The profit has improved from Rs. 4.76 lakhs in 1961 to Rs. 8.77 lakhs in 1962, after transferring Rs. 2.69 lakhs (against Rs. 2.68 lakhs) to depreciation. Taxation absorbs Rs. 4.26 lakhs, of which the super profits tax accounts for Rs. 19,430. Tax provision was Rs. 2.20 lakhs in 1961. Development rebate reserve is allocated Rs. 8,661 (against Rs. 2,000) and general reserve Rs. 6.04 lakhs. The crop was 978,337 kilograms, against 921,964 kilograms. The average sale price of the Rydak estate rose from Rs. 4.81 to Rs. 5.34 a kilogram and that of the Kartick estate from Rs. 4.77 to Rs. 5.54 a kilogram. The 1963 crop is estimated at 1,010,245 kilograms.

The Dessai and Parbutia Tea Co. Ltd (an Assam garden) has made a profit of Rs. 7.21 lakhs, against Rs. 5.42 lakhs, after providing Rs. 78,143 (against Rs. 78,710) for depreciation. The taxable ordinary dividend has been increased from 10 percent to 15 percent, absorbing Rs. 1.26 lakhs. It offers a yield of 7.9 percent at the present price of Rs. 189 a share of Rs. 100 each. Taxation absorbs Rs. 4.55 lakhs, of which the super profits tax accounts for Rs. 52,417. Tax provision was Rs. 4.39 lakhs in 1961. Development rebate reserve is allocated Rs. 2,213 (against Rs. 869) and general reserve Rs. 2.83 lakhs. The crop amounted to 597,724 kilograms, against 543,624 kilograms. The average sale price rose from Rs. 5.63 to Rs. 6.12 a kilogram. The crop for 1963 has been estimated at 533,773 kilograms at a cost of Rs. 5.93 a kilogram.

The profit of the Baradighi Tea Co. Ltd (a Dooars garden) has been Rs. 6.60 lakhs, against Rs. 6.62 lakhs, after transferring Rs. 1.63 lakhs (against Rs. 1.55 lakhs) to depreciation. A dividend of 25 percent has been maintained, absorbing Rs. 3 lakhs. The yield is 10.8 percent at the present price of Rs. 23.25 a share of Rs. 10 each. Tax provi-

sion, including Rs. 7,000 for the super profits tax, is Rs. 2.76 lakhs (against Rs. 2.89 lakhs). Development rebate reserve is allocated Rs. 15,521 (against Rs. 1,466) and general reserve Rs. 4.63 lakhs (against Rs. 3 lakhs). The crop was 666,481 kilograms (against 724,364 kilograms), but the average sale price improved from Rs. 4.69 to Rs. 5.13 a kilogram. A crop of 664,600 kilograms has been estimated for 1963 at a cost of Rs. 4.15 a kilogram.

Octavius Steel Repeats

THE Octavius Steel and Co., Ltd has earned a profit of Rs. 14.23 lakhs for the year ended December 1962, compared with Rs. 13.70 lakhs in 1961, after providing Rs. 57,197 (against Rs. 55,011) for depreciation. A taxable ordinary dividend of 7.5 percent has been maintained. It is covered more than thrice. Taxation is allocated Rs. 7.63 lakhs (against Rs. 6.40 lakhs) and the loss on investments Rs. 77,784 (against Rs. 8,657). The carry-forward is Rs. 24,342, against Rs. 2.32 lakhs brought in.

Hindustan Aluminium Raises Capacity

THE Rs. 10-paid share of Hindustan Aluminium is currently quoted around Rs. 12.52. The substantial premium that these shares have continued to enjoy despite the slump in the stock market, is an indication of the investors' confidence in the outlook for the Company. This optimism seems well-founded. It is not merely that the Company has been able to build up its plant economically and come into production within 18 months of the construction of the factory, but its present rate of production at 22,000 tonnes of aluminium ingots a year is in excess of the rated capacity of 20,000 tonnes. Apparently, the plant has had very little of the usual "teething" troubles. Encouraged by the successful working of the plant, the Company has undertaken to expand its primary aluminium capacity from 20,000 to 50,000 tonnes a year and to set up its own thermal power plant for meeting the additional power requirements. The Company also proposes to set up a fabrication plant which is estimated to cost about Rs. 6 crores. The expansion programme, estimated to cost Rs. 30 crores, has been approved by the Government of India.

Presiding over the Company's annual meeting last week, the chairman, Mr. G. D. Birla, stated that the fabrication plant which was likely to be commissioned by about the middle of next year, would greatly strengthen the Company's financial position. Hindustan Aluminium will not then have to send the metal abroad for the purposes of conversion as it does at present. The establishment of conversion facilities will make it easier for the Company to dispose of its products and improve its profitability. Mr. Birla added that the Company did not require any fresh capital for setting up the fabrication facilities. It would use a loan of Rs. 2.5 crores from the U.S. Export-Import Bank and another Rs. 1 crore from the A.I.D. loan. The balance would be obtained from the Company's own resources and bank borrowings.

The chairman assured shareholders that the Company would not issue any additional capital for at least one year even though it had secured the Government's sanction for issuing fresh capital at par. "We do not want to put any undue burden on the market or the shareholders in the

present circumstances, said Mr. Birla. Replying to shareholders' questions, the chairman indicated that the Company's sales in 1963 would amount to Rs. 7 crores or Rs. 7.50 crores provided the present prices were maintained. While unwilling to make any commitment concerning the payment of dividend, Mr. Birla assured shareholders that the management would do its best to pay a dividend as soon as possible. He dismissed the notion that the quality of Maharashtra bauxite was the best; he felt that Bihar bauxite was better than that available in Maharashtra. The chairman stated that compared with the international price of Rs. 2,000 a ton, the domestic price of aluminium ranges between Rs. 3,000 and Rs. 3,400 a ton. The home market is a protected one. The Company has at present 17,500 shareholders. There are about 1,300 workers engaged on the plant.

New Plant and Machinery for Tata Group Mills

SINCE the preliminary reports on the working of the three textile mills belonging to the Tata group, namely, Svadeshi Mills, Tata Mills and Ahmedabad Advance, have already been released along with the announcement of dividends, the chief interest in the directors' reports lies in the information they contain about the progress of the modernisation plans of the mills. The directors of Svadeshi Mills state that new plant and equipment of the value of about Rs. 16 lakhs was installed during the year under report. The important additions were a shearing and cropping machine, high-speed draw frames, automatic pirn winders, a mercerising machine, a ring doubler and new plain looms. The new plant and machinery will enable the mills to produce improved and better varieties of cloth. Additional machinery worth Rs. 14 lakhs was awaiting installation at the end of the year, and further orders have been placed for machinery of the value of Rs. 9 lakhs.

Against the Company's application for permission to install 25,000 additional spindles to balance production, the Government has so far sanctioned the installation of 16,192 spindles, including 2,712 spindles as transfer from Empress Mills. Orders have been placed for 30 spinning frames, which, when received, will increase the Company's spinning capacity to 91,228 spindles, with the result that the present lack of balance between the spinning and weaving capacity will be considerably reduced. The Company has received sanction for installing 144 automatic looms, against its application for 192 looms. So far the Company has received sanction to install 288 automatic looms in replacement of 253 plain looms. Out of these, 144 looms carry an obligation to export 1.75 million metres of cloth a year for a period of five years from the date of installation. On the installation of all these looms, the Company's automatic capacity will be about 42 percent of the total installed weaving capacity.

The Ahmedabad Advance Mills installed new plant and machinery of the value of about Rs. 4 lakhs in 1962, and further machinery worth Rs. 7 lakhs was awaiting installation at the end of the year. Orders have also been placed for additional machinery valued at about Rs. 12 lakhs. The delivery of 96 automatic looms which was expected in 1962 was received only during the current year. The Company has been permitted to install 144 additional automatic looms which carry an obligation to export 1.75 million metres of cloth a year for five years. The question of modernisation of the mills

with a view to producing quality fabrics is receiving the attention of directors. A stentering and drying range and a comprehensive shrinkage range will be installed in the near future in order to give better finishes to cloth and to increase the output of processed goods. The Government has sanctioned the installation of 3,000 spindles against the Company's application for 3,520 spindles for balancing purposes.

Tata Mills received a large part of the new non-woven fabric plant in 1962 and this was installed in October. This is an entirely new line of manufacture and requires considerable experimentation with the product accompanied by market research to ascertain the requirements of Indian consumers. The non-woven fabric plant is part of a new set of plant and machinery valued around Rs. 23 lakhs installed during the year. Machinery worth about Rs. 8 lakhs awaited installation towards the end of the year. Further orders have been placed for additional machinery of the value of about Rs. 12 lakhs.

Against the Company's application for 20,000 spindles for balancing equipment, the Government has so far permitted the installation of 13,640 spindles, including 4,055 spindles as transfer from Empress Mills. This will enable the Company to reduce considerably the present unbalance between the spinning and weaving capacity. The Company also received sanction in 1962 to install 144 automatic looms, and a further allotment of 48 automatic looms was received early this year. These looms carry an obligation to export 2.5 million metres of cloth a year for five years from the date of installation.

The directors' reports show that while the Ahmedabad Advance Mills exported cloth in 1962 amounting to 2.5 percent of its aggregate sales, Svadeshi Mills' exports were 8.25 percent of the total sales and Tata Mills' exports amounted to 11 percent of its aggregate sales. (As already pointed out in the 30th May issue of *Capital*, the Tata group of mills did not fare well last year. Despite larger sales, all the three mills suffered a substantial decline in their profits with the result that the dividends had to be reduced.)

India United Mills Profit Falls

INDIA United Mills, which recorded an impressive improvement in its performance between 1959 and 1961, made a disappointing show in 1962, with the gross profit down sharply by as much as 52 percent from Rs. 1.82 crores to Rs. 86.62 lakhs. The fall in profits was caused by the marked deterioration in the market conditions after the Chinese aggression, rise in cotton prices, a higher wage bill and increase in other costs. In his annual speech, the chairman, Mr. M. D. Bhat, has assured the shareholders that the management is fully seized of the situation. Suitable redistribution of work, effective checks at different levels and complete orientation of the sales organisation are being planned. On account of bulk production and a relatively small number of varieties of cloth, the Company is unable to obtain adequate prices. Old and obsolete machinery presents difficulties in producing better and finer varieties of cloth for which there is a good demand. But the chairman has expressed the hope that as the old machinery is being gradually replaced by new machinery, the Company will be better equipped to introduce new and popular sorts and to compete successfully with other mills producing similar types of cloth.

The Company spent Rs. 25.41 lakhs on additions to new machinery in

1962, bringing the value of new machinery added during the four years 1959-62 to Rs. 71.68 lakhs. The gross profit for these four years, subject to depreciation, taxation and bonus, amounted to about Rs. 410 crores. Considering this profit, the capital expenditure incurred for replacement of old obsolete machinery cannot be regarded as excessive. The chairman says that a more ambitious programme has been planned, and further machinery has been ordered, some of which has already arrived and is being erected. The price of machinery which has been ordered and is to be received as on 1st May, 1963, is Rs. 1.34 crores, including advance payments made for such machinery. The machinery is expected to be received by about the end of 1964, and some of the machinery has been purchased on deferred payment terms. The machinery includes ten sets of draw frames and speed frames, 170 ring frames, 15 doubling frames, 2 roto-coners with high-speed winding and warping, one cloth mercerising range and other miscellaneous machinery, motor, etcetera, in different sections. All the new machinery will enable the Company to cut down manufacturing costs, improve quality, increase production and to achieve higher profitability. The Company has applied to the N.I.D.C. and to the Punjab National Bank for financial assistance to meet the cost of the phased programme of rehabilitation and modernisation.

The chairman stated that the Company could not meet its export obligations fully in spite of working more than 30 percent of its looms for export orders during certain months. Because of old and obsolete machinery, there was high proportion of sub-standard production and rejections and prices recovered for export varieties were below cost. The Company's exports fell short of its obligations by about Rs. 12 lakhs, and that export incentive received in cash amounted to Rs. 7 lakhs. Replying to shareholders' questions, the chairman said that the sales during the first five months of the current year amounted to Rs. 5.79 crores and the stock position had improved greatly although some of the cloth had to be sold below stamped prices. The chairman was reluctant to make any forecast about the prospects for the current year, but he hoped that the position for the current year as a whole would be satisfactory. He was unable to say as to how much would be the Company's liability for bonus for 1962, as this would depend mostly on the formula evolved by the Bonus Commission. Mr. Bhat reiterated the plea for an upward revision of cloth prices in order to compensate for the rise in manufacturing costs, over which the industry has little control.

Raymond Woollen Fares Well

THE Raymond Woollen Mills Ltd reports encouraging results for 1962. Sales are up by about 17.3 percent from Rs. 3.20 crores to Rs. 3.75 crores, and the gross profit has gone up by about 12.5 percent from Rs. 54.12 lakhs to Rs. 60.87 lakhs. The dividend, however, has only been maintained at 12 percent, less tax, because the net profit is slightly lower on account of the enhanced tax liability. Apart from the increase in the income tax and super tax from Rs. 21 lakhs to Rs. 24.30 lakhs, the Company has had to set aside Rs. 6 lakhs for super profit tax, raising the total incidence of taxes to 62.35 percent of the assessable income. After providing Rs. 6.41 lakhs (against Rs. 5.67 lakhs) for depreciation and Rs. 30.30 lakhs (against Rs. 21 lakhs) for taxation and deducting other charges, the net profit amounts to Rs. 20.14 lakhs, compared with Rs. 23.81 lakhs

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in 1961. Allocation to the general reserve No. 2 has been raised from Rs. 9.70 lakhs to Rs. 10 lakhs, and development reserve gets Rs. 95,000, against Rs. 70,000. The provision for investment depreciation reserve has been maintained at Rs. 1 lakh. Ordinary dividend absorbs Rs. 9 lakhs (the same) and preference dividend Rs. 1.62 lakhs (the same), leaving a sum of Rs. 51,000 to be carried forward, against Rs. 2.94 lakhs brought in.

The directors state that the Company's woollen mills have received substantial orders for defence materials and have been engaged almost entirely during the current year in the production for defence. The Company is proceeding apace with a scheme for complete modernisation, particularly in wool combing spinning and weaving. The Company has been allotted 24 heavy power looms with a view to increasing the production capacity of barrack blankets required for defence services. As the Government has permitted transfer to the woollen industry of machinery entitlements earned under the cotton textiles export promotion scheme, the Company has made commitments for transfer of such entitlements to the extent of about Rs. 15 lakhs, and has paid a total premium of Rs. 6.40 lakhs as consideration for such transfer.

The Company has been negotiating with a leading firm of top makers abroad for financial participation as well as technical know-how for the development of its wool combing capacity. With a view to diversifying its activities, the Company proposes to enter into the field of manufacture of organic and inorganic chemicals and chemical compounds in collaboration with Helene Curtis Industries of the U.S.A. The terms of collaboration which have already been approved by the Government of India visualise the setting up of a new company with a capital of Rs. 5 lakhs, in which Raymond Woollen will have a 51 percent interest and foreign collaborators will have a 49 percent interest. The foreign collaborators will also provide the necessary technical and marketing know-how without any additional remuneration. The turnover of the J. K. Engineering files increased by over 60 percent in 1962 and the directors expect a further increase in production and turnover during the current year. The Rs. 100-paid share of Raymond Woollen is currently quoted around Rs. 136 cum-dividend.

Dharamsi Morarji Chemical Earns More

DHARAMSI Morarji Chemical Co. Ltd did very well in 1962 with a 30 percent increase in its gross profit from Rs. 27.60 lakhs to Rs. 35.89 lakhs. From what the chairman, Mr. Pratapsinh R. Morarji, said at the Company's annual meeting on 18th June, the shareholders can look to the future with confident optimism. Sales in the first five months of the current year are placed at Rs. 1.28 crores, and the Company is said to be fully booked for the rest of the year. The chairman sees no reason why 1963 should not close as successfully as 1962, provided, of course, economic conditions do not worsen. Although Mr. Morarji refrained from making any definite promise, he felt that there would be no difficulty in maintaining the dividend for 1963.

The chairman stated that apart from the excellent sales potential of the main product—superphosphate—the increasing sales of other products, namely, alumina sulphate, nitric acid, oleum, chlorosulphonic acid, etcetera, were bound to reflect favourably in the working results in future years. Moreover, the Company would also

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benefit considerably from the three new projects—borax and boric acid project, industrial explosives project and the sulphuric acid project. Reviewing the working of the Company in 1962, the chairman stated that the sales of superphosphate had set a new record. The Kumhari factory had made a welcome contribution to the sales. The Company had secured new markets in Orissa and Rajasthan, although a few old markets were lost in Andhra Pradesh because of the setting up of new units there. The chairman said that the Company would be able to market its entire output from the Kumhari factory in those two States alone if the present tempo of demand continued.

The demand for alumina sulphate, nitric acid, oleum and chlorosulphonic acid continued to be on the increase. The Company has applied to the Government for permission to increase the capacity for chlorosulphonic acid from the present 5 tons a day to 20 tons a day. Satisfactory progress is reported in the construction of the 300-ton a day sulphuric acid project in Ambernath and the 50-ton a day aluminium sulphate project in Kumbhari. The chairman did not visualise any difficulty in securing the supply of rockphosphate and sulphuric acid in the current year. The Company has been making good progress on the export front. It has already shipped 5,499 tons of alumina sulphate to Egypt and another 436 tons to Iraq. Further, it had on hand orders for 6,000 tons to be shipped from this month onwards. The Government had granted the Company a subsidy on exports of alumina sulphate to compensate for the loss on exports.

Mr. Pratapsinh Morarji stated that the Company has signed the technical and financial collaboration agreement with Borax (Holdings) Ltd for the new borax and boric acid project. The project which is estimated to cost Rs. 60 lakhs, will be financed by an equity capital of Rs. 30 lakhs and loans amounting to Rs. 30 lakhs. The Company will subscribe for Rs. 7.5 lakhs and foreign collaborators will take up shares worth Rs. 13.5 lakhs. The balance of Rs. 9 lakhs will be offered for public subscription at the instance of the Government of India. The Company has made further progress in the implementation of the project for industrial explosives. The chairman assured shareholders that some shares in the proposed venture for industrial explosives would be reserved for firm allotment, to the shareholders of Dharamsi Morarji Chemical Company. Replying to shareholders' questions, the chairman hinted that the Company might have to come out again with a small rights issue later in the year. The board is, however, yet to consider the matter. The Company is not liable to pay super profits tax for 1962. No tax is payable on the whole amount of the dividend for 1962. The income tax assessment of the Company has been completed up to 1961. The Life Insurance Corporation does not hold any shares in it.

Expansion Plans of Pesticides

THE chairman of Pesticides Ltd, Mr. Madannohan R. Ruia, informed the shareholders' annual meeting last week that the benzene hexachloride (B.H.C.), malathion, copper and zinc sulphide plants which had gone into production by stages from January to April this year, have been working satisfactorily. The P. M. A. plant is expected to go into production by the year-end, and the 2-4-D plant thereafter. The Government has approved the Company's scheme for the manufacture of parathion and has sanctioned an import

licence for capital equipment worth Rs. 5.49 lakhs. The Company has also been sanctioned a licence for importing essential raw materials for the first two years. The plant is expected to be put up by about the middle of next year. Mr. Ruia said that the Company proposed to extend its activities by undertaking the manufacture of a series of other chemicals widely used in the field of pesticides. It proposes to manufacture lindane from technical B.H.C. and also ethylene chloride and carbon tetrachloride mixture used in fumigation of stored foodgrains. The Company has applied to the Government for permission to increase the capacity for benzene hexachloride from the present 1,500 tons to 2,250 tons a year. The chairman stated that after the implementation of the diversification programme and expansion, Pesticides would be one of the largest in the field saving considerable amount of foreign exchange for the country.

Replying to shareholders' questions, Mr. Ruia stated that the Company's sales in the current year would be around Rs. 35 lakhs. He estimated the gross profit at 40 percent of the turnover. The net profit after providing for depreciation, development rebate and taxation was likely to be around 20 percent of the turnover. The profitability was likely to improve when the phenyl mercury acetate and 2-4-D plants go into production as the overhead costs will be spread over. After providing for depreciation and development rebate, the current year's working is likely to leave only a nominal surplus. The chairman seemed optimistic about a maiden dividend for 1964. Mr. Ruia informed shareholders that the Company's production so far amounted to 550,895 kilograms of B.H.C. valued at Rs. 7.67 lakhs, 29,350 kilograms of C.O.C. (Rs. 1.11 lakhs), 3,740 kilograms of malathion (Rs. 33,600), 3,184 grams of malathion (Rs. 14,328) and 8,925 kilograms of cuprous oxide (Rs. 49,533), making a total of Rs. 9.76 lakhs. Sales aggregated Rs. 8.07 lakhs, of which B.H.C. accounted for Rs. 6.10 lakhs. The Rs. 7.50-paid share of the Company is currently quoted around Rs. 5.88.

Hindustan Lever Expands and Diversifies

IN his chairman's address at the annual general meeting of Hindustan Lever Ltd held recently in Bombay, Mr. P. L. Tandon elaborately described the management of the Company. (The details were printed in last week's issue of *Capital*.) Since the shareholders have all along been convinced about the first-class management of the concern, they have little interest in knowing the details. They would have been happier if he had given an indication as to what fresh developments had taken place concerning the rights share issue which was deferred due to the increased tax burden in the 1963-64 Central Budget.

In the past, the Company had to do mainly with oils and fats, but it is now branching out more widely into the field of human and animal foods. So the momentum of the Company's expansion and diversification programmes is expected to be maintained. Mr. Tandon made an important point in relation to the Company's expansion and diversification which deserves careful attention. An existing company, he said, should promote growth into new fields of activity by forming new companies. This is a better way of diversifying control and capital. But to promote such development, the practice of taxing inter-company profits must first be abolished. In

1962, the Company made record sales and profits before tax. Exports of its products jumped from Rs. 71 lakhs in 1961 to Rs. 2.01 crores in 1962. It is interesting to know that along with the Company's growth and expansion, the directors have concentrated attention on keeping production costs in check.

Ceat Tyres to Complete Expansion by Year-end

THE chairman of Ceat Tyres of India Ltd, Mr. A. D. Shroff, informed the shareholders' annual meeting on 21st June, that the Company's current average monthly production was around 550 tonnes, compared with 390 tonnes in 1962. The expansion programme for raising the output to 1,000 tonnes a month is expected to be completed by the end of the current year. The chairman did not expect any difficulty in marketing the output as the Company had now built up a satisfactory countrywide sales organisation. The current sales are placed around Rs. 50 lakhs a month and the annual realisations are expected to increase to around Rs. 10 crores at the current prices when the expansion programme has been completed.

Mr. Shroff said that the Company's working in the next six months would be considerably better, if the Government sanctioned, with immediate effect, an increase in the prices of tyres even according to the formula recommended by the Tariff Commission. If the Commission's formula was applied to the conditions prevailing today, there would automatically be an increase in the price of passenger tyres of about 16 percent and for lorry tyres of about 22 percent. Prospects for the current year naturally depend on the Government's decision concerning tyre prices. Mr. Shroff said that the tyre industry was confronted with the serious problem of rising manufacturing costs which had practically wiped out any reasonable margin of profit. The costs of production, particularly concerning raw materials over which the industry has no control, have been mounting. The progressive utilisation of indigenous products like synthetic rubber, carbon black, rayon and tyre cord, etcetera, under compulsion is bound to push up manufacturing costs further to the extent of about 10 to 25 percent over the landed cost of similar imported products. Raw materials are said to account for about 65 percent of the total cost of production of tyres.

Mr. Shroff has urged the Government to raise tyre prices in order to ease the pressure on the industry's profit resulting from mounting raw material costs. Referring to tyre exports, the chairman stated that the industry was not in a position to compete in world markets because of the substantially higher prices of its products. Answering shareholders' questions, Mr. Shroff said that the Company has made full provision for depreciation and development rebate up to December 1962. The Life Insurance Corporation holds 2,400 shares of Ceat Tyres.

Alembic Chemical Does Well

ALEMBIC Chemical Works Co. Ltd did extremely well in 1962 with both sales and profit setting new records. The Company's sales increased by about 24 percent from Rs. 2.84 crores to Rs. 3.53 crores, and the profit after providing Rs. 2 lakhs for contribution to the National Defence Fund rose by 44.6 percent from Rs. 41.68 lakhs to Rs. 60.30 lakhs. The annual speech of the chairman, Mr. R. B. Amin, holds out the promise of

still better results in the current year as the sales of the Company's products are increasing and the full results of some of the earlier expansion schemes will be reflected in the current year's working. The chairman says that the expansion of the ethyl alcohol plant is nearing completion. When completed, it will increase the production of ethyl alcohol as well as that of Co. gas, which is a by-product.

Orders for machinery for the yeast project have been placed and the machinery is expected to arrive early next year. The Company proposes to enter the field of virus vaccines, and it has, therefore, started a new virus research laboratory. Mr. Amin says that this is the first such effort in the private sector in India. In order to diversify its activities, the Company has plans to manufacture many products such as dentifrices, inhalers and nasal drops, clear and pearly shampoos, non-caloric sweetening agents, first aid sprays and such other things as every one in the family desires. Most of these products have already been scientifically developed by the Company in its laboratories and have been tested. A few more are said to be at the laboratory stage. All these products would be marketed under a special brand name, and some of them are expected to be in the market early next year.

Bajaj Electricals Results Impress

THE preliminary report on the working of Bajaj Electric Ltd for the year ended March 1963, shows that the Company has done exceedingly well during the year. Compared with a 26 percent rise in the sales from Rs. 2.84 crores to Rs. 3.53 crores, the gross profit has gone up by as much as 62 percent from Rs. 16.74 lakhs to Rs. 27.20 lakhs. Improved results have enabled the directors to step up the dividend from 9 percent to 10 percent on the increased capital as raised by a rights issue of Rs. 10 lakhs in December 1961. The dividend on the deferred shares has been raised from Rs. 2.68 to Rs. 4.27 a share. Realisations from the sale of lamps and lighting equipments are up from Rs. 1.42 crores to Rs. 1.57 crores; fans fetched Rs. 1.14 crores, against Rs. 85 lakhs, transformers Rs. 37 lakhs (against Rs. 27 lakhs), instruments Rs. 18 lakhs (against Rs. 14 lakhs) and appliances and other Rs. 32 lakhs (against Rs. 16 lakhs).

After making provisions and writing off amounts totalling Rs. 51,553 (against Rs. 14,932), providing Rs. 2.17 lakhs (against Rs. 1.96 lakhs) for depreciation, Rs. 13,000 (against Rs. 25,000) for development rebate reserve, Rs. 14 lakhs, including Rs. 2.25 lakhs for super profits tax (against Rs. 6.25 lakhs) for taxation, and making adjustments concerning previous years amounting to Rs. 33,000 (against Rs. 1.74 lakhs), there remains a surplus of Rs. 10.05 lakhs, compared with Rs. 6.28 lakhs in 1961-62. Allocation to the general reserve has been raised from Rs. 2.32 lakhs to Rs. 4.05 lakhs, and a sum of Rs. 6 lakhs has been transferred to the dividend reserve out of which the proposed dividends are to be paid. Ordinary dividend absorbs Rs. 4.75 lakhs, against Rs. 3.21 lakhs, deferred dividend Rs. 73,777 (against Rs. 45,959) and preference dividend Rs. 47,983 (the same).

Mr. Ramkrishna Bajaj, a director of the Company, told newsmen recently that the Bajaj Electricals was expected to fare better during the current year as the turnover was likely to reach Rs. 4.50 crores. The construction of the building for the new instrument factory in Poona is expected to start in August, and will

be completed by the end of 1964. The total capital outlay on this factory is estimated around Rs. 24 lakhs. Negotiations for securing foreign collaboration for this factory are said to be nearing completion. The programme of further expansion of Hind Lamps Ltd, Bajaj Electricals subsidiary, has not been taken up yet. The Company is celebrating its silver jubilee during the current year. The Rs. 100-paid share Bajaj Electricals is currently quoted around Rs. 116.50 cum-dividend.

Share Offer by Autofin

AUTOFIN Ltd, which is already in the market to raise Rs. 20 lakhs—all in equity shares of Rs. 100 each—through public subscription, is a new Company which has been formed to undertake the purchase and sales of motor-cars, lorries, buses, motor cycles, scooters, tractors and allied machinery of all kinds and also to promote their sale by hire-purchase. The promoters point out that the demand for motor-vehicles in Andhra Pradesh has registered a steep rise in recent years, the total number of vehicles on the road having gone up from 15,675 in 1956-57 to 46,008 in 1960-61. The system of sale by hire purchase, it is said, will encourage and enable small investors to own vehicles.

The Company proposes to hold adequate stocks of spares and maintain a workshop with up-to-date machinery and equipment which will answer a keenly felt demand by motor-vehicle owners in the two cities of Hyderabad and Secunderabad, who are now obliged to send their vehicles to far-off places for want of a good workshop in the city. The Company has been appointed authorised dealers for Hindustan Ambassador cars and Bedford lorries in the territories comprising the former Hyderabad State. The Company has an authorised capital of Rs. 75 lakhs in equity shares of Rs. 100 each. The issued capital is Rs. 25 lakhs of which shares of the value of Rs. 5 lakhs are being taken up by the directors and their friends. The remaining 20,000 equity shares are now on offer to the public. The board of directors includes Mr. Pannalal Bansilal Pitti (chairman), Raja Ramdave Row, Mr. Ghevarechand Jain, Mr. Ratnapal D. Shah, Mr. Lakshminarain Dandotiva, Mr. M. M. Khajia and Mr. Hashim Mehdi. The Company is incorporated in Secunderabad.

Mopeds India to Enter Market Soon

MOPEDS India Ltd, Coimbatore, which proposes to set up a factory near Tirupati, Andhra Pradesh, for the manufacture of mopeds (auto cycles), will soon be in the market to raise Rs. 20 lakhs through public subscription. Motobecane, Patin, France, one of the leading manufacturers of mopeds, is collaborating in the venture. The Company has been granted exclusive rights to manufacture and sell mopeds in India. It has also been authorised to export to Pakistan, Afghanistan, Nepal and Ceylon on a non-exclusive basis and to other countries on obtaining prior approval of Motobecane. The Company has been licensed to manufacture 7,500 mopeds a year on a single shift basis. The project is estimated to cost Rs. 57.50 lakhs, which is proposed to be met by the share capital of Rs. 35 lakhs, a loan of Rs. 15 lakhs from the I.C.I.C.I. bank loans amounting to Rs. 5 lakhs and advances and deposits from directors, managing agents and others to the extent of Rs. 2.50 lakhs.

Most of the raw materials, it is said, will be available from indigenous sources. Some raw materials and a few proprietary items will, however, need to be imported.

The Company has an authorised capital of Rs. 50 lakhs, made up of Rs. 40 lakhs in equity shares of Rs. 10 each and Rs. 10 lakhs in 7½ percent redeemable cumulative preference shares of Rs. 10 each. The present issue consists of Rs. 35 lakhs comprising Rs. 33 lakhs in equity shares and Rs. 2 lakhs in preference shares. The preference shares are being taken up by the foreign collaborators, and out of the equity capital of Rs. 33 lakhs, the directors and their friends are taking up shares of the value of Rs. 13 lakhs. The balance of Rs. 20 lakhs, it is proposed, will be offered for public subscription shortly. Venkatapathi and Company has been appointed as the managing agent for a period of ten years from January 1963.

Results of Nederlandsche Handel-Maatschappij

THE profit and loss account of Nederlandsche Handel-Maatschappij, N.V., for the business transacted through its branches in Bombay and Calcutta shows a profit of Rs. 2.08 lakhs for the year ended December 1962, compared with Rs. 2.78 lakhs in 1961. (The details appear on a later page in this week's issue of Capital.) Interest paid on deposits and borrowings rose from Rs. 13.96 lakhs to Rs. 16.14 lakhs while the interest and discounts earned increased from Rs. 25.55 lakhs to Rs. 30.76 lakhs. Deposits improved from Rs. 1.92 crores to Rs. 2.23 crores. Cash was shown at Rs. 48.57 lakhs, against Rs. 20.56 lakhs. Investments rose from Rs. 54.56 lakhs to Rs. 73.50 lakhs while advances declined from Rs. 4.45 crores to Rs. 3.73 crores.

Nil from Nazira Coal

THE Nazira Coal Co. Ltd has passed the dividend for the year ended December 1962. The profit has amounted to Rs. 1.16 lakhs, against a loss of Rs. 5.296 in 1961, after providing Rs. 11.863 (against Rs. 12.653) for depreciation. Taxation absorbs Rs. 50,000 leaving a carry-forward of Rs. 74.711, against Rs. 1,918 brought in. Raisings were 17,449 tons, against 17,874 tons, and despatches declined from 17,999 tons to 17,048 tons.

A Firpo Earns Less

A FIRPO LTD has earned a profit of Rs. 1.44 lakhs for the year ended October 1962, compared with Rs. 2.65 lakhs in 1960-61, after providing Rs. 76.296 (against Rs. 41.656) for depreciation. A taxable ordinary dividend of 5 percent has been declared, absorbing Rs. 40,000. Taxation is allocated Rs. 1.05 lakhs (against Rs. 1.48 lakhs), leaving a carry-forward of Rs. 2,623, against Rs. 19,583 brought in.

Same from Concord of India Insurance

THE Concord of India Insurance Co. Ltd has maintained a taxable ordinary dividend of 20 percent for the year ended December 1962, absorbing Rs. 2.70 lakhs. At the present price of Rs. 10.25 a share

of Rs. 10 each, of which only Rs. 5 has been paid up, the yield works out to 9.8 percent. A sum of Rs. 2.74 lakhs has been transferred to the appropriation account from the profit and loss account. Bringing in Rs. 78,475, there is a distributable balance of Rs. 3.5 lakhs. General reserve is allocated Rs. 50,000, leaving a carry-forward of Rs. 32,703, against Rs. 78,475 brought in. Net premiums of the fire department were Rs. 41.67 lakhs, those of the accident department were Rs. 26.99 lakhs and of the marine department Rs. 16.53 lakhs.

Mettur Industries Cuts Dividend

THE directors of Mettur Industries Ltd have recommended a lower dividend of 20 percent for the year ended March 1963, compared with the previous year's 22½ percent. A decline in sales by Rs. 7.29 lakhs compared with the previous year and a fall in the profit highlight the working results of the Company. After meeting all expenses and providing Rs. 1.98 lakhs (against Rs. 2.01 lakhs) for depreciation, the profit for the year amounts to Rs. 23.62 lakhs (against Rs. 31.02 lakhs). Out of this, provision for taxation gets Rs. 13.51 lakhs which includes Rs. 1.75 lakhs for the super profits tax. This leaves a net profit of Rs. 10.11 lakhs after taxation. With Rs. 45,412 brought forward from the previous year and with Rs. 1.75 lakhs transferred from general reserve, the total available for appropriation amounts to Rs. 12.31 lakhs. Out of this, Rs. 20,925 (against Rs. 16,100) is transferred to development rebate reserve. The proposed dividend will absorb Rs. 12 lakhs. The balance of Rs. 10,434 is carried forward.

The directors state in their report that the working of the mill was affected by the power cut from 26th June to 11th July, 1962. In addition, the operational efficiency of the mills was affected by poor voltage and low frequency. The cost of power consumed increased by about Rs. 70,000 due to the levy of the electricity tax at 30 percent of the cost of consumption from 1st July, 1962. This increase represents only 75 percent of what the figure will be during the current financial year. The cost of cotton consumed increased by about Rs. 2.62 lakhs due to the high prices of Indian cotton. The export cess of Rs. 5 a bale on all Indian cotton consumed by the mill amounted to an additional sum of about Rs. 32,000. The cess was, however, reduced from 1st January, 1963. The directors state that the Indian cotton crop in the 1962-63 season has improved and purchases for the year have been effected at lower prices.

Referring to the export obligation and the penalties for non-fulfilment of the latter, the directors say that it was not possible to attain the target and a sum of Rs. 1.28 lakhs has been provided for the shortfall. During the current financial year, exports of the value of Rs. 3.07 lakhs have been made. The directors also say that the continuation of emergency risks insurance will cost about Rs. 40,000 during the current financial year. The Employees' State Insurance Scheme will cost about Rs. 49,000 more due to the enhancement of the rate.

New Capital Issues

THE Controller of Capital Issues has given his consent to nine companies to issue capital of the order of Rs. 4.82 crores. Three are

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issuing bonus shares, one preference shares, one cumulative preference plus equity, and the rest equities. One is a new company involving foreign collaboration, one is a Central Government undertaking and one is a public corporation. The consent for all the nine is valid for 12 months. The following are the details:

Allied International Products Ltd., a Company registered on 11th October, 1962, for the manufacture of motor-vehicle and aircraft general spares in collaboration with a U.S. company has been accorded consent to issue capital of Rs. 75 lakhs divided into 750,000 equity shares of Rs. 10 each to be issued as to Rs. 25 lakhs to the U.S.A. company against the import of plant and machinery to the extent necessary, and in cash through inward remittance in foreign exchange and the balance to Indian nationals for cash at par. The proceeds will be used for financing the manufacture of motor-vehicle and aircraft general spares.

Gopichand Textiles Mills Ltd. will issue Rs. 40 lakhs—Rs. 30 lakhs in equity shares of Rs. 10 each, and Rs. 10 lakhs in preference shares of Rs. 100 each. The shares will be issued for cash at par and the proceeds will be used in the establishment of a mill in Sirsa (Punjab) with 12,000 spindles for the manufacture of cotton yarn.

Meameco Ltd. Calcutta, is to issue capital of Rs. 33,81,900 in equity shares of Rs. 10 for cash at par. The capital is required for liquidation of debts. The Company is engaged in business as manufacturers of mining and mechanical handling equipment in Dhanbad.

Deepak Industries Ltd. Calcutta, is to issue capital of Rs. 29,98,500 divided into 199,850 equity shares of Rs. 10 each and 10,000 cumulative redeemable preference shares of Rs. 100 each for cash. The capital is required for the expansion of the Company's New Allenberry Works for the manufacture of gear boxes.

Sassoon Spinning and Weaving Company Ltd. Bombay, is to issue capital of Rs. 5,20,000 divided into 52,000 equity shares of Rs. 10 each, on capitalisation of its share premium account to a like extent, to be issued as fully paid-up bonus shares to the existing shareholders of the Company in the proportion of two such shares for every 29 shares held.

Bakelite (India) Private Ltd. Bombay, is raising further capital of Rs. 4,99,000 divided into 49,900 equity shares of Rs. 10 each, on the capitalisation of its reserves to a like extent, to be issued as bonus shares.

Navinchandra Purshotamdas and Company Ltd. Bombay, is issuing further capital of Rs. 50,688 divided into 50,688 ordinary shares of Re. 1 each, on capitalisation of the Company's reserves to a like extent, to be issued as bonus shares to existing shareholders of the Company in the proportion of 99 such shares for every existing share held.

Heavy Electricals (India) Ltd. Bhopal, a Central Government undertaking, has been given consent to issue further capital of Rs. 2.88 crores, divided into 28,800 equity shares of Rs. 1,000 each for cash at par. The proceeds will be used in financing the projects under the control of the Company.

The National Industrial Development Corporation Ltd. is to issue further capital of Rs. 5 lakhs, divided into 5,000 equity shares of Rs. 100 each, to be issued privately for cash at par. The proceeds will be used for giving assistance to one of its subsidiary companies.

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The Stock Markets

BONUS ANNOUNCEMENT BY BURN CAUSES TEMPORARY RALLY

Wednesday Evening.

EXCEPT for a temporary rally, the Calcutta stock market has been quiet during the past week. The announcement of a bonus issue by Burn and Company has been a bright feature. As soon as the news was received on Tuesday, there was hectic support for Burn and Indian Iron. Operators hastily concluded that since Indian Standard Wagon and Burn have decided to issue bonus shares, Indian Iron too will do the same since all these companies are under the same managing agents. But it took a little time for operators to find out that their thinking was completely illogical because the issue of bonus shares by a company depends on its peculiar circumstances. It is, nevertheless, felt that there is now an incentive for giving bonus shares because of the present system of computing the chargeable profit for super profits tax.

The improvement was short-lived and the market has again relapsed into a state of nervousness. Towards the close, share prices have weakened on a broad front on heavy bull unloading, combined with bear pressure. Turnover has been largely restricted to clearing shares. Interest in cash scrip has been at a low ebb since buyers have been conspicuous by their absence. Under the circumstances, any selling pressure has reduced prices out of proportion. The clearing passed off quietly on Wednesday. Although the carry-forward charges were more or less the same as in the previous settlement, operators preferred to keep their commitments light.

Lyons Range has been hesitant because of various uncertainties. The political news has been unfavourable. Reports of fresh incursions into Ladakh by the Chinese have caused a great deal of concern. The possibility of a reshuffle in the Central Cabinet following the resignation of two Union Ministers has put investors and operators on their guard.

The Government of India has given permission to the Calcutta stock market to resume forward trading. Since the resumption of forward trading in the Bombay and Madras markets has failed to inspire confidence, operators in Lyons Range have turned cautious. In fact, it is feared that short-selling may become more pronounced when forward trading is resumed. But the hope is that stringent margin regulations will help to curb speculation.

Indian Iron have been subdued after a temporary rally. Even the notice about the closure of books by the Company for paying the dividend for the year ended March 1963, has caused no interest. Except for a smart rise in the price of Burn due to the news of bonus shares, engineering shares have generally moved down. Indian Standard Wagon, Guest, Keen, Williams, Texmaco and Jessop have fallen.

The prices of miscellaneous shares have declined all-round and turnover has shrunk considerably. Business has largely been confined to clearing scrip. Scattered interest has been shown in Alkali Chemical and Britannia Biscuits. Electric company shares have been subdued and Calcutta Electric have been sold freely. Managing agency shares have weakened. Shaw Wallace and Martin Burn have lost. The prices of new shares

have been softer on a predominance of sellers. Despite an encouraging outlook, Hindustan Aluminium have declined. Paper shares have moved down in sympathy with the general trends. Orient, Titaghar and Sirpur have declined. Sugar shares have been difficult to deal in because there are no buyers.

There has been little interest in jute shares and prices have generally declined. The slow offtake of jute goods by foreign countries has made the investors cautious. Scattered business has been transacted in Birla, Barnagore, Fort Gloster, Champdany and Kamarhatty. Howrah have slipped back despite declaring an ordinary dividend of 10 percent, subject to tax. Coal shares have been subdued and nominal business has been transacted in Burrakur, Bengal and Central India. Stray business has been done in tea shares. Investors have been worried by the developments along the border. Cotton mill shares have been sold freely on fears that the profits of mills have been squeezed by rising production costs.

Government securities have been steady, but turnover has been small because of a shortage of sellers. The market expects that the second instalment of the Government's borrowing programme will be announced during the week-end. Meantime, the market is being groomed for the new loans. The Reserve Bank has stopped selling Government securities and it has raised its purchase prices for selected securities. The 3 percent Conversion loan 1966 has moved up to Rs. 64.15. There has also been support for selected State Government loans at good prices.

Bombay

WIDESPREAD FALL IN DALAL STREET INTERIM MARGINS IMPOSED

Wednesday Evening.

THE Bombay stock market has been subdued during the past week. There has been an all-round decline in share prices due to selling pressure. Interim margins have been imposed on sellers in the case of some scrip since their prices have fallen by more than 10 percent, compared with the last havalda price. The optimism, which was shown at the time of the resumption of forward trading, has fizzled out. Although operators at first tried to push prices up when forward trading was resumed, the improvement could not be sustained for lack of follow-up support. It has now become clear that unless investment support is attracted, it will be difficult for the stock market to go ahead. But investors have been discouraged by the super profits tax which has squeezed distributable profits considerably.

Pressure has also been induced by margin requirements. Several brokers have found it difficult to pay the required margins, so they have been anxious to liquidate their holdings. The imposition of carry-forward margins on clients has also forced many holders to dispose of their holdings. Meanwhile, both

political and economic news has been unfavourable. Press reports about further incursions into Ladakh by the Chinese Army have upset sentiment. Dalal Street has been worried by the prospect of a reshuffle in the Central Government. The growing shortage of funds is being felt increasingly. Business in cash shares has declined to almost a trickle and prices have generally receded.

The earlier improvement in steel shares has proved to be short-lived. Tata Steel ordinary have declined to Rs. 131.25 and Indian Iron to Rs. 21.88 on pressure from Lyons Range. Among engineering shares, Tata Locomotive, Premier Construction, Mukand Iron and Larsen and Toubro have been quoted lower. Motor-vehicle shares have been quiet. Hindustan Motors and Premier Automobiles have lost.

There have been widespread losses in the cotton mill shares. Investors have been discouraged by fears that the profits of mills during the current year will be squeezed by heavier taxation, combined with rising production costs. Century, Bombay Dyeing, Svadeshi, Morarjee, Standard, Tata Mills and India United ordinary have fallen.

Miscellaneous shares have moved down in sympathy with the general trend. Cement shares have been quiet. Associated Cement and Digvijay have lost. Sugar shares have been quietly steady, and small business has been transacted in Belapur and Walchandnagar Industries. Mining shares have been subdued, and Shivrampur Syndicate have been freely offered. Among steamship company shares, Scindia Steam have rallied somewhat towards the close on short-covering. Rayon shares have been under pressure. National Rayon, Baroda Rayon and Indian Rayon have declined on balance. Chemical shares have been quiet. Tata Chemical and Indian Dyestuff have been quoted lower. Bombay Burmah have reacted. Voltas and Tata Oil have been softer.

Bank shares have generally been neglected. Routine business has been transacted in Bank of India and Central Bank. Among insurance scrip, New India Assurance have been steady. Electric company shares have met with scattered buying. Ahmedabad, Tata Power and Andhra Valley have been higher.

Madras

TRADING REMAINS SUBDUED PRICES OF SECURITIES IMPROVE

Tuesday Evening.

THE resumption of forward trading in the Madras stock market has had little steadying effect. Trading has been subdued during the past week and prices have generally declined. Operators have been discouraged by easier advices from other centres such as Calcutta and Bombay. Investors have been worried by power cuts and shortage of raw materials. Except for earlier scattered support for selected planting shares, business in cash shares has been negligible.

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at 3% interest—Recurring Deposits
for accumulated Capital in
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S. T. SADASIVAN

General Manager

UCO-14/63

Even in clearing shares, turnover has shrunk considerably.

Government securities have been steady and prices of selected State Government loans have improved. In the banking section, scattered business has been done in Canara around Rs. 80.50 on prospects of a rights share issue in the proportion of one new ordinary share for every three held. Among electric supply companies, West Coast have been taken at Rs. 18.37 on declaring a taxable ordinary dividend of 20 percent.

In the planting section, Blue Mountain, Consolidated Coffee, Ouchterlony and Periakaramalai have been prominent. Interest has been taken in Thamarapally, T. R. and T. Nelliampathy, Peermade and Kil Kotagiri. Nilambur have been done at Rs. 13.45 on declaring a taxable ordinary dividend of 10 percent. Gokul have been bought at Rs. 158 on paying a taxable ordinary dividend of 10 percent.

Sugar shares have declined on a predominance of sellers. E. I. D. have weakened to Rs. 36.87 and Deccan to Rs. 9.75. Textile shares have been softer in the absence of buyers. Mettur have been sold at Rs. 324, although a taxable ordinary dividend of 20 percent has been declared. Ramnarayan have been freely offered down to Rs. 94.75 on declaring a taxable ordinary dividend of 7.5 percent. South India Viscose

have weakened to Rs. 118.50 and Travancore Rayon to Rs. 22.75. Lakshmi have been sold at Rs. 135 and Madura at Rs. 31.25.

Except for scattered support in cement shares, miscellaneous shares have declined all round. India Cement new shares have been available at Rs. 5.10. F.A.C.T. have been softer at Rs. 7.14 while Seshasayee Paper have attracted attention around Rs. 7.50. Forest Industries have been quoted at Rs. 2.18 on paying a taxable ordinary dividend of 12 percent. Ogale Glass have been weaker at Rs. 5.05 on revising the taxable ordinary dividend downwards from 10 percent to 8 percent. Aluminium Industries have been freely sold down to Rs. 16.80 and Ashok Leyland at Rs. 7.35. Mettur Chemical have been barely steady at Rs. 12.30. Madras Rubber have been quoted at Rs. 16.75 and Spencer at Rs. 21.50.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARER SECURITIES

Birla Jute—Rs. 28/69—28/69—27/87—28/00—(34/62).

GOVERNMENT SECURITIES

3 % Loan (1986)—Rs. 64/10—64/25—63/90—64/25.
3 % " (1966-68)—Rs. 96/85—96/85—96/85—96/85.
3 1/2 % " (1964)—Rs. 99/85—99/85—99/85—99/85.
3 1/2 % " (1968)—Rs. 99/03—99/03—99/03—99/03.
4 % " (1969)—Rs. 99/53—99/70—99/50—99/50.
4 % " (1972)—Rs. 99/43—99/43—99/40—99/40.

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4 % Loan (1979)—Rs. 98/40 s.t.—98/40—98/40—(41/50).
4 1/2 % " (1972)—Rs. 100/30—100/30—100/30—100/30.
4 1/2 % U.P. (1972)—Rs. 95/75—95/75—95/75—95/75.
4 1/2 % Madras (1972)—Rs. 98/10—98/20—98/10—98/20.
4 1/2 % Kerala (1972)—Rs. 95/75—95/75—95/75—95/75.
4 1/2 % Crissa (1974)—Rs. 98/00—98/00—98/00—98/00.
4 1/2 % Rajasthan (1974)—Rs. 98/15—98/15—98/15—98/15.

BANKS

Punjab National—Rs. 18/69—18/69—18/69—18/69.
United Bank of India (Rs. 10 paid)—Rs. 7/25—7/25—7/25—7/25.
United Commercial—Rs. 65/50—66/00—65/50—66/00.

COTTONS

Basanti (Pref.)—Rs. 7/25—7/31—7/00—7/00—(7/25).
Elgin—Rs. 17/94—17/94—17/94—17/94—(20/31).
New Victoria—Rs. 1/44—1/44—1/31—1/41—(1/69).
Do (Pref.)—Rs. 2/62—2/62—2/62—2/62—(3/12).

COALS

Bharat—Rs. 3/37—3/37—3/37—3/37—(4/06).
Central India—Rs. 10/00—10/00—9/87—9/87—(11/75).
Equitable—Rs. 24/69—24/69—24/69—24/69—(2/00).
Guzdar Kajora—Rs. 2/44—2/44—2/44—2/44—(2/00).
Jogla—Rs. 1/19—1/19—1/19—1/19—(19/12).
New Beerbhoom—Rs. 19/12 x.d.—19/12—19/12—(23/12).
South Karanpura—Rs. 8/00—8/06—8/00—8/06—(9/50).
Union—Rs. 11/00—11/12—11/00—11/12—(10/37).
Western Bengal—Rs. 8/94—9/06—8/94—9/06—(10/75).

JUTES

Agarpara—Rs. 9/87—9/94—9/87—9/94—(11/44).
Barnagore—Rs. 198/00—198/00—198/00—198/00—(187/00).
Caledonian—Rs. 200/00—200/00—200/00—200/00—(220/00).
Champdany—Rs. 21/00—21/00—20/87—20/87—(20/87).
Clive—Rs. 10/37—10/50—10/37—10/50—(11/00).
Hooghly (Pref.)—Rs. 10/75—11/00—10/75—11/00—(10/87).
Hastings (Pref.)—Rs. 86/50—86/50—86/50—86/50—(83/50).
Kamarhatly—Rs. 182/00—185/00 x.d.—182/00—185/00—(187/00).
Khardah—Rs. 18/75—18/81—18/62—18/62—(17/52).
Megna—Rs. 13/12—13/12—13/12—13/12—(13/25).
New Central—Rs. 12/50—13/06—12/37—12/37—(16/12).
Do (Pref.)—Rs. 91/50—91/50—91/50—91/50—(91/50).
Nuddea—Rs. 52/50—52/50—52/50—52/50—(64/25).
Presidency—Rs. 4/75—4/75—4/69—4/69—(5/44).
Rameshwara—Rs. 9/56—9/56—9/44—9/44—(8/75).
Reliance—Rs. 9/94—10/03—9/75—9/75—(7/75).
Waverley—Rs. 7/44—7/44—7/44—7/44—(5/62).

MININGS

Metal Corp.—Rs. 7/87—8/00—7/87—7/91—(12/44).
Orissa Minerals—Rs. 27/75—27/75—27/75—27/75—(42/37).

CEMENTS

Assam Bengal—Rs. 3/31—3/31—3/25—3/25—(2/94).
Bengal Potteries—Rs. 5/00—5/50—5/00—5/50 c.d.—(6/87).
Dalmia (Bharat)—Rs. 13/19—13/31—13/19—13/31—(13/62).
Do (Defd.)—Rs. 2/94—3/06—2/94—3/06—(2/37).
Sone Valley—Rs. 4/69—4/69—4/50—4/50—(5/12 x.d.).

CHEMICALS

Alkali—Rs. 31/06—31/12—31/06—31/12—(12/44).
Bengal—Rs. 99/00—99/00—99/00—99/00—(105/00).
Do (7 1/2 % Pref.)—Rs. 11/62—11/62—11/31—11/31—(11/62).

ELECTRICS

Calcutta—Rs. 14/25—14/31—14/19—14/25—(15/25).
Do (Pref.)—Rs. 8/15—8/15—8/12—8/12—(8/80).

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Patna—Rs. 10/62—10/62—10/56—10/56—(11/47).

ENGINEERING

Britannia Eng.—Rs. 9/37—9/37—9/37—9/37—(12/44).
Binani Metal—Rs. 10/62—10/62—10/25—10/25—(11/37 x.d.).
Burn & Co.—Rs. 501/00—587/00—501/00—550/00—(678/00).
Bharat Ball Bearing—Rs. 12/94—13/00—12/69—12/81—(14/44).
Calcutta Steel—Rs. 13/06—13/06—13/00—13/00—(16/62).
Dalmia Iron—Rs. 10/56—10/62—10/56—10/62—(11/59).
Escorts—Rs. 12/12—18/12—18/12—18/12—(19/44).
Indian Malleable Casting (Defd.)—Rs. 1/87—1/94—1/87—1/94—(2/22).
Indian St. Wagon—Rs. 32/37—32/50—32/37—32/50—(32/50).

Do (Pref.)—Rs. 117/50—118/00—116/50—116/50—(114/00).
Jessop & Co.—Rs. 24/00—24/00—22/87—23/06—(23/62).
J. K. Steel—Rs. 14/00—14/12—13/94—14/12—(18/62).
Marshalls—Rs. 2/56—2/56—2/56—2/56—(3/44).
National Screws & Wire Pro.—Rs. 10/62—10/75—10/56—10/62—(16/95).
Raymond—Rs. 4/00—4/69—4/00—4/69—(9/50).
Saran Eng.—Rs. 8/81—8/81—8/75—8/75—(9/50).

INSURANCES

New Asiatic—Rs. 7/87—7/94—7/62—7/62—(7/37).
Ruby General—Rs. 9/37—9/37—9/31—9/31—(8/94).

FLOUR MILL

Bengal—Rs. 28/50—28/50—28/25—28/25—(31/50).

MISCELLANEOUS

Aluminium Corp.—Rs. 12/50—12/50—12/50—12/50—(18/12).
Anglo Bros.—Rs. 21/75—21/87—21/62—21/75—(23/12).
Asian Refractories—Rs. 7/06—7/06—6/81—7/00—(7/00).
Associated Battery—Rs. 24/12—24/12—23/50—23/50—(30/19).
B. I. Corp.—Rs. 8/25—8/31—7/19—7/62—(9/50).
Do (Pref.)—Rs. 105/00—107/00—105/00—106/25—(105/50).
Bharat Nidhi—Rs. 5/20—5/20—5/00—5/10—(7/65).
Calcutta Tramways—Rs. 10/94—11/06—10/81—11/06—(12/62).
Clive Row Investment—Rs. 8/25 x.d.—8/25—8/25—8/25—(8/06).
Dr. Paul Lohmann—Rs. 10/19—10/25—10/19—10/25—(22/25).
Dunlop Rubber (2nd Pref.)—Rs. 72/00—73/00—72/25—72/75—(72/75).
Eastern Investment—Rs. 117/00—117/00—117/00—117/00—(138/00).
Electric Construction—Rs. 12/31—12/37—12/19—12/22—(14/87).
East Anglia Plastics—Rs. 9/37—9/47—9/31—9/37—(16/62).
English Electric—Rs. 12/94—12/94—12/19—12/25—(12/25).
Goodyear India—Rs. 31/00—31/12—30/25—30/25—(46/25).
Gwallor Rayons—Rs. 41/00—41/00—41/00—41/00—(60/69).
Hindustan Aluminium—Rs. 12/56—12/56—12/00—12/37—(17/12).
Hindusthan Development—Rs. 3/94—4/06—3/94—4/06—(6/56).
Hindusthan Pilkington Glass—Rs. 16/12—18/50—15/75—15/75—(21/75).
Hindusthan Wire Products—Rs. 15/50—16/06—15/50—16/06—(14/50).
Hilla Tea Estate—Rs. 5/80—5/91—5/78—5/80—(5/80).
Hindusthan Twyford—Rs. 14/50—14/50—14/25—14/37—(16/63).
Indian Oxygen—Rs. 25/06—25/25—24/81—24/87—(46/25).
Isaac Holdens—Rs. 14/31—14/31—14/00—14/00—(17/56).
Imperial Tobacco—Rs. 10/37—10/37—10/19—10/25—(11/25).
Indian Plastics—Rs. 9/50—9/50—9/50—9/50—(9/50).
Indian Carbon—Rs. 19/00—19/25—19/00—19/25—(19/25).
Jayshree Industries—Rs. 14/50—14/62—14/25—14/44—(17/62).
Jardine Henderson—Rs. 86/00—87/50—85/50—86/50—(81/50).
J. K. Synthetics—Rs. 9/65—10/00—9/65—10/00—(29/06).
Martin Burn—Rs. 25/56—25/81—25/56—25/81—(29/06).
National Pipes & Tubes—Rs. 25/87—26/12—25/87—25/94—(31/75).
National Rubber Mfg.—Rs. 11/31—11/56—11/31—11/56—(12/37).

National Standard Duncan—Rs. 41/00—42/50—41/00—42/50—(42/50).
Phillips India—Rs. 28/00—28/00—27/75—28/00—(33/62).
Phillips Carbon—Rs. 15/87—15/94—15/81—15/94—(15/94).
Sen-Raleigh—Rs. 14/00—14/00—14/00—14/00—(18/87).
Sirsilik—Rs. 9/25—9/25—9/06—9/06—(10/19).
Shaw Wallace (Pref.)—Rs. 57/50—58/50—57/50—58/50—(57/00).
Union Carbide—Rs. 38/75—38/75—38/75—38/75—(48/50).
Universal Cables—Rs. 9/44—9/44—9/00—9/00—(12/44).
Usha Martin (Pref.)—Rs. 94/00—95/00—94/00—95/00—(95/00).
Walford Transport—Rs. 3/50—3/56—3/50—3/56—(3/81).
Do (P.O.)—Rs. 2/37—2/44—2/37—2/44—(2/69).

OIL

Indo-Burma Petroleum—Rs. 22/12—22/50—21/75—21/87—(26/62).

PAPERS

Ballarpur—Rs. 17/06—17/25—17/06—17/19—(18/81).
Bengal—Rs. 29/00—29/12—29/00—29/12—16/95—(21/50).
India Paper Pulp—Rs. 16/37—16/95—16/37—16/95—(21/50).
Sirpur—Rs. 11/75—11/75—11/69—11/69—(13/81).
Straw Products—Rs. 9/25—9/25—9/12—9/25—(10/31).
Seshasayee—Rs. 7/31—7/31—7/06—7/06—(8/06).
Star—Rs. 6/50—9/31—6/50—9/31—(10/00).
Titaghar—Rs. 16/19—16/19—15/37—15/37—(42/00).
West Coast—Rs. 127/00—127/00—125/00—125/00—(127/00).

SHIPPINGS

Bengal Assam—Rs. 131/00—131/00—131/00—131/00—(118/00).
India Steamship—Rs. 6/12—6/19—5/97—6/00—(7/12).

SUGARS

Balrampur—Rs. 2/20—2/20—2/20—2/20—(2/22).
Cawnpore—Rs. 9/56—9/56—9/37—9/50—9/31—(9/31).
Raza Buland—Rs. 9/25—9/31—9/25—9/31—(9/31).

TEAS

Batell—Rs. 20/50—20/50—20/50—20/50—(19/00).
Belgachi—Rs. 22/50—22/50—22/50—22/50—(21/00).
Dessai Purbuttia—Rs. 189/00—189/00—189/00—189/00—(189/00).
Grob—Rs. 7/12—7/19—7/06—7/19—(10/00).
Hantapara—Rs. 106/00—106/00—106/00—106/00—(125/00).
Hasimara—Rs. 12/75—12/94—12/69—12/81—(31/56).
Oodlabari—Rs. 13/87—14/00—13/87—14/00—(14/00).
Ranicherra—Rs. 13/50—13/62—13/50—13/62—(13/62).
Sapoi—Rs. 18/31—18/31—18/31—18/31—(18/31).
Tezpur—Rs. 15/25—15/50—15/25—15/50—(16/31).

DEBENTURES

3 % (1963-68) Calcutta Improvement Trust—Rs. 90/25—90/25—90/25—90/25—(90/25).

London

STOCK MARKET UNSETTLED GOOD DEMAND FOR GILT-EDGED

London, 26th May.

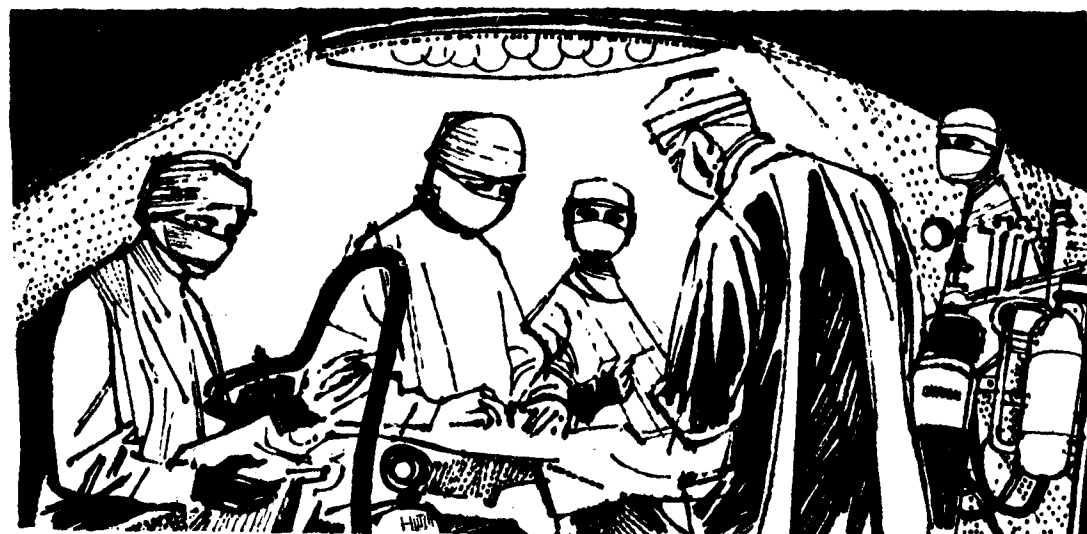
FEARS concerning the possible repercussions of the Profumo affair were again a major influence in the stock market during the past week, but it failed to frighten investors into selling good stock and merely restrained would-be buyers. Even so, a certain amount of selective buying was going on, and generally speaking, the market put

SHELLAC QUIET

During the week ended 26th June, the tone of the market was quiet. The following was the range of quotations:

	Rs. a package
Pure Buttonlac	88, 86 value
Lemon One Shellac	86, 84 buyers
Lemon Two Shellac	90, 88 sellers
Standard One Shellac	76, 74 buyers
Pure TN Shellac	80, 78 sellers
Golden Kusmi Seedlac	66 buyers
Kusmi One Seedlac	70 sellers
Golden Bysack Seedlac	66 value
Manbhumi Fine Bysack Seedlac	62 value
Fine Bysack Seedlac	58 buyers
Genuine Bysack Seedlac 5%	58 sellers
Grade One Class B Seedlac	48 value
Grade Two Class B Seedlac	34, 32 value
Grade Two Class B Seedlac	54, 56 value
Grade Two Class B Seedlac	38 value

Shipments during June until the 17th were 11,703 packages.



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main failure. Modern methods of control and 'trickle' charging mean that KeePalite equipment has outstandingly long life and requires minimum of maintenance. That's why architects everywhere specify KeePalite as sure inexpensive protection for hospitals, factories, schools, banks and public places.

KEEPALITE

AUTOMATIC EMERGENCY LIGHTING EQUIPMENT
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International Division:
E. L. Carthew, Chief Manager.

THE METAL BOX COMPANY OF INDIA LTD.

REVIEW BY THE CHAIRMAN, MR. M. K. VELLODI

The Thirtieth Annual General Meeting of The Metal Box Company of India Ltd. will be held on Wednesday, the 17th July, 1963 at 59C, Chowringhee, Calcutta.

The following is a copy of the Review by the Chairman, Mr. M. K. Vellodi, which has already been circulated to members.

Sales

This is rather a special occasion for me as this is the first time that I am meeting you. It is therefore with very real pleasure that I am able to report another successful year of business for your Company with an increase in Product Sales from Rs. 10.50 crores in 1961-62 to Rs. 11.85 crores or an increase of 13%, an achievement which, in the conditions that prevailed during the year—uncertainty in the supply of raw material, increased excise duties and so forth—must be regarded as highly satisfactory. Constant vigilance and the never-ceasing search for substitutes for tinsplate and the adoption of more and more progressive methods of production and sales are the factors that contributed to this result which, in normal circumstances, would have been passed on to the shareholders in the shape of increased dividends; but the times are not normal and taxation of an unprecedentedly heavy nature has denied to the shareholders these benefits that should have legitimately accrued to them. For as long as our marginal rate of tax is 74% in all, such denial is likely to continue.

The year 1962-63, particularly in the early months, has repeated in many respects the features of the preceding years, features that have become increasingly familiar: a steadily dwindling foreign exchange reserve resulting in ever stricter restrictions on imports even of essential raw materials and the efforts of a much harassed Finance Minister to balance his budget, resulting in fresh imposts. However, as the year progressed, not only were the resultant problems solved, but the shock of the Emergency gave a new impetus to industrial effort in the country, production generally increased and, with it, the demand for the Company's products.

Prospects for the year ahead are not easy to forecast. It is the avowed object of the new taxes to cut expenditure on consumer goods but to what extent they will achieve this object is still a matter of conjecture. Direct defence supplies are bound to form a substantial part of the Company's activity during the year.

The steady increase in the sales of non-tinsplate products which contribute some 25% of our total sales is an encouraging feature. Your Company's fortunes, however, depend in the last analysis, on those of the trades we serve: in most of these, conditions are at present buoyant, but this may prove to be the consequence of short-lived optimism when the impact of the Union Budget has its full effect on consumer spending.

Defence

Our industry adapts itself rapidly to a war situation. Within one year of the commencement of World War II, 80% of your Company's output was devoted to war purposes of which 50% represented direct supplies of war stores and 30% indirect supplies, namely, packages for war supplies. In the current Emergency we have already supplied the latter by the million: the need to supply the Armed Forces in the forward area with canned foods required a very rapid build-up in the supply of Open Top cans which was met on a basis of top-most priority until stocks of the specialised imported tinsplate required were exhausted. I shall have more to say on this later. As to direct defence supplies, within one month of the outbreak of hostilities, the authorities, with commendable promptness, placed orders on us. Your Company's response to the Emergency was thus immediate and our resources were placed unreservedly at the country's disposal.

Your Company is better equipped for defence production than it was in the 1940's. Not only is its normal process capacity of press tools and can-making plant larger than it was, but in the Industrial Components and Machinery Building shops at Calcutta No. 2 there is both equipment and specialised engineering knowledge, which are particularly well suited to the manufacture of many urgently required defence supplies. Our newly established Paper Products Group will be able—though they have no orders as yet—to manufacture many of the special spirally wound containers required by Kirkee and our Flexible Package Works in Calcutta can produce many of the specialised packing materials used in modern war. Our capabilities and past performance have been recognised by the Defence Purchasing and Ordnance Authorities in collaboration with whom we are tooling up on a priority basis for a wide range of defence stores. We hope in these diverse ways to make a

notable contribution to the re-equipment of the country's Armed Forces.

Exports

Economic stresses and strains arising from political changes have affected our markets in South-East Asia and as a consequence, our direct export sales at Rs. 21.37 lakhs fell short of last year's level. Ceylon placed restrictions on imports, Burma's Defence Services bought less and there was intense international competition in crown corks. We, therefore, looked elsewhere in our drive for sales particularly to the markets of West Asia. As a result, machinery exports were nearly doubled; sales in East Africa and Hongkong were increased and our goods broke into four new markets: Afghanistan, Jamaica, Taiwan and Trinidad. Our success in the distant markets of Taiwan and in the Caribbean area mark a significant achievement for our and, therefore, India's engineering exports.

But it is by supplying exporters with containers and packaging materials made to international standards of quality that we make our main, though indirect, contribution to the country's exports—principally in America. Sales under this heading increased substantially, particularly in the shape of Open Top cans for the Kerala prawn packing industry. We now have two factories almost entirely devoted to servicing exports: the Mangalore Factory supplying the cashew trade and the Cochin Factory the prawn packers. We estimate that the value of goods exported in our containers is as much as Rs. 8 crores and we believe that much of these exports has been made possible by the provision of packaging to international standards by your Company; an impressive indication of the contribution which sound packaging can make in the effort to diversify India's exports into non-traditional fields.

Raw Materials

Throughout the year we were in difficulties with our major raw materials (tinsplate, aluminium sheet, aluminium foil, sheet steel) and we ended it with depleted stocks. Until Rourkela's five-stand mill is delivered and commissioned presumably in 1965 or 1966, the country, and hence your Company, will depend to an uncomfortable extent on tinsplate imports. Not surprisingly then, the provisioning of tinsplate was a cause of continuing anxiety throughout the year, particularly as regards the special qualities for processed food containers (Open Top cans), the import of which has to be planned many months in advance of the packing seasons in various parts of India. Supplies ordered this year on the assumption of a brisk, though normal, rate of growth proved to be quite inadequate for the requirements of the Emergency. Immediately the accelerated demands became known, both we and the canning industry represented urgently to Government the need to licence additional imports. The initial delay in responding, understandable as it was in the circumstances of the recently declared Emergency, was nevertheless the cause of an unhappy, though temporary, interruption in supplies to the Defence Services.

The significance of tinsplate as an important industrial raw material has been represented vigorously at the highest appropriate levels of Government. Some 150,000 tons of tinsplate, with an imported element amounting to only Rs. 6.50 crores, enable approximately Rs. 360 crores of consumer goods to be distributed. There is undoubtedly some limited scope for the introduction of substitute packaging materials, but substitutes are frequently more expensive and functionally less efficient. I am glad to say that notwithstanding the

CAPITAL, 27th June, 1963.

many competing demands of high priority for all available foreign exchange, the Government has shown an awareness that a shortage of tinsplate would not only have an adverse effect on Defence provisioning but that it would have damaging and inflationary consequences for the economy as a whole. At the same time, in their anxiety to reduce imports, Government is contemplating restrictions on the use of tinsplate. It is to be hoped that when deciding about these, the authorities will bear in mind that, while the foreign exchange saved would be marginal, seriously dampening the demand for tinsplate products now could have an unhappy effect on the large market required to support Rourkela's new tinsplate mill in 1965-66.

Any new mill for secondary steel products will take time to build up the quality and quantity of its production Rourkela is no exception to this rule. It has had plenty of teething troubles, culminating in a serious breakdown early this February. The damage has been repaired and this mill, it is hoped will now be brought up to full production with the commissioning of further hot-dip tinning capacity which should enable tinsplate production in 1963-64 to be stepped up appreciably.

Supplies of deep-drawn steel for Industrial Components were adequately maintained throughout the year notwithstanding the commandeering, for defence production by the Ordnance Authorities on its arrival, of a consignment we had purchased against a barter deal from Japan.

We have been very careful in our use of aluminium with the result that availability has broadly met requirements, although there was a serious shortage of foil which your Company uses widely for pilferproofing purposes. In successive annual reviews in the past my predecessor had stressed the importance of pilferproofed consumer packaging. I would like to suggest to the authorities concerned that when all materials are scarce, it is more important than ever to ensure that goods reach their destination in first-class condition. Pilferproofed packaging is one of the most effective means of beating the racketeer who adulterates or substitutes the genuine article by the spurious. Your Company has on every possible occasion represented to the authorities the essential role of consumer packaging in any national drive against adulterated commodities. It is understood that the Health Ministry of the Government of India has under consideration several legislative measures which are designed to penalise the adulteration of food, but the contributions of sound marketing and distribution, of which packaging is an essential part, is still inadequately appreciated.

In common with most industries the cost of virtually all our raw and ancillary materials continues to rise, due to increased duties and excises in fiscal budgets. As the cost of materials represents such a large proportion of the total cost of manufacture, we have had no option but to increase selling prices.

Research, Design and Development

Our efforts under this heading have been devoted principally to taking the pressure off the demand for tinsplate by designing and developing alternative packages; to evaluating new sources of raw materials; and latterly to problems connected with Defence supplies.

Paper Products. Your Company received its manufacturing licence for making "treated and laminated papers and boards, and containers made therefrom" on March 27th, 1962 and was granted import licences for the equipment nine months later on January 14th, 1963. No time was lost: the first shipment was made on February 2nd and by March 31st, 50% of the plant had been shipped. By the end of March, short-term specialist staff were already in the country engaged in training staff and installing and commissioning the machinery. It has recently started production. Against the possible breakdown of tinsplate supplies

CAPITAL, 27th June, 1963.

under Emergency conditions, our Paper Products Group has already developed a series of superior composite containers. Due to the disproportionately high cost of Indian board, however, it seems unlikely that these will displace tins except to the extent that tinsplate is not available.

Bombay No. 2. Last year your Chairman referred to the acquisition of a fine factory site nine miles from Bombay No. 1, namely at Deonar. There the construction of the 90,000 square-foot Bombay No. 2 factory has made most satisfactory progress: production should commence this July. The private railway siding makes the premises well suited for the reception, storage and printing of tinsplate and the manufacture of Open Top cans of which tinsplate represents a particularly large fraction of cost. The removal of stocks and machinery from Worli will make room for the Paper Products Group, leave sufficient space to lay out anew the metal containers plant there and thereby improve operational efficiency.

Cochin Factory. In order to improve our service to the prawn canning industry, the Service Installation at Cochin has been expanded into a fully-fledged manufacturing operation. Not only have we been able to pass on freight savings, but the new factory serves as a base for engineering and scientific staff needed to support this highly promising export industry.

Flexible Packages. During the past year, your Company continued to implement its policy of developing its range of packages manufactured from indigenous raw materials to international standards of appearance and functional performance both for the home market and intending exporters. New plant has now been commissioned to supply printed polyethylene bottles and a variety of printed and laminated Flexible Packages and Flexible Packaging Materials made both by heat-lamination and extrusion-coating processes.

Work at our Research Division during the year has progressed satisfactorily

in all aspects including those of protective and decorative finishes made from indigenous materials; the evaluation of cold-reduced tinsplate from Rourkela and Russia; and the general compatibility testing of a wide range of pharmaceutical containers, including of printed flexible packages. The Emergency has given impetus to the Canning Advisory Service and close cooperation is being maintained with Defence Laboratories in all aspects of canning technology, with particular reference to the rigid requirements for foodstuff supplies to the Armed Services.

The Technical Development Division has again had a successful year making a valuable contribution by designing new products and new customers' closing machinery. The plant modernisation programme has progressed satisfactorily with the emphasis on material economy and higher manufacturing speeds.

Machinery Building. Lastly, the range of machinery built by your Company was extended by the addition of a Double Seamer for canner operation which is faster and more sophisticated than any that has been previously manufactured in India. I wish to stress again that each extension of your Company's machinery building activities means a directly corresponding saving in foreign exchange.

Visit from Associates

Toward the end of the year we had the pleasure of welcoming Mr. K. D. Brough, Managing Director of The Metal Box Company Overseas Limited, accompanied by Mrs. Brough. During his tour Mr. Brough was able to see for himself the progress in the Company's establishments throughout the country and, representing our Technical Consultants, was able to give valuable advice and assistance in connection with the Company's development requirements and the financing of them.

Board Changes

It was with real regret that your Board accepted the resignation of Mr.

K. C. Mahindra both as its Chairman and as a Director of the Company. For five eventful years which began with the foreign exchange crisis of 1958 and ended with the declaration of the Emergency, Mr. Mahindra had placed unreservedly at the service of the Company and of the Board his deep and wide experience of business and industry. The Board will miss his wise counsel and his human approach to all problems. I feel it is a great privilege to succeed him as your Chairman. Mr. Mahindra has been in the front rank of Indian industrialists for well over a quarter of a century. He has now decided to retire and I am sure that all of you will join me in conveying to Mr. Mahindra in his retirement our very good wishes for his health and happiness.

Employee Relations

With one exception, relations between management and employees continued to be satisfactory throughout the Company. Agreements covering terms of service were successfully concluded with monthly-rated staff at Calcutta No. 1, Calcutta No. 2, Mangalore, Research Division, Technical Development Division and Head Office and with both monthly-rated and daily-rated employees at Faridabad. An agreement on retirement age was reached with Research Division employees. The exception I referred to is the daily-rated men in Calcutta. The restlessness reported last year has continued into this year. An attempted bipartite settlement on conditions of service, wages and dearness allowance failed and the dispute has now been referred by the union to conciliation.

Soon after the declaration of the Emergency, the Company announced its policy dealing with the release of men called up for service in the Armed Forces; as a result nine men were able to join the forces without loss of pay. The employees' support of the National Defence Fund has been impressive: the Company's donation of Rs. 3 lakhs during the year was supplemented by donations and voluntary deductions

from salaries and wages amounting to Rs. 1,35,000.

Your Company is a strong believer in keeping employees "in the picture"—a difficult exercise in communications which is more easily enunciated than executed. To this end an employees' handbook, "Metal Box and You", dealing with the Company's policy as well as its rules and regulations was published in English, Marathi, Bengali, Hindi and Tamil and was well received.

Training at all levels in the organisation continues vigorously. Ten Indian officers were trained by Metal Box in the U.K. One senior manager was sent to the Administrative Staff College at Henley-on-Thames and another attended the Advanced Management Programme organised by the All-India Management Association at Srinagar. A further thirty-six managers have undergone the Company's residential management course in Calcutta: four of these came from our Associates in Malaya and Pakistan. Arrangements for the training of supervisors and apprentices and participation in workers' education programmes have been further strengthened.

I thank all the employees of the Company for their contribution to the past year's progress and their ready response to the increased demands made upon the Company as a result of the Emergency.

The Coming Year

Demand continues to be buoyant and we believe we shall be able to meet it, but the shadow of the Chinese incursion is still over us and high taxation both personal as well as corporate, direct and indirect, is such as must daunt even the most ardent and progressive man not only amongst our employees at all levels but also amongst you, our shareholders, in India, the United Kingdom and the U.S.A. The difficulties and disincentives are considerable, but I have every confidence in our management and employees who, I am quite certain, will continue to surmount them.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

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ALPHABETICAL LIST OF JOINT STOCK COMPANIES

AT WORK AS ON 31st MARCH, 1962.

An alphabetical list of joint stock companies at work as on 31st March, 1959 (updated to 31st March, 1962 by a separate supplement) has just been published by the Department of Company Law Administration. Only a limited number of copies are available. Intending buyers may contact:

The Registrar of Companies, Bombay, Calcutta or Madras, or,

The Research & Statistics Division, Department of Company Law Administration, New Delhi, with a crossed cheque for Rs. 40/-.

In respect of all business transacted through the branches in the Provinces of India, i.e. at Bombay and Calcutta, for the year ended 31st December, 1962.

Rs. 8,43,16,576 73

In respect of all business transacted through the branches in the Provinces of India, i.e. at Bombay and Calcutta, for the year ended 31st December, 1962.

ACCOUNTANTSKANTOOR BAKKER & CO.
J. F. Zwart,
member of the
Nederlands Instituut van Accountants.

Calcutta, 31st December, 1962
NEDERLANDSCHE HANDEL-MAATSCHAPPIJ, N.V.
 (Netherlands Trading Society)
 A. J. van Asdonk,
 Manager, principal office of the
 Company in the Provinces of India at Calcutta.

CORRESPONDENTS ALL OVER THE WORLD.

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		21-6-63	14-6-63	22-6-62
Liabilities—				
Notes in Banking Dept. ...		32,92.72	28,98.45	41,07.07
Notes in Circulation ...		22,75.19.13	23,07.07.66	20,97.03.63
Total Notes Issued ...		23,08.11.85	23,36.06.11	21,38.10.70
Assets—				
A. Gold Coin and Bullion ...		1,17.76.10	1,17.76.10	1,17.76.10
Foreign Securities ...		1,05.58.43	1,09.06.43	92.68.17
Total of A ...		2,23.34.53	2,26.84.53	2,10.44.27
B. Rupee Coin ...		1,13.83.72	1,11.78.00	1,14.43.79
Rupee Securities ...		19,70.93.60	19,97.43.58	18,13.22.64
Total ...		23,08.11.85	23,36.06.11	21,38.10.70
BANKING DEPARTMENT				
Liabilities—				
Capital Paid-up ...		5,00.00	5,00.00	5,00.00
Reserve Fund ...		80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund ...		61,00.00	61,00.00	50,00.00
National Agricultural Credit (Stabilisation) Fund ...		7,00.00	7,00.00	6,00.00
Deposits—				
(a) 1. Central Govt. ...		51,10.78	58,94.10	69,76.82
2. State Govts. ...		12,28.29	7,96.37	4,70.96
(b) Banks ...		89,16.48	79,03.62	98,62.41
(i) Scheduled Banks ...		2,57.28	2,74.25	...
(ii) State Co-operative Banks ...		9.62	4.02	...
(iii) Other Banks ...		...	...	...
(c) Others ...		1,72,32.26	1,68,66.05	1,51,26.81
Bills Payable ...		39,97.19	32,89.39	46,91.59
Other Liabilities ...		82,53.80	82,86.57	71,15.13
Total ...		6,03,05.70	5,86,14.57	5,83,43.72
Assets—				
Notes ...		32,92.72	28,98.45	41,07.07
Rupee Coin ...		2.35	2.13	2.06
Small Coin ...		2.14	2.20	3.32
National Agricultural Credit (Long Term Operations) Fund ...		...	...	...
(a) Loans and Advances to ...		27,17.02	27,17.01	...
(i) State Govts. ...		9,15.96	9,08.90	...
(ii) State Co-operative Banks ...		...	...	...
(iii) Central Land Mortgage Banks ...		...	...	...
(b) Investment in Central Land Mortgage Bank Debentures ...		2,84.88	2,84.88	...
National Agricultural Credit (Stabilisation) Fund ...		...	...	...
Loans and Advances to State Co-operative Banks ...		...	...	...
Bills Purchased and Discounted ...		...	...	...
(a) Internal ...		...	...	...
(b) External ...		...	...	...
(c) Govt. treasury Bills ...		56,57.71	62,68.25	52,25.38
Balances Held abroad ...		7,03.66	6,59.60	9,65.56
Loans and Advances to Govt. ...		40,22.17	50,78.48	1,24,50.83
Loans and Advances to ...		...	...	1,22,12.51
(i) Scheduled Banks ...		1,30.12	6,91.12	...
(ii) State Co-operative Banks ...		1,14,25.48	1,14,50.08	...
(iii) Others ...		3,01.62	3,35.37	...
Investments ...		2,68,92.23	2,34,24.54	1,94,02.87
Other Assets ...		38,67.64	38,56.56	39,74.12
Total ...		6,03,05.70	5,86,14.57	5,83,43.72

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		14-6-63	7-6-63	15-6-62
(I) Demand Liabilities—				
(a) Demand Deposits ...		51,91.19	51,20.85	5,00.75
(1) From Banks ...		8,57,58.13	8,86,00.62	7,66,17.87
(2) From others ...		38,85.93	32,23.69	29,50.79
(b) Borrowing from Banks ...		55,20.46	56,39.25	59,10.75
(c) Others ...		...	...	...
(II) Time Liabilities—				
(a) Time Deposits ...		28,41.64	27,21.34	19,26.10
(1) From Banks ...		12,24,88.09	12,13,83.47	12,24,80.77
(2) From others ...		20,94.30	23,85.40	13,92.92
(b) Borrowing from Banks ...		10,24.23	10,72.77	10,20.07
(c) Others ...		...	...	...
(III) Borrowing from State Bank—				
(a) Demand Liabilities ...		5,77.97	8,11.10	4,32.76
(b) Time Liabilities ...		11,36.50	10,98.00	13,18.00
(c) Time Liabilities ...		7,87.37	24,18.37	8,11.85
(d) Borrowing from Reserve Bank ...		54,98.16	54,32.03	55,86.34
(v) Cash ...		79,40.36	76,09.72	85,37.14
(vi) Balances with the Reserve Bank ...		19,87.08	20,84.35	18,27.98
(vii) Balances with other Banks in current account ...		51,07.90	49,59.85	52,26.58
(viii) Money at call and short notice ...		6,32,44.05	6,37,32.11	5,75,00.51
(ix) Investments in Central and State Govt. Securities ...		13,18,55.89	13,23,91.57	12,29,07.54
(x) Loans Cash credits and overdrafts ...		6,50.69	10,61.02	5,94.85
(xi) Due from Banks ...		1,73,04.56	1,85,73.76	1,57,29.07
(xii) Inland Bills purchased and discounted ...		48,77.92	51,37.03	44,97.85
(xiii) Foreign Bills purchased and discounted ...		15,48,88.46	15,71,63.38	14,37,29.31
(xiv) Total of X, XI and XII ...		...	...	...

Money

THE CALCUTTA MONEY MARKET

DECREASE IN ADVANCES CONTINUES

Wednesday, 26th June.

THE aggregate level of advances has again decreased by a fair amount in the Calcutta money market during the past week. The credit given to the cotton and woollen mills, and to the foodgrains and seeds trade, is unchanged. But the requirements of the jute and sugar mills, and of the iron, steel and engineering industries, have declined. Conditions in the interbank market have been easier, and the call rate is hovering between 1½ percent and 2 percent.

In the exchange market, the supply of tea bills has improved but gunny bills remain scarce. The demand for remittance has been fair. Sterling has improved in relation to most of the major currencies, except the French, Danish and Swedish.

SILVER WAS QUIET IN CALCUTTA during the past week. The price declined from the previous week's level of Rs. 261.75 to Rs. 260.25 quoted today for ready metal. There was no business in forward. The London and New York prices were 110½d and 127.8 cents. Gold was not transacted.

DURING THE WEEK ENDED 21ST JUNE, Government of India Treasury bills for Rs. 61,42,75,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 25th June. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.410 percent and above were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.345 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 1st July.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 26th June to the 28th June at Rs. 99.431 percent subject to the conditions previously announced that sales can be stopped at any time without notice, if the Government thinks it necessary. These bills sold from 19th June to the 22nd June amounted to Rs. 4.62 crores only.

THERE WERE DECLINES OF RS. 31.88 crores to Rs. 2,275.19 crores in active notes and of Rs. 27.94 crores to Rs. 2,308.12 crores in the total note issue, according to the return of the Reserve Bank of India for the week ended 21st June, 1963. The currency contraction was covered by reducing foreign securities by Rs. 3.50 crores to Rs. 105.58 crores and rupee securities by Rs. 26.50 crores to Rs. 1,970.94 crores in the paper currency reserve. These changes were made by making contra transfers to the Banking Department in which investments rose by Rs. 35.57 crores to Rs. 769.82 crores and foreign balances by Rs. 8 lakhs to Rs. 7.04 crores. Deposits of the Government of India fell by Rs. 7.83 crores to Rs. 51.11 crores, while those of other Governments rose by Rs. 4.32 crores to Rs. 12.28 crores. Balances of scheduled banks increased by Rs. 10.12 crores to Rs. 89.16 crores, while their loans from the Reserve Bank declined from Rs. 6.91 crores to Rs.

CAPITAL, 27th June, 1963.

CAPITAL, 27th June, 1963.

New Delhi

FOREIGN SHARE IN INDIAN CAPITAL ISSUES RISES

(FROM OUR NEW DELHI CORRESPONDENT)

THE latest staff paper of the Department of Company Law Administration contains an interesting study of capital issues during 1962-63. It relates to 54 companies involving a sum of Rs. 21.73 crores, of which Rs. 19.9 crores was in equity shares and the remaining Rs. 1.08 crores in preference shares. The list of 54 companies includes the following ten with capital above Rs. 50 lakhs each:

	Amount issued (In Rs. lakhs)
Associated Bearings Company	390
Asiatic Oxygen	160
Kirloskar-Cummins	150
Oriental Power Cables	105
S.L.M.-Maneklal Industries	80
Assam Sillimanite	70
English Electric Co. of India	60
Gammon India	60
Prabhat Udyog	55
Pyrotenax India	55
Total	1,190

The study shows a noticeable increase in the subscription of foreign collaborators to the capital of Indian companies, compared with 1961-62. Against 7.9 percent during the pre-vious year, 23.2 percent was taken up by foreign collaborators in 1962-63, as will be seen from the following table:

Western zone	30.9 (4.4)
Eastern zone	18.0 (14.0)
Southern zone	8.4 (7.6)
Northern zone	19.1 (10.1)
All India	32.2
Comparative data: 1961-62	7.9

A further study of the pattern of participation in the capital of companies shows that 15 of the 55 companies, which issued prospectuses, sought collaboration from foreign countries. The companies issued shares to foreign collaborators in return for technical know-how and other assistance. The agreements generally with foreign collaborators consisted of the lay-out plans of factories, supply of machinery and the equipment, permission to use the "trade marks" of foreign collabora-

Name of the company	Country of foreign collaboration	Amount of capital invested by foreign collaborators	Percentage of total capital issued
Asiatic Oxygen	U.S.A.	25.00	15.5
Assam Sillimanite	West Germany	6.00	8.5
Associated Bearings Company	U.K. and Sweden	240.00	60.5
English Electric Company of India	U.K.	35.00	58.5
Facit Asia	Sweden	15.00	50
Hind Rectifiers	U.K.	3.00	15.0
Hindustan Dowidat Tools	West Germany	6.50	27.7
Kirloskar-Cummins	U.S.A.	75.00	50.0
Kirloskar-Asa	Sweden	7.50	30.0
National Standard Duncan	U.S.A.	25.00	50.0
Neiveli Ceramics and Refractories	West Germany	3.77	8.4
Prestolite of India	U.S.A.	17.50	43.8
Pyrotenax India	U.K.	27.50	50.0
Simco Meters	U.K.	6.67	19.0
S.L.M.-Maneklal Industries	Switzerland	10.00	12.5

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
21-6-63	86.25	1,08.23
14-6-63	83.05	...
7-6-63	95.50	96.47
31-6-63	1,00.22	1,05.68

facturing Bedford lorries and should now undertake the manufacture of Bedford engines.

Dodge has no diesel engine of its own. Premier Automobiles may, therefore, approach Cummins. The latter is already manufacturing petrol engines in collaboration with Kirloskar. Another possibility is that Premier Automobiles may go into collaboration with Meadows, the British engine manufacturers. This, however, is speculation, and definite proposals are awaited from the three parties concerned.

FERTILISER

F.A.C.T. to Make Equipment

Fertilisers and Chemicals, Travancore Ltd is seeking collaboration from Davy Ashmore of the United Kingdom to set up an engineering and designing units as well as a fabrication plant to make fertiliser manufacturing equipment. The project is expected to cost Rs. 1.50 crores.

ALUMINIUM

Licence to be Revoked

The validity of the industrial licence granted to Mr. Murarji Vaidya for setting up an aluminium plant in collaboration with the U.S. firm of



I am a born optimist —what about you?

If a man can look at the bills his wife runs up and say: "Thank heavens she has not spent more!"—then he is an optimist. AND THAT'S ME.

Even when it comes to paying more through taxes and compulsory deposits, I grin and bear it. It's not that I'm some kind of heroic nut. I know that some day it's all going to pay dividends, if not for me, for my kids—and they are all that I'm concerned about. Of course, it means tightening the old belt a bit.

Not that I never groan, of course. I groan when the postman brings those premium notices on my Life Insurance. But I pay up and say: "One payment less; one more chunk saved; one step nearer maturity." It *does* make for peace of mind. The thought of my wife and the children having this little security feeds my optimism.

I AM AN OPTIMIST—I think.

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Reynolds having expired, the Government of India, it is learnt, will shortly issue a notice revoking the licence. As the differences over bauxite between the Governments of Maharashtra and Mysore have been ironed out, there is every likelihood that the project will be commissioned at an early date. The Mysore Government, it is reported, wants to locate the Rs. 100-crore project in Karwar. It is thinking in terms of a joint Mysore-Maharashtra State venture with foreign collaboration. Whether Reynolds will go into partnership with a public-sector project is not yet known.

The Government of India has notified a list of 112 industries for which licences may ordinarily be rejected without reference to the Licensing Committee till 31st December, 1963.

OIL POLICY

Contribution of Mr. Malaviya

Mr. K. D. Malaviya's exit from the Central Cabinet is regretted by some in New Delhi, particularly because he has resigned over issues unconnected with his oil policy. When the dust of controversy relating to what has come to be known as the Serajuddin affair settles down, it will be conceded that Mr. Malaviya's contribution to India's oil policy has not been inconsiderable. Three factors have assisted him, namely, the glut of crude oil in the world market, the greater unity among the oil-producing countries and the Russian oil offensive. The latter even accepted rupees for exporting oil products to this country. The western oil companies, it is said, were too slow to adjust themselves to the changing conditions. But to make them agree to go into partnership with the Indian Government was not a mean achievement. Although he overlooked the cost factor, Mr. Malaviya also introduced State competition into the refinery and distribution business.

All this is on the credit side. On the debit side will stand the huge avoidable foreign exchange expenditure which the Minister decided to spend on the exploration of oil. His rigid approach will lead to a shortage of petroleum products even during the third plan period. But as far as the Government's oil policy is concerned, both the Prime Minister and Mr. Malaviya have declared that it will remain unchanged. Mr. Malaviya could be reminded of Sir Winston Churchill who, in a pre-election

period, said that he could not commit his unknown successors to his line of policy. During the State's reorganisation controversy, the Prime Minister said that there was nothing final in a democracy. How correct he was! Even the Industrial Policy Resolution has been modified in practice.

There should be unanimity on the point that any policy should serve the best interests of India. The oil policy should be changed without delay if national interests demand this. Here, mention may be made of the Oil and Natural Gas Commission's proposal to undertake oil prospecting in Iran. The proposal, on the face of it, can be taken as an admission that Indian sources—proved and otherwise—are not adequate to meet the growing demand for petroleum products in India. But the foreign exchange shortage is the principal hurdle in importing oil products from abroad. As stated earlier, the foreign exchange spent on oil exploration could have been saved had there been a more flexible approach to the problem. India, moreover, has an acute shortage of well-trained technical personnel. So she has had to hire French and Italian technicians to undertake oil exploration. In view of these handicaps, it should be a matter for some concern why the Commission should have gone in for the project. Meanwhile, the Planning Commission is said to be still undecided over the proposal of the O.N.G.C.

FOREIGN AID

Probe by Expert Body

The Government of India has decided to set up a committee under the chairmanship of Professor V. K. R. V. Rao, member of the Planning Commission, to examine the present procedures for negotiations, allocation and disbursement of external assistance and to suggest measures to ensure a speedier and more efficient use of the available assistance in keeping with the plan priorities.

With the growing tempo of development and the diversification of the economy, there has been a significant increase in the range and scale of foreign aid operations in recent years. The expeditious and effective use of available external assistance has become an important factor in accelerating the pace of India's economic development.

The other members of the committee are: Mr. B. N. Adarkar,

Additional Secretary to the Central Ministry of Economic and Defence Co-ordination; Mr. P. Govindan Nair, Additional Secretary to the Central Ministry of Finance; Dr. I. G. Patel, Chief Economic Adviser to the Central Ministry of Finance; and Mr. V. K. Ramaswamy, Economic Adviser to the Central Ministry of Commerce and Industry (member-secretary).

The committee will consider problems associated with the use of external assistance from all sources and in all forms. For this purpose, it will hold discussions with the representatives of Government departments as well as of public-sector enterprises and private trade and industry. The committee will also examine the problems facing the private sector in its search for foreign technical collaboration or foreign capital investment.

In view of the urgent nature of these issues, the committee, the Government expects, will submit its report within the shortest possible time. The Government would also welcome any interim recommendations on specific points which the committee might wish to make in advance of its final report.

DURGAPUR

New Blast Furnace Ordered

India's largest blast furnace is to be built by a British firm, it was an-

	Zone A Western	Zone B Southern	Zone C Northern	Zone D Eastern
16.5-kilogram tin	47.19	47.02	48.51	48.67
4-kilogram tin	12.96	12.92	13.28	13.32
2-kilogram tin	6.78	7.76	6.94	6.96
Loose (one kilogram net)	2.86	2.85	2.94	2.95

nounced in London last week. The plant, valued at about £7 million, will form part of the extensions to the Durgapur steel works. It is to be supplied by Head Wrightson Iron and Steel Works Engineering Ltd of the U.K. in co-operation with its Indian subsidiary. The extensions to the Durgapur plant are aimed to increase its output from 1 million to 1.6 million ingot tons a year.

Head Wrightson has been commissioned to design, supply and erect a blast furnace to produce 1,500 tons of pig iron a day, a gas cleaning plant, a materials handling plant to deal with 900 tons of ore

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an hour, as well as all the associated specialised items of heavy rolling stock. The firm will also be responsible for the design and installation of the foundations and other civil engineering work. Some of the equipment needed in the project is to be made in India. Work on the new project is expected to start immediately. It will be completed within about two-and-a-half years.

VANASPATI

Prices Raised

The maximum prices for vanaspati, notified by the Government on 21st May, 1963, have been reviewed in the light of the prevailing price of the raw oil. In view of the persistent higher level of prices of the raw oil, some adjustments in those prices have had to be made. The increase has, however, been kept down by making some adjustments in the distribution margins and other economies. As on the earlier occasion, prices have been fixed on a zonal basis. But the zonal structure has been somewhat simplified. There will, in future, be only four zones, broadly covering the four geographical regions. In each case, two sets of prices have been notified, one ex-factory and the other for retail sale.

Retail prices for representative pack-sizes applicable to different zones, which the industry has agreed to maintain, are as follows:

COAL

Plans to Improve Transport

Some construction projects costing over Rs. 3.5 crores are being undertaken by the railways during the current year for the development of transport facilities for moving coal to Gujarat and the Saurashtra area. In addition to setting up a new transshipment yard in Patholi in the Bayana-Agra section, it is proposed to provide power-operated points, arrange colour light signalling and build a new meter-gauge goods shed between Idgah and the Fatehpur cabin. With the completion of these works, it will be possible for the railways to increase the overall intake of coal from 500 to 850 wagons a day via Agra East Bank, which is the focal point for the flow of coal traffic from the Bengal-Bihar coalfields to the Western Railway region.

On the Bhopal-Bhairagarh and Ujjain-Maksi sections, railway track is proposed to be doubled. This, along with other works in hand on the Bhopal-Ujjain route, will increase receipts via Bhopal, particularly from the Central India coalfields, by about 370 wagons a day.

To facilitate the supply of coal to Rajasthan, the Jaipur-Phulera meter-gauge section of the Western Railway is also being doubled.

LEMONGRASS OIL

Price Support by S.T.C.

The State Trading Corporation is entering the lemongrass oil market with a view to giving price support to the lemongrass oil industry. Purchase depots are being set up in Telicherry, Calicut, Alwaye, Cochin and Alleppey. Producers

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and collectors will be able to sell at these depots lemongrass oil of requisite citral content at the minimum prices fixed by the Government. The price at which the S.T.C. will buy lemongrass oil with the 76-per cent citral content will be Rs. 13.75 a kilogram. The prevailing prices are at present below Rs. 12 a kilogram.

WOOL

Aims of Research Body

Mr. David Scott has recently taken up his assignment as the project adviser for the Central Sheep and Wool Research Institute, F.A.O.-U.N. Special Fund project. The Institute is being established in Rajasthan with the following aims:

1. to provide experimental stations with research and training facilities in sheep husbandry, better use of land, wool shearing, testing, grading and processing;
2. to train key personnel, instructors, supervisors, managers and research workers; and
3. to furnish technical information and data for the benefit of small and medium-scale manufacturing industries with a view to making better use of wool and stimulating new investments in this field.

For the establishment of the Institute, the U.N. Special Fund is providing \$777,500. The counterpart contributions of the Government of India will be \$6,064,744 for services, personnel, buildings and maintenance. The U.N. Food and Agriculture Organisation will be responsible for implementing the project over a five-year period.

The Government has purchased a farm in Malapura, Rajasthan, as the site for the Institute. It will consist of a central sheep and wool research institute, two sub-stations in the Himalayan region of Punjab and in Kodakanal, Madras State, ten large-scale and 148 small-scale field centres to demonstrate shearing, wool marketing and management of sheep flocks and one main sheep and wool training centre to be located at the Central Sheep and Wool Research Institute in Malapura.

FULBRIGHT PROGRAMME

New Pact Signed

A formal agreement to continue the Fulbright programme of educational and cultural exchange between India and the United States was signed here last week by India's Foreign Secretary, Mr. M. J. Desai and the U.S. Ambassador to India, Professor John Kenneth Galbraith. The new and revised agreement supersedes the original one of 1950 and provides a broader and more flexible scope of educational activities for the U.S. Educational Foundation in India.

STEEL

Retention Prices Raised

The Central Government has decided to allow an increase of Rs. 10 a ton in the steel retention prices with effect from 1st July, 1963, to enable the producers to cover the cost of the emergency war risks insurance. This amount will, however, be finally adjusted with the equalisation fund on the basis of the actuals of each steel plant. Simultaneously, the Government has allowed a further increase in the escalation of Rs. 8 a ton in the case of steel and Rs. 4 a ton in the case of pig iron with effect from 1st April, 1963.

The following is the full text of the Government's resolution on the

proposed increase in the retention prices:

"In the resolution dated 7th September, 1962, the Government stated that the retention prices fixed for the period 1960-62 should also be applicable, provisionally, beyond 1st April, 1962, subject to changes that may be necessary on account of the increase in the price of coal and the increase in rail freight.

"In January 1963, the Government had allowed an interim increase in the retention prices of pig iron and steel by Re. 1 a ton from 13th June, 1962, over the 1960-62 prices.

"The producers had represented that apart from the statutory increase in the price of coal and rail freight, there have been increases in costs due to the enhanced royalty on iron ore, limestone and other minerals, increase in wages on account of the interim wage board award, increased incidence of excise duty on certain consumable stores, etcetera. The matter was referred to the Cost Accounts Branch of the Central Ministry of Finance for examination. The Branch having completed its enquiry, has submitted its report. The Government, after

careful examination of the report, has decided:

"(1) For the period 1962-63, escalation element of Rs. 10 a ton and Rs. 6 a ton should be allowed on the 1960-62 retention prices of salable steel and pig iron, respectively. These increases are inclusive of the escalations already allowed.

"(2) From 1st April, 1963, onwards, a further increase in escalation of Rs. 8 a ton in the case of steel and Rs. 4 a ton in the case of pig iron should be allowed.

"(3) From 1st July, 1963, the steel retention price should be increased by a further sum of Rs. 10 a ton for the payment of emergency war risks insurance. This sum, however, will be finally adjusted with the equalisation fund on the basis of the actuals of each steel works."

SUGAR

Enquiry on Uneconomic Units

The Government of India has appointed a committee in order to consider ways of dealing with the uneconomic sugar units. Accord-

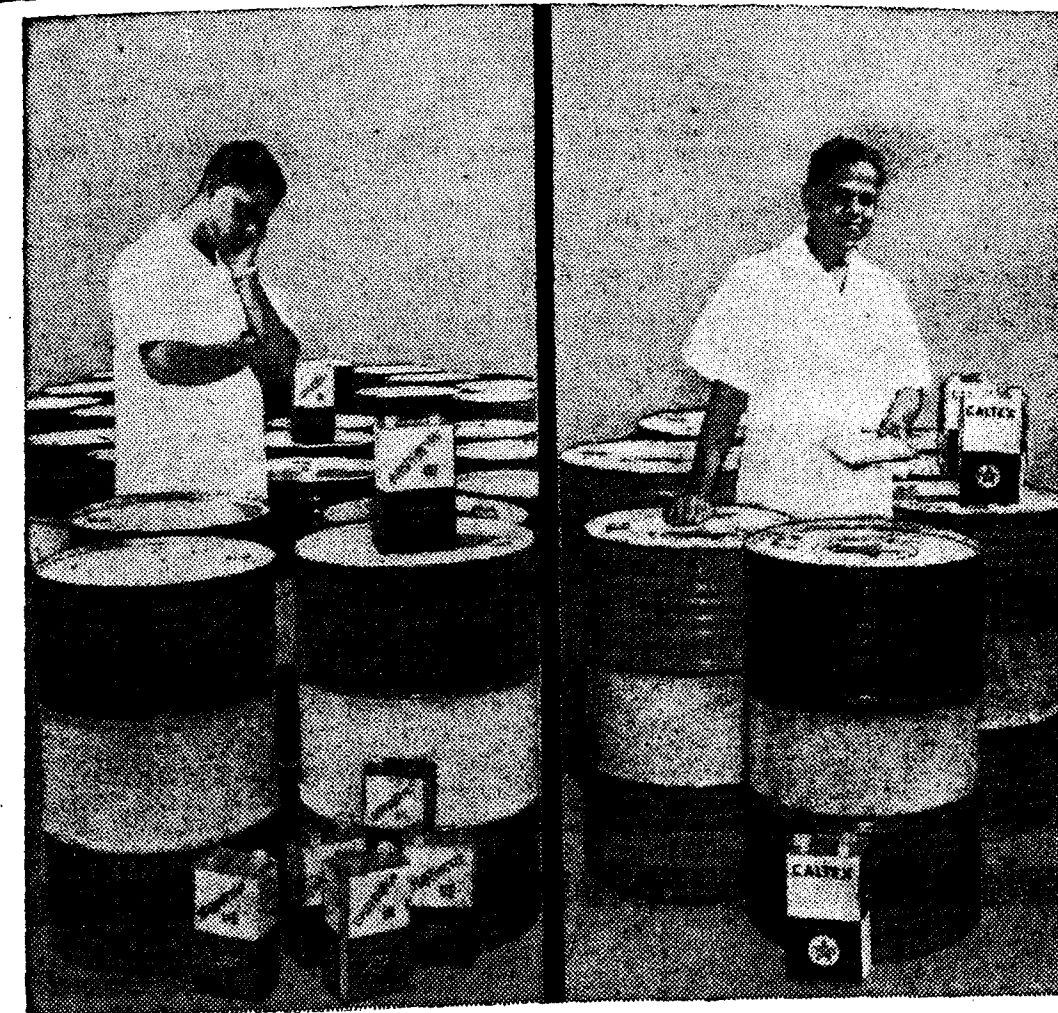
ing to an official press note, the problems of uneconomic units in the industry have been the cause of concern to the industry and the Government.

The committee will assess the recommendations and suggestions made to eradicate the problems, including the financial factors involved and gather further material on the subject. The Government's view is that it is improper for the mills to demand high prices and make the consumer pay on the ground that there are many uneconomic units in the northern region and that the cost of production of uneconomic units is high.

PLANNING COMMISSION

Report Contradicted

An error crept into last week's New Delhi newsletter for which deep regrets are expressed. This correspondent is told by the Planning Commission that Dr. S. R. Sen has not been promoted to become the Secretary to the Commission, as reported in these columns last week. Dr. Sen, according to the Commission, still continues to be a Joint Secretary.



Cut down your lubricants Cut out your paper-work

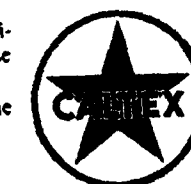
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U.K. BUSINESS MEN OPTIMISTIC ABOUT ECONOMIC PROSPECTS

(FROM OUR LONDON CORRESPONDENT)

THE question which will arouse greatest interest in City circles in the next few weeks will be how far political uncertainties will outweigh expectations of a progressive improvement in the economy. Those who are prepared to look far enough into the future can hardly fail to be encouraged by the latest survey of business trends conducted by the Federation of British Industries. The survey is the fullest and most up-to-date indication of industrial conditions and prospects available, for it covers a representative sample of 660 firms of all sizes and drawn from most industries. Here at last is firm proof that the clouds, which have hung over the economy since last autumn, are lifting.

The replies sent in to the F.B.I. confirm all that the Chancellor has been saying in recent weeks about the change of mood among business men. The swing in sentiment in industry since February is unmistakable—indeed, the change is the largest recorded since these surveys were initiated in 1958. Moreover, optimism is not confined in any one sector—a majority of firms are now convinced that business will improve all round, and not least that exports will continue to grow.

This revival of confidence is, in itself, an element of great significance. It is bound to influence the decisions that business men take about, for example, the level of stocks and the scale of future spending on new plant and machinery. Indeed, it would be fair to say that a return to optimism is at least one of the pre-conditions that must be met if the economy, which has been dragging along the bottom, is to be set moving again quickly.

Nevertheless, a change of sentiment by itself might not be enough to convince all those who have doubted whether, in fact, a recovery was really under way. This is where the

replies to the other questions asked in the F.B.I. survey are important. For they show clearly that the new found optimism in industry does have firm roots in a widespread improvement of actual business. The level of output reported shows a significant rise—for the first time since June 1961. This is reflected in an appreciable increase in the proportion of firms which now have less unused capacity than four months ago. At the same time, there is a marked upturn in the rate at which firms say they are receiving new orders, so that order-books too, are lengthening.

These changes are, of course, less marked than the swing in optimism that has gone with them. The fact remains that they are all changes in the right direction. Moreover, although the impact of the rise in activity is greatest in the consumer industries, there is at least some evidence that an upturn in orders for the capital goods industries has at last begun. Nowhere are order-books yet held to be satisfactory. What matters is that there has been this definite change in trend.

Export Outlook

Not the least remarkable feature of the survey is the widespread optimism with which firms view the prospects for exports. Actual export performance has improved over the past four months, but most firms seem certain that they will do even better in the rest of the year—notably, in the E.F.T.A. countries, but also in the markets of the "Six" where conditions are thought to have become more favourable. The one slight note of doubt here is whether prices might rise and eat into such competitive advantage as Britain now enjoys.

Companies reporting that they were more optimistic about the general business situation formed 56 percent of those replying to the questionnaire. Only 3 percent said they were less optimistic. The remaining 40

percent felt as they did four months earlier. The answers were given between the end of May and the first week in June. The change in business outlook measured by the survey is substantial. As recently as February, only 18 percent of the firms were more optimistic and 30 percent were pessimistic.

While conceding that a change in sentiment does not in itself produce an upturn, industry generally agrees that the sort of confidence shown in the survey is necessary if an economic improvement is to be sustained. The Federation regards the change as a "turning point." Supporting this view is an encouraging expansion on a number of points. As many as 41 percent of the firms said that the rate of new orders had increased. Only 18 percent had experienced a fall.

This change is linked with the first significant rise in output recorded by the survey since 1961. In February, the trend of orders was still clearly downwards. Then output was neither rising nor falling. The latest survey shows 37 percent with a higher level of output, against 20 percent which had seen a fall. The measures taken by the Government to stimulate demand, a normal upturn in the trade cycle and the recovery after the severe winter lie behind the improvement. For what it is worth, all the firms replied before the Profumo affair became public.

Significantly, for the first time in two years, the number of firms who fear that a shortage of skilled labour may soon limit expansion has risen. Most still regard the shortage of orders as the most likely restrictive factor, but slightly less emphatically so than in February. Equally encouraging is the evidence that the tendency to draw on raw material stocks rather than place fresh orders may now be coming to an end. Industry is still destocking, but much less heavily than in February.

As for exports, the firms were more optimistic about prospects than for two years. The margin of those which expect higher sales over those which forecast a deterioration was 23 percent, compared with 14 percent in February. Analysis of replies from individual industry groups shows that the main stimulus so far has come from Government plans to speed up construction, and from last November's tax concessions on motor-cars. Although the detailed figures of particular industries' replies are a closely guarded secret, about three out of four firms in building materials, glass and pottery were feeling more cheerful, and no one was feeling more pessimistic. Among the motor-car manufacturers, about three out of five said they were more optimistic and, again, no one was feeling pessimistic.

These are the two outstandingly cheerful sectors of industry. Companies in the vast engineering and electrical group reported only about average optimism—although this makes a pleasant contrast with their gloomy forecasts last February. Two other big groups, chemicals and clothing and textiles, also showed a balance of optimism which emerged close to average.

Gloomy Sectors

The two gloomy sectors of business—where less than half the companies

CAPITAL, 27th June, 1963.

are feeling more cheerful than they were four months ago—are paper and food, drink and tobacco. Paper makers are no doubt suffering from Scandinavian competition following the E.F.T.A. tariff cuts. In food and drink the major benefits of reflation will only come next month, when the Budget tax reductions are paid out. Optimism in this industry may also have been restrained by the check to cigarette sales.

Prolonged political uncertainty as an aftermath of the Profumo affair may cut into confidence in industry as well as in the City. There may be a greater tendency to play safe and to defer decisions which involve spending heavily on long-term projects. But for industry, the state of order-books is crucial. Provided orders continue to flow in, as now seems likely, there should be a solid basis for steady expansion. Mr. Maudling has visited the City twice in the last few days, and on both occasions, he dispensed a timely tonic in the form of the excellent trade figures for May, which he welcomed as evidence that the economy was in good health. He did not regret that the import bill was rising along with the increase in exports; this was "a sign of general expansion in the economy." That, anyhow, was what he told the Association of British Chambers of Commerce at their annual luncheon. Britain's trade was definitely moving upwards, he said. "Things are improving and business is expanding on a sound basis. As for the external position, I think the omens are good."

The figures issued by the U.K. Board of Trade are even better than they look. With exports at £364.7 million, re-exports at £13.5 million, and imports at £424.6 million, the crude "trade gap" appears to be £46.4 million, against £42.1 million in April. But this is on the basis of sugar imports recorded at the inflated world price, while the great bulk of Britain's sugar imports is, in fact, paid for at the much lower fixed price under the Commonwealth Sugar Agreement. This alone could account for almost the whole of the rise in imports between April and May, and for a fair part of the import rise in the past three months or so.

Trade Figures

In any case, the seasonally adjusted trade figures make a much better showing than the crude statistics. They show exports up from £320 million in April to £341 million in May. This is a monthly record except for the £349 million last March, which was inflated by arrears from the severe winter weather. In the first five months of the year, the rate of exports has been 4 percent up on the average for 1962, while the rate of imports has been up 2 percent.

For May alone, the adjusted import figure is £394 million, against £388 million in April. With unchanged re-exports at £13 million, the "gap" has narrowed to £40 million, against £55 million in April. This, however, is making no allowance for the spurious sugar price which no one is really paying. The true monthly average gap in April-May is believed to have been hardly larger than the low £36 million in the first quarter. This explains Mr. Maudling's reference to an improvement in the balance of payments and the continued strength of the pound sterling.

Industrial production, on the other hand, still shows no sign of revival. The production index for April, just issued by the Central Statistical Office, is the same as for March at 116, after adjustment for seasonal factors. This is only one point up against April 1962, and still below the modest level reached in the summer months of 1962. It is to be hoped that it will not be long before Mr. Maudling can report some improvement in this matter.

CAPITAL, 27th June, 1963.

Jute

CO-OPERATIVES TO HELP SUPPORT FIBRE PRICES

IN order to implement the price support scheme for raw jute, the Government of India, it is reported, has decided to widen the network of jute co-operatives. To safeguard the interests of growers, the Government had instructed the State Trading Corporation to buy jute from co-operative societies on the basis of Rs. 30 a maund. Assam Bottoms ready for export, Calcutta. The S. T. C. paid in the first instance 90 percent of the value of the fibre supplied and the remaining 10 percent was paid within 45 days from the date of delivery.

The jute market, however, has remained depressed because the mills have large quantities of fibre bought on their own account and on behalf of the Jute Buffer Stock Association. In order to prevent a further decline in prices, the Jute Commissioner directed the mills to make compulsory purchases from the market from month to month, and finally made it obligatory on the mills to hold minimum stocks equivalent to 20 weeks' consumption. Even these measures have had little effect and prices have remained below the minimum levels, both in Calcutta and in the up-country markets. At present, Assam Bottoms, ready for export, Calcutta are quoted around Rs. 29 a maund for the old crop, and at Rs. 29.50 a maund, June-July delivery, for the new crop.

So far 600 jute co-operatives, operating in Assam, West Bengal, Bihar, Orissa, Uttar Pradesh, Andhra and Tripura, have purchased about 400,000 maunds of jute valued at Rs. 1.15 crores. The co-operatives in Orissa have bought the maximum quantity of 172,000 maunds. Assistance by the State Governments in the shape of contributions to share capital, subsidies for staff and godowns and warehousing facilities. The State Trading Corporation has provided special financial assistance of up to Rs. 1.55 crores to the various State Governments—Rs. 50 lakhs to Assam, Rs. 40 lakhs each to West Bengal and Bihar, Rs. 20 lakhs to Orissa and Rs. 5 lakhs to Tripura.

The ad hoc committee of the National Agricultural Co-operative Marketing Federation has recommended the provision of adequate circulating capital to the co-operatives to work the price support scheme. It has also urged granting of priority to co-operatives in the allocation of wagons, weight arrangements, inspection and warehousing facilities.

Financial Implications

The tentative scheme for redoubling the activities of the co-operatives during the new season implies the provision of financial accommodation of up to Rs. 7 crores on the 1961-62 basis. Judging from the current trend of jute goods production and raw jute consumption, the mills are likely to have a carry-over of about 2 million bales. Besides, the J.B.S.A. has a stock of 750,000 bales. With a stock of about 2.75 million bales occupying all available warehousing space and entailing a huge lock-up of capital, the mills and the J.B.S.A. may not be in a position to enter the market in a big way when the new crop starts coming in from next month.

During the 11 months ended May 1963, imports of fibre, mainly of jute cuttings, from Pakistan totalled 263,108 bales, against 383,423 bales in the corresponding period of the pre-

vious season. But these statistics do not take into account the large quantities of better-grade fibre smuggled into India. The smuggling occurs because there is a difference of more than 50 percent between prices on the two sides of the border. Besides, the higher prices of rice in Pakistan encouraged barter between the two commodities. According to informed circles, the efforts of the authorities to support raw jute prices may not be successful, unless they are reinforced by effective steps to stop smuggling all along the frontier.

Plea to Scrap Bond System

With a view to facilitating exports of jute goods, the Federation of Indian Chambers of Commerce and Industry has requested the Government of India to discontinue the bond system. Excise duty is levied on jute goods consumed internally, while exports are exempted from the duty. But the authorities insist that the excise duty should be paid on all goods produced; a proportionate drawback can be claimed on exports only after shipment. The drawback thus accruing is estimated at around Rs. 25 lakhs a month. At present, individual shippers have to execute bonds and furnish securities for every consignment before obtaining clearance certificates from the Customs authorities.

Small shippers are badly affected since large sums of money remain locked up in the shape of such securities. It is stated that the bonds are not released for months after the date of expiry because the excise authorities want to make sure that the goods have been shipped. Exporters are thus required to continue paying commission to the banks even after completing the contracts. To avoid this difficulty, the F.I.C.C.I. has endorsed the scheme submitted by the Calcutta Jute Fabrics Shippers Association. According to it, the Association proposes to execute a collec-

tive bond on behalf of its members for such amount as may be determined by the Government. It will be backed by a bank guarantee and indemnities from members participating in the scheme.

The practice followed in Bombay allows shippers to clear export goods without payment of duty against a bond supported by a bank guarantee of up to 25 percent of the face value of the bond. The F.I.C.C.I. has suggested the extension of the same procedure to exports from Calcutta.

Bag Factory for Thailand

A Calcutta firm, it is said, has entered into a collaboration agreement with a concern in Thailand for setting up a sacking mill in that country. It is proposed to install 80 looms with an annual rated capacity of five million gunny bags. Most of the machinery and plant will be made in India. Managerial skill and technical know-how will be supplied by the Indian firm. Indian technicians will be responsible for setting up the plant and running it during the initial stages. Eventually, the mill will be handed over to Thai personnel. India supplies about 81 percent of Thai imports of gunnies.

Coated Woolpacks

The Technological Research Laboratory of the Indian Central Jute Committee has developed a suitable woolpack, which has been received well by Australian and New Zealand packers. Since partition, Indian sacking had been gradually losing these markets on account of the lower prices quoted by Pakistan and the better grade material offered by her. Importers were dissatisfied with Indian sacking because of the contamination of wool by loose jute fibres from the packing. Experiments conducted in the I.C.J.C. laboratory have shown that A Twills can be covered inexpensively with a thin film which

prevents the contents from being contaminated by loose fibres.

An experiment on woolenised jute has also yielded satisfactory results. The technique is capable of being used on a commercial scale and will help the blending of jute with wool for making blankets, knitting wool, etcetera. Wall papers are being replaced by bleached and dyed wall covering made from burlap in the U.S.A. and other advanced countries.

Crop Prospects

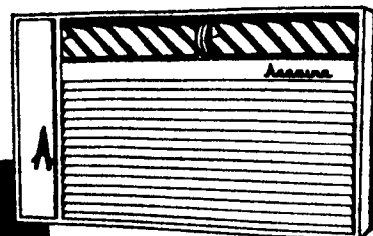
Despite the sultry weather, the continuous sunshine during the past week has proved beneficial to the standing crop in Assam, Bihar, North Bengal, Gangetic West Bengal, Tripura, Orissa, Andhra Pradesh and East Pakistan. It has checked the growth of weeds and helped the plants to thrive. The floods in northern Orissa and East Pakistan rivers have not caused much harm to the crop. In most of these areas early sowing took place and the mature plants have already been harvested. In scattered pockets of East Pakistan, cutting may have to be premature. Arrivals of the new crop in Narayanganj are about 5,000 maunds daily. In the up-country markets in India, they are around 1,500 maunds.

THE JUTE MARKETS

Manufactured Goods: The goods market continued to be dull during the past week. Overseas enquiries declined to a trickle and there was hardly any business worth mentioning. Heavy gunny bookings by Britain, Europe and west African loaders did not help sentiment since shipments were presumably made against forward contracts concluded during earlier periods. The news of the decline in U.S. burlap consumption and stocks in May, followed by fewer foreign enquiries even at the lower levels, induced nervousness among holders who resorted to panicky selling in the futures market to lighten their commitments. The approach of due date accentuated the bearish trend. Towards the close, shippers showed scattered interest in covering in hessian for the near positions because of the lower levels. But that did not encourage operators. Although substantial foreign orders were reported to have been bagged by Pakis-

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tan during the past couple of weeks, jute circles in Calcutta believed that overseas consumers might enter the market soon in view of the low levels prevailing at the moment. Turnover was small and the undertone hesitant at the close.

Quotations on Wednesday were as follows:

	June	July	July-Sept.	Oct.-Dec.	Jan.-March
40in. 70oz.	35.00	35.20	35.35	35.00	34.65
40in. 80z.	37.05	—	—	—	—
40in. 100z.	47.05	48.05	47.90	47.00	46.50
B Twills	108.15	108.90	109.55	110.05	109.70
Corn sacks	111.50	112.00	112.50	112.50	112.00

Heavy Cees
(Plain) 108.50 108.75 109.50 110.00 109.70
A Twills 133.25 133.50 133.75 134.50 134.00
Liverpool 122.00 122.50 123.00 123.50 123.25

Raw Jute: Quiet conditions prevailed in the Calcutta raw jute market during the past week. Mills were conspicuous by their absence and holders were keen to dispose of their stocks at a discount. Scattered purchases of a routine nature were made by the mills in bare marginal lots of selected grade fibre for blending purposes around Rs. 29 a maund ready for C/Leutia for the old crop and Rs. 29.50 a maund for the new crop. In the futures market, Upper Assam White Bottoms for September opened with a loss of 4nP from the previous week's closing level and fluctuated narrowly between Rs. 30.32 and Rs. 30.06 on alternate bouts of bear-covering and bull liquidation to close around Rs. 30.10. Turnover was small in the spot and moderate in the futures markets.

Quotations on Wednesday were as follows:

	Landed at Mills (Basis Bottoms)	1962-63	1963-64
Rs. a Md.	Rs. a Md.		
Assam-Agartala Jute	27.00	28.50	
Northern Jute	27.00	28.00	
Western Desai Jute	25.50	26.50	
Selected Daisee	32.00	32.00	
Assam-Agartala Tossa	31.00	31.00	
Mesta			
Assam-Northern	24.50	26.50	
Local Daisee	24.50	26.50	
Bihar Dist.	22.00	24.00	
Pakistan N C	88.00 a bale	88.00 a bale	

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption in May was 800,000 yards less than during April 1963, but 3.6 million yards more than May a year ago. The average monthly consumption during the first five months continues to run slightly ahead of the consumption for the comparable period a year ago. Last month's bag cut-up was 51.8 million and piecegoods deliveries 24.4 million

yards, compared with 53.1 million and 19.5 million yards, respectively, in May 1962. U.S. spot stocks and afloats fell by 4.5 million yards. At 295.7 million yards, 173.7 million yards were afloats. Spot stocks increased quite heavily as afloat stocks declined. Appearing below are two tables which include the May figures — (1) based on member reports to the Textile Bag Manufacturers Association and the Burlap and Jute Association and (2) projected to represent the estimated consumption and stocks for the entire industry:

U.S. burlap consumption (as reported to T.B.M.A.) (In million yards)			U.S. burlap consumption (estimated industry total) (In million yards)		
	1963	1962		1963	1962
Jan.	61	82	Jan.	68	88
Feb.	78	69	Feb.	89	78
Mar.	75	67	Mar.	85	75
April	68	62	April	77	70
May	65	64	May	76	73

	Total	Mo. Av.	69	69	Total	Mo. Av.	79	77
June	56	61			June	56	61	
July	57	63			July	57	63	
Aug.	65	73			Aug.	65	73	
Sept.	64	71			Sept.	64	71	
Oct.	69	75			Oct.	69	75	
Nov.	70	77			Nov.	70	77	
Dec.	66	74			Dec.	66	74	

	Total	Mo. Av.	69	69	Total	Mo. Av.	79	77
June	56	61			June	56	61	
July	57	63			July	57	63	
Aug.	65	73			Aug.	65	73	
Sept.	64	71			Sept.	64	71	
Oct.	69	75			Oct.	69	75	
Nov.	70	77			Nov.	70	77	
Dec.	66	74			Dec.	66	74	

THE PAKISTANI JUTE MARKETS

CUTTINGS IN FAIR DEMAND

(FROM OUR DACCAL CORRESPONDENT)

Mo. Av.	66	Mo. Av.	73		
U.S. burlap stocks (as reported to T.B.M.A.) (In million yards)		U.S. burlap stocks (estimated industry total) (In million yards)			
1963	1962	1963	1962		
Jan.	266	200	Jan.	306	241
Feb.	256	215	Feb.	304	254
Mar.	261	222	Mar.	304	259
April	254	213	April	310	250
May	252	193	May	296	231
June	207	204	June	241	237
July	207	204	July	241	237
Aug.	207	204	Aug.	241	237
Sept.	207	204	Sept.	241	237
Oct.	207	204	Oct.	241	237
Nov.	207	204	Nov.	241	237
Dec.	207	204	Dec.	241	237

THE U.K. JUTE MARKETS

LITTLE DEMAND FOR FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute markets were quieter in Pakistan for the higher grades. The E.P.C. values of Mill Lightnings and higher grades of white jute have been reduced by £3 a ton and Grade Tossa-4 and higher qualities of dark jute have been reduced, by a similar amount. However, this has made little or no difference to actual offers as many sellers were already discounting the official rates.

Heavy rain has fallen in Pakistan, and river levels are rising rapidly. Flooding has taken place in some districts, but so far, there appears to be no actual damage to the jute crop. There are reports that the Tossa crop may not be so large as expected, but it will be some time yet before this can be confirmed.

Demand from most overseas countries is small and the quantity of new crop purchased is well below average for this time of year. This is due to many countries having large stocks of old crop jute a portion of which is still unsold to spinners. At the same time, no official announcement has been made about minimum export prices for next season, nor have trading licences been issued.

The spot market was quite firm in Dundee. Most sellers were refusing to accept less than their quoted rates, although very little demand was being shown at present. New crop offers were being made at £107 for Mill Lightnings, at £93 for Mill

CAPITAL, 27th June, 1963.

Hearts and at £80 for Grade Hearts, c.i.f. U.K. for August-September shipment. Grade Tossa-2/3 was available at £117 and Grade Tossa-4 at £108. Output Tossa-2/3 ranged from £96 10s and Output Tossa-4 from £86 10s October-November.

Little or no change took place in old crop prices during the past week, but some of the better qualities are now becoming scarce. Mill Lightnings are named at £111/10s, Mill Hearts at £94 and Grade Hearts at £78. Grade Tossa-2/3 was at £116, Grade Tossa-4 at £106, Output Tossa-2/3 at £94 and Output Tossa-4 at £84, c.i.f. U.K., for June-July shipment. Cuttings remained steady at £55 for S.N.C. and at £47 10s for N.C.

The Siam jute market was firm with practically no offers of old crop being made. New crop was lowest at £72 for grade A and at £67 for grade B, delivered mill Dundee for November-December. Spinners consider these prices to be too dear compared with other raw materials.

THE PAKISTANI JUTE MARKETS

CUTTINGS IN FAIR DEMAND

(FROM OUR DACCAL CORRESPONDENT)

THROUGHOUT the western half of the country, continuous heavy rains fell over the past week, which is most unseasonal. Since river levels and rainfall generally were up to a week ago below last year's levels, even these continuous heavy downpours have only resulted in a slightly higher rainfall and river levels than in the same period last year. From now on, of course, things may deteriorate, but it will be remembered that even though there were localised floods in East Pakistan last year during July, these were not serious and did little or no damage. Floods have to come later in order to do serious damage. The papers, however, both in India and Pakistan have, from the point of view of raw jute, been over-dramatising the so-called floods.

It is unlikely that the present conditions will affect the crop with the possible exception of a very small loss in outturn in the lowland crop due to slightly earlier harvesting. This is not likely to be enough to be noticeable. Reports indicate that these heavy rains will retard the growth of the Tossa crop. This is unlikely unless the heavy rainfall and lack of sunshine continue for a considerable time. In the meantime, harvesting of the lowland crop is progressing, and it may be expected that jute will start coming in early in July, that is to say, slightly earlier than reported last week.

In the overseas markets, there have been some sellers' resistance, but very little business is reported. Locally, transactions continued mainly in cuttings, and a fair premium was paid for delivery during January-February. The discount for ready remained.

Due to the cyclone, there has been a pile-up of foodgrains cargo in Chittagong. These have priority on the railway wagons, so a shortage of wagons has developed. This is not important at present with small exports, but may be serious if the congestion, or the railway is not relieved by the end of July. In Chittagong, there are still 60,000 bales awaiting shipment resulting in a shortage of barges. Several barges are also being used for carrying foodgrains around the country, and here again, unless the position is eased by the end of July, there may be a serious shortage of transport for raw jute movement.

CAPITAL, 27th June, 1963.

Commodity Markets

SHARP RISE IN CASHEW KERNEL EXPORTS

(FROM OUR SOUTH INDIAN CORRESPONDENT)

A FRESH record was established by cashew kernel exports from India during the financial year 1962-63. According to the figures just published by the Cashew Export Promotion Council, a total of 48,557 tonnes of cashew kernels valued at Rs. 19.36 crores was exported in 1962-63. When compared with the previous year, this was 6,800 tonnes more and in terms of money, the gain was to the tune of Rs. 1.19 crores. The increase in exports was largely due to larger offtake by the U.S.A., Australia, France, Germany (both East and West), Iran, Japan, the Netherlands and Sweden. The United States continued to be the largest buyer of Indian cashew kernels. She took 27,000 tonnes, representing about 55 percent of the exports in 1962-63.

Russia is the second largest buyer of Indian cashew kernels with her 1962 offtake amounting to 5,300 tonnes. She started buying this commodity from India only recently. Her purchase in 1957 was only 2,100 tonnes. According to the Cashew Export Promotion Council, the bulk of the Russian imports is consumed by the baking industry, although small quantities of salted and roasted kernels are sold locally in some of the special restaurants. The requirements of the baking industry are conveyed every year to the State Planning Committee, which decides on the quantity of cashew kernels to be imported, depending however on the availability of foreign exchange. As foreign trade is a Government monopoly in Russia, purchases in India are handled by the Bombay branch of the trade representation of Russia in India.

With a view to popularising Indian cashew products in Russia, the Cashew Export Promotion Council is participating in the forthcoming Indian exhibition in Moscow, which is to be inaugurated on 18th July, 1963. Samples of exportable grades of cashew kernels as well as treated and untreated cashew shell liquid have already been sent to Moscow for display at the exhibition. Models of the cashew tree, cashew apples, of the cashew and samples of products photographs and samples of liquid have been sent to the exhibition for display. Russia is not importing cashew shell liquid at present.

The cashew market in India is at present steady and exports are moving. According to some trade estimates, exports during the first five months of 1963 amount to about 900,000 cases of 50 lbs each, against 850,000 cases during the same period of last year. Exports this year are likely to be little better than last year, but money earned from exports may not be commensurate with the increase in quantity because the prices this year were less than that of the previous year. The present American offer is 44 cents a lb.

Stalemate in Lemongrass

A stalemate has developed in the lemongrass oil market following the recent fixing of the floor and ceiling prices by the Government with a view to helping the producers. The prices have been falling for some time now and there was a persistent cry from the producers for Governmental interference. The minimum and maximum prices fixed by the Government are Rs. 160 and Rs. 200

a 10 kilograms. The present market price, on the other hand, is Rs. 95 a 10 kilograms and even at this rate, there are no buyers, it is said. There was an offer from the Government that the State Trading Corporation would be asked to step in and buy stocks if the open market price was falling below the controlled price and the producers were finding it difficult to dispose of their stocks. The producers who are small agriculturists with hardly any capacity for holding back their stocks until prices increase say that unless the Government implements its promise quickly, they will be nowhere. In the meanwhile, there are reports that the State Trading Corporation will soon enter the market.

India produces about 1,000 tons of lemongrass oil a year and almost 75 percent of it is exported. Pro-

duction is mostly confined to central Kerala. Lemongrass oil is used in the manufacture of vitamin A and perfumes.

F.A.O. to Study Common Tea Problems

(BY A SPECIAL CORRESPONDENT)

REFERENCE to excess supplies of common teas has been repeatedly made in these columns. The question of adjusting production to consumption, as recommended by Mr. Betts at the I.T.A. meeting in London, has also been mooted. The F.A.O. committee on commodity problems is reported to have considered this matter at its meeting last month. The international situation in relation to tea was discussed in detail in the context of establishing an F.A.O. study group. It was observed that in spite of the stability in prices and trade in recent years, present indications point to a continued expansion of production, whereas it is doubtful if consumption can continue to increase at recent rates.

After considering the current situation and prospects and after discussions with the representatives of the major producing countries, it was decided that there is need for inter-Governmental consultations

between producing and consuming interests.

It was noted that in recent years, world production of tea had jumped by 22 percent but net imports of consuming countries showed a rise of only half that, namely, 11 percent. A tea glut had been avoided by consumption within producing countries which is estimated to have gone up by 50 percent over the same period.

Pakistan already absorbs most of her own output and fortunately for India, the internal demand continues to rise. But world indications point to an intensification of the up-trend in production following the emergence of new producing lands, expansion of planted areas and higher yields from them.

At a time when considerably larger supplies may be anticipated, the expansion in consumption outside producing countries is thought to be on the decline; it is doubtful if consumption can keep pace with supply. The fully developed countries are already taking the tea they require (the E.C.M. excepted), and although there is a great potential demand in Africa and Asia, the money to pay for such imports is not yet forthcoming.

The F.A.O. committee meeting appears to have indicated that due to the rigidity of demand for the commodity in relation to price in

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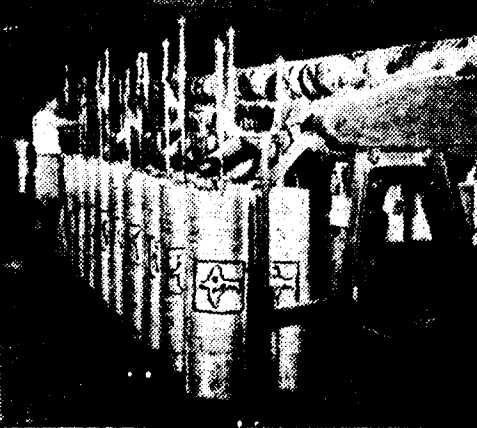
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important markets in western Europe and north America, any increase in consumption resulting from a reduction in price would be relatively small and as far as foreign exchange is concerned, total export earnings would decline.

Recent experience has shown the truth of the last sentence and the forecast may be correct as far as the U.K. is concerned, for saturation point in consumption may have been reached but this correspondent still thinks that the U.S.A. and western Europe, if sound and intensive propaganda is taken in hand, could take some more. South America is another area where semi-European habits prevail and the tea prospect should not be ignored. So, even if the poor people of Africa and Asia cannot afford to buy tea, there would still appear to be millions in both the old and new worlds, who could start taking to tea if India's cost of production can be reduced by, say, 25 percent.

The F.A.O. committee appears to take the view that periodical consultation on production policies may avert the necessity of market controls at a later date. The proposed study group will consider markets and outlook for off-take; as also reduction or cancellation of barriers to trade.

The F.A.O. memorandum takes note of the fact that the world tea

economy in recent years has been saved by the marked increase in consumption in the producing countries (already referred to), especially India. The Calcutta trade estimates current consumption around 315 million lbs, which confirms the F.A.O. estimate. The report adds that the overall consumption in the Far East trebled during the same period, but balance of payments difficulties may check expansion in these overpopulated lands.

Burden on Tea

The annual Assam dinner was held at the end of May in London, and the Tea and Rubber Mail reports that the chairman, Sir Percival Griffiths, pointed out that as tea is a corner-stone in India's economy, the Government of India should limit the demands made upon the industry. Planters' anxieties include the rise in the cost of production, linked with the constant increase in taxation, not only on the producing companies, but on the planters themselves, and the fact that not enough propaganda for tea is being carried out in the U.K. The chairman said that it was necessary to publicise tea as tea and not as a particular country's product. "What we want in this country," he declared, is "really large campaign with perhaps a million pounds to spend on the promotion of tea as

tea", and added, "until we get that going we shall not make the headway we need to make".

Sir Percival continued: "When I went on tour and I found there were indeed great dangers attached to a tour of Assam, but they were not the dangers my friend had in mind. Perhaps I can best illustrate them by saying that in 23 nights I was in 22 clubs and once by very good fortune I dined before midnight. And of course, the length of the sessions in those days was facilitated by the fact that the price of a bottle of whisky was not very much more than the price of a burra peg today. That was the first of many tours I made to the tea districts and I soon developed a most tremendous respect for the planter. I came to realise that he had the same courage, the same determination, the same tenacity which had led his forebears first of all to carve the tea gardens out of almost trackless jungles of Assam. I often let my mind go back to those early pioneers. What men they were.

"In the days of C. A. Bruce, the hazards of travelling were appalling. It was a malaria-infested country, full of jungle, full of wild beasts, and practically no civilisation at all.

"I have not the time to follow on the story of the work of the

CAPITAL, 27th June, 1963.

pioneers, but it is worth while remembering that from their beginnings, tremendous things were built; it is worth while remembering that what was uninhabited, trackless jungle has been turned into a home, of civilisation, into a place where order and efficiency, tempered with humanity, prevail in a degree very much greater than is to be found in many parts of India.

"Above all things, the planter has become a first-class employer. It might have been thought that all the rules and regulations that Governments have seen fit to introduce would have broken the old relationship, but they have not done so. It is still there. The planter is still liked and loved by his labour force and still regards their welfare as his main job. But besides being good employers, they are good citizens.

"The tea industry is very much the corner-stone in the whole Indian economy. It is the most important earner of foreign exchange, it is the largest employer, except for the railways, and it is a very big revenue payer. I cannot pretend that I look upon that aspect of its contribution with unqualified satisfaction. We do, of course, suffer from the fact that we are mulcted both by the Central Government and by the States.

"Since we are the corner-stone in the Indian economy, it is, I think, quite right that we should from time to time tell the Government of India, and of Pakistan, too, what our anxieties are. I think they are in the main three in number. The first is the growth in the cost of production, linked, of course, with the constant increase in taxation, and we have to face the fact that today our competitors from east Africa can land tea in this country from 1s to 1s 6d a lb cheaper than we can, and on top of that, we are also very heavily taxed. We understand that the Government of India needs money; the Chinese cannot be fought without an increase in revenue, so I am not saying this in a captious or critical spirit. But I would make this appeal to the Government of India and the State Governments concerned, do not overtax us and do not be unrealistic in your assessment of what can be paid to labour. We are all desirous of raising the standard of our labour—we are raising them—but there are limits. If the Government concerned want tea to continue to be the corner-stone of the economy, they must put some limit on the demands they make upon it.

"Our third anxiety is that we are not doing anything like enough propaganda for the sale of tea in this country. (Hear, hear). We are not enlarging our market in the way we ought to be. Teenagers are not drinking tea as they should be. I would not mind so much if they drank things like beer, but they drink things like milk and coca-cola, and obviously we ought to be doing something about it. Mr. Vohra, whom I am glad to see here tonight, is running a very good campaign for Indian tea, but there are two things wrong with it, which are not his fault. First, he has a hopelessly small fund at his disposal, and secondly, the real thing to push is not tea of a particular country but tea as tea. What we want in this country, and I am not without hope that we shall see something coming into fruition before very long, is a really large campaign, with perhaps a million pounds or something of that order to spend on the promotion of tea as tea. Until we get that going, we shall not make the headway we need to make."

CAPITAL, 27th June, 1963.

COMPANY AND PUBLIC NOTICES

THE METAL BOX COMPANY OF INDIA LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Company will be held at the Registered Office, 59C Chowringhee, Calcutta, on Wednesday, the 17th day of July 1963, at 12-30 p.m. for the following purposes:

1. To receive and consider the Statement of Accounts for the year ended 31st March 1963 and the Reports of the Directors and Auditors thereon.
2. To declare a Dividend.
3. To elect Directors. Special Notice of the intention to propose the election of Mr. M. K. Vellodi, who is 67 years of age, has been received.
4. To re-appoint and fix the remuneration of the Auditors.
5. To transact any other ordinary business of the Company.

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. Proxies in order to be effective, must be received by the Company not less than 48 hours before the Meeting.

NOTICE is hereby given that the Ordinary Share Register of the Company will be closed from 1st to 17th July 1963, both days inclusive.

By Order of the Board,
B. BARKER,
Secretary.

59C Chowringhee, Calcutta,
22nd June, 1963.

TENDER CALL NOTICE

SEALED tenders are invited for supply of the following machinery, detailed specifications of which can be had from the office of the undersigned on payment of Rs. 5/-.

Tender will be received up to 3 P.M. on 1.8.63 and will be opened on the same date.

- | | |
|--|---------|
| 1. Punching and Shearing machine | One |
| 2. Radial Drill | One |
| 3. Welding Transformer | 6 nos. |
| 4. Automatic submerged arc welding machine | 1 no. |
| 5. Automatic Gas Cutting machine | 2 nos. |
| 6. Hand operated Gas cutting torch with Regulators | 12 sets |
| 7. Metal band saw & filing machine | 1 no. |
| 8. Power hack saw 18" | One |
| 9. Power Hammer | One |
| 10. Electric Driven Compressor | One |
| 11. Pneumatic Chipper | 2 nos. |
| 12. do Riveters | 6 nos. |
| 13. Portable electric driven hand grinder | 6 nos. |
| 14. Portable electric driven drill | 6 nos. |

Sd/- B. Misra, Superintending Engineer, Delta Irrigation Circle, Keshari Nagar, Bhubaneswar 1.

THE INDIAN IRON & STEEL CO. LTD.

NOTICE

THE Ordinary Share Register and Transfer Books of the Company will be closed from Saturday, the 27th July, 1963, to Saturday, the 17th August, 1963, both days inclusive, for the purpose of payment in due course of dividend on Ordinary Shares in the Company for the year ended 31st March, 1963. The dividend when declared will be paid to those Shareholders whose names appear on the Company's Register of Members for Ordinary Shares on the 17th August, 1963, or to their mandatees.

By Order of the Board,
MARTIN BURN LIMITED,
F. G. LIVERSEDGE,
Managing Director,
Managing Agents.

Registered Office :
12, Mission Row,
Calcutta-1,
25th June, 1963.

NOTICE

IMPORTERS and Exporters are hereby advised that the Foreign Exchange Dealers' Association of India, which is representative of all Banks in India authorised to deal in Foreign Exchange, has decided to adhere officially to the Uniform Customs and Practice for Documentary Credits (1962 Revision) International Chamber of Commerce Brochure No. 222, with effect from 1st July, 1963.

Therefore, all documentary credit transactions relating to both imports and exports—which are based upon instructions dated on or after 1st July, 1963 will, unless otherwise expressly stated, be governed by the provisions, definitions and articles of the relative Uniform Customs Code.

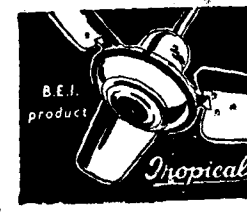
On the other hand, all documentary credits issued, confirmed or advised, which are based upon instructions dated prior to 1st July, 1963, will—unless otherwise expressly agreed to between the parties concerned—be governed by the existing practice and not by the Code, notwithstanding the fact that such credits may be extended or otherwise amended on or after 1st July, 1963.

All Banks authorised to deal in Foreign Exchange in India will be pleased to explain to their import/export customers, on personal request, the provisions of the Uniform Customs Code.

(Issued by the Foreign Exchange Dealers' Association of India)



Manufacturers:
BHARAT ELECTRICAL INDUSTRIES LTD.
6A, S. N. Banerjee Rd., Cal-13.
Agents:-
ORIENTAL MERCANTILE CO. LTD.
Calcutta, Bombay, Kanpur, Delhi, Madras.



TENDER CALL NOTICE

COMPLETE hoisting gear mechanism are needed for 4 nos of Head Regulator gates (45'x12'), 4 nos pocket sluice gates (60'x26') and 6 nos of under sluice gates (60'x14'). Parties with previous experience may apply for detail drawings to the undersigned. Drawings and specifications can be obtained from the Office of the undersigned on payment of Rs. 10/- per set.

The last date of receiving tenders is fixed at 3-00 P.M. on 25.7.63.

Sd/- B. Misra, Superintending Engineer, Delta Irrigation Circle, Keshari Nagar, Bhubaneswar 1.

Census of India 1961, Vol. XVI, West Bengal, Part VI, Village Survey Monographs, No. 1, District Hooghly, Police Station Chinsurah, Village Kodalia. By J. C. Sengupta. (Published by the Manager of Publications, Civil Lines, Delhi.)

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to May 1963. As compared with April, the May index

for Fuel & Lighting reveals a rise of 4 points, while those for Food, Clothing and Miscellaneous remain unchanged at 578, 602 and 317 points, respectively.

Combining all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living increased by 1 point during May 1963.

Middle Class Cost of Living Index Number for Calcutta. Prices in August 1939=100

Groups	Weights	GROUP INDICES												
		May 1962	June 1962	July 1962	Aug. 1962	Sept. 1962	Oct. 1962	Nov. 1962	Dec. 1962	Jan. 1963	Feb. 1963	Mar. 1963	Apr. 1963	May 1963
Food	53.6	548	551	555	563	568	573	573	562	550	553	563	578	578
Fuel and Lighting	4.4	291	291	299	299	299	299	299	299	299	299	307	304	308
Clothing	12.4	592	592	592	596	598	598	598	598	598	598	598	602	602
Miscellaneous	29.6	310	310	310	311	311	311	311	311	311	311	314	317	317
Combined Index	100.0	471	473	476	481	484	487	487	481	474	476	482	491	492

Compiled and constructed by the Statistical Department of "Capital"



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INDIA—BLACK SEA & EASTERN MEDITERRANEAN PORTS
INDIA—POLAND Also around the INDIAN COAST

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Managing Agents:—LIONEL EDWARDS (PRIVATE) LTD.



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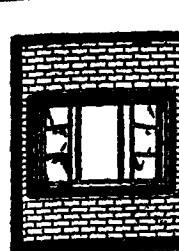


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FOR STEEL ROLLING SHUTTERS, GRILLES, RAILINGS, W.GATES, STEEL DOORS & WINDOWS
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"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

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

Exchange Associations and other sources.

Figures given after stroke (/) mean Naye Paise.

Wednesday, 26th June, 1963.

CAPITAL, 27th June, 1963.

JOINT STOCK COMPANIES' DEBENTURES

Amount Authorised	Amount Outstanding	Rate of Interest per cent	NAME OF COMPANIES	Year of Issue	MARKET PRICE 26-6-63	1-6-63	A year ago	Interest payable	Principal Repayable	Remarks
Ra.	Ra.									
(CALCUTTA)										
COAL										
60,00,000	60,00,000	6 1/2	Bengal Collieries	1961	100/00	100/00	104/50	1st May 1st Nov.	31-10-75	(X)
30,00,000	30,00,000	6	Bharat Collieries	1944	90/00	90/00	90/00	30th April 31st Oct.	30-6-64	(G*)
20,00,000	20,00,000	4 1/2	Barrakur	1947	85/00	85/00	85/00	30th June 31st Dec.	30-6-67	(G*)
50,00,000	50,00,000	5 1/2	Equitable	1953	98/00	98/00	100/00	1st July 1st Jan.	14-12-68	(R*)
COTTON MILL										
4,00,000	4,00,000	6	Bengal Nagpur	1897	85/00	85/00	85/00	10th May 10th Nov.	13-11-66	(H)
JUTE MILLS										
15,00,000	12,00,000	5 1/2	Agarpara	1939	92/00	92/00	92/00	1st Oct 1st April	31-3-69	(F)
15,00,000	15,00,000	4	Auckland	1945	78/00	78/00	78/00	30th June 31st Dec.	31-12-64	(FV)
9,00,000	6,00,000	5 1/2	Alexandra	1939	91/00	91/00	91/00	30th June 31st Dec.	30-6-69	(G)
10,00,000	10,00,000	5 1/2	Bengal (2nd Mortgage)	1940	95/50	95/50	90/00	30th June 31st Dec.	30-6-65	(H)
12,00,000	10,88,000	5 1/2	Chitavalah	1951	90/00	90/00	90/00	30th June 31st Dec.	30-6-66	(H)
25,00,000	20,48,000	5 1/2	Dalhousie	1954	90/00	90/00	90/00	31st March 30th Sept	31-3-69	(H*)
10,00,000	8,86,000	5 1/2	Empire	1951	98/00	98/00	98/50	15th Jan 15th July	15-7-68	(H*)
25,00,000	25,00,000	5 1/2	Fort Gloster	1955	92/50	92/50	92/50	31st March 30th Sept	30-9-66	(H*)
30,00,000	30,00,000	5 1/2	Howrah	1949	90/00	90/00	90/00	31st March 30th Sept	31-3-70	(H*)
25,00,000	25,00,000	5 1/2	Kinnison	1953	89/00	89/00	89/00	30th June 31st Dec.	31-12-64	(H*)
25,00,000	25,00,000	5 1/2	Kamarbhaty	1952	90/00	90/00	90/00	30th June 31st Dec.	31-3-67	(H*)
25,00,000	13,04,000	5 1/2	Nalhati	1939	92/00	92/00	92/00	14th Nov 14th May	14-3-74	(H)
25,00,000	25,00,000	5 1/2	Nellmarla	1945	85/00	85/00	85/00	30th June 31st Dec.	31-12-64	(H)
5,00,000	5,00,000	4	Northbrook	1950	81/00	81/00	81/00	31st March 30th Sept	30-9-65	(H*)
25,00,000	25,00,000	5 1/2	Reliance	1937	85/50	85/50	85/50	31st March 30th Sept	31-3-67	(H*)
12,00,000	12,00,000	5 1/2	Union	1925	80/00	80/00	80/00	31st Jan. 31st July	31-7-72	(H)
10,00,000	10,00,000	6 1/2	Waverley	1925	80/00	80/00	80/00	31st Jan. 31st July	31-7-72	(H)
MISCELLANEOUS										
30,00,000	19,80,000	4 1/2	Associated Hotels of India	1948	85/00	85/00	85/00	1st Jan 1st July	31-12-62	(H)
ALUMINIUM CORPORATION OF INDIA LTD.										
10,00,000	10,00,000	5	Aluminium Corporation of India Ltd.	1948	92/00	92/00	92/00	1st Jan 1st July	31-12-62	(H)
5,00,000	5,00,000	4 1/2	Bareilly Electric Supply Co. Ltd.	1949	88/00	88/00	88/00	30th June 31st Dec.	31-12-64	(H*)
12,00,000	12,00,000	4 1/2	Banaras Elec. Ltd. & Power Co. Ltd.	1952	100/00	100/00	100/00	1st April 1st Oct.	1-3-72	(H*)
1,00,00,000	90,00,000	4 1/2	Buckingham & Carnatic Co. Ltd.	1945	94/00	94/00	94/00	30th June 31st Dec.	31-12-69	(H)
5,00,000	5,00,000	5 1/2	Britannia Engineering	1954	90/50	90/50	92/25	1st March 1st Sept.	1-9-69	(H*)
5,00,000	5,00,000	5 1/2	Burmah Shell Refineries Ltd.	1950	92/00	92/00	98/00	1st Jan 1st July	1-1-70	(H)
8,00,00,000	8,00,00,000	5 1/2	Calcutta Electric Supply Corporation	1970	266/10	266/10	266/10	1st Jan 1st July	...	(H)
2,66,00,000	2,32,89,400	5 1/2	Calcutta Tramways	1933	274/00	274/00	274/10	1st April 1st Oct.	1-10-74	(H)
2,66,00,000	2,32,89,400	5 1/2	Calcutta Tramways	1938	95/00	95/00	98/00	1st June 1st Oct.	1-6-63	(H)
2,66,00,000	2,157,788	5 1/2	Carew & Co. (2nd Mortgage)	1941	87/00	87/00	88/00	1st March 1st Sept.	28-2-70	(H)
21,00,000	21,00,000	4 1/2	Carew & Co.	1915	80/00	80/00	85/00	1st Feb 1st August	1-2-64	(H)
26,00,000	26,00,000	5	Chowringhee Properties	1945	80/00	80/00	80/00	1st Feb 1st August	1-2-64	(H)
CLIVE BUILDINGS										
25,00,000	19,29,000	4 1/2	Clive Buildings	1946	86/00	86/00	84/00	1st July 1st Jan	1-7-68	(H)
1,00,00,000	1,00,00,000	6 1/2	Dalmia Cement	1950	100/00	100/00	105/00	31st March 30th Sept	1-7-70	(H*)
1,30,00,000	1,04,55,000	6 1/2	Dunlop Rubber Co. (I) Ltd.	1958	90/00	90/00	105/00	1st Jan 1st July	1-1-73	(H*)
1,00,00,000	1,00,00,000	6 1/2	Dunlop Rubber Co. (I) Ltd.	1945	98/00	98/00	100/00	30th June 31st Dec.	31-12-70	(H*)
23,00,000	25,00,000	4	Goureville Electric Supply	1954	92/00	92/00	100/50	1st Jan 1st July	30-6-69	(H*)
1,00,00,000	97,30,000	5 1/2	Indian Cable Co. Ltd.	1954	84/00	84/00	84/00	31st Dec	31-12-69	(H*)
20,00,000	20,00,000	5 1/2	Kumardhul Fireclay & Silica Works	1946	85/00	85/00	85/00	31st May 30th Nov.	31-5-71	(H)
10,00,000	10,00,000	4	Kumardhul Engineering Works Ltd.	1945	85/00	85/00	85/00	30th June 31st Dec.	31-12-74	(H)
10,00,000	10,00,000	4	Katakhal Lala Bazar Railway	1947	85/00	85/00	85/00	30th June 31st Dec.	31-12-71	(H*)
6,50,000	6,50,000	4	McLeod & Co. Ltd. (Con. Notes)	1951	85/00	85/00	85/00	1st April 1st Oct.	1-4-71	(H*)
45,00,000	45,00,000	4	Macneil & Barry Ltd.	1946	90/00	90/00	90/00	30th June 31st Dec.	30-6-68	(H)
1,00,00,000	12,00,000	4	National Tobacco Co. India Ltd.	1949	96/00	96/00	96/00	31st Mar 30th Nov.	1-12-64	(H*)
12,00,000	20,00,000	6	Patna Electric Supply Co. Ltd.	1946	91/00	91/00	99/00	1st May 1st Nov.	1-5-68	(H)
30,00,000	1,00,00,000	6	Rohas Industries Ltd.	1953	85/00	85/00	95/00	Jan & July	15-7-68	(H*)
1,00,00,000	4,00,00,000	5 1/2	Esso Standard Ltd.	1944	264N	264N	264N	1st Jan 1st July	...	(H)
4,00,00,000	10,00,000	5 1/2	Shree Gopal (Delhi) Mills Ltd.	1935	91/00	91/00	91/00	1st Jan 1st July	30-6-76	(H*)
10,00,000	10,00,000	5 1/2	Shahdara (Delhi) Saharanpur Rly.	1941	90/00	90/00	90/00	31st March 30th Sept	31-12-64	(H*)
2,00,000	2,00,000	4	Situs Jheriah	1949	80/00	80/00	80/00	31st March 30th Sept	31-12-64	(H*)
18,00,000	18,00,000	5	United Provinces Elec. Supply Co. Ltd.	1949	80/00	80/00	80/00	31st March 30th Sept	31-12-64	(H*)
30,00,000	30,00,000	4 1/2	...	...	...	...	...	...	...	...
TEA										
2,50,000	2,50,000	6	Baitakhal	1943	95/00	95/00	95/00	30th June 31st Dec.	1-7-63	(H)
(BOMBAY)										
1,00,00,000	98,28,000	4	Andhra Valley Power Supply	1940	98/50	98/50	98/50	1st April 1st Oct.	1952	(H)
80,00,000	80,00,000	4	Tata Power	1941	98/00	98/00	98/00	...	1951-55	(H)

(Continued from foot of previous page)

- (A) Repayable at par by 1966 by annual Drawings on 1st July each year. May repay the issue in full after 30th June, 1967 on 6 months' notice.
- (B) May be redeemed at a premium of Rs. 20/- per debenture (i.e. 2%) if redeemed earlier than 31st Dec. 1955 on 3 months' notice.
- (C) The Company has option to repay all or any at par by giving notice for 6 months expiring on any interest date after 30th Sept. 1953. At any time on or after 1st Oct. 1957 the holders may convert each note of Rs. 500/- into 25 ordinary shares to take effect on 1st Oct. in each year on giving 15 days' notice prior to such day.
- (D) Rs. 50,000 to be redeemed at par annually by drawing. With option to redeem any part at 101% after 31-12-64 and at 104% after 31-12-68.
- (E) Rs. 80 Lacs will be redeemed annually by drawings from 1st May, 1964 onwards. The Co. has option to redeem all Debentures at 101% on 1st May, 1963 on 6 months' notice.
- (F) Option to redeem all or any of the Debentures at a premium of Rs. 1/- per cent by giving one month's notice on the 31st December, 1954 or any subsequent interest date.
- (G) May be redeemed on 30th June, 1957 at a premium of 7% or on 30th June, 1962, at a premium of 1%.
- (H) Redeemable at par on 31st Dec. 1972 with option to redeem at par at any time on 6 months' notice after 30th June, 1968. At any time after 31st Dec. 1948 each note of Rs. 500/- may be converted into two ordinary shares of Rs. 100/- each ranking for dividend from 1st January following.
- (I) With option to redeem annually Rs. 2,00,000/- at par after 31-3-58 by drawing or by purchase in the open market.
- (J) May be redeemed annually at par by drawing after 10th year also the whole issue at 101% on or after 31-3-63.
- (K) (Option to repay at par one month's notice). At any time after 1st October, 1956.
- (L) (Option to repay at par on 6 months' notice) after 1-1-61.
- (M) (Option to repay on 3 months' notice). At any time after 31st December, 1960.
- (N) May be redeemed at par on 30-6-66 or any subsequent interest date on one month's notice.
- (O) After giving six months' notice.
- (P) Rs. 5,00,000 will be redeemed each year from and after 1964.

* These Debentures are registered and are transferable by transfer Deeds.

GOVERNMENTS LOANS

PORT TRUST LOANS

IMPROVEMENT TRUST LOANS

Outstanding Amount	Interest per cent	Year of Issue	Repayable	Market quotations	Amount	Interest per cent	Year of Issue	Repayable	Market quotations	Amount	Interest per cent	Year of Issue	Repayable	Market quotations	
Rs.				Rs.	Rs.				Rs.	Rs.				Rs.	
GOVERNMENT OF INDIA															
2,48,91,07,000	3	1946	1986 or later	64 25	90.24.300	4	1914	1974	98/25	36,50,000	4	1904	1964	98/25	
			{ At the option of the Govern- ment of India after 6 months notice }		78,90,100	4	1915	1975	98/25	35,00,000	4	1905	1965	98/00	
8.93.33,000	3	1896-97		62/45	88.02.300	3	1921	2nd 1981	82/00	15,00,000	4	1906	1967	96/00	
				1,50,00,000	6 1/2	1921	2nd 1981	144/00N	44,00,000	4	1907	1968	96/00		
1,16,17,46,000	3	1938	1963-65	99/90	2,892,600	6	1923	1953-83	86/1	75,00,000	4	1908	1968	96/00	
1,10,11,78,000	3	1943	1966-68	96/75	2,901,000	6	1924	1954-84	86/1	40,00,000	4	1909	1970	92/00	
					1,24,00,000	4 1/2	1957	1987	99/30	56,00,000	4	1910	1971	92/00	
30.33.10,000	3	1950	1964	98/90	30,00,000	4 1/2	1958	1988	99/50	75,00,000	4	1911	1972	92/00	
14.77.48,000	2 1/2	1946	1976	83/50	1,50,00,000	4 1/2	1959	1989	99/00						
1,15,05,83,000	3	1948	1970-75	86/90	30,00,000	4	1961	1971	98/75						
1,58,17,84,000	3 1/2	1954	1964	99/85			1961	1991	93/00						
1,33,67,92,000	3 1/2	1955	1965	99/50	80,00,000	3 1/2	1965	1965	99/00	2,892,600	6	1923	1953-83	86/1	
					50,00,000	3	1946	1976	83/50	2,835,100	5 1/2	1924	1954-84	86/1	
58.05.92,000	3 1/2	1958	1963	99/90											
86.63.53,000	3 1/2	1958	1974	95/63	50,00,000	3	1945	1-2-2005	72/00						
56.99.30,000	3 1/2	1957	1967	99/90			1945	1-2-1975	83/75						
1.54.39.21,000	4	1957	1972	99/40											
74.51.44,000	4	1958	1973	99/40	25,00,000	3	1938	1968-68	93/00						
1,97,40,82,000	3 1/2	1956	1967	98/42	50,00,000	3	1946	2066	72/00	28.48.275	3 1/2	1947	1977	A	
1,56,58,41,000	3 1/2	1958	1968	97/45	50,00,000	2 1/2	1947	1977	78/50	9.88,000	3	1947	1977	A	
					50,00,000	3	1948	1978	83/00	9,00,000	3	1949	1979	A	
1,90,85,42,000	3 1/2	1959	1969	97/00											
81.06.39,000	4	1959	1979	98/40	50,00,000	3	1950	1980	81/00						
82.65.41,000	3 1/2	1960	1966	99/30											
98.50.17,000	4	1960	1980	98/20	50,00,000	3	1951	1981	80/50						
65.86.35,000	4	1961	1981	98/20											
BOMBAY															
					50,00,000	4	1953	1963	100/00	A=Held by the Govt. of India.					
3.40.34,300	4	1952	1964	99/75	50,00,000	4	1953	1963	97/50						
5.10.79,800	4	1953	1963	99/75	50,00,000	4	1955	1965	97/25						
6.57.22,800	4 1/2	1953	1963	99/75	1,00,00,000	4	1956	1966	97/25						
6.58.20,700	4 1/2	1958	1970	98/00			1959	1969	99/50						
4.35.25,000	4 1/2	1958	1971	98/00											
MADHYA PRADESH															
2,03,28,800	3	1948	1964	98/00											
MADRAS															
5,24,81,200	4	1932	1964	99/65	Amount	Interest per cent	Year of Issue	Repay- able	Market quotations	Amount	Interest per cent	Year of Issue	Repay- able	Market quotations	
10,33,70,800	4	1953	1963	99/75	Rs.				Rs.	Rs.					
6,55,37,300	4 1/2	1958	1970	96/75											
UTTAR PRADESH															
1,55,31,200	3	1936	1961 66	93/25	86.88,000	3 1/2	1951	1966	98/50	20,00,000	4	1913-18	1974	95/00	
5,89,13,900	4	1952	1964	99/65	10,00,000	5 1/2	1932	1962	100/75N						
5,58,25,400	4	1953	1963	99/75	33.91,000	3 1/2	1935	1965	96/00	10,00,000	6	1920	1980	101/00	
7,65,58,900	4 1/2	1958	1970	96/75	72.50,000	4 1/2	1964	1979	100/00						
WEST BENGAL															
2,00,00,000	4	1952	1964	99/75	80,00,000	3	1936	1966	93/00	2,00,34,000	3 1/2	1951	1966	89/00	
3,60,23,300	4	1953	1963	99/75											
7,58,72,200	4	1955	1967	97/85	47,50,000	3	1938	1968	92/50						
7,11,46,100	4	1956	1968	97/75	21.10,000	3 1/2	1942	1978	92/00						
5,10,49,700	4 1/2	1958	1970	98/50	87.38,000	4	1952	1962	99/75	8,25,00,000	3 1/2	1947	1977	82/00	
7,69,69,400	4	1959	1971	97/60											
7,00,00,000	4	1960	1969	97/60											
73.07.21,000	4 1/2	1961	1972	98/00	2,22,72,000	4	1955	1965	97/25N	2,13,14,500	3 1/2	1949	1979	82/00	
MYSORE															
2,95,85,200	4	1933	1953-63	100/50	73,36,000	4 1/2	1958	1968	100/50	4,00,00,000	3 1/2	1950	1965	85/00	
3,83,47,200	4	1953	1963	99/75											
*Ex eight instalments but inclusive of accrued interest.															

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a Preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends. T means that dividend tax is deducted at source.

Year of Issue	NAMES	Amount Issued in 1900's	Rate per Share	Paid-up per Share	Market Quotations 26-6-63	A year ago	Year of Issue	NAMES	Amount Issued in 1900's	Rate per Share	Paid-up per Share	Market Quotations 26-6-63	A year ago	
		Rs.		Rs.	Rs.	Rs.			Rs.		Rs.	Rs.	Rs.	
BANK														
1901	Allahabad Bank (May Nov.)	15 00	6	100	98 50	95 00	1895	Bengal Assam Steamship (Nov.)	3 00	7	60	47 00	47 00	
COALS														
1896-97	Borrae (June Dec.)	4 00	6 1/2	100	84 00	79 00	1926	Bengal Chemical (Aug.)	6 25	7 1/2	10	11 31	11 6 1/2	
1901-19	Burrakur (Jan July)	22 98	7	100	93 00	90 50	1889	Bengal Paper Mill (Mar Sept.)	2 00	7	50	46 50	46 50	
1946	Burrakur (June Dec.)	4 50	6 1/2	100	7 25	7 25	1923	Bengal Paper Mill "A" (Mar Sept.)	4 00	7	100	98 00	98 00	
1895	Equitable (May Nov.)	4 00	8	100	80 00	79 00	1936	Birds Investments (Dec.)	24 00	5 1/2	100	53 37	54 00	
1931	Khas Kajora (March Sept.)	1 93	5	10	6 87	6 95	1902	Braithwaite & Co.	40 00	9 1/2	100	107 00	107 00	
1920	New Beerboom (Jan July)	2 00	7	10	10 25	9 50	1910	Britannia Biscuit (Feb Aug.)	15 00	8	10	11 00	11 00	
1898-90	Ondal (June Dec.)	2 00	5 1/2	100	85 01	81 10	1920	British India Corporation (Feb.)	81 00	8	100	106 25	105 5 1/2	
COTTONS														
1902	Ahmedabad Advance (Apr Oct.)	10 00	5	100	70 00	70 50	1905-89	Burn Eng (1st & 2nd) (Feb Aug.)	13 00	7	100	116 00	109 00	
1894	Bangalore (Jan July)	6 00	6	100	106 90	106 63	1903-5	Burn Engineering (Feb Aug.)	15 00	6	100	103 00	99 50	
1938	Basanti (Oct.)	5 00	6 1/2	10	7 00	7 25	1909-11	Calcutta Electric Supply (Mar Sept.)	£1,900	5	£1	8 19	8 5 1/2	
1896	Bengal-Nagpur (Apr Oct.)	3 00	7	100	48 00	49 50	1937	Calcutta Silk Manufacturing (July Jan.)	2 00	6	100	70 00	49 1 1/2	
1900	Bowreah "A" (Apr Oct.)	6 00	8	100	114 00	110 00	1906	Calcutta Tramways (Jan July)	£250	£1	£1	8 25	7 9	
1900	Bowreah "B" (6) (1) (Apr Oct.)	6 00	7	100	84 50	73 00	1938	Carew & Co (Jan.)	8 00	6 1/2	100	72 00	80 00	
1919	Bradbury "B" (Jan Dec.)	14 85	7	50	53 00	41 50	1905-24	Cawnpore Sugar Works (Feb Aug.)	10 00	8	100	104 50	118 00	
1920	Buckingham & Carnatic (Jan July)	21 30	7 1/2	100	114 59	118 00	1940	Chrestien Mica Industries Ltd	30 00	5 1/2	100	40 00	40 5 1/2	
1928	Camphoria (July)	1 00	7	100	83 69	90 00	1937	Dalmia Cement (Bharat)	35 00	6	10	8 69	8 5 1/2	
1912	Central India (Apr Oct.)	50 00	5	500	401 25	410 00	1918	Delhi Flour Mills (Oct.)	90 00	7 1/2	100	101 00	101 00	
1912	Delhi Cloth & General (Oct.)	20 00	4 1/2	25	16 63	16 63	1935	Deshgarh Power Supply "A" (Jan.)	16 00	5	100	73 62	73 00	
1912	Elgin (May Nov.)	11 00	8	100	113 00	110 50	1940	Duncan Brothers & Co Ltd	45 00	4	100	56 00	56 00	
1943	Elgin "B"	10 00	5	10	6 50	7 25	1926	Dunlop Rubber "First" (Jan July)	30 00	8	100	108 50	106 2 1/2	
1919	Elphinstone (May Nov.)	25 00	7 1/2	100	77 00	73 00	1936	Dunlop Rubber "Second" (Apr.)	40 00	5 1/2	100	72 75	76 00	
1919	Kesoram (June Dec.)	20 00	7	100	107 50	107 50	1897	East India Distilleries (Jan July)	£200	7	20st	18 90	18 5 1/2	
1925	Khatua Makani (Nov.)	10 00	6	100	85 00	77 00	1908	General Investment & Trust (Feb Aug.)	1 00	5	100	56 00	56 00	
1937	Kothari (Nov.)	12 00	6	10	8 76	8 60	1947	General Investment & Trust (Feb Aug.)	1 00	6 1/2	100	49 00	48 00	
1920	Muir (Feb Aug.)	30 00	6	100	122 00	116 00	1948	Gillanders Arbuthnot (Apr Oct.)	25 00	5 1/2	100	55 00	57 5 1/2	
1913	New Great Eastern (Mar.)	8 00	5 1/2	200	107 00	107 00	1948	Gladstone Lysal & Co Ltd	15 00	6 1/2	100	60 00	60 00	
1920	New Victoria (Apr Oct.)	16 06	6	50	118 64	121 82	1948	Godfrey Phillips India Ltd	30 00	5 1/2	100	60 75	58 00	
1933	Palani Andavar (Mar.)	2 00	7	100	82 00	87 00	1940	Gwalior Sugar (Redeemable) (Dec.)	6 75	7	100	62 00	62 00	
1935	Swadeshi (Bombay) (May)	15 00	5	100	80 00	87 00	1936	Gwalior Sugar (Dec.)	5 00	7	100	62 00	62 00	
1927	Swadeshi (Cawnpore) (Mar.)	35 00	6	100	71 00	68 00	1936	Humayun Properties Ltd (Nov.)	12 00	6	10	6 81	6 6	
1931	Vasanta (Apr Oct.)	3 00	6 1/2	100	92 04	95 00	1936	Indian Aluminium (Mar Sept.)	40 00	5 1/2	100	67 50	65 00	
1908	Vishnu (Apr.)	16 00	7	500	385 00	385 00	1927	Indo Burma Petroleum (Jan July)	50 00	7 1/2	100	76 00	81 00	
JUTES														
1927	Agarpara (Jan July)	10 00	7	100	90 59	87 00	1899	India General Navg & Railways	£244	6	£10	75 00	78 2 1/2	
1905	Alexandra (Feb Aug.)	9 00	7	100	85 90	86 00	1923	Indian Cable Co (Nov.)	12 88	6	10	31 75	31 7 1/2	
1895	Alliance (March Sept.)	15 00	6	100	70 25	66 50	1918	Indian Standard Wagon (Aug or Sept.)	19 66	7	100	116 50	114 00	
1917	Anglo-India (May Nov.)	40 00	7	100	97 00	94 00	1936	Indian Iron & Steel	2 69	5	100	85 00	84 00	
1909	Auckland (July Jan.)	15 00	4 1/2	100	57 00	56 00	1936	Investment and Finance (Feb Aug.)	2 00	5	100	69 00	69 00	
1945	Auckland (July Jan.)	15 00	4 1/2	100	57 00	56 00	1935	Investment and Finance (Feb Aug.)	2 00	6 1/2	100	80 00	80 00	
1918	Bally (Jan July)	20 00	7	100	105 50	96 00	1937	James Wright (Jan July)	1 30	6	50	14 30	14 00	
1896	Barnagore (Oct Dec.)	£200	5 1/2	£5	38 00	38 00	1937	Jardine Henderson Ltd	50 00	5 1/2	100	51 50	56 00	
1940	Bengal (June Dec.)	10 00	5 1/2	100	56 75	65 00	1941	Jessore & Co	10 00	5	100	75 50	74 00	
1919	Birla (June Dec.)	23 64	7 1/2	100	78 59	81 50	1915	Kumardhubi Engineering (June)	12 00	5	100	68 00	71 00	
1894	Budge Budge (May Nov.)	9 00	7	100	90 50	90 50	1915	Martin Burn Ltd.	30 00	5	100	84 00	83 5 1/2	
1934	Calcutta (Jan July)	6 00	6 1/2	100	59 00	59 00	1946	McLeod & Co	10 00	5 1/2	100	45 00	47 1/2	
1915	Caledonian (June Dec.)	10 00	7	100	93 00	90 00	1936	McLeod & Co	40 00	5	100	59 75	61 00	
1933	Cheviot (June Dec.)	10 00	7	100	92 00	90 50	1936	Mettur Chemical & Industrial (Sept.)	20 00	6	10	8 25	9 00	
1928	Chitavalah (Mar Dec.)	5 00	7	100	89 50	89 00	1938	Metal Box Co of India Ltd	30 00	6 1/2	100	71 50	84 00	
1910	Clive (First) (May Dec.)	8 00	6	100	82 00	89 00	1938	Mysore Chemical Mfg (Sept.)	2 00	6	10	7 85	7 00	
1905	Clive "A" (Second) (May Dec.)	8 00	7	100	82 00	87 00	1942	National Tobacco (June Dec.)	25 00	5	100	66 50	67 00	
1903-13	Dalhousie (July Jan.)	11 76	7	100	87 00	88 50	1944	National Tobacco (Jan Dec.)	20 00	4 1/2	100	57 50	61 00	
1897	Delta (June Dec.)	5 00	6	100	64 75	70 00	1917	Poona Electric Supply Co Ltd (June Dec.)	4 00	7	100	101 00	101 00	
1912	Empire (Jan July)	10 00	7	100	91 00	89 00	1935	Premier Construction "First" (Apr)	10 00	6 1/2	100	73 50	73 00	
1890-93	Fort Gloster (Jan July)	14 00	7	100	97 00	94 50	1936	Premier Construction "Second" (Apr.)	15 00	6 1/2	100	75 50	76 00	
1948	Fort Gloster (2nd)	7 00	5	100	65 50	64 00	1936	Preston (Sugar) (Oct.)	6 00	10	10	10 55	9 00	
1911	Fort William (May Nov.)	10 00	7	100	80 80	80 80	1922	Ramnagar Cane & Sugar (Aug.)	4 00	6	100	82 00	86 00	
1916	Ganges (June Dec.)	6 00	8	100	106 00	105 00	1935	Rohas Industries (Apr.)	20 00	7	100	95 00	103 00	
1895-04	Gouropore (June Dec.)	26 50	6	100	88 50	85 80	1935	Rohas Industries "B" (April)	85 00	4 1/2	100	58 50	55 00	
1913	Hastings (Aug Feb.)	25 00	6	100	86 50	83 50	1936	Shaw Wallace & Co Ltd.	75 00	6 1/2	100	58 50	57 1/2	
1933	Hooghly (July)	11 76	10	10	11 00	10 87	1936	Shree Gopal Paper	7 50	8	100	103 00	107 00	
1890	Howrah (Jan July)	8 75	7	100	90 50	90 00	1937	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6 00	6	100	62 00	62 00	
1903-06	Howrah "A" (Jan July)	17 50	7	100	91 00	91 00	1918	Shree Krishna Gyanodaya Sugar "B"	12 00	5	100	70 00	65 00	
1919	Hukumchand (June Dec.)	40 00	7	100	95 00	93 00	1922	South Behar Sugar (Oct.)	5 00	10	50	62 50	62 00	
1898-04	Kamarhatti (Apr Oct.)	16 00	6	100	73 00	73 00	1897	Spencer & Co "A" (Provisions) (Jan July)	5 00	9	100	20 50	20 00	
1900	Kankannarah (Apr Oct.)	10 06	6	100	72 00	100 00	1923	Spencer & Co "B" (Provisions) (Jan July)	23 20	6 1/2	100	6 68	7 00	
1935	Kedarnath (Jan July)	2 00	7	100	90 00	90 00	1936	Star Paper (Apr Oct.)	36 80	8 1/2	100	9 55	10 00	
1907	Kelvin (Mar Sept.)	10 00	7	100	93 00	91 50	1925	Sural Electricity (April)	10 00	5	100	65 00	65 00	
1895-09	Khardah (May Nov.)	9 00	6	100	77 00	77 00	1939	Tata Chemicals (Nov.)	5 00	6 1/2	100	104 00	107 00	
1900-13	Kinnison (July Jan.)	15 00	7	100	92 50	90 00	1910	Tata Hydro Electric Power (Sept. Mar.)	60 00	5	100	87 00	85 00	
1905	Lawrence (July Jan.)	15 00	7	100	84 50	89 50	1908	Tata Iron & Steel (First) (Nov.)	89 28	7	100	95 20	98 00	
1912	Lawrence "A" (July Jan.)	5 00	7	100	94 00	90 50	1918	Tata Iron & Steel (Second) (May)	75 00	6 1/2	100	128 00	135 00	
1906-07	Naihati (July Jan.)	10 00	5 1/2	100	64 50	62 00	1919	Tata Power (May Nov.)	6 93	82 1/2	100	100 00	104 00	
1905-06	Naihati (July Jan.)	7 50	7	100	112 00	100 00	1922	Titagur Paper Mills (Mar Sept.)	86 97	7 1/2	100	100 250	1,025 00	
1945	National (May Nov.)	10 00	4 1/2	100	81 00	84 12	1936	Titagur Paper Mills "2nd" (Mar Sept.)	11 50	8	100	117 00	107 00	
1939	Nellimaria (Apr Oct.)	5 00	7	100	87 00	88 50	1933	Vellore Electric (Sept. Mar.)	1 25	6	10	6 81	5 00	
1915	New Central (Jan July)	33 00	7	100	76 00	76 00	TEAS							
1908-09	Northbrook (July Jan.)	15 00	7	100	91 50	8								

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mr. Asst. Secy-aries etc.	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				1960	1961	1962	Rs.	Rs.	Rs.	A year Rs. ago	
25.50,000	58,52,284	43,77,899	3,90,484	16,40,057	39,090	6-12	315	Amalgamated	10	12½	15	10	22/69	22/69	21/87	
1,21,00,000	3,13,46,304	2,44,30,490	36,55,308	86,08,875	10,42,254	3	236	Bengal P.	25	21	..	100	280/00	280/00	384/00	
4,49,350	4,37,982	1,30,142	91,196	43,397	4,471	10	2	Bengal Bhatdee	..	..	..	100	3/48	3/48	3/48	
2,25,000	3,06,216	5,45,835	5,19,015	1,55,638	16,129	12	368	Bengal Nagpur	10	26	..	10	22/00	22/00	20/25	
15,97,000	23,27,321	4,87,309	63,992	2,62,417	21,275	12	..	Bhailgona	..	..	..	10	5/00	5/00	5/25	
40,00,000	67,23,820	2,75,000	21,19,681	11,80,816	2,120	9	152	Bharat Collieries P.	..	..	..	10	3/37	3/44	4/06	
7,15,000	14,96,845	11,02,872	64,329	-3,06,496	-4,92,536	6	335	Bhulanbarane	..	..	..	10	11/94	11/94	11/87	
16,00,000	38,87,275	16,18,636	7,185	1,21,936	-79,196	12	362	Bokaro & Ramgur	..	..	..	10	11/19	11/19	13/25	
7,50,000	19,13,792	22,77,003	12,32,439	5,26,414	33,647	12	106	Borra P.	15	15	..	10	23/87	23/87	25/69	
99,92,480	2,32,19,267	1,46,53,383	33,70,740	37,97,832	90,768	6	21	Burrakur P.	13	13	13	10	16/50	16/50	18/50	
49,97,000	50,93,754	6,86,120	6,35,532	16,11,088	3,58,023	3	166	Central India	8	10	10	10	9/87	9/87	11/75	
8,00,000	18,69,439	12,97,490	98,340	6,357	214	12	..	Central Kurkend P.	..	..	..	10	3/87	3/87	7/00	
6,00,000	..	1,55,159	6,08,472	63,745	7,043	12	106	Churulia	..	..	..	10	3/06	3/06	3/06	
16,00,000	25,01,305	..	19,429	-6,45,261	-5,39,034	12	444	Dhemo Main	Nil	Nil	..	4	4/31	4/31	6/87	
2,40,000	2,866,390	2,561,905	2,13,858	2,288,492	4,62,234	4	128	East India	15	15	20½	10	31/87	31/87	51/37	
29,63,700	1,42,23,054	1,18,76,898	27,65,725	10,14,185	33,594	12	19	Equitable P.	15	10	..	10	24/69	25/62	28/94	
15,00,000	21,00,420	41,000	..	..	920	-6,24,344	3	307	Ghusick & Muslia	Nil	Nil	Nil	10	14/25	14/25	14/00
6,50,000	4,21,847	..	12,025	10,373	-14,705	12	20	Guzdar Kajora	..	..	..	10	2/44	2/03	2/00	
8,00,000	6,43,022	..	16,702	-10,172	-3,65,023	12	393	Hurriladih	..	..	..	10	8/12	8/12	8/12	
15,00,000	23,47,952	27,81,955	39,74,704	3,95,071	1,40,029	12	21	Karanpura Development	5	5	100	10	11/50	11/50	16/25	
6,00,000	..	..	..	..	..	15	15	..	15	15	..	10F	..	..	..	
20,00,000	34,15,535	9,86,018	3,72,692	8,92,065	32,810	2	21	Karanpura Collieries P.	7½	10	10	10	16/75	16/75	20/62	
14,88,460	20,68,761	16,01,825	8,75,590	8,29,962	1,11,842	1	2	Katrae Jheriah	95	40	25	10	37/75	37/75	48/75	
1,38,400	6,75,000	95,000	11,80,294	49,776	1,918	6-12	337	Khas Kajora P.	..	..	..	10	18/70	18/70	18/70	
6,65,750	6,95,833	..	9,780	-1,60,535	-16,47,497	8	372	Mundulpur	..	..	..	10	2/69	2/69	2/69	
7,48,240	3,46,525	2,50,000	7,62,941	1,28,839	94,963	12	347	Nazira	..	..	..	10	5/00	5/00	6/31	
31,97,210	61,58,848	34,47,233	3,39,307	9,75,912	93,845	10	2	New Beerbhoom P.	16	10	10	10	19/12	19/12	23/12	
9,90,340	9,04,373	5,21,710	75,374	4,12,216	43,822	3	202	New Manbhoom	7½	9	12	10	16/00	16/00	15/00	
1,15,000	7,05,719	4,31,409	40,384	1,44,042	15,045	12	441	North West	20	20	..	10	19/75	19/75	19/75	
1,57,500	..	..	..	..	..	7½	..	..	..	..	..	7½	18/00	18/00	17/50	
7,50,000	1,33,788	13,22,645	22,85,007	1,91,515	45,060	12	106	Ondal P.	6	7½	..	10	12/00	12/00	15/00	
8,34,000	23,80,066	1,52,212	4,78,984	1,78,344	589	12	207	Parasea P.	1½	14	..	10	16/00	16/00	16/00	
15,75,000	32,93,192	24,59,123	4,11,055	5,41,674	54,253	3	236	Pench Valley	10	10	10	10	18/00	18/00	18/31	
2,50,000	5,62,405	..	11,530	2,003	18,581	6-12	5	Pure Sitalpur	..	..	..	10	8/00	8/00	8/00	
33,58,900	50,26,723	40,85,000	1,26,141	11,54,576	35,781	3	370	Ranegunge	15	17	17	10	16/00	16/00	16/12	
13,50,000	25,32,135	20,80,180	16,89,318	13,18,197	41,523	12	236	Rewa	20	20	..	10	28/50	28/50	29/12	
37,50,000	74,38,430	38,61,070	1,69,086	12,37,914	26,993	12	48	Sambal	10	..	..	10	10/03	10/03	8/87	
2,50,000	4,47,534	74,281	10,748	-19,279	-4,27,386	1	353	Searsale	Nil	Nil	..	2½	1/22	1/22	1/94	
8,80,000	10,74,006	12,23,716	10,17,267	5,13,147	67,383	12	2	Seebpore P.	42½/7	42½/7	..	7	45/00	45/00	45/00	
8,00,000	6,203	4,54,848	13,04,570	78,390	1,540	12	106	Sendra	5	3½	..	10	5/75	5/75	7/69	
17,50,000	28,29,652	10,02,341	50,728	2,66,373	2,926	8	21	South Karanpura	2½	Nil	Nil	10	8/06	8/87	9/50	
8,00,000	1,30,001	19,48,989	28,75,553	1,84,925	38,908	12	106	Standard	15	10	..	10	13/12	13/12	16/00	
2,50,000	4,36,300	3,23,000	36,860	1,37,973	1,77,952	12	..	Union	..	..	..	10	11/12	11/87	10/37	
99,98,000	63,57,150	6,09,055	2,69,820	11,72,182	1,19,162	3	106	Western Bengal	6	7½	9	10	9/06	9/00	10/75	
1,00,000	26,05,335	..	47,091	-6,51,403	-6,23,711	12	444	West Jamuria	Nil	Nil	..	10	4/12	4/12	9/37	

COTTON MILLS

Paid-up Capital Ordinary	Number on Spindle Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Asst. Secretaries etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	26-6-63	19-6-63	A year ago	
Rs.		Rs.	Rs.	Rs.	Rs.	Rs.				1960	1961	1962	Rs.	Rs.	Rs.	
15,00,000	14 108	856	14 06 883	3,15,002	12,59,541	26,012	41,532	12 49	Basanti P.				10	11/50	11/50	7/87
7,11,280	36,000	932	17,17,120	2,20,369	30,042	5,66,177	47,818	3 27	Banga Luxmi	..	..	..	40	28/00	28/00	28/00
57,00,000	31,476	624	17,77,373		93,872	-6,24,196	-6,86,163	12 223	Bengal Nagpur P.	Nil			10	3/00	3/00	3/77
50,00,000	..	1,66,35,360	49,94,800	52,56,090	28,04,759	17,588	13 394	12	Bharat Commerce P.	5	15	15	10	19/62	19/62	25/25
39,95,850	38,784	992	60,94,390	1,21,02,782	53,37,204	39,77,025	1,07,525	3 22	Birla Cotton	10	20	20	10	33/00	33/00	30/00
33,60,000	43,136	641	1,00,69,568	40,37,060	2,04,094	21,74,042	1,94,107	12 138	Bowreah P.	10	20	15	10	22/50	22/50	27/50
30,00,000	22,000	910	32,89,583	62,22,574	9,41,816	13,74,402	49,055	12 25	Cawnpore Textiles	71/5	10	10	5	6/31	6/31	7/69
3,78,33,538	1,97,340	3,307	6,72,37,739	6,96,27,768	77,61,228	3,08,40,769	4,03,436	8 238	Delhi Cloth & Genl. P.	12	13	13	25	40/75	41/75	56/00
38,00,000	43,049	618	61,51,882	54,80,125	1,40,191	32,83,543	1,03,713	12 138	Dunbar	20	20	15	10	27/50	27/50	31/12
65,00,000	54,000	1,200	95,39,870	2,10,49,560	93,81,545	70,11,091	89,499	9 389	Elgin P.	11½	17½	17½	10	17/94	18/00	20/31
1,25,00,000	..	3,48,97,571	66,34,321	97,50,730	19,28,764	1,22,795	12 158	12 158	J. K. Cotton (Rayon) P.	12½	..	..	10	11/75	12/50	19/62
49,18,000	6,272	202	51,44,000	24,71,000	4,76,536	28,42,100	87,266	12 22	Jay Shree	10	10	..	10	14/25	14/25	15/56
30,00,000	38,000	1,325	67,44,548	82,19,301	92,85,055	16,77,941	-7,77,290	12 208	Muir P.	..	..	..	100	90/75	90/75	114/00
35,11,583	78,846	1,361	67,49,840	8,06,980	1,09,296	12,73,361	-63,55,486	12 237	New Victoria P.	Nil	..	..	2½	1/41	1/50	1/68
48,00,200	..	1,08,10,352	78,144	2,34,188	12,34,741	-22,17,524	3 399	3 399	Orissa Textiles P.	Nil	Nil	..	10	9/00	9/00	10/00
19,47,750	23,198	795	15,49,229	80,773	2,37,475	3,38,087	..	6 4	Rampooria Cotton	3	Nil	..	10	12/00	12/00	11/00
6,00,000	..	..	..	..	..	..	..	..	..	Nil	1	2/00	1	2/00	2/00	2/00
17,50,000	..	..	..	..	..	..	..	..	..	5	..	..	100	11/50	11/50	11/50
1,57,50,000	1,14,836	2,077	4,48,79,351	2,68,83,071	2,15,81,189	76,20,241	8,044	12 333	Swadeshi (Kanpur) P.	5.51	..	..	100	7/25	7/25	8/60

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Acres under Tea	Outturn and Average Price per Kg./lb. realised for crop		Estimate		Net Profits including taxation	Accounts closed	Ms. Asst. Secretaries, etc.	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
				1960	Rs.	1961	Rs.					1959	1960	1961		26-6-63	19-6-63	A year ago	
Rs.	Rs.	Rs.	Kgs.	Rs.	Kgs.	Rs.	Kgs.	Rs.						Rs.	Rs.	Rs.			
ASSAM GARDENS																			
4,45,700	15,18,849	15,50,949	879	308,034	5.24	424,104	4.81	442,700	3,53,660	12	165	Anandabag	15	Nil	10	20/00	20/00	35/25	
7,00,000	12,88,870	8,07,423	501	321,178	6.85	311,077	6.58	3,99,567	95,555	12	88	Amluckie P.	17½	30	32½	10	33/25	33/25	25/94
5,50,000	15,79,312	14,43,241	573	260,179	5.37	353,284	5.32	362,900	78,494	12	349	Barduar Tea	Nil	Nil	15	10	12/00	12/00	19/25
1,80,000	3,62,618	1,69,284	315	123,895*	1.56	..	..	..	4,49,454	12	2	Basmatia	30	35	25	10	6/50	8/50	8/50
7,65,000	15,19,743	10,56,055	154½	264,700	7.	313,600	6.01	290,000	2,93,484	12	34½	Bateli	30	30	..	5	20/50	27/25	27/25
4,95,000	6,73,515	5,67,320	..	335,928*	4.25	..	..	..	536,924	12	88	Bejtan	25	40	45	10	30/56	30/56	35/37
6,40,000	11,88,778	11,78,262	610	415,786	6.95	16,30,448	5.90	15,47,300	7,67,609	12	279	Bishnauth	13	13	13	10	18/25	18/25	18/81
95,000	40,22,201	18,08,333	1,407½	1,375,572	6.32	408,269	6.56	..	2,07,619	12	202	Bokakhat	8	Nil	12	10	13/70	13/70	13/70
6,00,000	10,99,805	4,27,428	478	154,572	5.58	303,665	5.00	3,13,900	2,34,694	12	165	Bormah Jan P.	12½	15	15	10	14/25	14/25	16/12
7,50,000	11,90,141	10,08,335	450	299,916	5.30	265,021	5.25	2,90,300	78,333	12	279	Bor Pukhuri	Nil	Nil	Nil	10	11/75	11/75	9/56
4,50,000	7,82,300	5,52,500	234½	210,026	5.31	14,26,351	5.27	..	5,94,471	6	127	Brooke Bond P.	12	15	10-7½	10	11/81	11/81	15/06
35,00,000	16,80,895	13,07,736	1,163½	12,15,847	5.63	17,32,777	5.19	192,300	1,13,633	12	128	Dejoo Valley	Nil	Nil	20	10	52/50	52/50	49/25
1,20,000	1,81,585	4,10,487	307	116,318	5.70	543,624	6.68	515,318	5,94,972	12	218	Dessai & Purbuttia	Nil	Nil	10	100	188/00	188/00	151/00
8,40,000	12,97,889	7,95,318	640½	376,082	6.84	..	..	..	3,12,986	12	365	Dhulakhat	20	12½	10	10	18/75	19/75	21/06
17,53,440	22,29,324	10,53,356	179½	294,761	6.32	632,799	4.58	627,000	2,12,986	12	165	Dibrugarh P.	23	20	15	10	13/87	13/87	15/37
7,00,000	19,16,176	7,90,000	553	291,938	6.61	3,05,738	6.23	3,12,100	303,585	12	279	Dimakuli P.	30	40	40	10	31/25	31/25	33/44
4,50,000	15,91,840	15,10,975	458	293,229	6.19	301,383	5.81	308,000	2,25,399	12	279	Dumakuli P.	30	25	20	10	21/87	21/87	23/12
4,50,000	10,12,800	7,43,000	675½	283,650	6.18	464,799	5.77	454,000	393,106	12	279	Dufflaghur	35	25	25	10	27/50	27/50	28/75
7,00,000	14,27,900	13,39,500	286½	366,144	5.68	528,798	5.78	539,000	188,604	12	279	East India	10	Nil	Nil	10	14/25	14/25	18/87
10,00,000	20,53,400	9,68,000	479	344,520	4.95	558,797	..	..	1,94,850	12	354	Gillapukuri	25	25	20	10	25/44	25/44	25/44
6,03,760	13,75,770	6,44,277	191	356,144	6.19	254,919	5.81	2,62,000	93,109	12	279	Gohpur	10	Nil	5	10	16/56	16/56	13/50
6,76,000	12,89,800	5,77,500	224½	220,227	5.54	1,079,309	4.98	11,321	63,288	12	202	Grob	14	6	6	5	7/19	7/97	10/00
23,29,085	55,16,400	35,83,224	1,034½	775,452	5.54	1,079,309	4.98	11,321	63,288	12	202	Grob	14	6	6	5	7/19	7/97	10/00
5,00,000	10,51,765	7,53,498	197	307,199	4.79	3,58,885	..	1,82,327	12	354	Hoograjuli	25	20	20	10	27/12	27/12	24/44	
6,70,000	24,12,514	14,38,299	542½	463,500	5.89	483,000	5.69	525,000	87,730	12	88	Hoongloorgee	20	10	7½	100	195/00	195/00	172/00
9,00,000	15,44,647	10,51,189	949	506,565	5.62	3,39,472	5.99	..	5,82,815	12	88	Jullibari	10	30	30	10	31/50	31/50	32/00
2,40,000	16,48,698	15,08,170	490	436,872	5.39	..	..	..	3,43,662	12	236	Kingsley Golaghat P.	35	35	..	100	140/00	140/00	212/00
4,80,000	17,88,233	23,500	491	440,797	5.11	524,469	4.69	520,000	2,19,061	12	63	Kotamullai P.	Nil	Nil	Nil	5	10/31	10/31	10/44
6,00,000	10,69,338	3,02,818	1401	150,866	5.81	1,73,581	5.29	1,86,000	94,422	12	41	Krishnabehari	10	15	8	10	10/50	10/50	10/12
2,00,000	1,81,000	21,000	288	229,767	6.53	279,777	5.15	285,000	153,230	12	63	Ledo	Nil	Nil	..	10	8/06	8/06	8/06
6,50,000	12,20,327	8,50,278	144	2,09,795	5.72	2,28,707	4.96	2,24,070	1,31,878	12	202	Maud Tea & Seed	7½	10	7½	10	13/75	13/75	17/25
8,00,000	11,51,913	13,09,098	262½	285,908	6.00	382,580	5.68	384,674	3,87,218	12	202	Methoni	15	5	14	10	14/81	14/81	17/81
10,00,000	15,48,292	13,75,000	286½	68,951	4.59	..	..	..	..	12	..	Moheema	10	Nil	..	10	17/31	17/31	21/25
4,80,000	9,43,489	30,000	..	..	..	83,921	..	..	72,274	12	138	Mothola	25	30	30	100	507/00	507/00	507/00
1,50,000	2,71,599	13,65,825	135	68,951	..	83,921	..	..	72,274	12	138	Mothola	25	30	30	100	507/00	507/00	507/00
1,75,000	14,31,931	8,49,447	156½	122,300	5.87	182,900	6.01	200,000	2,22,943	12	2	Murphulani (Assam)	20	5	15	10	26/50	26/50	26/50
2,00,000	..	..	..	..	..	..	..	..	..	12	2	Murphulani (Assam)	25	10.63	20.63	10	28/75	28/75	28/75
4,00,000	5,99,355	6,84,758	654	337,198	4.63	319,104	4.51	345,000	2,07,239	12	143	Naga Hills	5	10	10	10	22/25	22/25	24/25
5,35,000	9,31,834	3,98,379	497½	246,382	4.79	..	..	..	1,78,993	12	..	Namburnadi	16	12	..	10	14/56	14/56	14/56
5,00,000	7,84,180	1,35,500	298½	163,289	6.84	290,978	5.98	240,000	3,02,689	12	63	New Cinnatollah	Nil	Nil	Nil	100	31/27	302/03	120/00
6,00,000	12,46,534	71,597	157½	187,100	6.00	216,600	5.31	216,600	75,156	12	2	Rajgarh	35	40	13½	10	21/37	21/37	22/87
9,00,000	22,07,586	2,66,932	420½	531,473	6.73	632,408	5.56	220,000	2,97,941	12	354	Safo	20	22½	20	10	18/31	18/06	18/31
2,49,000	6,24,106	3,55,000	207½	203,694	4.24	242,697	4.99	390,100	1,31,236	12	279	Seajuli	17½	22½	15	10	21/12	21/12	22/50
5,98,000	16,84,285	14,42,974	500	339,133	5.36	348,111	6.52	..	1,43,989	12	165	Telojan	25	25	25	10	22/00	22/00	27/25
6,00,000	11,92,725	6,72,053	540	339,133	5.36	348,111	6.52	..	4,61,762	12	88	Tengpani	17½	30	30	10	35/50	35/50	35/00
19,82,880	33,61,688	16,92,483	2,407	2,816,560*	2.17	2,972,880*	1.92	249,600*	4,76,238	12	236	Tezpor P.	20	20	12½	10	13/50	15/37	16/31
7,50,000	13,02,672	4,34,925	363½	267,677	4.53	..	..	..	1,22,530	12	95	Tongant	Nil	Nil	..	10	7/00	7/00	6/25
5,20,000	35,29,595	27,80,165	1,050	480,745	5.90	590,423	5.14	638,700	1,73,399	12	165	Tyran	30	10	15	10	33/00	33/00	36/87
CACHAR																			
5,00,000	3,31,837	5,000	348½	93,975	4.42	..	..	..	4-314	12	35	Arcuttipore	Nil	Nil	..	10	7/00	7/00	7/00
4,00,000	6,54,409	3,37,109	190½	158,348	4.45	..	..	..	25,985	12	35	Baitakhal	5	2½	..	10	8/06	8/06	6/59
11,00,000	20,43,762	9,06,106	596½	380,752	4.90	545,645	4.26	541,552	2,38,932	12	128	Central Cachar	5	5	7½	100	72/00	72/00	77/50
7,00,000	6,64,780	Nil	278½	122,864	4.63	..	..	..	43,057	12	383	Eastern Cachar	Nil	Nil	..	10	4/19	4/19	3/56
4,50,000	3,35,089	3,00,000	637	214,640	1.35	..	..	..	34,716	12	384	Kallinugger Khoreel	6	6	..	100	87/00	87/00	87/00
12,00,000	18,22,021	13,75,800	2,208	825,805	4.43	723,718	3.84	725,747	2,92,141	12	202	Hattikithira	5	Nil	8	10	9/12	9/12	11/37
3,00,000	4,07,626	55,975	252	122,300	4.65	..	..	..	1-29,393	12	63	Kunchanpor	Nil	Nil	..	10	6/00	6/00	6/00
6,63,690	5,22,836	57,990	623½	333,364	4.68	166,156	3.81	163,293	49,257	12	202	Loobak	Nil	Nil	..	10	6/00	6/00	6/00
7,00,000	22,63,650	15,44,553	2,220	670,870	4.08	477,747	4.48	620,000	2,61,240	12	85	Longview Western	30	30	20	100	160/00	160/00	205/00
2,58,050	6,47,919	1,238	638	272,635	4.96	326,670	4.40	319,400	91,920	12	165	Pathamara	Nil	Nil	Nil	10	7/50	7/50	7/50
2,60,000	8,86,044	4,60,292	722	237,869	4.98	307,903	3.94	290,000	1,04,322	12	63	Rungamattier	7½	5	5	50	53/50	53/50	50/00
5,25,000	11,99,745	11,88,100	283½	165,158	4.26	..	..	..	69,977	12	..	Sonai River	Nil	Nil	..	10	9/12	9/12	9/12
4,00,000	7,06,042	2,94,472	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
DARJEELING																			
3,99,750	7,28,177	6,033	563	85,684	6.00	..	..	..	55,959	12	101	Bloomfield	Nil	Nil	..	10	3/12	3/12	3/25
2,79,900	3,73,000	1,55,000	180½	82,															

TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & Other Funds	Accrue under Tea	Outturn and Average Price per Kz./lb. realised for crop	Estimate	Net Profit including taxation	Accounts closed	Latest Market Quotations as available until	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Ra.	1960	1961	1962	Ra.	26-6-63	19-6-63	A year ago	Ra.
DOOARS											
27,00,000	55,80,730	32,07,760	1,023†	1,408,000	6.11	1,551,500	4.51	1,525,000	11,55,236	12	2
12,00,000	23,85,571	21,47,444	436†	721,583	5.20	724,363	4.99	682,400	8,62,191	12	126
9,00,000	17,32,133	18,96,100	1,112	558,147	4.94	593,617	4.42	580,604	2,94,647	12	386
9,00,000	21,64,171	19,54,000	555	543,381	5.32	686,763	4.37	600,000	4,10,050	12	63
9,00,000	11,78,375	9,70,500	243†	305,122	5.01	289,250	4.17	295,000	1,08,467	12	63
9,00,000	21,98,098	14,50,881	365†	6,33,300	5.15	514,200	4.45	530,000	2,23,622	12	2
9,00,000	5,34,585	5,17,500	197†	171,106	5.00	219,480	4.05	203,200	79,168	12	63
1,20,000	3,31,260	3,17,245	265	134,440	4.20	162,265	3.73	160,000	1,15,877	12	397
4,90,000	8,16,062	7,05,856	180	218,696	3.96	224,026	4.88	224,026	50,788	12	354
7,50,000	10,03,911	7,97,827	900	523,656	5.03	533,082	4.88	533,082	1,15,877	12	397
14,00,000	27,43,996	19,20,969	418†	1,122,800*	2.11	1,094,000*	1.71	1,094,000*	3,52,027	12	88
36,00,000	49,19,787	40,85,000	1,034†	1,401,894	4.99	1,433,022	4.07	1,390,000	5,19,303	12	63
32,00,000	64,79,513	78,71,749	2,314†	2,787,460	5.73	28,49,021	5.54	3,012,569	29,24,415	12	74
6,25,000	20,48,832	22,92,078	611†	890,959	4.52	889,068	4.02	889,068	3,32,189	12	74
7,00,000	7,79,450	5,13,132	246†	215,100	4.91	190,300	4.48	190,300	1,53,215	12	2
9,00,000	18,44,354	20,36,500	377†	539,462	5.09	563,337	4.23	520,000	3,87,639	12	63
9,00,000	10,41,171	9,27,720	246†	4,27,220	3.96	2,47,991	4.88	2,47,991	67,780	12	354
9,00,000	17,91,264	22,58,500	1,129	842,139	5.10	803,619	4.07	490,000	4,68,532	12	63
14,00,000	28,28,996	21,33,698	471†	812,200	5.28	784,700	4.31	750,000	4,53,104	12	2
4,40,000	8,40,172	6,77,528	284†	291,297	4.14	307,845	3.89	308,400	1,58,908	12	363
2,50,000	4,03,726	3,11,000	330	112,888	4.90	100,575	4.22	116,100	78,071	12	63
6,00,000	9,02,274	5,77,334	764	357,499	4.82	363,864	4.36	362,900	67,304	12	165
7,65,000	16,33,948	16,37,050	1,635	487,276	4.96	503,538	4.32	634,100	2,37,892	12	165
14,92,800	34,73,433	28,87,529	713†	854,415	5.21	921,964	4.79	1,008,645	4,75,664	12	128
3,45,000	9,56,428	9,68,534	278†	300,700	4.79	400,500	4.10	400,500	3,60,822	12	44
TERAI											
4,50,000	13,66,318	1,61,700	627	2,17,325	4.93	2,40,454	3.83	2,40,454	1,50,753	12	101
5,00,000	2,61,415	6,10,382	223	2,40,454	3.83	2,40,454	3.83	2,40,454	2,98,178	12	345
13,44,000	17,81,100	25,47,000	433†	6,99,241	4.85	794,331	4.07	6,70,000	5,31,984	12	63
5,00,000	10,87,941	12,09,500	214†	2,61,270	4.84	288,960	4.29	2,54,000	2,10,540	12	63
3,00,000	5,94,258	8,71,307	472	2,53,383	4.72	275,784	4.10	275,784	1,53,855	12	74
4,50,000	5,14,998	5,51,400	442†	3,99,412	5.05	4,00,643	5.04	3,99,412	3,14,780	12	139
5,85,000	7,31,628	10,29,030	407†	4,00,643	5.04	4,00,643	5.04	3,99,412	3,14,780	12	139
1,00,000	2,27,050	2,24,244	119	94,461	4.39	94,461	4.39	94,461	43,136	12	63
2,20,000	3,34,600	10,76,160	549	9,121*	2.02	9,121*	2.02	9,121*	2,85,088	12	165
CHITTAGONG											
1,25,000	83,463	4,22,450	206†	1,19,459	5.03	1,19,459	5.03	1,19,459	23,045	12	139
2,40,000	1,37,058	2,42,992	397†	1,30,646	5.12	1,30,646	5.12	1,30,646	12,742	12	139
2,00,000	1,51,925	3,95,000	216†	1,24,798	5.02	1,24,798	5.02	1,24,798	1,26,040	12	139
SYLHET											
3,00,000	11,41,512	8,41,647	617	1,64,340	5.14	278,309	4.48	2,90,300	339,312	12	63
3,00,000	8,76,636	13,11,051	554	1,64,602	5.66	2,33,890	4.97	1,94,690	4,42,596	12	63
2,46,050	3,50,022	Nil	479	89,302	5.00	1,26,336	4.28	1,34,264	24,933	12	358
5,59,830	8,72,647	14,67,800	1,030	9,16,480*	2.40	11,42,720*	1.99	10,40,000	344,758	12	236
36,06,000	48,80,181	75,27,644	4,128	11,23,657	5.40	19,52,002	5.00	18,51,000	42,44,455	12	63
2,20,000	3,93,671	1,46,290	724	2,65,920*	2.22	2,65,920*	2.22	2,65,920*	179,428	12	236
9,00,000	17,77,859	25,69,827	1,182	3,06,754	5.57	4,18,826	5.01	4,07,080	625,281	12	63

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & Other Funds	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	Latest Market Quotations as available until	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	26-6-63	19-6-63	A year ago	Ra.
MININGS										
22,369,796	—	2,218,681	22,781,590	212,559	1,174,204	12	153	Burma Mines	2 3/5	Nil
30,00,000	37,08,889	32,54,408	54,05,355	15,96,846	13,914	12	312	Chrestien Mica Industries P.	15	124
15,00,000	21,751,300	2,225,873	27,55,274	21,057,163	272,310	12	68	Indian Copper Corporation	25	20
50,00,000	61,72,031	10,43,342	53,971	5,66,976	14,41,622	3	343	Metal Corporation P.	27	27
36,00,000	46,05,415	67,67,431	65,46,956	13,17,757	38,801	6	21	Orissa Mineral Development	Nil	100
CEMENT, LIME, SLATE, ETC.										
59,90,843	1,84,88,110	12,01,831	18,510	7,17,476	14,996	3	381	Ashoka Cement	7	7
19,14,600	61,51,412	21,43,429	29,64,072	1,70,813	6,44,676	3	80	Assam Bengal Cement	100	100
66,23,146	68,02,880	19,77,396	66,723	24,46,663	1,708	12	156	Bengal Potteries	15	15
40,00,000	72,55,756	28,31,157	3,76,724	23,10,445	5,012	3	21	Bisra Stone Lime	30	30
1,66,00,000	1,86,81,933	99,52,704	1,90,71,398	1,10,81,286	—	12	123	Dalmia Cement (Bharat) P.	12	12
2,50,00,000	5,94,43,463	94,05,545	5,54,170	60,02,100	4,94,598	3	335	Jaipur Udyog P.	6	6
30,00,000	65,85,756	48,53,196	5,16,782	26,19,499	34,694	12	21	Kumardhubi Fireclay & Silica P.	18	18
2,25,00,000	3,77,58,580	1,36,03,808	30,93,905	98,75,491	—	12	392	Orissa Cement P.	15	15
6,00,000	20,07,006	21,78,065	17,41,738	4,89,806	30,441	2	223	Relliance Firebricks & Pottery	15	15
75,00,000	79,40,978	22,40,000	3,27,600	6,94,691	81,640	12	387	Sone Valley Portland Cement	22	22
9,84,320	19,00,054	10,46,890	6,38,484	10,16,971	23,403	12	3	Sutna Stone & Lime	27 1/2	30

MISCELLANEOUS COMPANIES—Contd.

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Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Portfolios Shares if any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	Latest Market Quotations as available until	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	26-6-63	19-6-63	A year ago	Ra.
CHEMICAL INDUSTRIES										
82,00,000	5,93,45,653	1,96,10,273	4,78,066	71,72,056	1,37,284	9	121	Alkali & Chemical Corp. of (I)	12	15
2,45,00,000	18,48,048	15,681	6,958	2,30,346	—8,53,536	13	442	Bathgate & Co. Ltd. P.	Nil	—
15,00,000	76,41,344	68,84,805	21,11,440	18,06,053	1,30,717	8	245	Bengal Chemical & Pharm. P.	7	10
22,54,700B	36,34,102	22,82,283	19,49,050	12,04,892	6,976	6	377	Calcutta Chemical P.	18	28
15,00,000	99,022	Nil	41,554	72,146	2,560	2	129	Frank Ross P.	—	—
20,00,000	11,71,085	16,07,251	0,33,133	11,60,236	92,801	6	191	Smith Stanistreet P.	25	25
ELECTRIC LIGHTING, POWERS										
19,98,800	1,15,72,761	61,20,893	27,74,215	4,56,810	52,889	3	32	Agra Electric Supply	11	21
8,00,000	29,33,889	15,51,802	8,09,008	2,80,631	25,623	3	32	Bareilly Electric Supply	11	11
17,00,000	1,03,03,450	52,26,411	19,58,463	4,34,454	47,298	8	23	Benares Electric Supply	11	11
6,31,360	15,65,473	807,903	2,70,659	1,36,558	41,730	3	202	Bhagalpur Electric Supply	8	10
24,362,646	221,040,641	210,815,240	217,636	21,599,019	210,524	8	202	Calcutta Electric Supply	7	7 1/2
6,00,040	22,18,493	17,71,141	151,465	32,804	63,899	3	202	Cuttack Electric Supply	10	10
63,20,000	66,87,445	28,73,446	41,87,140	14,42,362	4,27,783	3	2	Dishergarh Power Supply P.	10	10
6,34,640	17,29,086	96,513	95,408	85,283	8,590	3	168	Jhansi Electric Supply	—	—
22,49,550	66,50,848	29,21,749	5,35,563	2,69,809	33,302	3	32	Jubbulpore Electricity Supply	10	10
1,85,000	4,70,324	2,24,749	1,09,770	86,495	39,015	3	258	Mirzapur Electric Supply	—	—
5,82,390	24,50,614	6,87,284	3,48,886	22,292	2,22,259	3	202	Muzafferpore Electric Supply	12 1/2	12 1/2
6,99,700	13,47,574	1,14,377	2,15,991	63,664	18,988	3	329	Muttra Electric Supply	—	—
55,07,380	98,50,379	48,67,679	8,95,468	12,96,460	1,27,547	3	202	Patna Electric Supply	10	10
9,10,000	8,77,238	2,86,692	3,19,022	1,58,667	17,201	3	202	Shahjahanpur Electric P.	6 1/2	6 1/2
16,80,000	24,13,940	16,03,685	9,75,497	458,680	3,975	3	21	Sijua (Jherria) Electric	10	9
56,00,000	2,93,16,819	80,84,613	25,53,868	11,06,426	92,879	3	32	United Provinces Electric	11	11
6,00,000	21,74,345	14,90,487	7,69,903	1,92,745	33,574	3	82	Upper Jumna Valley Electric	13 1/2	13 1/2
ENGINEERING & METAL										
8,00,000	5,51,485	63,426	1,48,213	8,93,398	—1,32,122	12	300	Arthur Butler (Muzafferpore) P.	—	—
90,00,000	36,37,587	44,13,221	72,802	34,13,256	5,246	12	37	Bharti Electric Steel	10	12 1/2
1,00,00,000	50,32,721	94,55,491	65,84,179	1,06,43,579	2,757	12	289	Braithwaite & Co. (India)	25	25
12,00,000	62,65,971	50,43,274	74,2812	21,52,136	2,757	12	24	Bridge & Roof	30	30
19,85,076	83,56,748	1,09,798	1,86,939	1,48,142	—61,136	12	192	Britannia Building & Iron P.	Nil	Nil
97,94,575	47,45,365	1,14,934	1,86,939	1,48,142	1,11,267	12	165	Britannia Engineering P.	Nil	Nil
19,00,000	21,12,276	14,63,600	14,598	12,02,402	94,447	12	24	British India Electric Cons.	45	20
94,00,000	53,62,581	2,76,84,423	40,25,787	1,39,82,242	1,08,751	4	32	Burn P. Engineering	28 1/2	28 1/2
1,00,00,000	69,08,200	12,29,727	6,51,964	24,04,847	3,67,903	8	437	Calcutta Steel	15	15
90,00,000	1,12,30,938	24,99,000	2,06,672	22,94,248	1,09,021	9	434	Dalmia Iron	10	10
4,00,00,000	6,63,01,978	6,98,32,755	2,11,42,172	1,27,55,590	—	12	227	Guest, Keen, Williams	16	14
12,00,000	19,72,988	6,45,100	27,543	3,79,880	5,801	12	32	Hooghly Docking	Nil	Nil
12,44,08,990	63,85,01,942	27,84,83,378	2,11,93,832	8,16,76,416	24,72,163	8	32	Indian Iron & Steel P.	15	16
8,85,00,000	11,52,812	14,001	1,82,994	—1,15,838	—40,294	8	223	Indian Malleable Casting	Nil	—
1,54,00,000	50,88,821	87,57,039	63,89,397	1,71,88,152	24,064	8	32	Indian Standard Wagon P.	28 1/2	28 1/2
96,70,7400	3,27,37,933	2,72,79,486	1,63,11,480	89,84,802	2,31,048	8	122	Indian Steel & Wire Products	23	24
12,00,070	8,19,350	1,41,916	2,530	6,15,154	43,149	12	24	Industrial Containers	Nil	—
1,51,83,863	2,75,25,083	12,77,8,829	11,83,794	56,79,346	9,036	3	443	Jay Engineering	17 3/20	17 3/20
40,00,000	59,72,635	35,85,700	10,46,660	20,45,860	8,647	6	132	J. K. Steel P.	20	20
2,04,00,000	3,50,50,970	2,30,16,815	78,81,184	1,52,78,078	6,11,590	10	290	Jessop & Co. P.	8,58	8,58
27,64,800	61,46,882	53,04,910	97,324	21,99,585	3,068	11	21	Kumardhbi Engineering P.	10	11 1/2
10,00,000	3,74,383	19,18,004	4,14,975	—8,36,768	—5,63,698	8	170	Marshall Sons (India)	Nil	Nil
49,84,000	6,94,985	13,58,398	3,83,036	2,56,716	—4,42,917	2	192	National Iron and Steel	3 1/2	10
6,00,000	20,13,254	18,86,375	1,40,770	6,90,089	11,859	8	25	Saran Engineering	10	12 1/2
14,00,070	8,18,570	12,38,002	2,56,691	20,72,177	—	12	24	Steel Containers	30	20
1,50,00,000	2,73,21,766	61,37,433	13,28,341	52,01,525	62,642	12	22	Textile Machinery	10	10
SUGAR, BREWERIES, ETC.										
14,00,000	17,39,860	10,85,148	39,573	1,10,785	15,763	6	371	Balrampur Sugar	8	8
28,23,587	25,58,707	10,85,148	10,85,672	5,09,358	7,767	9	234	Belsund Sugar	18 1/2	10
30,00,000	5,64,327	13,51,513	19,14,342	1,94,561	2,336	6	316	Bharat Sugar P.	10	6 1/2
30,00,000	6,52,327	43,34,046	27,61,820	37,74,567	3,71,540	3	64	Carew (Sugar) P.	Nil	Nil
30,00,000	27,08,963	59,84,997	6,94,684	—21,74,424	—25,45,362	10	25	Cawnpore Sugar P.	Nil	Nil
18,00,000	90,00,363	48,06,937	9,09,574	—976,687	—9,07,232	6	25	Champanar Sugar P.	15	12
32,01,380	25,88,250	31,90,540	1,79,345	4,77,197	1,97,076	8	395	Durbhanga	4	Nil
27,56,355	1,31,99,222	1,76,30,065	24,30,790	1,00,50,837	12,004	8	116	Dyer Meakin (Breweries)	25	30
11,00,000	6,45,722	8,75,000	10,90,564	95,437	62,205	6	140	New Savan Sugar and Gut	—	—
9,00,000	19,47,931	23,02,870	2,05,743	2,86,458	4,006	10	400	Purlabpur Sugar	—	—
18,59,820	41,29,526	67,22,889	2,532	8,47,163	79,042	8	1	Ramnagar Cane & Sugar P.	30	35
65,00,000	51,91,073	36,37,844	15,35,449	19,41,369	10,384	10	42	Raza Buland	12 1/2	10
4,00,000	22,10,161	1,74,776	4,77,484	4,24,482	13,204	6	28	Ryam Sugar P.	—	—
21,98,000	67,64,000	25,93,624	21,94,759	16,78,658	—2,20,855	7	335	Sarnastipur Central Sugar	15	—
89,99,000	11,63,175	11,18,396	1,90,057	34,776	7,991	140	140	Shree Krishna Gyanodaya Sugar P.	—	—
1,94,500	17,83,543	67,306	2,62,356	—8,97,343	—6,88,908	6	94	Shree Sitaram Sugar	4	Nil
16,00,000	42,22,843	19,40,304	9,18,326	37,10,125	25,765	8	318	Sitalpore Sugar	15	5
8,00,000	90,57,769	67,09,675	2,03,163	—11,15,414	—9,17,147	4	341	United Provinces	72 1/2	72 1/2
								Upper Ganges Sugar P.	—	—

MISCELLANEOUS COMPANIES—Cont'd.

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Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		1960	1961	1962	Rs.	Rs.	Rs.	A year ago
MISCELLANEOUS														
8,00,000	3,97,903	1,70,000	5,86,425	1,53,521	3,834	10	A Firpo (Restaurateur)	7½	..	..	10	5/90	5/90	5/90
93,75,000	4,66,28,334	219,45,581	9,97,266	21,39,820	1,20,101	12	Aluminium Corporation P.	12	12	12	10	12/50	12/50	18/12
20,00,000	42,19,616	16,50,000	52,43,373	9,56,934	60,514	12	Anderson Wright P.	11½	..	..	10	11/50	11/50	11/50
30,00,000	13,34,003	43,57,426	25,11,996	21,50,119	2,34,634	8	Angelo Bros.	25	28½	28	10	21/75	21/87	23/12
30,00,000	20,74,660	33,58,937	16,15,347	24,27,878	12,842	12	Assam Match	18	20	20	10	28/75	28/75	25/25
13,99,998	20,17,690	19,73,119	41,224	2,57,148	10,925	9	Assam Saw Mills & Timber	Nil	Nil	..	3	2/87	2/87	2/44
1,18,00,000	53,91,481	93,43,093	59,95,725	50,77,803	7,18,123	8	Associated Battery	25	15	15	10	23/50	23/31	30/19
20,00,000	43,09,876	44,17,208	43,53,171	7,61,605	1,22,491	3	Associated Hotels of India P.	Nil	10	10	10	10/31	10/31	10/31
80 01 400	46,97,674	1,20,07,997	93,50,429	51,62,806	..	12	Balmer Lawrie & Co.	25	25	25	100	239/00	239/00	264/00
12,00,000	5,98,566	10,21,365	6,94,396	9,56,244	46,568	3	Bararee Coke	Nil	Nil	15	10	21/94	21/94	25/75
44,00,000	9,27,823	68,58,981	2,87,091	50,926	9	160	Birds Investments P.	9½	10	10	10	10/56	10/56	12/50
68,95,530	1,01,23,412	67,97,724	7,04,768	72,75,811	2,84,104	3	Britannia Biscuit P.	25	30	25	10	42/12	42/12	44/50
3,25,00,000	71,55,454	2,19,19,061	1,50,51,719	1,34,25,907	2,53,254	12	British India Corporation P.	4	7	9	5	7/62	8/31	9/50
50,00,000	21,88,677	40,58,031	9,91,498	24,64,559	27,856	12	British Paints	12½	15	10	10	18/75	18/75	24/25
5,00,000	6,83,781	1,65,739	1,54,429	2,63,717	5,201	3	Calcutta Silk Manufacturing P.	Nil	Nil	..	10	6/94	6/94	7/15
1,38,80,000	14,79,453	1,92,04,790	14,62,760	2,49,215	12	2	Clive Row Investment	8	7½	..	10	8/25	8/60	8/06
90,00,000	24,69,799	1,27,43,000	1,98,66,116	35,58,709	2,42,095	12	Duncan Brothers & Co P	14	14	14	100	147/00	147/00	159/00
4,50,00,000	6,09,38,229	5,05,74,162	11,32,452	3,30,38,275	25,88,011	12	Dunlop Rubber Co (India) P.	21½	20	15	10	31/00	31/37	41/50
76,89,000	63,98,196	1,76,05,602	1,11,25,276	1,32,549	12	21	Eastern Investments P.	14	14	12	100	117/00	107/00	183/00
60,93,400	64,20,000	20,22,000	1,61,547	19,35,092	12,311	10	Electric Construction	10	10	10	10	12/22	12/31	14/87
30,00,000	28,94,555	27,23,508	19,90,832	15,65,118	2,10,371	3	French Motor Car	20	20	..	20	35/12	35/12	34/50
14,00,000	20,83,841	18,85,308	38,577	11,59,599	17,856	12	Ganges Rope	17½	20	20	100	236/00	236/00	231/00
2,25,000	..	..	..	..	..	2	General Investment & Trust P.	5	5	5	75	43/00	43/00	43/00
65,00,000	32,50,863	50,30,906	1,51,99,389	28,70,050	1,68,102	3	Gillanders Arbuthnot & Co P.	10	11	11	10	13/50	13/50	14/94
40,00,000	17,89,681	7,21,344	36,90,302	5,43,666	8,524	12	Gladstone Lyall & Co P	42/3	..	..	10	..	..	..
40,00,000	34,79,636	31,88,500	1,29,460	46,26,030	38,310	12	Godfrey Phillips (India) P.	40	40	30	10	33/25	33/25	35/44
30,00,000	43,74,366	17,86,560	1,66,432	1,09,512	494	3	Great Eastern Hotel	9	6	..	250	225/00	225/00	241/00
4,68,75,000	3,08,48,439	..	2,33,36,909	2,11,555	2,11,555	12	Hindustan Aluminium P.	Nil	..	..	10	12/37	12/69	..
7,91,91,750	5,13,91,658	1,97,01,491	4,19,55,625	3,13,19,271	1,26,134	3	Hindustan Motors P.	9	12	12½	10	15/78	16/81	18/75
90,00,000	66,37,287	16,00,000	39,09,797	28,38,718	1,31,125	10	Hindustan Pilkington	..	..	..	10	15/75	15/87	21/75
39,64,650	46,43,081	Nil	2,27,855	15,184	1,66,274	3	Hindusthan Tywofords P.	Nil	Nil	Nil	10	14/37	13/94	16/63
84,20,000	23,35,537	16,00,000	24,48,098	3,91,988	36,500	12	Hoare Miller & Co.	6	6	..	10	5/44	5/44	7/03
15,16,00,000	8,38,06,674	9,87,38,292	2,17,80,424	3,21,94,827	24,56,089	3	Imperial Tobacco	8	9	9	10	10/25	10/31	11/25
4,00,23,880	13,64,77,942	4,53,66,220	60,96,109	2,40,34,073	56,98,466	12	Indian Aluminium P.	15	15	17½	10	32/75	34/12	36/81
2,35,77,700	1,61,90,633	2,47,87,169	99,57,174	1,37,75,998	50,15,117	3	Indian Cable P.	22½	22½	22½	10	30/25	31/12	46/25
3,64,00,000	5,56,27,815	1,22,35,821	44,62,878	1,35,49,869	17,61,389	9	Indian Oxygen	15	15	12	10	24/87	25/00	39/56
8,27,970	8,82,919	12,42,783	10,99,551	12,01,372	53,791	3	Indian Rubber Manufacturers P.	20	30	36	10	19/87	19/87	20/31
20,00,000	2,57,217	27,98,665	29,32,360	21,71,601	3,26,125	8	Indian Wood Products	30	30	30	10	28/75	28/75	32/44
74,89,152	72,05,408	..	2,48,602	8,28,769	14,68,444	12	Isaac Holdens	..	Nil	..	10	14/00	14/31	17/56
5,00,000	..	2,75,956	13,26,325	93,493	26,270	2	Investments and Finance P.	7½	7½	7½	100	55/00	55/00	55/00
72,62,500	23,44,049	64,37,503	3,02,73,819	8,00,318	44,050	6	J K Synthetics	..	3	..	10	10/00	10/12	..
5,81,000D	2,28,843	Nil	5,88,284	1,19,242	1,18,804	12	James Wright P.	..	..	..	50	2/75	2/75	2/75
1,17,500D	..	..	..	..	..	..	..	..	..	..	1Dd	00/43	00/43	00/43
2,00,00,000	59,52,034	74,40,380	5,22,38,926	16,43,783	4,49,956	3	Jardine Henderson P.	7	7	6	100	86/50	86/50	81/50
87,46,630	1,62,75,090	73,74,126	5,46,513	37,33,223	18,435	12	Jay Shree Industries P.	14	12½	..	10	14/44	15/50	17/62
1,99,81,750	8,81,41,369	3,32,78,328	49,57,935	1,00,74,268	43,454	3	Kesorn Industries P.	5	12	12½	10	21/56	22/37	29/25
6,34,000D	3,17,363	6,02,958	3,21,617	14,078	4,849	3	Macfarlane & Co.	..	..	..	50	7/00	7/00	7/31
66,000Dd	..	..	..	..	..	..	..	..	..	..	1Dd	2/31	2/31	7/30
1,50,00,000	88,29,556	92,10,447	2,71,03,736	35,11,053	3,38,735	12	Macneill & Barry P.	8	8	..	100	93/50	93/50	93/50
1,47,12,250	70,44,126	1,22,48,546	2,05,42,132	78,17,248	2,44,687	9	Martin Burn Ltd P.	27½	27½	25	10	25/81	25/50	29/06
40,00,000D	18,23,673	80,84,814	2,07,07,892	14,08,924	2,00,538	12	McLeod & Co P.	15	15	..	1000	210/00	210/00	215/00
1,61,00,000	2,76,53,533	2,38,95,151	41,04,252	1,23,59,734	38,785	3	Methu Box Co. of India P.	10	10	..	10Dd	..	..	..
90,00,000	76,16,888	16,89,17,94	3,89,821	98,52,668	1,72,385	3	National Insulated Cable P.	25	25	19	10	49/87	49/87	64/75
30,00,000	22,68,464	34,26,465	18,44,015	22,10,080	52,804	9	National Pipes & Tubes P.	25	25	25	10	24/00	24/00	32/50
40,00,000	37,29,364	39,77,485	31,24,718	20,63,112	35,985	6	National Rolling & Steel Ropes	20	20	20	10	25/94	26/31	31/75
80,00,000	69,05,819	16,52,447	4,31,039	11,41,474	75,633	12	National Rubber P.	13	15	15	10	18/87	18/87	22/12
79,97,000	77,87,804	1,29,48,132	28,35,366	17,51,943	3,61,143	12	National Tobacco P.	Nil	6½	8	10	11/56	11/62	14/00
23,31,600	1,014	13,02,891	9,90,506	6,26,980	40,375	12	New India Investment Corp.	10	7	7	10	11/69	11/69	70/00

MISCELLANEOUS COMPANIES—Cont'd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Ms. Attn. Secretaries etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until					
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			1960	1961	1962	Rs.	Rs.	Rs.	A year ago	
MISCELLANEOUS (Contd.).																
60,00,000	6,74,367	66,56,843	85,18,613	12,27,365	2,77,718	12	321	Octavius Steel P.	10	..	..	100	..	..	..	
2,20,00,000	1,99,24,542	89,30,483	25,74,107	1,20,21,148	1,39,632	12	364	Philips India	12	12	13	10	28/00	26/62	33/62	
2,86,200	31,000	6,82,800	2,80,633	4,74,296	82,858	3	145	Publicity Society	10	75	75	4	22/62	26/62	27/00	
2,25,00,000	86,77,634	14,24,127	1,33,25,578	44,48,355	3,23,563	8	332	Rallis India P.	4	8½	8½	100	116/00	116/00	139/00	
5,00,00,000	8,03,38,621	2,57,80,000	1,14,05,040	49,28,459	5,08,029	8	335	Rohas Industries P.	20	10	8	10	10/69	11/12	16/12	
94,27,380	5,55,68,835	Nil	14,04,497	3,60,253	37,513	9	32	Sirsilk P.	Nil	..	..	10	9/06	9/37	10/19	
70,00,000	2,31,09,587	58,67,480	20,33,664	23,36,729	13,552	9	376	Sen Raleigh Industries P.	8	8	8	10	14/00	14/06	18/87	
75,00,000	1,02,89,547	55,43,000	1,78,35,987	41,86,452	5,57,492	12	278	Shaw Wallace P.	15	15	7½	10	15/37	15/37	23/75	
3,00,000	3,33,174	23,169	90,501	17,483	1,789	12	111	Spencers Hotel	2½	2½	2½	2	0/94	0/94	0/94	
2,80,00,000	5,74,94,906	3,16,49,275	38,74,069	1,86,24,531	4,44,246	12	301	Union Carbide	18	18	12½	10	38/75	39/25	48/50	
2,10,200PO	6,18,268	24,12,476	10,86,208	13,99,207	3,87,027	12	195	Walford Transport	30	30	..	1PO	2/44	2/34	2/89	
6,40,8000	..	..	..	..	..	..	..	..	20	20	..	1O	3/56	3/50	3/81	
INSURANCE COMPANIES																
13,50,000	6,47,527	54,93,120	1,31,72,690	6,70,637	78,475	12	174	Concord of India	20	20	..	5	10/25	10/25	18/00	
24,00,000	65,903	82,46,577	1,27,34,450	18,71,905	3,93,660	12	248	Hercules	22½	26½	..	10	24/19	24/19	25/17	
32,00,000	751,382	1,15,82,907	2,06,14,578	12,75,071	4,95,149	12	88	Ruby General	10	13½	..	8	9/31	9/31	8/94	
8,00,000	..	21,62,073	21,92,806	51,893	1,24,241	12	..	Standard General	..	..	..	10	6/00	6/00	8/00	
5,75,000	25,990	73,52,563	99,05,303	7,07,189	1,95,530	12	59	Triton	45	60	..	25	132/00	132/00	134/00	
FLOUR MILLS																
12,00,000	4,11,000	29,55,620	6,63,425	10,87,621	1,80,000	12	24	Bengal	40	25	25	10	28/25	34/25	31/50	
5,60,000	6,51,040	2,47,038	2,17,808	1,05,473	1,26,880	10	97	Delhi P.	..	..	..	10	14/00	14/00	14/00	
48,90,137	47,16,483	77,72,310	56,85,368	33,61,767	4,07,338	9	175	Ganesh P.	15	Nil	Nil	12½	15/75	15/75	17/12	
9,00,000	4,53,646	4,52,392	8,883	2,19,375	32,614	12	236	Hooghly	..	..	..	10	19/75	19/75	19/75	
5,00,000	2,77,355	6,61,791	25,812	2,25,689	6,571	11	236	United	35	10	7½	10	27/81	27/81	38/00	
OIL COMPANIES																
22,900,001	22,383,591	21,700,442	2,507,508	21,073,511	210,742	12	249	Attock Oil	13½	13½	..	..	£1 sh. 34/10½	sh. 35/3	sh. 25/-	
£82,419,080	£35,843,366	£12,750,000	£13,149,421	£18,446,093	2,582,661	12	52	Burmah Oil P.	9 2/5	22½	..	..	£1 sh. 55/4½	sh. 52/7½	sh. 34/10½	
1,00,00,000	59,28,364	1,75,25,203	2,84,68,306	54,63,502	1,19,330	12	249	Indo Burmah Petroleum P.	30	25	22½	10	21/87	21/87	26/62	
6,00,000	3,20,016	9,89,137	4,92,803	4,47,005	12,113	10	2	Tide Water Oil	30	35	35	10	25/25	25/25	25/50	
PAPER MILLS																
58,50,000	1,09,71,994	63,55,637	10,43,959	47,17,412	50,816	12	436	Bengal P.	32	27½	20	10	29/12	29/00	35/75	
88,20,000	1,18,96,097	84,80,934	10,29,515	23,47,414	46,493	8	2	India Paper Pulp	15	13	12	10	16/75	16/69	21/50	
1,57,83,688	6,50,00,000	3,92,78,014	59,38,470	1,41,20,011	2,25,579	8	22	Orient Paper P.	22½	22½	22½	8	33/70	35/40	43/20	
1,26,51,920	4,31,23,657	1,49,74,478	71,97,660	58,83,929	31,58,667	12	140	Sree Gopal Paper P.	17 6/7	17 6/7	..	10	23/81	23/81	27/37	
2,18,55,240	4,62,83,369	72,10,000	6,79,140	33,33,899	99,729	6	22	Shirur P.	6½	8½	..	10	11/69	11/87	13/31	
1,00,00,000	4,41,41,480	8,52,298	5,66,797	—1,17,823	56,480	9	86	Star Paper P.	Nil	Nil	Nil	10	9/31	10/06	10/00	
10,00,000A	4,61,82,144	3,30,31,629	21,85,452	—11,38,443	58,939	3	106	Titaghur P.	10	13	13	2½PO	3/78	3/78	4/00	
4,37,500PO	..	..	..	..	..	..	..	..	25	20	10	10AO	15/37	16/12	42/00	
56,00,000AO	4,96,82,144	3,30,31,629	21,85,452	—11,38,443	17,196	6	373	West Coast P.	25	20	10	10BO	15/37	16/12	42/00	
56,04,800BO	..	..	..	..	..	..	..	..	6	7½	..	100	125/00	137/00	176/00	
1,50,00,000	4,95,97,051	85,00,000	1,73,752	56,44,196	..	..	..	..	..	..	..	..	..	..	..	
PRESSING COMPANY																
4,30,000	1,81,531	1,45,000	5,34,786	65,294	24,928	7	326	Camperdown	11	11	..	100	104/00	104/00	100/00	
REAL PROPERTY STORAGE																
10,00,000A	..	..	..	..	..	..	..	..	..	..	..	..	A500	1,050/00	1,050/00	610/00
1,25,000B	..	..	..	..	..	..	..	..	..	..	..	..	B82½	135/00	135/00	77/25
2,00,000C	14,75,599	7,71,511	6,55,848	81,259	3,142	3	6	Calcutta Safe Deposit	..	..	..	100	11/00	11/00	11/00	
25,000D	..	..	..	..	..	..	..	..	..	..	..	..	C100	122/00	122/00	122/00
7,42,150	11,68,346	4,23,135	33,823	..	1,38,593	9	432	Humayan Properties P.	Nil	..	..	100	7/87	7/87	7/25	
1,00,00,7800	19,85,069	9,01,590	13,43,272	..	—85,757	—21,89,035	4	2	Midnapore Zemundary P.	Nil	Nil	Nil	85	10/90	10/90	9/56
2,00,000Dd	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
7,99,00,000	13,373	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
TRAMWAYS & STEAMER																
80,00,000	29,74,805	27,13,587	10,28,887	3,59,473	11,766	10	2	Bengal Assam Steamship P.	7½	7½	..	100	131/00	132/00	115/00	
6,25,000	5,18,823	7,61,818	11,59,093	5,19,780	5,367	10	89	Calcutta Landing & Shipping	3½	7½	22	10	34/00	34/00	20/75	
12,60,000	23,78,412	12,83,110	42,995	28,490	—42,829	6	398	Calcutta Steam Navigation	10	Nil	Nil	10	9/50	9/50	9/44	
2,70,000	23,937,718	21,580,683	2,315,882	210,509	21,407	12	98	Calcutta Tramways P.	..	..	..	..	11/08	10/87	12/62	
6,04,880	6,97,887	6,56,706	33,440	1,35,058	—637	3	139	Fraser	Nil	..	..	10	10/00	10/00	10/00	
2,655,580	21,970,808	2,432,856	2,419,913	1,35,058	—284,854	8	681	India General Nav. & Railway P.	10	Nil	Nil	10	6/00	6/44	7/12	
2,47,50,000	16,80,59,821	1,57,51,780	1,36,10,394	7,951	—41,42,006	3	291	India Steamship P.	Nil	Nil	..	10	12/44	12/44	11/94	
14,08,220	13,34,804	74,870	7,951	—62,391	—4,09,486	12	..	Port Shipping	Nil	Nil	..	10	12/44	12/44	11/94	

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of Spindles Looms	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Names	Dividends per cent	Paid-up Share	Latest Market Quotations as available until
Rs.		Rs.	Rs.	Rs.	Rs.	Rs.			1960 1961 1962	Rs.	25-6-63 18-6-63 A year ago
40,00,000	48,652	1,016	128,56,156	46,70,823	20,69,878	10,39,741	26,620	25 Ahmedabad Advance P.	16	100	130/00 130/00 189/00
50,00,000	48,254	896	20,17,010	9,99,960	10,78,394	1,49,501	2,24,486	22 Apollo	2	100	2/00 2/00 2/20
40,00,000	41,135	980	43,32,511	11,42,781	4,76,501	1,42,728	3	35 Beharilal Ramcharan	Nil	100	68/00 68/00 64/00
2,50,98,000	2,03,942	4,911	6,03,86,319	3,79,10,818	45,17,329	72,20,563	69,669	12 Bombay Dyeing, etc.	14	25	57/00 60/00 67/40
10,00,000	35,052	848	32,07,778	34,59,612	4,45,173	10,89,180	1,37,996	3 262 Bradbury P.	10	25	150/00 150/00 190/00
1,27,75,700	1,18,296	2,760	4,98,32,541	26,61,468	25,80,078	80,66,350	9,53,042	12 22 Century	Nil	100	502/00 533/50 626/00
46,87,500	1,15,188	2,062	3,08,53,158	10,75,722	32,81,429	20,50,911	-69,69,939	6 269 Central India P.	Nil	100	98/00 99/50 147/00
26,00,000	24,916	719	37,34,829	32,52,434	1,01,653	1,46,029	1,28,151	3 68 Coorla	30	100	140/00 140/00 160/00
28,00,000	43,512	..	33,97,504	29,03,230	5,19,246	23,98,267	2,06,873	12 262 Dawn	30	50	132/50 132/50 154/00
34,00,000	49,161	920	30,75,487	37,58,286	14,81,779	18,79,601	-2,29,872	12 260 Edward Textiles	9	200	305/00 325/00 305/00
29,98,050	47,700	886	1,30,16,691	50,87,407	2,85,110	31,72,674	1,58,630	12 59 Elphinstone P.	18	22	50 94/00 100/00 122/00
50,00,000	63,212	784	85,32,658	1,12,22,852	16,83,938	4,09,432	37,155	12 241 Finlay	..	100	300/00 303/00 303/00
39,04,700	77,966	..	19,75,309	43,25,176	23,64,706	12,85,523	85,193	12 56 Gokak	..	100	153/00 162/00 192/50
12,00,000	40,856	1,116	64,14,593	68,13,239	10,75,932	4,27,954	5,193	3 305 Hindoostan	..	250	810/00 810/00 ..
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,022	1,32,22,197	5,89,816	12	15 India United	..	10	22/24 22/00 22/08
80,00,000	..	..	..	..	..	..	1Dd	2/40 2/54 3/36	..	100	190/00 188/00 179/00
9,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	..	3	305 Indian	..	250	761/25 761/25 ..
50,00,000	50,074	1,426	43,26,958	23,00,000	27,35,146	24,86,863	26,590	12 103 Indore Malwa United	81	100	190/00 188/00 179/00
59,85,000	65,260	1,514	1,07,21,545	82,79,165	25,00,707	76,87,297	38,751	6 149 Khatau Makanji P.	32	100	211/25 428/75 475/00
1,00,00,000	1,20,504	1,846	1,38,52,384	1,07,07,211	9,13,088	38,39,253	1,553	12 146 Kohinoor	15	18	206/00 267/00 299/00
89,60,000	49,883	1,369	1,26,36,356	62,49,272	7,11,717	-21,14,041	-10,60,896	12 83 Lakshmi Vishnu P.	5.7	100	92/00 92/00 135/00
51,75,000	71,652	1,620	1,31,30,107	72,11,813	63,197	50,67,194	1,09,099	6 104 Morarjee Goculdas P.	21 1/2	24	100 357/00 370/00 400/50
39,68,250	50,480	500	55,13,433	39,56,784	22,08,037	2,05,250	2	261 Mysore Spp. & Mig. P.	14	50	45/00 40/00 62/00
24,00,000	45,944	432	23,52,760	7,45,700	10,79,000	15,87,753	8,456	12 .. New City of Bombay	..	100	126/25 122/50 181/00
30,00,000	46,884	1,029	22,27,098	25,72,444	27,32,568	12,48,697	153	12 .. New Great Eastern P.	..	100	230/00 270/00 307/00
48,00,000	54,244	728	53,94,222	35,02,899	1,54,21,523	21,027	27,380	12 119 Phoenix	..	100	198/00 199/00 240/00
10,00,000	9,520	277	13,17,604	2,78,222	9,963	3,22,456	-1,07,771	12 257 Sassoon & Alliance	..	10	11/76 11/76 14/00
75,40,000	96,489	2,127	1,86,66,252	1,46,91,699	9,65,923	52,69,671	30,196	12 339 Sassoon Spinning	17	20	48/00 48/00 60/00
50,40,000	49,840	1,258	1,26,34,913	22,64,619	1,37,279	-1,24,433	-5,86,457	3 378 Simplex	15	Nil	50 123/00 128/00 167/00
90,00,000	77,436	1,640	1,44,03,087	87,99,257	95,30,537	61,50,016	1,06,435	12 327 Shree Niwas P.	18	20	227/00 231/00 258/00
1,00,00,000	65,040	2,000	1,68,10,102	1,05,78,408	19,38,911	24,20,000	24,523	12 259 Swadeshi P.	17	..	100 226/00 236/00 169/00
36,00,000	40,328	849	56,94,838	71,73,330	7,774	8,20,551	26,062	12 341 Swan	..	100	272/50 272/50 300/00
65,57,875	63,243	1,800	1,81,82,529	61,75,268	10,05,865	31,74,541	28,322	12 269 Tata	20	..	25 52/00 57/00 65/00
12,00,000	45,508	1,308	62,07,441	12,11,933	31,81,227	52,10,985	8,027	3 205 Western India	..	250	785/00 785/00 802/50

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BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including Taxation	Carry forward	Accounts closed	Names	Dividends per cent	Paid-up Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			1960 1961 1962	Rs.	25-6-63 18-6-63 A year ago
19,06,49,908	26,78,49,366	10,52,33,092	4,94,54,294	7,57,20,456	65,991	7 53	CEMENT	12 1/2 12 12	100	138/00 141/00 157/25
8,74,77,100	11,61,05,785	1,36,05,785	30,82,878	78,42,905	638	3	ELECTRIC LG. POWER	7 6	100	93/20 94/70 89/00
9,02,77,000	9,34,77,781	1,23,89,917	32,52,570	52,28,395	36,154	3 146	Ahmedabad Electricity	5 1/2 5	1000	1,015/00 1,006/25 1,015/00
1,74,99,700	2,14,85,122	39,32,485	5,79,834	19,21,739	45	3 267	Andhra Valley Power P.	..	100	103/00 99/00 103/25
2,39,99,875	7,17,76,350	1,39,56,841	51,65,971	60,68,808	27,536	3 146	Bombay Suburban Elec.	5 1/2 5	100	106/00 105/00 113/00
6,15,36,000	17,59,03,832	3,61,11,341	1,22,80,113	29,938	3 267	5 1/2	Tata Hydro Elec. Power P.	5 1/2 5	1000	1,033/75 1,060/00 1,110/00
33,42,200	17,06,292	44,16,374	1,54,08,211	5,79,666	1,35,820	12 268	ENGINEERING & METAL	..	100	270/00 303/00 324/00
6,00,000	2,88,390	4,73,722	16,18,223	1,48,734	2,147	3 113	Alcock Ashdown	8 10	50	58/00 98/00 96/50
1,10,00,000	1,16,50,921	43,23,121	75,17,426	40,26,365	1,50,895	3 351	Jost's Engineering	12 1/2 14	10	20/88 22/12 32/50
11,00,000	1,03,70,225	3,45,914	..	..	1,016	7 283	Larsen & Toubro P.	..	100	150/00 150/00 155/00
2,50,000	5,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12 284	Mckenzie	..	300	130/00 141/50 157/50
1,31,250	..	..	..	..	..	..	Premier Construction P.	..	300	130/00 141/50 157/50
7,99,97,300	16,18,43,951	3,03,75,403	18,14,241	3,78,39,743	3,61,752	3 269	Tata Eng. & Locomotive P.	12 1/2 14 1/2	100	248/00 266/00 355/00
27,55,65,204	1,09,05,81,817	29,28,04,147	9,76,72,406	6,08,86,695	34,084	3 269	Tata Iron & Steel P.	9 1/2 10 3/6 10 3/6	100	133/25 139/50 147/50
20,00,000	..	23,84,913	95,98,033	4,24,829	1,18,606	12 297	INSURANCE COMPANIES	..	10	11/52 11/52 12/52
18,74,940	25,01,134	2,88,61,155	2,81,49,442	38,951	4,65,316	12 55	British India General	..	15	9/20 9/20 12/00
1,42,42,125	23,46,792	8,80,66,899	3,41,74,741	92,81,240	44,28,397	12 77	Jupiter General P.	..	15	62/30 60/50 71/00
15,99,270	..	28,41,860	59,86,789	6,05,808	3,81,242	12 255	New India	..	10	17/24 17/24 17/52
70,49,650	41,70,604	1,23,53,808	1,09,82,038	87,94,850	3,00,263	9 42	Vulcan	..	10	17/24 17/24 17/52
89,25,000	3,32,42,226	3,91,11,720	2,03,23,186	1,01,06,049	2,03,146	9 285	MISCELLANEOUS	..	50	173/00 175/00 228/00
8,24,36,000	4,66,81,360	3,67,07,011	23,74,064	4,77,27,501	53,583	12 91	Belapur Sugar	..	25	58/20 62/00
99,99,250	4,754	20,09,796	1,44,41,515	8,97,490	1,44,41,515	12 299	Bombay Burmah Trading	30 33	50	243/75 243/75 264/00
11,99,900	13,82,957	7,34,142	14,05,2237	88,232	16,942	8 87	Hindustan Lever	26 61	10	34/50 35/25 47/25
2,41,12,100	7,40,36,031	2,03,71,180	37,33,067	1,69,61,608	4,41,151	12 352	Industrial Inv. Trust.	..	100	89/50 69/30 77/50
1,27,98,680	25,25,08,055	11,58,24,547	11,18,89,983	48,75,907	2,32,649	6 198	Kemp (Chemists)	..	200	305/00 305/00 315/00
20,66,650	81,89,784	6,93,280	3,30,490	-7,04,525	11	14	National Rayon	22	10	10/24 10/32 15/98
3,02,33,705	6,11,37,864	88,26,418	25,12,521	16,94,201	4,550	6 269	Scindia Steam Navign.	8 61	10	16/52 16/76 15/92
10,07,475	1,62,93,580	61,03,586	40,41,890	38,79,789	10,154	6 269	Shivrajpur Synd.	23 23	10	16/04 15/28 15/92
2,55,00,000	1,16,83,362	1,08,92,603	71,80,468	1,37,48,151	2,91,854	8 390	Tata Chemicals P.	13 14	100	222/00 240/00 280/50
2,75,00,000	2,71,28,042	2,32,60,863	1,47,82,908	1,39,56,381	82,845	12 274	Tata Oil P.	16 16	100	241/00 244/00 290/00

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SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Acreage	Output and Average Price per kg/ib realised for crop 1960		Net Profits	Accounts closed	Net Assets, Securities etc.	NAMES	Dividends per cent			Paid-up Share per share Rs.	Latest Market Quotations as available until		
				Lbs.	Ra.					Rs.	1959	1960		1961	Rs.	Rs.
Ra.	Ra.	Ra.														
6,75,000	16,06,067	1,50,000	1,992	7,998cwt	9.68	1,19,757	3	401	Amalgamated P.	7 1/2	10	..	10	10/36	10/36	11/06
2,50,000	12,57,795	5,72,253	878	1,12,000	1.43	70,011	12	402	Anandam P.	15	15	..	10	15/24	15/24	15/24
3,25,000	6,08,131	1,50,000	492	1,28,902	1.47cwt	3,501	2	403	Athimattam	Nil	Nil	..	2	0/78	0/78	0/80
10,98,980	13,96,078	4,83,841	1,830	225,1687	4.34	4,11,290	6	287	Balanor P.	15	15	12	10	12/00	12/00	13/75
3,00,000	3,73,939	2,35,000	319	76,517cwt	3.2	27,893	6	404	Balmadies P.	7 1/2	7 1/2	..	2	1/65	1/90	1/90
17,32,230	13,36,710	5,36,253	977	3,59,531	1.65cwt	63,110	5	Nil	Be Be P.	5	Nil	..	5	2/15	2/15	2/53
84,00,000	1,15,75,030	26,08,425	1,329	7,16,2447	4.84	12,42,823	6	141	Blue Mountain	12 1/2	12 1/2	10-10*	2	2/30	2/35	2/41
14,00,100	19,05,883	12,45,700	1,336	7,58,9971	4.19	7,16,036	8	210	Chembra Peak	15	20	20-20*	2	3/93	3/92	3/40
26,91,279	47,31,706	19,53,790	8,050	11,59,8987	..	15,14,112	15	171	Cochin Malabar P.	15	171	20-20*	3	6/00	6/00	7/00
22,50,000	39,31,706	30,58,661	2,710	19,48,320	..	25,60,562	6	406	Coffee Lands P.	23	20	..	10	13/50	13/50	15/25
71,55,000	1,15,74,494	63,44,278	7,001	80,81,120	..	25,60,562	6	406	Consolidated Coffee P.	23	20	..	10	18/65	18/65	18/45
5,66,420	21,24,818	12,20,875	572	4,04,8551	26.13	2,55,424	9	203	Coonor P.	20	17 1/2	..	10	18/50	18/50	23/00
4,80,000	10,36,448	4,76,788	432	3,53,889	1.52	1,19,880	3	407	Coorg P.	20	20	..	2	4/85	4/85	4/95
8,00,000	11,92,508	2,17,761	1,028	1,57,785	1.47	46,942	3	12	Cottanad Plantation P.	15	10	..	10	9/31	9/31	10/10
6,00,000	8,89,831	4,80,155	345	3,25,3101	2.66	1,25,313	12	212	Devashola (Nilgiri),	25	20	..	10	24/92	24/92	26/05
6,74,850	9,14,944	3,31,040	450	1,38,3667	4.26	3,26,712	3	287	Devon P.	15	15	12	10	12/66	12/66	13/50
7,50,000	9,38,952	1,26,500	197	1,12,9367	2.66	28,121	12	408	Emerald Valley	8	..	..	5	6/35	6/35	5/55
7,50,000	3,64,462	20,000	278	1,22,930	..	40,424	12	409	Gokul	12 1/2	15	..	10	1/90	1/90	1/92
25,00,000	42,82,150	17,77,500	1,465	19,21,550	2.04	2,13,414	12	410	Haileyburia P.	20	22 1/2	..	10	12/50	12/50	13/12
11,85,700	28,02,058	10,77,705	1,528	9,59,804	1.67	3,60,461	2	402	Kalas Tea Produce	15	20	25	2	5/35	5/35	5/00
6,00,000	11,83,359	8,86,159	465	2,92,2001	4.64	4,14,877	3	210	Kil Kotagiri P.	15	25	25	2	3/83	3/83	3/52
17,17,078	27,90,278	9,40,446	741	4,46,673	5.17	5,88,691	10	210	Lucky Valley	10	10	10	10	5/60	3/70	4/92
5,00,000	9,11,259	1,21,604	267	305,757	2.31	96,485	12	203	Malankara	16	15	..	10	10/39	10/30	10/40
13,50,000	17,31,286	4,85,241	1,661	6,70,174	1.48	2,09,136	5	411	Midland Rub. & Prod. P.	10	12 1/2	12 1/2	10	15/14	15/44	16/90
40,50,000	74,25,217	14,33,242	4,013	740,8007	4.47	13,89,961	3	270	Midland Rub. & Prod. P.	10	12 1/2	12 1/2	10	10/55	10/55	11/20
14,06,250	33,53,804	7,45,346	1,587	9,98,596	2.90	1,60,000	3	402	Nigiri P.	5	8	..	10	8/80	8/80	9/10
22,24,327	57,73,357	5,71,464	1,057	13,82,085	..	14,10,257	6	14	Nonsuch	20	20	20	10	21/50	21/50	22/25
6,50,000	7,07,991	5,11,764	810	1,35,2307	..	1,41,776	8	210	Ossoor	15	15	..	2	2/48	2/48	3/65
19,45,980	34,53,670	25,53,533	1,498	6,77,573	4.84	6,27,924	10	203	Oucheriony	15	13	12	2	3/70	3/70	3/65
14,88,990	26,94,604	16,67,314	1,579	8,45,700	2.69	7,40,158	12	9	Parkside Neilgherry	27 1/2	27 1/2	22 1/2	10	23/47	23/47	23/00
7,00,000	27,36,576	12,82,318	1,167	3,63,628	1.50	1,65,244	2	259	Peermade P.	22 1/2	22 1/2	25	10	20/77	20/77	20/45
17,00,000	1,90,316	3,35,930	3,724	10,83,5657	2.69	11,29,838	12	9	Penninsular	20	20	20	2	20/70	20/70	22/10
57,94,880	75,03,172	30,24,711	2,827	798,8337	3.30	26,86,596	3	210	Pierakaramalai	10	13 1/2	..	2	3/05	3/05	3/28
13,50,000	45,81,430	9,28,404	711	23,32,1427	1.32	8,83,709	6	270	Raigiri Rub. & Prod. P.	20	20	20	10	17/55	18/25	22/00
2,00,000	3,14,567	1,33,963	218	..	..	1,18,791	8	412	Rajendra P.	50	25	..	5	9/80	9/80	11/12
1,25,000	1,90,373	15,000	616	..	..	43,141	3	413	Swinton	7 1/2	12 1/2	..	2	2/82	2/82	2/82
10,00,000	20,71,084	2,48,373	1,454	4,30,695	1.51	63,263	3	172	Teekoy P.	6	Nil	..	10	6/45	6/45	5/45
9,15,300	13,14,693	10,80,000	2,227	2,45,5497	3.76	1,27,943	9	210	Thirumbadi	7	7	12	1	1/75	1/67	1/53
6,00,000	8,51,402	46,742	1,307	2,23,794	3.21	80,650	12	414	Thiravancor Rubber	10	13	..	10	10/50	10/50	11/41
41,00,000	70,35,954	15,07,686	5,028	12,05,8907	1.00	11,13,227	12	9	Travancore Rub. & Prod. P.	7 1/2	9	10	10	9/10	9/10	10/85
20,00,000	23,46,707	1,36,000	5,028	6,38,402	1.00	2,62,762	12	271	Travancore Plantation	8	8	..	25	19/75	19/75	18/75
15,75,000	30,03,223	17,04,089	3,638	8,28,9747	1.50	1,00,000	12	410	Twyfords	10	10	..	10	8/75	8/75	9/23
21,82,260	24,79,111	18,00,000	1,267	9,63,293	5.11	12,85,658	3	250	United Nilgiri	19 1/2	21	22	10	20/34	20/34	20/75
5,86,010	9,26,639	2,62,051	952	4,94,400	1.78	12,73,061	12	415	Vaikundam	25	30	..	10	29/45	29/45	31/70
41,25,000	54,71,548	32,96,030	2,344	11,30,431	1.78	88,225	3	416	Waterfall Estates P.	12 1/2	12 1/2	..	2	2/25	2/25	2/20
1,85,000	12,84,809	6,35,454	671	1,65,429	1.78	..	3	416	Woodland P.	5	10	..	10	7/85	7/85	7/85

SOUTH INDIA SUGAR MILLS

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net profits	Carry forward	Accounts closed Mk. Apts. Sec. etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
								1959	1960	1961		25-6-63	18-6-63	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.						Rs.	Rs.	Rs.	Rs.
30,00,000	62,64,264	26,55,000	5,32,400	10,92,779	22,950	9	Andhra P.	20	..	..	10	17/36	17/36	21/00
40,00,000	90,02,883	12,61,424	1,58,479	13,46,266	1,40,887	6	Chauvery P.	Nil	5	8	100	108/00	109/00	101/00
38,84,000	72,41,208	48,98,500	8,38,766	19,41,764	1,02,808	6	Deccan Sugar	25	25	12-18*	5	9/75	9/80	9/25
1,12,70,000	2,46,63,073	22,078,782	4,14,795	2,648,473	2,21,909	9	E.I.D.—Parry	28/47	21 3/7	21 3/7*	10	36/87	37/00	39/30
63,97,850	15,80,752	15,25,348	84,87,521	12,34,057	3,17,077	9	Indian Sugar P.	12	11	10	10	9/68	9/68	9/55
12,45,772	1,22,66,623	18,99,861	1,51,052	5,99,416	3,090	6	Jeyapore P.	10	8	..	10	15/25	15/00	15/12
10,52,200	2,87,27,773	1,23,75,000	31,33,982	20,76,426	91,745	6	K.C.P.	13	..	..	10	23/00	24/50	22/00
80,00,000	1,99,294	Nil	47,96,535	—8,756	—8,756	6	Kothari	Nil	Nil	Nil	10	6/95	7/40	6/00
21,79,280	56,84,219	1,18,46,598	50,30,701	12,10,353	25,953	6	Mysore	30	30	30-20*	10	47/75	47/75	63/40
30,00,000	35,93,381	11,41,000	10,12,037	4,88,902	1,46,735	4	Travancore P.	10	10	..	10	7/31	7/31	7/35
25,00,000	45,00,040	61,40,000	58,68,568	30,54,529	11,19,844	3	United Breweries	60	60	60-25*	10	85/00	85/00	62/00

* 1962

SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net profits	Carry forward	Accounts closed Mk. Apts. Sec. etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
								1959	1960	1961		25-6-63	18-6-63	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.						Rs.	Rs.	Rs.	Rs.
1,00,00,000	86,99,116	39,83,750	10,36,805	19,80,844	1,52,812	3	Aluminium Industries	12	18	..	10	16/80	17/12	24/00
71,92,270	91,13,952	4,21,545	6,36,276	4,56,556	22,879	12	Andhra Cement P.	10	..	..	10	10/31	10/30	9/70
4,02,87,650	1,59,93,385	25,83,910	1,44,699	10,01,345	20,076	12	Ashok Leyland	8	8	..	9	7/35	7/50	6/45
1,00,00,000	17,47,081	49,33,435	2,75,867	19,86,813	1,39,222	12	Binn	10	12	..	100	327/11	327/11	364/85
1,50,00,000	4,45,381	36,338	41,650	33,226	1,46,145	12	Brunton & Co	Nil	..	..	10	5/10	5/10	5/35
24,99,300	40,82,511	3,52,644	62,051	1,35,186	4,810	12	Enfield P.	5	5	..	10	9/25	9/25	12/10
2,24,44,750	321,08,642	66,66,496	13,60,475	51,28,679	1,36,608	3	India Cement P.	9	11	9-12*	5	5/49	5/60	6/19
23,62,132	16,32,139	2,50,222	93,924	2,16,808	2,971	12	Indian Steel Rolling P.	7	..	..	10	10/50	10/50	12/20
80,00,000	1,40,17,097	30,38,807	23,06,402	19,71,130	11,275	3	Mettur Chemical Industries P.	8	12	12-13*	10	12/30	12/30	13/05
24,61,270	12,69,939	10,41,478	17,46,614	3,46,641	8,514	6	Mysore Chem & Fert	5	10	10	10	7/75	7/75	10/25
4,00,000	4,20,486	4,32,189	2,18,412	2,33,791	85,187	6	Mysore Chemical Mfgs P.	20	20	..	10	17/75	17/75	21/75
6,50,250	5,13,585	3,38,886	3,474	1,23,898	4,147	3	Mysore Lamp P.	16	20	..	10	34/10	34/10	24/00
25,00,000	35,20,342	37,12,406	2,43,964	14,29,395	36,653	3	Mysore Paper	12	15	..	10	13/80	13/80	13/70
10,00,000	7,56,329	3,16,894	29,42,342	15,422	121	3	Mysore Tobacco	12	10	..	10	9/85	9/85	6/62
10,00,000	6,54,848	8,02,006	2,80,194	1,84,835	1,51,607	8	Parrys Conl	20	30	..	1	2/23	3/20	5/16
40,00,000	82,50,079	1,03,14,883	40,58,627	25,52,432	10,74,117	6	Spencer (Provisions)	18	18	18-18*	10	21/50	21/50	23/18
47,00,000	60,43,611	20,50,000	51,902	..	..	12	Standard Motors P.	9	9	..	10	11/87	11/87	16/82
11,36,300	5,85,547	14,04,307	16,86,929	4,19,707	41,732	9	Stanes P.	27	32	..	10	28/05	28/05	31/00
39,84,400	42,38,660	13,07,758	26,277	3,92,616	432	4	Textool	15	15	..	100	149/00	149/00	153/58
4,50,00,000	41,96,907	13,08,314	45,93,964	12,69,691	12,03,238	6	Tube Investments	10	10	10	100	235/00	235/00	280/00

* 1962

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Net earnings	Carry forward	Accounts closed Mk. Apts. Sec. etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
							1959	1960	1961		25-6-63	18-6-63	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.						Rs.	Rs.	Rs.	Rs.
17,24,400	18,02,732	12,676	—2,52,424	..	3	Ahmedpur Katwa	1.00	1.90	1.75	100	29/00	29/00	29/30
21,09,300	34,55,677	6,11,706	3,03,621	2,918	3	Arrah Sasaran	5	5	5	100	27/00	27/00	30/50
34,00,000	35,33,840	21,816	—4,66,634	..	3	Bankura Demoodar	1.00	1.90	1.75	100	27/25	27/25	29/00
17,80,000	20,25,854	10,772	—3,07,176	..	8	Burdwan Cutwa	1.00	1.90	1.75	100	29/00	29/00	29/30
41,00,000	28,10,299	44,296	1,72,713	1,480	3	Chapurmukh-Sligal	2.90	2.96	2.80	100	35/00	35/00	37/00
1,75,000	1,48,208	5,33,169	1,33,796	3,691	3	Chitra Chhatrak Ropeway	9	12	12	100	5/75	5/75	5/81
1,47,600	2,28,194	58,790	42,389	4,048	3	Danieling Ropeway	..	..	..	10	9/00	9/00	9/00
40,00,000	49,60,127	14,51,000	19,14,351	35,951	3	Dehri Rontas	17	20	15	10	13/75	13/75	13/81
11,43,000	13,83,913	8,500	59,013	1,489	3	Futwah Islampur	1.00	1.90	1.90	100	28/70	28/70	28/70
10,00,000	49,13,678	13,37,712	1,70,485	3,022	3	Howrah Amta (P)	6	6	4	100	40/50	40/50	40/00
9,00,000	13,06,352	5,14,960	82,781	4,225	3	Howrah Sheakhata	6	6	4	100	40/50	40/50	40/00
8,21,100	11,74,448	13,023	73,360	100	3	Katakhal Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41/00
15,00,000	60,91,311	18,08,821	1,11,807	6,893	3	Shandara (Delhi)	6	8	..	100	40/50	40/50	50/75

MANAGING AGENTS.

1. Anderson Wright Ltd.—7, Wellesley Place, Calcutta.	65. K. S. R. Iyer—Imperial Bank Building, Bank Street, Fort Bombay.	109. Holmes Wilson & Co. Ltd.—"Stephen House", Calcutta.	164. L. R. Anantaram Iyer & Bros. Ltd.—Pushpagiri, Trichur.
2. Andrew Yule & Co. Ltd.—8, Clive Row, Calcutta.	66. Chinyo P. M. & Co. Ltd.—Radio House, Apollo Bunder, Bombay.	110. R. G. Khanna—Solan Brewery, Simla.	165. McLeod & Co. Ltd.—3, Netaji Subhas Road, Calcutta.
3. S. N. Berti—6, Middle Road, Hastings, Calcutta.	67. Cumberbatch & Co.—Colombo.	111. Hotel (Control) Private Ltd.—4 & 4 1/2, Wellesley Place, Calcutta.	166. Hindustan Investment Corporation Ltd.—15, India Exchange Place, Calcutta.
4. Hazareemull, Heeralall—148, Cotton Street, Calcutta.	68. Cowasjee Jehangir & Co. Ltd.—Ready Money Mansion, Churchgate Street, Fort Bombay.	112. Glass, L. O. B.—Bilbao House, 36, New Broad Street, London, E.C.2.	167. B. Barker—Barlow House, 58C, Chowringhee Road, Calcutta.
5. Amritlal Ojha & Co. Ltd.—"Security House", Netaji Subhas Road, Calcutta.	69. N. K. Jalan—Kamini Chamber, 32, Nicol Road, Ballard Estate, Bombay.	113. S. P. Khastan—14, Netaji Subhas Road, Calcutta.	168. Harrison & Crossfield Ltd.—Calcutta.
6. Alcop, N. C.—Hultsdorf Mills, Colombo.	70. Chandrie & Co. Ltd.—Madras.	114. T. V. Braddley—The Great Social Buildings, Sir Phirozshah Mehta Road, Fort Bombay.	169. Moonji Lall & Sons—120/1, Civil Lines, Jhansi.
7. Associated Industrial Development Co. (Private) Ltd.—"Nicoe House", Hare Street, Calcutta-1.	71. Bagaria More Co. Ltd.—5, Clive Row, Calcutta.	115. K. G. Khanna—Solan Brewery (H.P.), Hari Sons—Avit (Cochin State).	170. Marshall (Direction) Private Ltd.—33/1, Netaji Subhas Road, Calcutta.
8. Agarwala S. L.—Indian Insurance Building, Old Cantonment Road, Dehra Dun.	72. Dayaram & Sons—8, Old Court House Street, Calcutta.	116. Hormusjee Sons & Co.—605, Girgaum Road, Dhobi Talao, Bombay-2.	171. W. E. Malden—P.O. Lohar, Dist. Darbhanga.
9. Aspinwall & Co. (Travancore) Ltd.—Alleppey.	73. Dutt Thomas & Co.—2 and 3, Clive Row, Calcutta.	117. Rammurayan Sons Ltd.—Bombay.	172. East India Agencies Private Ltd.—Palai, Kerala State.
10. Aryan Planter Agency—P-12, Chowringhee Square, Calcutta.	74. A. K. Das—15, Netaji Subhas Road, Calcutta.	118. Industrial Financing Co.—63, College Street, Calcutta.	173. Moulton G. S. & Co. (India) Ltd.—11 and 12, Esplanade Mansions, Calcutta.
11. Allum Shanucha & Co.—214, Hornby Road, Bombay.	75. Day, P. E.—Alderman's House, Bishopsgate, London, E.C.2.	119. Imperial Chemical Industries (India) Private Ltd.—24, Chowringhee, Calcutta.	174. V. M. Col—4, Clive Row, Calcutta.
12. Associated Planters Private Ltd.—26, General Palters Road, Madras.	76. Hari Brothers Private Ltd.—Scindia House, New Delhi.	120. Indra Singh & Sons Private Ltd.—7, Wellesley Place, Calcutta.	175. Satya Narain Gupta—Subjimanli, Delhi.
13. Antony, M. K.—Alleppey.	77. Dadabhai S. M. B.—Kampte Road, Civil Lines, Nagpur.	121. Hari Brothers Private Ltd.—Scindia House, New Delhi-1.	176. Moton & Co.—Maung Pauley St., Rangoon.
14. Harrison and Crossfield Ltd.—Cochin.	78. N. D. Bangur—14, Netaji Subhas Road, Calcutta.	122. R. Raja Rao—Honnawal Road, Shimoga.	177. H. B. Marshall—1, Humayan Place, Calcutta.
15. Agarwal & Co.—B. D. Sassoon Building, Douglas Road, Ballard Estate, Bombay.	79. A. C. Roy—Hindustan Buildings & Chittaranjan Avenue, Calcutta.	123. Iyer, T. R. Anantharam & Bros. Ltd.—Pushpagiri, Trichur.	178. Madura & Co. Ltd.—Cochin.
16. Andhra Eng. Co. Ltd.—22/22, Dhanu-vayipeta, Rajahmundry.	80. A. M. Krishnan—Sri Jayachamaraja wadiyar, Roso Bangalore-2.	124. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort Bombay.	179. A. D. Shroff—New India Assurance Bldg, Mahatma Gandhi Road, Fort, Bombay.
17. Amte & Co.—Hubli.	81. B. M. Krishnan—Sri Jayachamaraja wadiyar, Roso Bangalore-2.	125. J. P. Bannay—2, Metcalfe St, Calcutta.	180. Mafatlal Gopalbhai & Sons—Rustom Bldg, 29, Churchgate Street, Fort, Bombay.
18. A. M. Krishnan—Sri Jayachamaraja wadiyar, Roso Bangalore-2.	82. Macneil and Barty Ltd.—2, Fairlie Place, Calcutta.	126. J. P. Bannay—2, Metcalfe St, Calcutta.	181. Murphy C.—Rampart Row, Fort, Bombay.
19. Macneil and Barty Ltd.—2, Fairlie Place, Calcutta.	83. Ojha Brothers Ltd.—Security House, Netaji Subhas Road, Calcutta.	127. S. S. Bhilmwal—7, Chowringhee Road, Calcutta.	182. Mehta Chumlat V. & Co. Ltd.—Queen's Mansions, Prescott Road, Bombay.
20. Ojha Brothers Ltd.—Security House, Netaji Subhas Road, Calcutta.	84. Bird & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.	128. Jhalharia Bros. Ltd.—136, Harrison Road, Calcutta.	183. Sir V. N. Chandavarkar—Standard Buildings, Hornby Road, Fort Bombay.
21. Bird & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.	85. Bird Bros Private Ltd.—8, India Exchange Place, Calcutta.	129. Jain N. K. & Co. Ltd.—"Devashram", Arrah, Shahabad.	184. Mysore Industrial Development Co.—33, Gandhinagar, Bangalore City.
22. Bird Bros Private Ltd.—8, India Exchange Place, Calcutta.	86. Babulal & Co. Ltd.—13, Syed Salley Lane, Calcutta.	130. J. K. Industries (Private) Ltd.—1, Council House Street, Calcutta.	185. Mascarenhas B. M.—Platform Road, Bangalore City.
23. Babulal & Co. Ltd.—13, Syed Salley Lane, Calcutta.	87. Balmer Lawrie & Co. Ltd.—21, Netaji Subhas Road, Calcutta.	131. James & Co. Ltd.—25, Netaji Subhas Road, Calcutta.	186. Naidu G. Kuppuswamy & Co.—Pappanalkenpalayam, Coimbatore.
24. Balmer Lawrie & Co. Ltd.—21, Netaji Subhas Road, Calcutta.	88. British India Corporation Ltd.—Sutherland House, Kanpur.	132. John V. C.—Kottayam, Travancore State.	187. Best & Co. Ltd.—The Hyderabad Laminated Products Ltd., Secunderabad-3.
25. British India Corporation Ltd.—Sutherland House, Kanpur.	89. R. L. Thompson, Agramaram Road, Bangalore-2.	133. Jones H. Edwin—Oriental Building, Bombay Elec. House, Ahmedabad.	188. R. Beema Naidu & Co.—Singanallur, Coimbatore.
26. R. L. Thompson, Agramaram Road, Bangalore-2.	90. Bengal Textile Agency Ltd.—11, Clive Row, Calcutta.	134. John, Kurian—Kottayam, Travancore State.	189. Naidu A. G. Guruswamy & Co.—Peelamedu, Coimbatore.
27. Bengal Textile Agency Ltd.—11, Clive Row, Calcutta.	91. Swadeshi Enterprise Ltd.—41, Chowringhee Road, Calcutta.	135. Kettlewell Bullen & Co. Ltd.—21, Strand Road, Calcutta.	190. Naidu P. S. Govindaswami & Sons—Coimbatore.
28. Swadeshi Enterprise Ltd.—41, Chowringhee Road, Calcutta.	92. Beardell W. A. & Co. Private Ltd.—Second Line Beach, Madras.	136. Kilburn & Co. Private Ltd.—4, Fairlie Place, Calcutta.	191. K. Mookerjee—18, Convent Road, Entally, Calcutta.
29. Beardell W. A. & Co. Private Ltd.—Second Line Beach, Madras.	93. Bhagya Lakshmi & Co.—Dehali Road, Udampiper Dt. Coimbatore.	137. Karamchand Thapper & Bros. Private Ltd.—Thapar House, 25, Brabourne Road, Calcutta-1.	192. B. D. Agarwala—Stephen House, 4, Dalhousie Square, Calcutta.
30. Bhagya Lakshmi & Co.—Dehali Road, Udampiper Dt. Coimbatore.	94. Rameshwar Lal Fanti—1 & 2, Old Court House Street, Calcutta.	138. Forbes, Forbes & Campbell Ltd.—Forbes Buildings, Home Street, Fort, Bombay.	193. Kesarnai Manohar—528/1, Halli Bath, Amritsar.
31. Rameshwar Lal Fanti—1 & 2, Old Court House Street, Calcutta.	95. Martin Burr Ltd.—12, Mission Row, Calcutta.	139. R. Suryanarayan Rao—Channarayana, Mysore State.	194. G. V. Swalka—"Pollock House", 18/B, Brabourne Road,

MANAGING AGENTS, MANAGING DIRECTORS, DIRECTORS OR SECRETARIES WITH THEIR RESPECTIVE ADDRESSES.

217. L. C. Kanol—P. B. Mission Row Extension, Calcutta.
218. Parry & Co., Ltd.—Dare House, Parry's Corner, Madras.
219. India Sugar Agencies Ltd.—Mangalore, Madras.
220. Price R. G. N.—National Bank Bldgs., Madras.
221. Z. R. Irani—1/153, Mount Road, Madras.
222. Christen Mica Industries Ltd.—1, Lyons Range, Calcutta.
223. R. N. Agarwala—4, Lyons Range, Calcutta.
224. Lohia Brothers Ltd.—138, Canning Street, Calcutta.
225. Roy, B. K.—1, 2 and 3, Old Court House Street, Calcutta.
226. M. D. Shivaramappa—Kampegowda Road, Bangalore 9.
227. W. Morris—41, Chowringhee Road, Calcutta-16.
228. Ramnarain Sons Ltd.—Bank Street, Fort Bombay.
229. Rajputana Textile (Agencies) Ltd.—Deisle Road, Chenchhoka, Bombay.
230. Rajam, C.—Oriental Bldgs Armenian Street, Madras.
231. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist.
232. Ratnas Ltd.—Pugalur, Trichinopoly.
233. I. Shanmugas—1129, Vani Vilasa Road, Mysore.
234. Bangar Bros. Ltd.—14, Netaji Subhas Road, Calcutta.
235. Soorajmull Nagarmull—8, Dalhousie Square East, Calcutta.
236. Shaw Wallace & Co., Ltd.—4/5, Bank-shall Street, Calcutta.
237. Srivastava, J. P. & Sons—Kanpur.
238. Bharat Ram Charat Ram Private Ltd.—Bata Hindu Rao, Delhi.
239. A. R. Kalaraja Chettiar—Coimbatore.
240. A. K. L. K. M. Narayanan Nambardipad—Kallai Malabar.
241. Singh, Ranjit—Lucknow.
242. N. L. Roy & Co.—9, Royal Exchange Place, Calcutta.
243. Shyamal Agarwal—9, Dalhousie Sq. East, Calcutta.
244. Sovaram Keshavdeo—15, Netaji Subhas Road, Calcutta.
245. Dr. P. N. Ghose—6, Ganesh Avenue, Calcutta-15.
246. Sundaram, S.—Indian Mercantile Chambers, Nicol Road, Bombay.
247. Sugnanis Padampat—Kamala Tower, Kanpur.
248. E. K. Srinivasan—16, Hare Street, Calcutta.
249. Steel Bros. & Co., Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
250. I. Stanes & Co.—Coimbatore.
251. Southern India Plantations Agency Ltd.—Coonoor.
252. Saha, Banuballav—18/11/1B, Raja Raj Ballav Street, Calcutta.
253. R. B. Pradhan—Empire House, 214, Hornby Road, Bombay.
254. Sindia, A. Ramchandra Rao—3rd Road, Chamarajpet, Bangalore City.
255. Setalvad, J. C.—75, Oppo. Churengate Station, Fort Bombay.
256. Scindia Steam Navigation Co., Ltd.—Ballard Estate, Bombay.
257. Ramnath A. Podar—Podar Chambers, Parson Bazar St., Fort Bombay.
258. Swedish Match Co.—Nicol Road, Ballard Estate, Bombay.
259. S. Ramaswamy Aiyer—Trivandrum.
260. Putanmai Bubna Sons—Indu House, Douglall Road Ballard Estate Bombay.
261. N. Shrivastava & Co. Private Ltd.—70, Forbes Street, Fort Bombay.
262. Ramnarayan Sons Ltd.—Bank Street, Fort Bombay.
263. Seshasayee Bros. Private Ltd.—Met-tur Dam R.S.
264. V. Venugopal Naidu—Sir Jayachama-raja Wadiyar Road, Bangalore-2.
265. Shree Hanuman Invt. Co. Ltd.—173, Harrison Road, Calcutta.
266. Lalukdar, B. S. Amiasadarpur, Nadia (West Bengal).
267. Tata Hydro-Elec. Agency, Ltd.—34, Bruce Street, Bombay.
268. Turner Morrison & Co., Ltd.—6, Lyons Range, Calcutta.
269. Tata Industries Private Ltd.—Bombay House, Bruce Street, Fort Bombay.
270. Thomas, A. V. & Co. Ltd.—Alleppey, drum.
271. Thomas, P. T.—Kottayam (Kerala State).
272. Thomas, M. K. & Co., Ltd.—Trivan-drum.
273. Taysabjee, O. S.—159, Gunfoundry Rd., Hyderabad (Deccan).
274. A. Hydan and S. Gothberg—Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay.
275. United Eastern Agencies Bombay House, Bruce Street, Fort Bombay.
276. United Agencies Ltd.—Punaur.
277. Villiers Private Ltd.—P. 3, Clive Buildings, Calcutta.
278. S. M. Smith—Bankshall St., Calcutta.
279. Williamson, Magor & Co., Ltd.—4, Mangoe Lane, Calcutta.
280. Whitman, M. J. M. C.—Mayo Road, Rawalpindi.
281. N. K. Jhagharia—22, Chittaranjan Avenue, Calcutta.
282. C. Hockley—3, Netaji Subhas Road, Calcutta.
283. P. N. Jhunjhunwala—Sewrie, Bom-bay-15.
284. Walchand & Co., Ltd.—Ballard Estate, Fort Bombay.
285. Wallace & Co.—9, Wallace Street, Bombay.
286. Wilkinson, A.—117/119, Esplanade Road, Bombay-1.
287. Young India Agencies Private Ltd.—175/1, Mount Road, Madras-2.
288. Dass Group Private Ltd.—29, Strand Road, Calcutta.
289. Y. S. Nayal—4, Clive Row, Calcutta-1.
290. K. S. Basu—63, Netaji Subhas Road, Calcutta.
291. Lionel Edwards (Private) Ltd.—21, Old Court House Street, Calcutta.
292. R. N. Jhunjhunwala & Co., Ltd.—9, Era Street, Calcutta.
293. J. F. Horwood—31, Chowringhee Road, Calcutta.
294. R. L. Rampuria—5, Fairlie Place, Calcutta.
295. Premnath & Sons, Ltd.—New Delhi.
296. S. N. Pantia—1 & 2, Old Court House Corner, Calcutta.
297. K. H. Mehta—Mehta House, Applio Street, Bombay.
298. L. S. Vaidyanathan—Oriental Build-ings, Bombay.
299. Kishore M. Premanand—61, Apollo Street, Fort Bombay.
300. Madanlal Kakasani—P-23/24, Radna Bazar Street, Calcutta-1.
301. Jennis Roy Galloway—1 & 3, Bra-bourne Road, Calcutta-1.
302. Mitra Mondal—Khatauli, Dt. Muzaf-farnagar.
303. G. S. Shroff—2, Hardinge Avenue, New Delhi.
304. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.
305. Thackersey Mooljee & Co.—16, Apollo Street, Fort Bombay.
306. Jatia Brothers Ltd.—21, Rupchand Roy Street, Calcutta.
307. Bhattera Agency Ltd.—18, Netaji Subhas Road, Calcutta.
308. The Hyderabad Constructions Co., Ltd.—Kothagudum Collieries, Singa-rem P.O., Deccan.
309. I. Leslie Martin—12, Mission Row, Calcutta.
310. D. S. Barron—Chakala Andheri P.O., Bombay.
311. Pyne & Sons—23A, Netaji Subhas Road, Calcutta.
312. Ram Kumar Agarwalla & Sons—4, Lyons Range, Calcutta.
313. Bullion Co., Ltd.—Canning Street, Calcutta.
314. Brooke Bond India Ltd.—2, Metcalfe Street, Calcutta.
315. Anderson Wright (Ramgarh) Ltd.—7, Wellesley Place, Calcutta.
316. The Cotton Agents Private Ltd.—14, Radna Bazar Lane, Calcutta-1.
317. Bird & Co. (Pakistan) Ltd.—Narayan-ganj.
318. Shree Krishna Investment Co., Ltd.—1-B, Halwasia Road, Calcutta.
319. H. V. R. Jengar—Dare House, Parry's Corner, Madras.
320. F. W. J. Penn—32, Grant Road, Ban-galore-1.
321. B. Ghosh—14, Old Court House Street, Calcutta.
322. M. S. R. Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Road, Fort Bombay-1.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.
324. Indo Corporation Private Ltd.—11, Swinboe Street, Calcutta.
325. Brian Granger & Co.—11, India House, St. Chowringhee, Calcutta.
326. E. L. Pyne—14, India House, Calcutta.
327. Marwar Textiles—Waudby Road, Fort Bombay.
328. John Taylor & Sons—Mysore Coogram, Mysore.
329. Sri G. D. Bhagat—15, Shub Thakur Lane, Calcutta.
330. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.
331. N. L. Roy & Sons—Canning Street, Calcutta.
332. M. P. A. Paspatti—16, Hare Street, Calcutta.
333. Manguram Jajpuria—Swadeshi House, Civil Lines, Kanpur.
334. H. Mackay Jallack—2, Fairlie Place, Calcutta.
335. Sahu Jain Ltd.—11, Clive Row, Calcutta.
336. Iutsidas Kilachand—Scindia House, Douglall Road, Bombay.
337. Beriwalla & Co.—63, Netaji Subhas Road, Calcutta.
338. D. H. Sons Ltd.—Hornby Road, Fort, Bombay.
339. M. G. Investment Corp., Ltd.—Matlati House, Backbay Reclama-tion, Bombay-1.
340. K. O. Cheriyan—Travancore.
341. N. L. Kanoria—India Exchange, Calcutta-1.
342. O. N. Chatterjee—2, Royal Exchange Place, Calcutta.
343. Indra Singh—135, Canning Street, Calcutta-1.
344. V. J. Piani—Victoria Bunder, Colaba.
345. The National Tea Corporation—130, Cotton Street, Calcutta.
346. Seshasayee Brothers (Travancore) Ltd.—Eloor Factory, Alwaye.
347. Jattia Brothers Private Ltd.—1 & 2, Old Court House Corner, Calcutta.
348. M. D. Jalan—62, Ballygunge Circular Road, Calcutta-19.
349. Seth, Subhanil Murarka—19 Circular Garden Reach, Calcutta-23.
350. K. Agarwal—Empire House, Dr. Dada-Bhoj Naoroli Road, Fort Bombay.
351. L. & L. (Management) Private Ltd.—L. C. House, Douglall Road, Ballard Estate, Bombay.
352. Chinai And Co. Private Ltd.—Sadha-na Rayon House, Dr. Dadabhai Naoroli Road, Bombay-1.
353. N. K. Jhagharia—14, Netaji Subhas Road, Calcutta.
354. L. C. Kanol—P. B. Mission Row Exten-sion, Calcutta.
355. T. R. Jalan—16, Strand Road, Cal-cutta.
356. R. Bajoria—10, Clive Row, Calcutta.
357. A. K. Jain—11, Clive Row, Calcutta.
358. L. P. Goenka—14, Old Court House Street, Calcutta-1.
359. G. D. Kothari—15, India Exchange Place, Calcutta.
360. S. K. Handoo—Volkart Building, 19, Graham Road, Bombay-1.
361. N. K. Bose—85, Netaji Subhas Road, Calcutta.
362. Dalmia Agencies Private Ltd.—Raj-kangpur (Orissa).
363. G. L. Nahata—14, Old Court House Street, Calcutta.
364. W. A. C. H. Bosschaert—7 Justice Chandra Madhab Road, Calcutta-20.
365. S. L. Dhanuka & P. L. Dhanuka—5 Mission Row, Calcutta.
366. A. K. Sen—48/1, Diamond Harbour Road, Calcutta-27.
367. Lakshminipat Singhania—7, Council House Street, Calcutta.
368. Kalyanji Mavji & Company—14, Netaji Subhas Road, Calcutta.
369. P. L. Batia—7, Canning Street, Calcutta.
370. Pannajai Saraogi—8, Lyons Range, Calcutta-1.
371. P. L. Sarogi—58, Str. Hariram Goenka Street, Calcutta-7.
372. H. K. Newar—9, Brabourne Road, Calcutta.
373. C. L. Maheswari—Shreenivas House, Waudby Road, Fort Bombay.
374. Talukdar Law & Co. Private Ltd.—4, Chittaranjan Avenue, Calcutta-13.
375. K. N. Mookerjee—Leslie House, 19, Chowringhee, Calcutta-13.
376. K. D. Ganguli—Mercantile Buildings, Lalbazar, Calcutta.
377. K. C. Dass & B. Maitra—35, Panditla Road, Calcutta-20.
378. R. N. Goenka—18-A, Brabourne Road, Calcutta.
379. R. N. Goenka—30, Clerk Road, Calcutta-11.
380. R. N. Goenka—India Corporation Ltd.—House, St. Chowringhee, Kanpur.
381. S. N. Dalmianagar Bihar.
382. S. N. Dalmianagar Bihar.
383. W. A. C. H. Bosschaert—9, Brabourne Road, Calcutta.
384. P. N. Dalmianagar Bihar.
385. G. P. Kanoria—5, Clive Row, Calcutta.
386. D. N. John—McLeone House, 3, Netaji Subhas Road, Calcutta.
387. Shubendra Sankar Sarbadhyaksha—Jalpaiguri.
388. A. V. Taria—9, Kalprasanna Singh-Road, Calcutta-2.
389. British India Corporation Ltd.—Kanpur.
390. L. Rafan—16/3, Chowringhee Road, Calcutta-13.
391. H. M. Cox—59-C, Chowringhee Road, Calcutta-20.
392. A. V. Niblett—32, Chowringhee Road, Calcutta-16.
393. Khatai M. Snehia—14, Netaji Subh-Road, Calcutta-1.
394. B. M. Birla—India Exchange, Calcutta-1.
395. W. K. Malden—Lohat, Darbhanga.
396. G. D. Wilson—21, Netaji Subhas Road, Calcutta.
397. N. M. Bhuwalka—133, Canning Street, Calcutta.
398. Hoare Miller & Co., Ltd.—5, Fairlie Place, Calcutta.
399. B. Patnaik & Co. Private Ltd.—P. Chowdwar, Cuttack.
400. H. K. Kanoria—9, Brabourne Road, Calcutta-1.
401. K. V. Venkatasubramoney Iyer—Seet-gundy Estate, Sitharkunda P.O., Po-gnat, Dist. Kerala State.
402. A. V. George & Co., Ltd.—Anche-Bank Buildings, Post Box 1, Kottayam, Kerala State.
403. Mathew Sebastian—Thodupuzh, Kerala State.
404. Planting Agencies Private Ltd.—O-ental Buildings, Armenian St. Madras-1.
405. The Consolidated Coffee Estates (P)-Ltd.—Pollibetta, Coorg.
406. C. I. Maehia—Pollibetta S. Coorg.
407. Srinivas Agencies—Colimbatore-2.
408. K. N. Krishna Iyer—22, R. pett High Road, Madras-14.
409. Young India Agencies Pvt., Monorama Bldgs., K. K. E. 80, tayan (Kerala State).
410. Parkins Private Ltd.—Kottayam.
411. Johnsons Estates & Agencies Ltd.—Malankara Bldgs., Kottayam, Kottayam Kerala.
412. Associated Planters (Pvt.) Ltd.—General Patters Road, Madras-1.
413. J. R. Motishaw—Mercantile 1 & Biding 16, First Line Beach, Madras.
414. K. V. Mathew—Kottayam, Ker State.
415. K. Ramachandran—Patton, P.O. Trivandrum-4.
416. N. Kunjkrishna Pillai—T. P. Patton Palace, P.O. Trivandrum.
417. Rangoo Rao & Co.—Venkatara, Tannku, West Godavari District, Pradesh.
418. The India Sugar Agencies P. —139 Meadows Street, Fort Bombay.
419. R. S. Industrial Corporation Pvt. Ltd.—Rayagada, Koraput Dist., Or State.
420. V. Ramakrishna Sons (Private 38 Mount Road, Madras-6.
421. Seshasayee Brothers (Travanco Ltd.—1, Ceramic Factory Road, K dora (Kerala).
422. Sir A. Ramaswamy Mudalliar—E. Madras.
423. F. J. M. Leigh—7, Armenian Str Madras-1.
424. K. H. Sundaram Iyer—Tiruvotti, Madras-19.
425. Essen Private Ltd.—175/1, Mount Road, Madras-2.
426. J. L. Usha—Old Tumkur Road, Malles-warum, Bangalore-12.
427. The Standard Motor Co. (India) Pvt. Ltd.—29, Mount Road, Madras-2.
428. E. H. Stanes—6/33, Race Course Road, Coimbatore-1.
429. Balasundaram & Co.—Satyamangalam Road, Ganapathy P.O., Coimbatore-8.
430. A. M. M. Arunachalam—52/53, Jehan-gir Street, Madras-1.
431. J. M. Parsons—2, Fairlie Place, Calcutta-1.
432. Manojit S. J. S. Rana—1, Humayya Place, Calcutta.
433. G. N. Sain & Co.—Senthottam Sow-ripalyam P.O., Coimbatore-4.
434. G. Kejriwal—Rajgangpur Dist. Sun-dergarh Orissa State.
435. D. C. Ghosh & Co. (Agents) Private Ltd.—11, Government Place East, Calcutta.
436. N. U. Sangur—14, Netaji Subhas Road, Calcutta.
437. R. N. Shottika—4, Old Court House St., Calcutta.
438. Birla Gwallor Private Ltd.—Industry House, 150 Churchgate Reclamation, Bombay-1.
439. R. S. Bajpai—Kamala Tower, Kanpur.
440. R. L. Jatia—9, Brabourne Road, Calcutta-1.
441. S. K. Agarwalla—24, Netaji Subh-Road, Calcutta-1.
442. S. P. Shoumick—17, 18 & 19, 1 Court House Street, Calcutta.
443. Madan Mohan Lall Sori Ram Ltd.—D.C.M. Premises, Bata Hind, Delhi-6.
444. T. R. Jalan—2, Brabourne Road, Calcutta-1.

action will be taken. We hope also that they will be able to make concrete, practical and economical suggestions for speedy turn-round of wagons.

Use of Block Rakes

For the operational convenience of the Railways, bulk point-to-point movement of coal was largely introduced, as a consequence of the Coal Conference held in Delhi in December last. The use of block rakes at collieries, particularly the smaller units—and there are many more smaller units than larger ones—presents innumerable problems. I would like to cite an example. A colliery producing 300 tonnes a day would receive a block rake for loading on every fifth day. Under this scheme the colliery would have to stack its daily production for five days and arrange to load something over 1500 tonnes of coal within a period of five hours. No colliery, I submit, can work satisfactorily on this basis, and it is hoped that in this matter of block rake movement a workable solution will be found, to ensure that all the coal raised is moved to those who need it.

We welcome the initiative shown by our Minister, in developing alternative means of transport so that the full burden does not fall on the Railways alone. Moreover, we applaud all measures which will result in increased movement of goods, including coal. The success of any scheme to encourage greater use of road transport involves the rapid improvement of roads and bridges and the availability of sufficient vehicles of the right size to make it an economic proposition. The early construction of the Durgapur Expressway could afford great relief to the already congested traffic on the

Grand Trunk Road, and we welcome the steps that have been proposed by the Transport Ministry in conjunction with the State Governments and hope these will now be implemented. The many schemes that exist on paper should now be made a physical reality.

With regard to the rail-cum-sea route, the target of 2 million tonnes announced a few years ago has still not been reached, and the position is said to be under review. Because of the increased coastal freight rates as well as the proposed increase in Calcutta Port charges, the cost of coastal shipments will become even greater than the present high costs. I submit that this needs early re-examination in the interests of the consumers.

A matter connected with the transport problem is the delay in the construction of Central Ropeways for san-stowing in the Jharia and Ranigunge Coalfields, regarding which I expressed concern last year. I must once again record our very grave concern over the slow progress made, particularly as our coal production becomes more and more dependent on stowing with sand to be provided by these schemes. I hope that this matter will continue to receive the urgent attention of the Coal Board in the overall interests of both safety and conservation.

Subsidies for Stowing

On the subject of stowing, this Association has perhaps with tireless persistence drawn attention to the recommendations made by the Coal Prices Revision Committee which clearly specify that subsidies should fully neutralise actual costs incurred in stowing. We understood that our

previous submissions to Government in this connection would be considered favourably but we found to our regret that Government's revised proposals which were announced in August fell far short of our expectations. Under these revised rates of subsidy, those collieries which had not hitherto undertaken any stowing voluntarily on the plea of financial stringency, now stand to have their more expensive stowing costs involving conveyance of sand by road transport, neutralised in full, while those units which had voluntarily undertaken stowing to conserve national wealth will continue to be at a disadvantage. This discrimination should be removed, and while no one denies the necessity to encourage more sand-stowing, the progressive units which at their own expense long ago installed mechanical sand-gathering equipment should not be made to suffer in the matter of full neutralisation of costs incurred.

I also feel that it is necessary to point out that the literal interpretation of the principles and procedures laid down in the Coal Board's Manual tends to vitiate against the spirit of the Coal Mines (Conservation & Safety) Act. Because of restrictive interpretations, many collieries have to incur additional costs, apart from the subsidies they receive, to the extent of up to Rs. 1.50 nP per tonne. This Association in December last put forward numerous proposals in this respect, so that the assistance rendered could be more realistic. I hope that the Coal Board will soon rectify the position.

We are also grateful for the interest our Minister has taken in the matter of improving benefits to collieries from the scheme to subsidise working under

adverse mining conditions. The rate were enhanced in November last. We have been told that the rates cannot be increased because the total income from the cess is insufficient. The solution, if I may venture to suggest one lies with Government in that more funds could be obtained if the present cess on despatches could be suitably altered. As it is possible that coastal shipments may now be reduced to 1 million tonnes per annum, more funds within the framework of existing levies would be available, and I would suggest that these surpluses be used to increase the subsidies payable for working under difficult conditions.

The other day, the State Chief Minister and our Minister both stressed the vital need to extract coals from deep seams to a much greater extent. We in this Association fully concur with this view, because we are largely confined to vertical expansion, but it must be remembered that extraordinary mining difficulties and hazards are encountered at depth. The existing subsidies are totally inadequate to cover the greatly increased costs of such extraction, and my submission is that Government, in order to provide the proper climate for such developments, might appropriately consider the formulation of a special subsidy scheme for this particular purpose.

Report on Grading

I shall now deal with the all-important subject of Grading. Last year, I dwelt on this subject at some length and referred to the appointment of an Experts Committee which was to look into the possibility of changing the present system of sampling adopted by the Board and the existing system of classification of coals on the basis of ash and ash plus moisture contents. This Committee submitted its report to Government in July and urged that the classification of all coals should be fixed on the basis of their calorific value. We did not agree with many of the recommendations made by the Committee and we submitted our own views to Government in August. We agreed with Government's suggestion that a sample survey should be undertaken before the changes recommended were introduced as these would have serious effects on the pricing system which could only become apparent after the sample survey had been completed. About 74 units were selected for this survey and although we agreed to extend every co-operation to the Coal Board's field staff to expedite this work, I must record with regret that the traditional approach of the field staff to this as also to other problems reveals that in the few cases where samples have been drawn the procedure laid down by the Committee has not been properly followed, thus vitiating the results and defeating the very purpose of this exercise. I trust that before the new price structure on the basis of the revised classification is determined, our considered views will be taken into account. We continue to hear references to supplies of bad quality coal and we in this Association have persistently asked our Members to take such measures as are humanly possible to ensure that consumers have no cause for complaint.

We have continued to face difficulties over power and explosives. Our problems over power had, we felt, been resolved when the surplus energy available from Rihand and Hirakud was linked to the D.V.C. System. Many collieries in West Bengal were unable to derive full benefits from this increased availability, since the State Government's Electricity Licensing Committee was not aware until December that the Central Government had decided that the requirements of the Coal Industry were to receive the highest priority. Fortunately, we did not experience a very severe monsoon in 1962 and the peak loads normally essential for pumping immediately fol-

lowing the monsoons were not taken up. I would like to record our appreciation of the prompt steps taken by the Central Government and the assistance rendered to us by the Coal Controller's Organisation, since a year ago the situation was, indeed, critical.

The supply of explosives has been most unsatisfactory. Severe production cuts during our peak raising periods have been forced on us due to non-availability of the approved types of explosives and detonators. Emergent supplies have had to be rushed up to the coalfields on occasions. If production is not to be interfered with, any new arrangements for supply of explosives should be examined, in detail before implementation, if they involve changes in the existing arrangements.

Acquisition of Land

We have also continued to face difficulties with regard to acquisition of land and had hoped that our problems would have been overcome through the amendments to the Land Acquisition Act which were effected last year. We have put up numerous proposals to Government and have also discussed our difficulties with the respective State Governments. Unfortunately, the amendment restricts the purposes for which land can be acquired under the Act. I do hope something tangible will result from our representations in this matter.

Our dispute with the West Bengal Government over the removal of royalty-receiving rights of lessees and sub-lessees seems nearer solution, in that although the appeals are still pending in the High Court, talks are to be held shortly with a view to arriving at an out-of-court settlement. I might add that this Association has during the past few years proposed such an amicable settlement which we had then hoped would have been possible. In Bihar, the position remains unaltered, although in both States income from royalties has been virtually abolished without compensation since the end of December, 1961.

The decision of the Supreme Court in the matter of application of the Coal Bearing Areas (Acquisition and Development) Act, 1957, to lands which had vested in the State Governments was announced in December last. This generally supports the view taken by us which is that Central legislation relating to a basic industry such as Coal should and must prevail over State enactments. The dispute now having been resolved, several areas in the Ranigunge Coalfield have been notified for acquisition by the National Coal Development Corporation. Some of these notifications cover working collieries and the law as it stands, prohibits the continuance of mining operations in notified areas. This results in a most anomalous situation, in that on the one hand we are continually being pressed to increase production while on the other hand continuance of mining in such cases would result in an infringement of the law. I have already stated that in many of the units in the Private Sector workable deposits are nearing exhaustion. If such units are to be allowed to continue, new workings are essential to replace lost production potential. Our Minister, in an address from another platform a few weeks ago made a welcome comparison of our mixed economy with that of the European Community and referred to the "happy combination of the Public and Private Sectors engaged in a joint endeavour to maximise coal production." For this mixed economy to function effectively, it is essential to create an atmosphere in which both sectors can work in close co-operation, have equality of opportunity and be allowed to operate under similar conditions.

Our periodic meetings with the Chief Inspector of Mines have continued and are now accepted as most beneficial to

both sides. No one denies that the safest pit is the best one for increased production and this view, I know, is shared by our Chief Inspector. Many of the measures which we feel are essential, from the point of view of safety, and which we would like to introduce so as to establish in India the pattern adopted in other countries where legislation follows the practices of enlightened managements, are regrettably not possible within the framework of our existing price structure.

Labour Relations

Except in the case of a large unit in the Ranigunge Coalfield, our relations with labour have generally been satisfactory. It was most unfortunate that due to intra-union rivalry, there was a prolonged strike accompanied by violence, resulting in assaults on managerial personnel and the stoppage from work of safety men in a mine that is well known for its extremely dangerous workings due to the influx of gas. While breaches in the Code of Discipline on the part of the union and its officials have been brought to the notice of the authorities, the action taken, if any, under the Code does not appear to have had any noticeable result since the dispute within the union still remains unresolved. Stoppages of work without notice on this account at neighbouring collieries have also been reported. I do hope that the Central Workers' Organisation concerned, with the assistance of Government, can resolve this unsatisfactory state of affairs at an early date.

During the year, we received a Questionnaire from the Bonus Commission asking for our views on the introduction of a Profit-Sharing Bonus Scheme for our workers. As bonus disputes in coal mines had been eliminated altogether as far back as 1948 with the introduction of the statutory Bonus Scheme not dependent on profits, we opposed this proposal in our written reply and when we appeared before the Commission earlier this year. I hope that the Commission is convinced that it would not be in the interest of the workers themselves to have a profit-sharing bonus scheme. Improvements in the present scheme have already been effected, but we are always open to further suggestions which would make our existing bonus scheme even more satisfactory.

The Wage Board for the Coal Mining Industry which was constituted in August last has recently recommended an interim wage increase of Rs. 9.75 nP per worker per month pending the submission of its final report. The price increase sanctioned to implement this does not meet the cost in full, and in the case of By-product Coke Plants and we hope that this anomaly will be rectified. The Board has also issued a very detailed Questionnaire calling for voluminous statistical information from individual managements. If the Wage Board is proposing to include in its terms of reference matters which do not in any way have a direct bearing on wages, one fails to see how it can finalise its deliberations with the expedition demanded of it.

In the field of welfare, while progress has been made, our activities and those of the Coal Mines Labour Welfare Fund Organisation have to some extent been curtailed due to the Emer-

gency as a measure of economy. However, an approved scheme for the establishment of Co-operative Societies in the coalfields was recently circulated to managements. I would appeal to our members to extend their whole-hearted support so that the success of this scheme can be assured. The Housing Board has introduced a "Build Your Own House" scheme for miners, who are now entitled to financial assistance by way of subsidies and loans for construction of their own houses according to a given standard. The response has so far been poor but I would urge our Labour Unions to give wide publicity to this and encourage the implementation of this excellent proposal.

Turning now to minerals other than Coal, I am pleased to say that progress last year was generally satisfactory and output and movement of iron ore, limestone and dolomite for the Steel Industry again kept pace with the increasing demand. The position concerning manganese ore is still unhappy, as exports have again been very disappointing on account of ready availability of high grade ores from countries which enjoy a freight advantage over India. Future prospects are not encouraging.

Last year I reported that the Iron ore Mines Welfare Cess Act, 1961 sought to create a Welfare Fund for workers in iron ore mines. The Government of India has not yet notified a date for starting the levy and collection of this cess.

Welfare Funds

At the Third Session of the Industrial Committee on Mines other than Coal a proposal was considered for constitution of separate welfare funds for each category of non-coal mines. It was felt that whereas such funds can be efficiently administered in respect of minerals produced on a large scale such as coal, iron ore and mica, this would not be a practical proposition for most other minerals as units are often small and widely dispersed. It was, however, agreed that the Ministry of Labour and Employment should examine the possibility of establishing a common welfare fund covering all non-coal mines and should prepare a working paper on the subject for discussion at a future Session of the Committee. With regard to wage-fixing for workers in non-coal mines, the Committee agreed that the Minimum Wages Act, 1948, should be extended in three stages to all mines and meantime we learn that two Wage Boards are shortly to be set up for the iron ore and limestone-cum-dolomite mines.

Gentlemen, I would be failing in my duty if I do not make some statement on the Industry's relations with Government. These relations, I am happy to say, are indeed excellent. We have our differences and on occasions when we are critical it would sound as though the Industry and Government have a very poor opinion of each other. This, of course, is not the case, otherwise many of our distinguished guests would not be sitting with us today. The tasks that face us in the future require the joint and co-operative efforts of all concerned. The years that lie ahead hold a great opportunity for the Mining Industry which is charged with the task of making a significant contribution to the industrial growth of this country. Given the necessary incentives and encouragement, there is no reason why we should not prove equal to the challenge and I am confident that if the authority and power of Government is linked in a joint endeavour with the resources

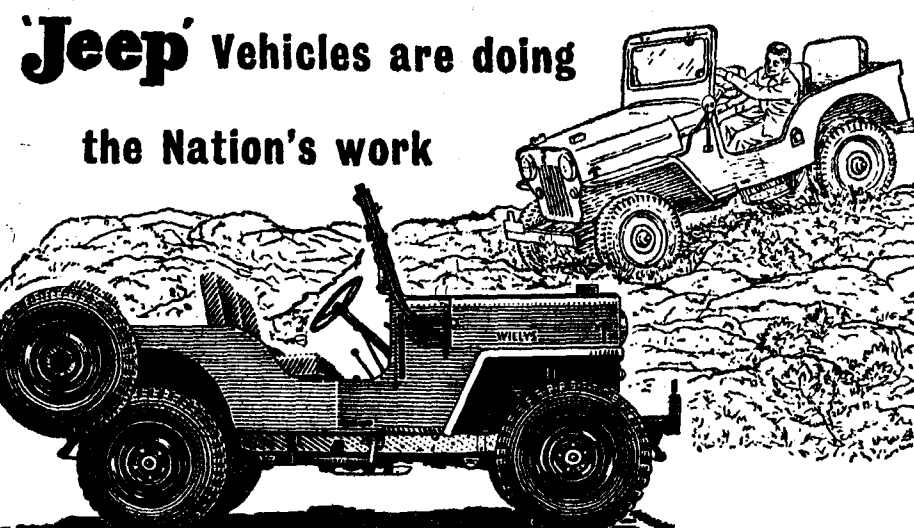
and potentialities of private enterprise, there is no doubt that we can with confidence shoulder the burdens of the future.

Checks and Balances

Our country's philosophy, based on the principle of peace and co-existence, demands continuous vigilance if we are to preserve our liberties. It requires a spirit of live and let live. It needs, in the industrial sphere, an understanding of the wants of the community. We in the Mining Industry are conscious of our responsibilities in these and other directions and with the checks and balances that exist on the financing, development, labour policy, extraction and distribution of our products, the community can be sure that their requirements will be suitably met. These controls, wisely applied, will ensure that while sufficient freedom exists to guarantee efficient working, unfettered exploitation is not permitted. The days of "post-office socialism" also, namely, the working of enterprises without profit or loss, are gone, and the need for a fair profit commensurate with the hazards of the Industry and its requirements for growth will be recognised. It is in this context that I should like to say that so long as we in the Industry continue to demonstrate our vigour and vitality and the successful fulfilment of the community's wants, we need have no fear of saying frankly and objectively what the country should, in turn, do for us. For this reason also, I am convinced that with the controls which form part of our planned economy, there is no cause for the occasional cry of Nationalisation which one sometimes hears. We are playing our part according to our programmes and while we all continue to do that, there is nothing that a nationalised industry can do which we cannot do as well, if not better.

In conclusion, Gentlemen, I would like to stress, that it is the aim of this Association to co-operate wholeheartedly with Government in all its plans for the industrial development and defence of our great country.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.



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